

What is the due diligence process at Kestra Financial?

Most investments carry some degree of risk. Before any complex product, including an alternative investment, is offered to clients, it must pass a rigorous vetting process performed by a team of highly trained and experienced professionals at Kestra Financial. The illustration below highlights the process undertaken by Kestra Financial to meet these objectives. Due diligence does continue beyond the initial review. Kestra Financial schedules ongoing reviews including but not limited to a formal annualized review process to continually assess the risk of these products/offerings.



Different investments, including alternative investments, have different risk and return parameters. Talk to your financial advisor to see if alternative investments and other complex products may benefit your portfolio.

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Alternative investments, including hedge funds, real estate, and managed futures, involve a high degree of risk, often engage in leveraging and other speculative investment practices that may increase the risk of investment loss, can be highly illiquid, are not required to provide periodic pricing or valuation information to investors, may involve complex tax structures and delays in distributing important tax information, are not subject to the same regulatory requirements as mutual funds, often charge high fees which may offset any trading profits, and in many cases the underlying investments are not transparent and are known only to the investment manager. The performance of alternative investments, including hedge funds and managed futures, can be volatile. An investor could lose all or a substantial amount of his or her investment. These types of investments may not be suitable for all investors. Please consult with a financial or legal professional before investing in alternative investments.