



# GFWM AND GFAM DISCLOSURE BROCHURE

GFWM GPS SELECT SOLUTIONS AND  
GENWORTH FINANCIAL ASSET MANAGEMENT STRATEGIES

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## GFAM DISCLOSURE BROCHURE

### GENWORTH FINANCIAL ASSET MANAGEMENT STRATEGIES

#### Form ADV – Appendix 1

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#### ITEM 1 – COVER PAGE

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*This Genworth Financial Wealth Management Disclosure Brochure provides information about the qualifications and business practices of Genworth Financial Asset Management, a division of Genworth Financial Wealth Management (“GFWM”). If you have any questions about the contents of this Brochure, please contact GFWM using the information shown on the left. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. GFWM is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.*

*Additional information about GFWM also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).*

**Genworth Financial Wealth Management, Inc.**

**ITEM 2 – MATERIAL CHANGES**

This section provides a summary of material changes that were made to this brochure since the last annual update, and is intended to help Clients determine if they want to review this brochure in its entirety, or contact their Financial Advisor or GFWM with questions about the changes.

This summary may include any change to Genworth Financial Asset Management's ("GFAM") policies and practices, a change in the management of your account, or additional conflicts of interests for your consideration. Additionally, this summary will also include any new product offerings introduced in the last year, or product offerings that may no longer be available to new business.

Since March 2012 there have been no material changes.

GFWM may make interim updates to its disclosure brochure throughout the year. We will provide clients with additional information about material changes, as necessary. Information about GFWM is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). To request a copy of the most recent disclosure brochure, contact us at:

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## ITEM 4 – SERVICE, FEES AND COMPENSATION

This Disclosure Brochure provides clients with information about the advisory services of the Genworth Financial Asset Management Division of Genworth Financial Wealth Management, Inc. (“GFWM”) and is meant to be read in conjunction with the GFWM Advisor Model Platform Disclosure Brochure, Appendix 1. If you have not received the GFWM Advisor Model Platform Disclosure Brochure, please contact your Financial Advisor.

This GFAM Disclosure Brochure is meant to be read in conjunction with the GFWM Advisor Model Platform Disclosure Brochure for those selecting GFAM Advisory Services.

### DESCRIPTION OF GFAM ADVISORY SERVICES

GFWM provides a variety of investment advisory services to clients. The services discussed in this Disclosure Brochure are investment advice and management for the following services available through the GFAM Division of GFWM:

Privately Managed Accounts, including:

#### Individually Managed (“IMA”) Accounts

- GFAM Preservation Strategy
- GFAM Fixed Income Strategies

#### Unified Managed Accounts, including:

- Genworth Multiple Strategies (“GMS”) Accounts, and
- Active Return Opportunities (“ARO”) Accounts
- Privately Managed Portfolios (“PMP”) Accounts

The following advisory services, also described in this brochure, are closed to new business.

- GFAM Principal Return Exposure Strategy (“PRX”)
- GFAM Strategy designed for use with LifeHarbor Income Certificate (“GFAM-LHIC”)

### PRIVATELY MANAGED ACCOUNT INVESTMENT SOLUTIONS

The Genworth Financial Asset Management (“GFAM”) division of GFWM may act as Investment Manager (“Discretionary Manager”) for the Privately Managed Account (“PMA”) Investment Solutions.

Each client designates, with the assistance of the Financial Advisor and based on the client’s individual investment objectives, one or more of the PMA solutions available.

#### *GFAM Preservation Strategy*

For the GFAM Preservation Strategy Investment Solution, GFAM acts as Investment Manager for Client Accounts. GFAM shall provide discretionary investment management services to the Account, and the Client grants GFAM the authority to buy and sell securities and investments for the Account, to vote proxies for securities held by the Account and such other discretionary authorities described in the CSA.

In the GFAM Preservation Strategy Investment Solution, the Client need make no further selections, with the assistance of their Financial Advisor, to specify the Strategy for the Account. The GFAM Preservation Strategy follows an Absolute Return Allocation Approach and is considered to be Risk/Return Profile 1.

The primary investment objective of the Preservation Strategy is to avoid a calendar year loss. Intra-year volatility and performance may

vary and are independent of the Strategy’s primary investment objective. There is no guarantee that the Strategy’s primary investment objective will be met in all market conditions. The Account will be invested primarily in mutual funds and exchange traded funds.

This strategy may invest in, among other things, “opportunistic” or “specialized” asset categories, which may include real estate, commodities, precious metals, energy and other less traditional asset classes, with no geographic restrictions, Proprietary/Affiliated Funds and the Genworth Financial Contra Fund, which is advised by GFWM. The Contra Fund seeks to provide protection against severe and sustained declines in the broad based equity markets, and it generally invests in options on stock indices.

For GFAM Preservation Strategy, the account minimum is \$50,000.

#### *GFAM Fixed Income Accounts*

For the GFAM Fixed Income Accounts Investment Solution, GFAM acts as Investment Manager for Client Accounts. GFAM shall provide discretionary investment management services to the Account, and the Client grants GFAM the authority to buy and sell securities and investments for the Account, to vote proxies for securities held by the Account and such other discretionary authorities described in the CSA.

For a GFAM Fixed Income Account Investment Solution, the Client, with the assistance of their Financial Advisor, shall select a Mandate for the management of their account. There are no Asset Allocation Approaches or separate Risk/Return Profiles available for a GFAM Fixed Income Account.

The available Mandates for the GFAM Fixed Income accounts are as follows:

- *Laddered Bond Mandates.* These Strategies invest the Account in either U.S. Treasury, U.S. Agency, or U.S. Treasury Inflation Protected bonds, with an intermediate effective duration, on a buy and hold basis.
- *Municipal, Duration-based and the High Yield Mandates.* These Strategies invest the Account in closed-end funds, exchange traded funds or mutual funds to obtain relevant exposure specific to desired asset categories.

For GFAM Fixed Income Accounts, the account minimum is \$50,000.

### UNIFIED MANAGED ACCOUNT (“UMA”) INVESTMENT SOLUTIONS

The Unified Managed Account Investment Solutions include:

- Genworth Multiple Strategies (“GMS”),
- Active Return Opportunities (“ARO”) and
- Privately Managed Portfolios (“PMP”) accounts

GFWM manages UMA Accounts through GFAM whereby GFAM serves as Overlay Manager and may also be referred to as “Discretionary Manager.”

