



# GV Financial

## ADVISORS

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*Founded in 1991, GV Financial Advisors is a registered investment advisory firm currently managing more than \$800 million in assets. Based in Atlanta, GV offers expertise and experience in wealth coaching, proactive financial planning, investment management, creative estate planning, business exit strategies and charitable giving strategies for high-net-worth clients nationwide.*

### An interview with Chief Operating Officer Matthew Geller and Portfolio Manager Aradhana Kejriwal, CFA



Matthew Geller



Aradhana Kejriwal

#### What is GV's investment philosophy?

**Matthew Geller:** We believe the purpose of wealth—perhaps the only purpose of wealth—is to help our clients live the most meaningful and satisfying lives they desire. As a result, our investment philosophy begins with the simple, yet surprisingly profound notion that the client's goals and desires should drive their investment strategy.

As such, our first responsibility is to help clients imagine what they want their lives to be so they can make the next 30 years the best years of their lives. We engage clients in a series of guided conversations designed to explore their values and vision and help them map out a detailed life plan. Our investment and client teams then work together to create a unified, customized investment strategy designed to help clients achieve their goals.

**Aradhana Kejriwal:** We base our investment approach on the time-tested principles of modern portfolio theory, which emphasize the critical role that asset allocation and proper diversification have in generating long-term investment success. Our investment process is designed to help ensure that we remain methodical when conducting our own research, performing due diligence, and selecting money managers. We believe our rigorous discipline helps reduce the chances of making emotional decisions that can have a negative impact on clients' portfolios.

#### How does GV differentiate itself from the competition?

**AK:** We are committed to the ruthless execution of investment fundamentals. We believe long-term investment success stems

from underlying value, not market timing or gimmicks. We strive never to allow ourselves to get distracted by the latest investment fad or apocalypse du jour. We focus on implementing our process, not on reacting to every short-term movement of the market.

**MG:** Our second differentiator is our service model. GV's nearly 50 professionals are organized into client service teams that provide clients with prompt, consistent advice and service. We believe our teams provide clients with an optimal experience and that this client-centered collaboration builds trust that truly resonates with our clients.

We also believe our carefully delineated process, collaboration among advisors, and cross-training make it possible for our clients to receive the benefit of our collective wisdom, judgment and experience.

#### How do you approach investment management?

**MG:** We approach investing holistically, looking to our clients' goals, tolerance for risk, income needs and tax sensitivity. We strive to remove emotions from the investment equation, both by back-testing our own assumptions and by helping our clients avoid making investment decisions based on greed or fear. We also keep abreast of developments in the psychology of investing and spend time educating, reassuring and talking with clients. Investing is a uniquely human endeavor, and we never forget that it is more than just money that we manage.

**AK:** We also approach investment management like a science. Just like a scientist, we evaluate a variety of economic and market data to reach conclusions. We then back-test the data and revisit our assumptions and reasoning. Using history as a guide, we believe that value-oriented assets have outperformed growth-oriented assets over the long run. That evidence led us to adopt a slight value bias in our seven strategic model portfolios. And when we found that several studies concluded that tactical rebalancing was more effective than periodic rebalancing, we acquired a sophisticated program to rebalance our clients' portfolios tactically. This program helps us control portfolio drift, may provide opportunity to improve return by capturing buy-low and/or sell-high opportunities as asset classes sporadically drift relative to each other.

## How do you tactically manage investments within a strategic portfolio?

**MG:** Aradhana and I co-chair the GV investment committee, which meets at least once per month—sometimes more. When economic data or market sentiment suggests a potential opportunity in an asset class, our investment committee, using our disciplined process, makes the tactical decision to either increase our allocation in those asset classes we consider to be undervalued, or reduce our allocation in those asset classes that we consider to be overvalued.

**AK:** Because market changes may warrant tactical shifts at any time—we review, monitor and discuss key data at every investment committee meeting. In addition to these monthly meetings, our investment committee also carves out time twice each year so that our GV research resources can completely focus on actively searching for data that suggest there might be tactical advantages in one or more asset classes. This deeper dive research can—and does—take up to a hundred hours of team focus at a time.

## Please describe GV's investment process.

**AK:** The first step of our process is to determine the overall asset allocation for various investor risk profiles. This attention to diversification is critical, as we found that several studies indicate that asset allocation may determine up to 90% of a portfolio's return over time. Next, we decide how much to allocate between money managers and index-based investments within each asset class. We tend to favor index-based investments in efficient asset classes. We favor money managers when we believe they have the potential to exploit market inefficiencies and may outperform their index benchmarks.

**MG:** While complex and rigorous, there is no magic to our investment process. As Aradhana mentioned, we are committed to the ruthless execution of investment fundamentals. We think of ourselves as ruthless because we are committed to and have faith in our investment process; we strive never to let emotions rule our decisions.

## Describe your selection process for choosing money managers.

**AK:** Our manager selection process focuses both on quantitative and qualitative criteria. We begin with a broad universe of money managers. We winnow the list by looking at specific quantitative data and filtering out those managers who do not meet our criteria. Among other factors, we look for managers with a historical track record and who we believe have an identifiable, understandable and verifiable investment process. Our qualitative process assesses their qualifications, including their education, experience—even their age and health. We dissect their investment

process and investment discipline to help ensure that we fully understand how they generate their investment returns. We then select only those managers who meet both our quantitative and qualitative criteria.

## What is the process for ongoing monitoring of money managers?

**AK:** Our ongoing monitoring process is as rigorous as our initial selection process. On a weekly basis we do online searches for any news about the managers, and on a monthly basis we review performance returns. We also conduct quarterly conference calls with managers to ensure that we keep close tabs on their activities and their thinking. Finally, we conduct in-depth annual due diligence reviews, and we also make time for periodic on-site visits.

## How do you describe GV's culture?

**MG:** Our culture is driven by ethics. We have four core values that serve as the guiding principles for everything we say and do. First, we do what is right. Secondly, we advocate for our clients—and the people and causes that they care about. Third, we strive to be more than fair. And finally, we take responsibility for all that we say and do.

## What is your favorite quote?

**AK:** Sir John Templeton said, "The four most dangerous words in investing are 'This time it's different.'" You cannot turn on the television without some pundit telling you how today's market is unlike anything that has come before and that you must use this or that new strategy. Our experience confirms what Templeton said—even when things change rapidly, fundamentals still hold true.

## How do you define success?

**MG:** At GV, we define success as having played a significant role in helping our clients imagine, create and live extraordinary lives. Money is important, but we never forget that money is just one of many tools each of us has to live the life we desire and enhance the lives of the people we care about. Achieving success in these terms is never easy; our goal is to use our entire team working together with our clients to make that happen—but that is the challenge that gets us excited to come to work every day.

## What are your firm's greatest strengths?

**MG:** Our greatest strengths are our Four P's: our people, our principles, our process and our passion. While all four are great strengths, GV is definitely a living example of the whole being greater than the sum of its parts.

For more information, please visit [www.gvfinancial.com](http://www.gvfinancial.com) or 770-295-5600.

Opinions and information discussed are current as of May 2011. Subject to change without further notice.