As Overlay Manager for the UMA Investment Solutions, GFAM provides discretionary investment management services and coordinating recommendations of independent Investment Management Firms acting as portfolio advisers to GFWM. As Overlay Manager for UMAs, GFAM may also select securities directly for Client Accounts. The standard minimum UMA investment, depending on the strategy selected, is between \$50,000 and \$500,000. Investments for UMA Investment Solutions will be made in part by GFAM using securities recommendations by independent Investment

Management Firms. In addition, UMAs may hold investments selected by GFAM, and these investments may include, but are not limited to, some or all of the following types of securities: exchange traded funds, closed-end mutual funds, open-end mutual funds, preferred stocks, treasury bonds, bills, notes and bank notes. The mutual fund investment may include Proprietary/Affiliated Funds and the Genworth Financial Contra Fund, which is advised by GFWM. The Contra Fund seeks to provide protection against declines in the broad based equity markets, and it generally invests in options on stock indices. The asset allocation decisions, Investment Management Firm selection decisions and additional security selection decisions will all be made solely by GFAM in its discretion. This discretion may include the substitution of certain securities included in selected Investment Management Firms' asset allocations in consultation with the Investment Management Firm or otherwise, or the selection of individual securities in certain designated asset classes.

For UMA Investment Solutions, GFAM employs comprehensive analysis, including specific mathematical, technical and/or fundamental tools and risk-control criteria in the management of Client Accounts. The focus of GFAM as Overlay Manager is to add value to each Client's account through: (1) the strategic and tactical determination and implementation of asset allocation levels; (2) the selection of independent Investment Management Firms to advise as to the formation of portfolios of their highest conviction individual security preferences; (3) the formation of portfolios with risk management options to match the portfolio to the Client's chosen level of risk tolerance; and (4) efficient execution of trade orders resulting from ongoing management of the Client's Account.

Clients in UMA Investment Solutions have the option to place restrictions against investments in specific securities or types of securities for their account that are reasonable in light of the advisory services being provided under the different Investment Solutions offered on the Platform. Requests for such restrictions are reviewed by GFWM to ensure that they are reasonable and will not unduly impair GFWM's ability to pursue the Investment Solution and Strategy selected by the Client. As may be limited by the Custodian's policies and procedures, Clients may also pledge the securities in their UMA or withdraw securities from their Account (transfer in-kind to another account or custodian), but must do so by giving instructions in writing to GFWM or Custodian.

For GMS and PMP, a risk management strategy may be implemented through the use of GFAM's Actively Managed Protection Service ("AMP"), fixed income, other strategies, or a combination of all these strategies. Portfolio allocations for these risk management strategies will vary based on individual Client objectives within target allocations established and monitored by GFAM.

### **Genworth Multiple Strategies ("GMS") Accounts**

Clients who select the GMS Account as their Investment Solution must deposit at least \$50,000 into their account, and if multiple deposits are made into such an Account, the Account will not be invested and will not be considered a Discretionary Account until the Account balance reaches the required minimum \$50,000. A Client's Account will be held by Custodian in cash or in any assets transferred in-kind until such time as the value of the deposits to the account reaches the required \$50,000 minimum for investment. GFAM reserves the right, in its sole judgment, to accept certain investments below the standard minimum.

In a GMS Investment Solution, the Client authorizes GFAM to provide discretionary investment management services to the Account. The Client grants GFAM the authority to buy and sell securities and investments for the Account, to vote proxies for securities held by the

Account and the other discretionary authorities described in your Client Services Agreement. GFAM may select securities for the Account, to a substantial degree, consistent with recommendations provided to GFAM by Investment Management Firms that GFWM selects, retains and may replace. GFAM retains the right, however, to allocate across asset classes, which will include such recommended securities, in its own discretion. GFAM may invest the Account in direct securities, pooled investment vehicles, such as mutual funds or ETFs, or in other securities or investments.

GFAM will generally not adjust the holdings in a GMS Account on an ongoing basis. Instead, unless a security is subject to a corporate action, e.g. merger or acquisition, GFAM will generally only sell or readjust Account holdings after a one-year holding period. However, since the one-year holding period is generally measured from the date of the previous year's readjustment (and this date may shift forward throughout the calendar year over time), Clients may not experience a one-year holding period on their Account assets in the first and last year of an Account or if withdrawals or contributions are made to the Account. If the "AMP" Service is chosen, some degree of turnover greater than that seen in other GMS Mandates may occur as GFAM periodically adjusts AMP to manage risk. If the "Opportunistic" Mandate is chosen, some degree of turnover greater than that seen in other GMS Mandates may occur as GFAM adjusts the Opportunistic exposure both to enhance return and manage risk. However, because of its annual adjustment structure, a GMS Account is less able than a non-GMS Account to react to market events or opportunities and make changes between adjustment dates.

Additionally, Clients should be aware that a reasonable amount of time will be needed to purchase, redeem and/or transfer assets during the annual adjustment period, and GFWM will not be held liable for losses due to market value fluctuations during the time taken for these transactions.

The GMS Investment Solution follows the Tactical Constrained Asset Allocation Approach. For a GMS Investment Solution, the Client, with the assistance of the Client's Financial Advisor, selects for the management of the Account (1) a Risk/Return Profile; (2) the type of risk management strategy; and (3) a Mandate.

### ***Risk/Return Profile and Risk Management Strategy***

With the assistance of the Client's Financial Advisor, the Client selects for a GMS Account a Risk/Return Profile. Only profiles numbered three (3) through six (6), that is Moderate, Moderate Growth, Growth, and Maximum Growth, are available for a GMS Account.

When selecting a Risk/Return Profile for a GMS Account, the Client, with the assistance of the Client's Financial Advisor, also specifies whether the risk management strategy should be implemented through use of fixed income strategies or through use of GFWM's Actively Managed Protection Service, described below under "GFWM'S ACTIVELY MANAGED PROTECTION ("AMP") SERVICE."

### ***Mandates***

The Client may choose between the following Mandates for a GMS Account.

*High Dividend.* The Account will primarily be exposed to large capitalized U.S. companies, with possible significant allocations of exposure to real estate and high dividend paying stocks.

*Global.* The Account will be exposed to international securities (including emerging markets), with allocations that also include exposure to large and small capitalization U.S. companies.

*Opportunistic.\** The Account will primarily be exposed to stocks of companies domiciled in the U.S. and other developed countries, with allocations that also include exposure to real estate and high dividend paying stocks. The Account may also invest in one or more specialized asset categories, including, but not limited to, commodities, market neutral strategies, emerging markets, international small capitalized companies and global bonds.

#### **Active Return Opportunities (“ARO”) Accounts**

In an ARO Investment Solution, the Client authorizes GFAM to provide discretionary investment management services to the Account. The Client grants GFAM the authority to buy and sell securities and investments for the Account, to vote proxies for securities held by the Account and such other discretionary authorities described in the CSA. GFAM may select securities for the Account, to a substantial degree, consistent with recommendations provided by Investment Management Firms that GFWM selects, retains and may replace. GFAM may invest the Account in direct securities, pooled investment vehicles, such as open end mutual funds, closed end investment companies, including ETFs, or in other securities or investments. GFAM retains the right to allocate across asset classes, in its own discretion. GFAM will generally adjust the holdings in an ARO Account on an ongoing basis.

GFAM’s management of taxable Accounts in the ARO Investment Solution will include a loss-harvesting strategy. The objective of the loss harvesting strategy is to actively realize capital value losses, as they occur over time, that exceed certain pre-determined levels. GFAM will determine, in its sole discretion, what investments to sell, or not, in implementing this strategy. This loss-harvesting strategy will only be applied with regard to individual stocks, closed-end funds, ETFs and their equivalents; GFAM does not plan to apply it to mutual fund holdings. GFAM’s management of non-taxable or tax-deferred accounts in the ARO Investment Solution will not include a loss-harvesting strategy. This loss harvesting strategy is not applied in any other UMA Investment Solution.

Clients should be aware that a reasonable amount of time will be needed to purchase, redeem and/or transfer assets, and GFWM will not be held liable for losses due to market value fluctuations during the time taken for these transactions. GFAM does not represent or guarantee that all applicable capital losses will be harvested, that the losses will all be long-term or short-term, or that the losses will be harvested intentionally against known realized capital gains in a Client’s account.

The ARO Investment Solutions follows the Tactical Unconstrained Asset Allocation Approach. For the ARO Investment Solution, the Client, with the assistance of the Client’s Financial Advisor, selects for the management of the ARO Account (1) a Risk/Return Profile; (2) an Account Minimum; and (3) a Mandate.

#### **Risk/Return Profile and Risk Return Objective**

When establishing an ARO account, the Client, with the help of the Financial Advisor, will select a Risk/Return Profile that GFAM will use to implement a risk management strategy in the Client’s Account. In addition, the following Risk/Return Objectives are also applicable to an ARO Account. There are no guarantees that these objectives will be met.

Profile	Risk Management Objective Targeted maximum loss <sup>1</sup>	Absolute Return Objective <sup>2</sup>
#6	20%	Maximum return
#5	16%	90% of Profile 6 Return
#4	12%	80% of Profile 6 Return
#3	8%	70% of Profile 6 Return
#2	4%	60% of Profile 6 Return
#1	0%	50% of Profile 6 Return

<sup>1</sup>Each Profile is managed with the objective to avoid calendar year losses greater than the indicated percentage over the calendar year. No attempt is made to manage, moderate, or otherwise reduce intra-year portfolio volatility.

<sup>2</sup>Each risk level is managed with the objective of earning at least the indicated absolute return, measured over the long-term, and over multiple consecutive bull/bear market cycles.

In implementing a risk management strategy in an ARO Account, GFAM will, in its discretion, utilize a variety of risk management tools. These tools will generally include investments intended to act in a manner that is non-correlated or, in some cases, inversely correlated to broad market indices or specific market sectors. ARO risk management tools may include investments in fixed income securities, but may also include other asset classes such as vehicles investing in commodities, real estate, or other investments that GFAM, in its discretion, deems appropriate to mitigate risk. Additionally, GFAM may use the Genworth Financial Contra Fund, which is described in more detail in the Prospectus for the Contra Fund. The Genworth Financial Contra Fund is a proprietary registered investment company for which GFWM, through its GFAM division, serves as investment adviser. GFAM will determine when to use each risk management tool, and in what proportion, based on its evaluation of current market conditions.

#### **Account Minimums**

ARO Accounts are available in the following Account Minimums: \$50,000 (ARO-50), \$100,000 (ARO-100), \$250,000 (ARO-250) and \$500,000 (ARO-500). The Account Minimum selected by the Client will influence the type of investment that GFAM will use for the Client Account. Generally, Accounts with larger Account Minimums will invest in individual securities more than Accounts with smaller Account Minimums, which will invest more in pooled investment vehicles. Therefore, Clients who select ARO-50 may have a greater portion of their Accounts invested in mutual funds, closed-end funds, and ETFs than will Clients who select ARO-500, while Clients selecting ARO-500 may see a greater portion of their Accounts invested in individual securities. However, under certain market conditions, particularly those requiring a defensive posture against anticipated equity market downturns, the use of pooled investment vehicles may be more proportionately consistent across the different Account Minimums than under other market conditions.

Once an Account Minimum is selected, the Account will remain invested in investments typically selected by GFAM for Clients selecting that Account Minimum, even if Account value is more than the next Account Minimum, unless Client requests in writing to change the Account’s selected Account Minimum.

Clients who select the ARO Account must deposit at least the required minimum specified into their Account, and if multiple deposits are made into such an Account, the Account will not be invested until the Account balance reaches the required Account Minimum. A Client’s Account will be held by the Custodian in cash or in any assets transferred in-kind until such time as the value of the deposits to the Account reaches the required minimum for investment, and the



Account will not be considered a discretionary Account until such time as the Account assets reach the required minimum. GFAM reserves the right, in its sole judgment, to accept certain investments below the standard minimum.

### **Mandates**

The Client may choose between the following Mandates for an ARO Account. All of these Mandates allow for the Account to invest in “opportunistic” or “specialized” asset categories, which may include, among other things, real estate, commodities, precious metals, energy and other less traditional asset classes, with no geographic restrictions, and the Genworth Financial Contra Fund. The Contra Fund, which is advised by GFWM, seeks to provide protection against severe and sustained declines in the broad based equity markets, and it generally invests in options on stock indices. In addition, all of the Mandates allow for the ARO Account to be traded more “opportunistically,” which may lead to higher turnover and more frequently realized gains and losses than experienced in other UMA Investment Solutions.

**Domestic.\*** Domestic Accounts are managed to an investment objective that allows exposure to domestic asset categories. However, this geographic restriction does not apply to real estate, commodities, precious metals, energy, and high quality large cap growth, and alternative asset classes which may potentially provide domestic, international, or global exposure. This investment objective also allows exposure to equities, fixed-income, and specialized asset categories. For the purposes of this investment objective, specialized asset categories are defined to include real estate, commodities, precious metals, energy, and other less traditional asset class exposures. The selection of asset class exposures and the percentage allocations to each is made with the objective of bringing the account’s aggregate characteristics into approximate alignment with the current and prospective investment and economic environments. There is no minimum percentage allocation to any asset class exposure. This investment objective focuses exclusively on total return and gives absolutely no preference to income generation.

**Global.\*** Global Accounts are managed to an investment objective that allows exposure to both domestic and international asset categories. This investment objective also allows exposure to equities, fixed-income, and specialized asset categories. For the purposes of this investment objective, specialized asset categories are defined to include real estate, commodities, precious metals, energy, and other less traditional asset class exposures. The selection of asset class exposures and the percentage allocations to each is made with the objective of bringing the account’s aggregate characteristics into approximate alignment with the current and prospective investment and economic environments. There is no minimum percentage allocation to any asset class exposure. This investment objective focuses exclusively on total return and gives absolutely no preference to income generation.

**High Current Income.\*** High Current Income Accounts are managed to an investment objective that allows exposure to both domestic and international asset categories that have a natural propensity to deliver an above average portion of their total return in the form of current income relative to capital appreciation. Current income is defined as dividends, interest income, and option premiums. This investment objective also allows exposure to equities, fixed-income, and specialized asset categories. For the purposes of this investment objective, specialized asset categories are defined to include real estate, commodities, precious metals, energy, and other less traditional asset class exposures. The selection of asset class exposures and the percentage allocations to each is made with the objective of bringing the account’s aggregate characteristics into approximate alignment with the current and prospective investment and economic environments. There is no minimum percentage allocation to any asset class exposure.

### **Privately Managed Portfolios (“PMP”) Accounts**

A Client who selects the PMP Investment Solution must deposit at least \$250,000 into the Client’s Account, and if multiple deposits are made into such an Account, the Account will not be invested until the Account balance reaches the required minimum \$250,000. A Client’s Account will be held by the Custodian in cash or in assets transferred in-kind until such time as the value of the deposits to the Account reaches the required \$250,000 minimum for investment.

In a PMP Investment Solution, the Client authorizes GFAM to provide discretionary investment management services to the Account. GFAM may select securities for the Account, to a substantial degree, consistent with recommendations provided by Investment Management Firms that GFWM selects, retains and may replace. GFAM may invest for the Account in individual securities, pooled investment vehicles, such as open end mutual funds or ETFs, or other securities or investments. GFAM retains the authority to allocate across asset classes, in its own discretion. GFAM will generally adjust the holdings in a PMP Account on an ongoing basis.

Clients should be aware that a reasonable amount of time will be needed to purchase, redeem and/or transfer assets, and GFWM will not be held liable for losses due to market value fluctuations during the time taken for these transactions.

The PMP Investment Solution follows the Tactical Constrained Asset Allocation Approach. For a PMP Investment Solution, the Client, with the assistance of the Client’s Financial Advisor, selects for the management of the PMP Account (1) a Risk/Return Profile; (2) the type of risk management strategy; and (3) a Mandate.

### ***Risk/Return Profile and Risk Management Strategy***

With the assistance of the Client’s Financial Advisor, the Client selects for a PMP Account a Risk/Return Profile. Only profiles numbered three (3) through six (6), Moderate, Moderate Growth, Growth, and Maximum Growth, are available for a PMP Account. When selecting a Risk/Return Profile for a PMP Account, the Client, with the assistance of the Client’s Financial Advisor, also specifies whether the risk management strategy should be implemented through use of fixed income strategies or through use of GFWM’s Actively Managed Protection (AMP) Service, described below under “GFWM’S ACTIVELY MANAGED PROTECTION (“AMP”) SERVICE.”

### **Mandates**

The Client may choose between the following Mandates for a PMP Account.

**Diversified U.S.** The Account will primarily be exposed to large, mid and small capitalized companies domiciled in the United States.

**Diversified Global.** The Account will primarily be exposed to large, mid and small capitalized companies domiciled in the United States and other developed countries, with possible significant allocations of exposure to real estate and high dividend paying stocks.

**High Dividend Global.\*** The Account will primarily be exposed to large, mid and small capitalized companies domiciled in the United States and other developed countries, with possible significant allocations of exposure to real estate and high dividend paying stocks. The Account may also invest, at a conservative level, in one or more specialized asset categories, including, but not limited to, commodities, market neutral strategies, emerging markets, international small-capitalized companies and global bonds.

*High Dividend Opportunistic.* \* The Account will primarily be exposed to large capitalized companies domiciled in the United States paying high current dividends. The Account may also invest, at a moderate level, in one or more specialized asset categories, including, but not limited to, commodities, market neutral strategies, emerging markets, international small-capitalized companies and global bonds.

*Diversified Opportunistic.* \* The Account will primarily be exposed to large, mid and small capitalized companies domiciled in the United States and other developed countries, with possible allocations of exposure to U.S. companies operating in the real estate industry and stocks that currently pay high dividend. The Account may also invest, at a moderate level, in one or more specialized asset categories, including, but not limited to, commodities, market neutral strategies, emerging markets, international small-capitalized companies and global bonds.

\*These asset category investments may include exposure to the Genworth Financial Contra Fund, which is described in further detail in the Prospectus of the Contra Fund. The Contra Fund seeks to provide protection against severe and sustained declines in the broad based equity markets, and it generally invests in options on stock indices.

## SOLUTIONS NO LONGER OFFERED

GFAM manages other investment solutions which are no longer offered to new clients. These solutions continue to be managed in accordance with the respective client agreement.

### *GFAM Principal Return Exposure Strategy ("PRX") - closed to new business*

For the PRX Investment Solution, the Genworth Financial Asset Management ("GFAM") division of GFWM acts as the Investment Manager (or Discretionary Manager) for Client Accounts. GFAM shall provide discretionary investment management services to the Account, and the Client grants GFAM the authority to buy and sell securities and investments for the Account, to vote proxies for securities held by the Account (if applicable) and such other discretionary authorities described in the CSA.

In the PRX Investment Solution, the Client need make no further selections, with the assistance of their Financial Advisor, to specify the Strategy for the Account. The PRX Strategy follows an Absolute Return Allocation Approach and is considered to be Risk/Return Profile 2.

The PRX Strategy. The PRX Strategy invests in equity-linked certificates of deposit ("CDs") issued by banking institutions, on a buy and hold basis, with the dual investment objectives of return of principal at the end of a stated time-horizon, which is generally expected to be five years for each CD, and receipt of income at the maturity of each CD purchased for a Client Account, such income to be in the form of some limited participation in the price return of an Equity Benchmark, not including dividends. The Equity Benchmark associated with each CD is expected to be a weighted combination of one or more price indices on major equity markets, domestic and/or international. While fixed for the term of each CD, the Equity Benchmark may differ amongst CDs purchased by GFAM for PRX Strategy Accounts.

### *Important Investment Considerations*

- *Money Market Fund Risk.* During the time between when a PRX Account is initially funded by the Client and the Account invests in one or more CDs, the Account will be invested in a money market mutual fund or other cash equivalent. Money market mutual funds carry the risk that they will experience a decline in value.

- *Suitability Risk.* The PRX Strategy will invest in CDs with a maturity which is anticipated to be five years for each CD at the time of initial acquisition. Withdrawals from a PRX Account before the maturity of the CD(s) held in the Account, if possible, may result in loss of principal and the Client may not recover the total initial investment. The PRX Strategy is not suitable for Clients with an investment time horizon of less than five years. The client further acknowledges that their time horizon for the assets being invested in this advisory service is 5 years or greater regardless of what may be indicated as a time-horizon for their overall investment plan.
- *Liquidity Risk.* No income will be paid by the Account CDs during their term. If the Client asks for a withdrawal from the Account prior to the next available maturity of a CD, and presuming insufficient cash is available in the Account, GFAM will attempt to sell all or part of one or more CD(s) held by the Account at the prevailing price. Sale of an Account CD prior to maturity and payment of the withdrawal request to the Client may not be possible due to possible lack of a buyer for any of the CDs held in the Account or may be at a price significantly different than the price reflected on your Account Statement. The price received for a CD sold prior to maturity may be influenced by many factors, such as the term structure of interest rates, currency exchange rates, the volatility of the Equity Benchmark, the price level of the Equity Benchmark, the prevailing dividend rate related to the Equity Benchmark, the creditworthiness of the counterparty and, most importantly, the availability of a buyer at the time the Client wishes to redeem all or part of the Account. Depending on the impact of these factors, if withdrawals from the Account are made prior to the maturity of Account CD(s), the Client may receive significantly less than expected.
- *Participation Rate.* The Participation Rate is the rate in which a CD will participate in the price return of its Equity Benchmark. The Participation Rate will be determined at the time of issuance of the CD and is generally based on the term structure of interest rates, dividend rates and market volatility prevailing at the date of issue. GFAM does not currently plan to purchase CD(s) for PRX Strategy Accounts unless the Participation Rate is above 50% of the price return of the CD's Equity Benchmark. The Account may invest in a CD with a lower Participation Rate than CD(s) purchased for other Accounts in the PRX Strategy at other points in time or previously purchased for the Client's Account. Since the Participation Rate is a percentage of the price return of the Equity Benchmark, the Account will not fully participate in potential increases of the equity markets.
- *Interest Rate Risk.* The overall return of the Account may be less than interest earned by non-indexed debt securities or bank deposits that pay interest at a prevailing market rates.
- *Market Risk.* If, for the term of a CD, the price return of the Equity Benchmark is zero or negative, you will not receive any supplemental payment amount at maturity, regardless of the Participation Rate. In addition, the Equity Benchmark for any given CD may be comprised of two or more equity indices which may not be equally weighted. Declines in the level or price of one index may offset increases in the level or price of the other index(es).
- *Tax Treatment.* If in a taxable account, all principal return and Equity Benchmark participation is expected to be treated as "ordinary income" for U.S. federal income tax purposes classification. Additionally, as principal accretion occurs during the life of the Account, interest income may be imputed to the Client and reported to the Internal Revenue Service by the Account Custodian (Form 1099 OID reported income). As such, the PRX Strategy may not be suitable for tax-sensitive clients. This information should not be interpreted as tax advice, as GFAM does not give tax advice. The Client should consult their tax advisor.

- *Counterparty Risk.* The equity-linked CD is a bank product and may be covered by FDIC insurance, at the terms applicable at the time of any insolvency event and only up to a certain dollar amount. FDIC insurance levels may change during the time the Account holds CD(s). Other Client deposits at the same banking institution may be aggregated with the CD held by the Account for purposes of applying the FDIC insurance maximum coverage, and the Client may be exposed to counterparty risk of the issuing bank. It is the Client's responsibility to monitor their exposure to the FDIC maximum at each banking institution.

#### **Important Operational Considerations**

- *Participation Rate.* GFAM does not currently intend to invest the Account in a CD with a Participation Rate of less than 50%. If a CD is not purchased for the Account despite the availability of funds to do so, the Account will remain invested in a money market mutual fund or other cash equivalent until such time as the market conditions allow for, and GFAM is able to purchase, a CD with greater than a 50% Participation Rate. Therefore, the Account may remain invested in a money market mutual fund or cash equivalent for long periods of time. During this period, Account Fees will be charged.
- *Timing of Account Funding.* The transfer of assets from other financial institutions to the Account Custodian will take time. The Account will only be invested in a CD if at least 90% of the Initial Investment Amount and a minimum of \$50,000 has funded the Account. Until then, the Account will remain invested in a money market mutual fund or other cash equivalent. Account Fees will be charged.
- *Value of Account Funding.* The Account minimum for the PRX Strategy is \$50,000. If the value of the Account falls below \$50,000 before a CD has been purchased, the Account may not be invested in a CD. If the Account is not invested in a CD, it will remain invested in a money market mutual fund or other cash equivalent. Account Fees will be charged.

The GFAM PRX Investment Solution will have an account minimum of \$50,000 and an account maximum of \$250,000. GFWM reserves the right, in its sole judgment, to accept certain investments below the standard minimum.

#### **GFAM Solutions Designed For Use With LifeHarbor Income Certificate ("GFAM-LHIC") - closed to new business**

The primary objective of these Strategies is to seek capital appreciation through tactical asset allocation across domestic and international equity and fixed income markets, through the use of ETFs and mutual funds. The Client shall select a Mandate for the management of their Account and a Risk/Return Profile 3 or 4. The mandate for the GFAM solutions designed for use with the LifeHarbor Income Certificate is Global Standard Indexed. This Strategy invests in a globally diversified portfolio using index oriented mutual funds and exchange traded funds ("ETFs"). There are no Asset Allocation Approaches designated for this Investment Solution. For more information regarding the LifeHarbor Series, please refer to the LifeHarbor Series Prospectus and Statement of Additional Information.

#### **GFWM'S ACTIVELY MANAGED PROTECTION ("AMP") SERVICE**

GFAM's Actively Managed Protection ("AMP") service is offered by GFWM within certain Investment Solutions managed by its GFAM division. The goal of the AMP service is to allow Client Accounts to participate in the growth of equity markets while also providing risk management protection during periods of sustained and severe equity market decline. For Clients choosing a GMS or PMP Investment Solution, the AMP service is one of the two risk management service elections available, the other being fixed income investments.

#### **AMP Investment Objective**

The investment objective of the AMP service is to help mitigate losses in Client Accounts during a calendar year resulting from a sustained and severe decline in the broad-based equity markets. During periods of rising equity markets, the goal of the AMP service is to allow Client Accounts to participate in some portion of that market rise, net of the cost of the risk management protection provided by the AMP service.

#### **AMP Investment Strategy**

The AMP service provides its risk management protection by investing in any of a number of hedging and other protective investment vehicles. At the current time, the AMP service invests primarily in the Genworth Financial Contra Fund and in cash equivalents. The Contra Fund is a proprietary registered investment company for which GFWM, through its GFAM division, serves as investment adviser. The Contra Fund primarily invests in derivative instruments, most notably equity index put options. The Contra Fund may hold both long and short positions in equity index put and call options, and may also invest in cash and other forms of derivatives such as equity index futures contracts.

In GMS and PMP Investment Solutions, the AMP service will be the primary source of risk management protection for those Clients who have made the election to use AMP for their Accounts.

#### **Risks of the AMP service**

##### ***No Guarantee Expressed or Implied***

The phrase "risk management protection" or simply "protection" should in no way be regarded as a guarantee against losses or even the mitigation of losses. Similarly, the word "participation" should in no way imply positive gains in a Client Account during periods of rising equity markets. The primary goal of the AMP service is some degree of mitigation of losses during sustained and severe declines in the broad-based equity markets, (and participation in gains during rising markets), but this is not a guarantee. GFAM may or may not be successful in achieving the investment objective of the AMP service in any individual calendar year.

##### ***Correlation Risk***

The value of the risk hedging component of the AMP service is intended to rise as the broad-based equity market declines. GFAM may, from time to time and as market conditions shift, adjust the hedging component of AMP, in order to target the AMP service more closely to the assets generally held in Client Accounts. However, to the extent that the performance of assets held in Client Accounts relative to the risk hedging component differ from GFAM estimates, Client Accounts may not receive the expected degree of risk management protection from the AMP service.

##### ***Performance Measurement Interval***

The goal of the AMP service is to mitigate the declines in a Client's Account during downturns in the AMP equity benchmark. However, consistent with the objective of the AMP service to provide risk management protection only against "severe and sustained" declines in the equity markets, GFWM measures the performance and success of the AMP service on a calendar year basis. The AMP service should not be expected to mitigate losses occurring over short periods of time, nor should the AMP service be expected to mitigate losses occurring from market declines that are relatively small or minor.



### ***Risk/Return “Drift” in the AMP Service and the Postponement Option***

GFAM will periodically review and may subsequently adjust the level of exposure to the AMP service in Client Accounts. These reviews may be conducted as a result of known changes in the underlying concentration of the Contra Fund, or they may be performed simply as part of a risk management review of Client Accounts.

Between the times that the AMP service is adjusted, and usually as the result of a significant equity market movement, the risk/return characteristics of the AMP service may drift substantially from the characteristics the AMP service had at the time it was most recently reset. This is particularly true for the GMS and PMP Investment Solutions.

Clients should be aware that opening an Account in a GMS or PMP Investment Solution between the times that the AMP service is reset could result in a risk profile significantly different from the risk profile of that Account at the time of reset. For example, if the equity market declines substantially from the time the AMP service was last reset for Accounts in a GMS or PMP Investment Solution, an Account opened at that point in time may experience significantly reduced participation in any subsequent market rise between the time the Account was opened and the time of the next AMP service is reset. Similarly, if the equity market has risen significantly since the time of the last AMP service reset, an Account opened at that point in time may experience significantly reduced protection against any further market declines until the next AMP reset.

Clients opening a new Account in a GMS or PMP Investment Solution that have selected the AMP service as their risk management protection strategy may elect to postpone the investment of their assets until the next periodic reset of the AMP service. Any cash deposits received will be invested in cash equivalents until the subsequent AMP reset, and any securities received in-kind will be held until the subsequent reset as well. This “postponement option” is available only for new Client Accounts in the GMS or PMP Investment Solutions and is not available for subsequent contributions or additions to such Accounts. Account Fees will be charged while application of AMP to your account is pending.

### **LIMITING CIRCUMSTANCES FOR PARTICIPATION IN UPSIDE EQUITY**

#### ***Market Movements***

The second goal of the AMP service is to allow growth in the equity portion of a Client’s Account to increase the value of the overall Account. This is the “participation” portion of GFAM’s “participation and protection” objective. Clients who elect AMP should know that the “cost” of the protection will mute returns when equity markets are increasing in value. This drag would generally result because (1) the hedging vehicles used by GFAM to implement the AMP service move inversely to equity markets, and (2) the cost of the hedging vehicles used in the AMP service may, from time to time, increase, particularly in declining equity market conditions. As a result, the level of participation and protection of a Client’s Account with AMP may vary depending upon market environment and the specific path of market returns. Portfolios with AMP may fall while the overall equity market is rising in certain time intervals, and may fall more than the overall equity markets in certain intervals. It should also be noted that a consistent pattern has been observed in the market that the cost of the AMP service rises and stays high for extended periods of time following periods of rapid or sustained equity market decline.

### ***Disclosure of Conflicts of Interest***

GFWM will receive management fees as investment adviser to the Contra Fund, currently the primary component of the AMP service. Such management fees are in addition to the fees GFWM receives as the Platform administrator.

### **ITEM 5 – ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS**

*Refer to GFWM Advisor Model Platform Disclosure Brochure, Appendix 1.*

For strategies in which GFAM is the Investment Manager, the minimum investment is \$50,000. The maximum investment for a GFAM PRX Account is \$250,000. The standard minimum UMA investment, depending on the strategy selected, is between \$50,000 and \$500,000. GFWM reserves the right, in its sole judgment, to accept certain investments below these standard minimums.

### **ITEM 6 – PORTFOLIO MANAGER SELECTION AND EVALUATION**

*Refer to GFWM Advisor Model Platform Disclosure Brochure, Appendix 1.*

### **ITEM 7 – CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS**

*Refer to GFWM Advisor Model Platform Disclosure Brochure, Appendix 1.*

### **ITEM 8 – CLIENT CONTACT WITH PORTFOLIO MANAGERS**

*Refer to GFWM Advisor Model Platform Disclosure Brochure, Appendix 1.*

### **ITEM 9 – ADDITIONAL INFORMATION**

#### ***Trade Execution***

GFAM will generally direct most, if not all, transactions to the Account Custodian. In addition, if the selected Custodian is GFTC, generally most, if not all transactions will be directed to Fidelity Brokerage Services LLC and/or National Financial Services LLC, or other broker-dealers selected by GFAM and contracted by GFTC. If the Account is invested in a GFAM IMA and/or UMA Investment Solution, the selected broker-dealers will be paid through amounts collected as part of the GFAM Advisory Fee charged the Account and, therefore, generally, transaction-based commissions will not be charged to the Account for execution services. In certain circumstances, better execution may be available from broker-dealers other than the broker-dealer(s) generally used by the Client’s selected Custodian. GFAM may determine to trade outside the selected broker-dealer(s) and, in such a case, the Account may be charged for the trade execution. GFAM may combine purchase and sale transactions for a security into a single brokerage order. This aggregation process could be considered to result in a cross transaction among affected accounts.

*Proxy Voting and Class Actions*

The Client designates GFAM as their agent to vote proxies on securities in the Account and make all elections in connection with any mergers, acquisitions and tender offers, or similar occurrences that may affect the assets in the Account. Client acknowledges that as a result of this voting designation they are also designating GFAM as their agent to receive proxies, proxy solicitation materials, annual reports provided in connection with proxy solicitations and other materials provided in connection with the above actions relating to the assets in the Account. However, the Client retains the right to vote proxies and may do so by notifying GFAM in writing of the desire to vote future proxies. Additionally, this designation of GFAM to vote proxies and the Client's right to vote proxies may not apply to securities that may have been loaned pursuant to a securities lending arrangement despite efforts by GFAM to retrieve loaned securities for purposes of voting material matters.

If shares of the Genworth Financial Contra Fund are held in an Account for which GFAM acts as Discretionary Manager, GFAM will vote 100% of the shares over which it has voting authority according to instructions it receives from its Clients, which are the Fund's beneficial shareholders. GFAM will vote shares with respect to which it does not receive executed proxies in the same proportion as those shares for which it does receive executed proxies. This is known as "mirror voting" or "echo voting."

The Client retains the right to vote proxies if the Account is an Administrative/Non-Managed Account.

*Class Actions and similar actions*

In all instances the Client shall make any and all elections with regard to participation in class actions, notices regarding bankruptcies and similar elections.

**FOR THE FOLLOWING PART 2A ITEMS, REFER TO GFWM PLATFORM DISCLOSURE BROCHURE, APPENDIX 1:**

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**ITEM 10 – REQUIREMENTS FOR STATE-REGISTERED ADVISORS**

*Not applicable to GFWM as the Platform sponsor.*

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# GFWM DISCLOSURE BROCHURE

## GPS SELECT SOLUTIONS

### Form ADV – Appendix 1

SEC File Number – 801 56323  
IA Firm CRD Number - 109018  
Effective January 7, 2013

### ITEM 1 – COVER PAGE

**Genworth Financial  
Wealth Management, Inc.**

**Jessica R. Cataudella**  
Chief Compliance Officer  
2300 Contra Costa Blvd.  
Suite 600  
Pleasant Hill, CA 94523  
800 664.5345  
GenworthWealth.com

*This Genworth Financial Wealth Management Disclosure Brochure provides information about the qualifications and business practices of Genworth Financial Wealth Management (“GFWM”). If you have any questions about the contents of this Brochure, please contact GFWM using the information shown on the left. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. GFWM is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.*

*Additional information about GFWM also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).*

**Genworth Financial Wealth Management, Inc.**

**This must remain with the Client**

**ITEM 2 – MATERIAL CHANGES**

The GPS Select Solutions is a new product offering effective January 2013. Going forward, this section will provide a summary of material changes that were made to this brochure since the last update, and is intended to help Clients determine if they want to review this brochure in its entirety, or contact their Financial Advisor or GFWM with questions about the changes.

This summary may include any change to GFWM's policies and practices, a change in the management of your account, or additional conflicts of interests for your consideration. Additionally, this summary will also include any product offerings introduced in the last year, product offerings that may no longer be available to new business, or new products to be launched in the near future.

GFWM may make interim updates to its disclosure brochure throughout the year. We will provide clients with additional information about material changes, as necessary. Information about GFWM is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). To request a copy of the most recent disclosure brochure, contact us at:

**Genworth Financial Wealth Management, Inc.**  
**Attention: Adviser Compliance**  
**2300 Contra Costa Blvd. Suite 600**  
**Pleasant Hill, CA 94523-3967**  
**800-664-5345**  
**[genworthwealth.com](http://genworthwealth.com)**  
**[advisorcompliance@genworth.com](mailto:advisorcompliance@genworth.com)**



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## ITEM 4 – SERVICE, FEES AND COMPENSATION

This Disclosure Brochure provides clients with information about the advisory services of Genworth Financial Wealth Management, Inc. (“GFWM”) and is meant to be read in conjunction with the GFWM Advisor Model Platform Disclosure Brochure, Appendix 1. If you have not received the GFWM Advisor Model Platform Disclosure Brochure, please contact your Financial Advisor.

This Disclosure Brochure is meant to be read in conjunction with the GFWM Advisor Model Platform Disclosure Brochure for those selecting GPS Select Solutions.

### DESCRIPTION OF GPS SELECT SOLUTIONS ADVISORY SERVICE

GFWM provides a variety of investment advisory services to clients. The services discussed in this Disclosure Brochure are investment advice and management for the GPS Select Solutions.

#### GPS Select Solutions

GPS Select Solutions will invest in pre-determined allocations to various Asset Allocation Approaches and additional investment options and within each Asset Allocation approach, will make allocations to various Portfolio Strategists and Investment Managers, including Altegris Advisors and GFAM.

GPS Select Solutions will invest in Strategies which include investments in both mutual funds and ETFs. Mutual fund share class is selected on a fund by fund basis and seeks to eliminate 12b-1 fees where possible. GFWM will seek to use non-retail or institutional classes where these share classes are available. In striving for consistency across all custodial options on the Platform, GFWM will seek to select the lowest cost share class available across custodians and that aligns the stated program account minimum and allocation weighting of funds held with the fund’s prospectus requirements. Due to specific custodial or mutual fund company constraints, there may be situations where a specific share class is not consistently available. In those cases, clients will be invested in the lowest cost share class that is commonly available across custodians.

With the assistance of the Financial Advisor, Clients may select from the following GPS Select Solutions:

- *Select Wealth Preservation.* Strategies are allocated with a blended mix to selected strategist portfolios representing the Strategic, Tactical Constrained & Absolute Return Asset Allocation approaches. This strategy is designed for wealth preservation and protection from inflation.
- *Select Accumulation & Select Accumulation Plus.* Strategies are allocated with a blended mix to selected strategist portfolios representing the Strategic, Tactical Constrained, Tactical Unconstrained & Absolute Return Asset Allocation approaches, in addition to an allocation to Alternatives. Select Accumulation will tend to emphasize ETFs and is designed for capital appreciation. Select Accumulation Plus will tend to use more actively managed mutual fund strategies and is designed for capital appreciation.
- *Select Retirement Income.* Strategies are allocated with a blended mix to selected strategist portfolios representing the Strategic, Tactical Constrained, Tactical Unconstrained & Absolute Return Asset Allocation approaches, in addition to an allocation to Alternatives. Strategist selection will be focused toward strategists managing to a multi-asset income mandate where available. This strategy is also designed to provide an enhanced level of income and to control portfolio volatility.

Focused GPS Select Solutions are based primarily on the client’s risk profile and the Client’s desire for focused exposure to one or more

Asset Allocation approaches used to complement other Investment Solutions selected for the Client Portfolio.

- *Select Low Volatility.* Strategies are allocated with a blended mix to selected strategist portfolios representing the Absolute Return Asset Allocation approach. This focused investment strategy targets low volatility.
- *Select Tactical Advantage.* Strategies are allocated with a blended mix to selected strategist portfolios representing the Tactical Unconstrained Asset Allocation approach. This focused investment strategy seeks to increase portfolio diversification through less correlated strategies and by capturing opportunities across evolving markets.
- *Select Multi-Asset Income.* Strategies are allocated with a blended mix to selected strategist portfolios representing the Multi-Asset Income Mandate spanning the Strategic, Tactical Constrained & Tactical Unconstrained Asset Allocation approaches. This focused investment strategy seeks to provide an enhanced level of income across changing markets.

GFWM manages GPS Select Solutions using limited discretionary authority. While GFWM will exercise limited discretion on the portfolio asset allocation within portfolio investment sleeves, GFWM relies upon the strategists to conduct security selection. As mentioned above GFWM will seek to utilize the lowest cost mutual fund for accounts in the GPS Select Solutions, however, there may be circumstances where GFWM is not able to obtain the lowest cost mutual fund share class available, and may be considered to have exercised “discretion” in selecting an alternative share class.

#### *Disclosure of Conflicts of Interest*

Refer to Exhibit A at the end of this GPS Select Solutions Disclosure Brochure.

## ITEM 5 – ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS

*Refer to GFWM Advisor Model Platform Disclosure Brochure, Appendix 1.*

The standard minimum investment for the GPS Solutions ranges from \$100,000 to \$250,000. GFWM reserves the right, in its sole judgment, to accept certain investments below the standard minimum.

## ITEM 6 – PORTFOLIO MANAGER SELECTION AND EVALUATION

*Refer to GFWM Advisor Model Platform Disclosure Brochure, Appendix 1.*

## ITEM 7 – CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS

*Refer to GFWM Advisor Model Platform Disclosure Brochure, Appendix 1.*

## ITEM 8 – CLIENT CONTACT WITH PORTFOLIO MANAGERS

*Refer to GFWM Advisor Model Platform Disclosure Brochure, Appendix 1.*

**This must remain with the Client**

**ITEM 9 – ADDITIONAL INFORMATION****Trade Execution**

GFWM will generally direct most, if not all, transactions to the Account Custodian. In addition, if the selected Custodian is GFTC, generally most, if not all transactions will be directed to Fidelity Brokerage Services LLC and/or National Financial Services LLC, or other broker-dealers selected by GFWM and contracted by GFTC. GFWM may determine to trade outside the selected broker-dealer(s) and, in such a case, the Account may be charged for the trade execution. GFWM may combine purchase and sale transactions for a security into a single brokerage order. This aggregation process could be considered to result in a cross transaction among affected accounts.

**Proxy Voting and Class Actions**

The Client designates GFWM as their agent to vote proxies on securities in the Account and make all elections in connection with any mergers, acquisitions and tender offers, or similar occurrences that may affect the assets in the Account. Client acknowledges that as a result of this voting designation they are also designating GFWM as their agent to receive proxies, proxy solicitation materials, annual reports provided in connection with proxy solicitations and other materials provided in connection with the above actions relating to the assets in the Account. However, the Client retains the right to vote proxies and may do so by notifying GFWM in writing of the desire to vote future proxies. Additionally, this designation of GFWM to vote proxies and the Client's right to vote proxies may not apply to securities that may have been loaned pursuant to a securities lending arrangement despite efforts by GFWM to retrieve loaned securities for purposes of voting material matters.

If shares of a Proprietary/Affiliated Fund are held in an Account for which GFWM acts as Discretionary Manager, GFWM will vote 100% of the shares over which it has voting authority according to instructions

it receives from its Clients, which are the Fund's beneficial shareholders. GFWM will vote shares with respect to which it does not receive executed proxies in the same proportion as those shares for which it does receive executed proxies. This is known as "mirror voting" or "echo voting."

The Client retains the right to vote proxies if the Account is an Administrative/Non-Managed Account.

**Class Actions and similar actions**

In all instances the Client shall make any and all elections with regard to participation in class actions, notices regarding bankruptcies and similar elections.

**FOR THE FOLLOWING PART 2A ITEMS, REFER TO GFWM PLATFORM DISCLOSURE BROCHURE, APPENDIX 1:**

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Not applicable to GFWM as the Platform sponsor.

**EXHIBIT A**

GFWM serves as investment manager for GPS Select Solutions. For GPS Select Solutions, an annual GFWM Fee of 0.95% is charged. GFWM pays fees to various Strategists and IMAs, including Altegris. When a GFAM IMA is used, the GFAM fees are waived. For the reasons provided below, 0.30% of the GFWM Fee is credited back to you, resulting in a net GFWM Fee of 0.65% charged to your account for assets invested in the GPS Select Solutions. The purpose of the 0.30% fee credit is to ensure that regardless of the Strategist or IMA allocation decisions made by GFWM, the client will receive a GFWM Fee credit that is at least as much as any additional management fees GFWM or its affiliates might receive on the allocations that GFWM is permitted to make pursuant to the GPS Select Solution investment guidelines.

GPS SELECT SOLUTIONS	PROFILE 1 ALLOCATION	PROFILE 2 ALLOCATION	PROFILE 3 ALLOCATION	PROFILE 4 ALLOCATION	PROFILE 5 ALLOCATION
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**SELECT ACCUMULATION**

Strategic		22.50%	25.00%	25.00%	27.50%
Tactical Constrained		22.50%	25.00%	25.00%	27.50%
Tactical Unconstrained		18.75%	22.50%	22.50%	26.25%
Absolute Return		22.50%	15.00%	15.00%	7.50%
Alternatives		13.75%	12.50%	12.50%	11.25%

**SELECT ACCUMULATION PLUS**

Strategic		22.50%	25.00%	25.00%	27.50%
Tactical Constrained		22.50%	25.00%	25.00%	27.50%
Tactical Unconstrained		18.75%	22.50%	22.50%	26.25%
Absolute Return		22.50%	15.00%	15.00%	7.50%
Alternatives		13.75%	12.50%	12.50%	11.25%

GPS SELECT SOLUTIONS (CONTINUED)	PROFILE 1 ALLOCATION	PROFILE 2 ALLOCATION	PROFILE 3 ALLOCATION	PROFILE 4 ALLOCATION	PROFILE 5 ALLOCATION
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**SELECT WEALTH PRESERVATION**

Strategic	10.00%				
Tactical Constrained	30.00%				
Tactical Unconstrained	0.00%				
Absoute Return	60.00%				
Alternatives	0.00%				

**SELECT RETIREMENT INCOME**

Strategic		15.00%	17.50%	18.75%	
Tactical Constrained		15.00%	17.50%	18.75%	
Tactical Unconstrained		18.75%	18.75%	20.00%	
Absoute Return		45.00%	40.00%	35.00%	
Alternatives		6.25%	6.25%	7.50%	

**SELECT LOW VOLATILITY**

Strategic					
Tactical Constrained					
Tactical Unconstrained					
Absoute Return	100.00%				
Alternatives					

**SELECT TACTICAL ADVANTAGE**

Strategic					
Tactical Constrained					
Tactical Unconstrained		100.00%	100.00%	100.00%	100.00%
Absoute Return					
Alternatives					

**SELECT MULTI-ASSET INCOME**

Strategic		33.00%	30.00%	33.00%	
Tactical Constrained		33.00%	30.00%	33.00%	
Tactical Unconstrained		34.00%	40.00%	34.00%	
Absoute Return					
Alternatives					