



# PRIVATE CLIENT GROUP DISCLOSURE BROCHURE

**Form ADV – Part 2A and Appendix 1**

SEC File Number – 801 56323  
IA Firm CRD Number - 109018  
Effective March 28, 2014

## **ITEM 1 – COVER PAGE**

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**AssetMark, Inc.**  
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*This AssetMark Disclosure Brochure provides information about the qualifications and business practices of AssetMark ("AssetMark"). If you have any questions about the contents of this Brochure, please contact AssetMark using the above information. 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. AssetMark 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 AssetMark also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).*

**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 AssetMark with questions about the changes.

This summary may include any change to AssetMark'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 new product offerings introduced in the last year, or product offerings that may no longer be available to new business.

AssetMark may make interim updates to its disclosure brochure throughout the year. We will provide you with additional information about material changes, as necessary. Information about AssetMark 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:

**AssetMark, Inc.**  
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**1655 Grant Street, 10th Floor**  
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- Assetmark, Inc. ("AssetMark") was previously named Genworth Financial Wealth Management, Inc. ("GFWM"). Affiliated custodian AssetMark Trust Company was previously named Genworth Financial Trust Company. Investment division Savos Investments was previously named Genworth Financial Asset Management. Genworth Financial, Inc. sold GFWM and GFTC to Aquiline Capital Partners and Genstar Capital. The sale was completed on August 30, 2013.
- Our corporate headquarters has relocated to the address shown above.

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## ITEM 4 – ADVISORY BUSINESS

Aquiline Capital Partners and Genstar Capital, private equity firms that invest in the financial services industry, completed the purchase of Genworth Financial Wealth Management, Inc. ("GFWM") and Genworth Financial Trust Company ("GFTC"), from Genworth Financial, Inc. in August 30, 2013. Following the sale, GFWM and GFTC were renamed AssetMark, Inc. ("AssetMark") and AssetMark Trust Company, respectively. Genworth Financial Asset Management, the investment division of AssetMark, was also renamed Savos Investments ("Savos").

AssetMark is an investment adviser registered with the U.S. Securities and Exchange Commission. AssetMark provides various investment supervisory services. The services discussed in this brochure are offered by the Private Client Group ("PCG") division of AssetMark, pursuant to the Private Client Group Investment Management Services Agreement ("PCG IMSA").

Through its PCG division, AssetMark employees ("Financial Advisors") are available to consult with Clients to assess their financial situation and identify their investment objectives, in order to implement investment portfolios designed to meet the Client's financial needs.

Clients must provide AssetMark with information regarding their financial situation and investment objective and inform AssetMark of any material change to their financial situation or investment objective. Clients shall provide AssetMark with all information, and any changes to that information, required or appropriate to open and maintain a AssetMark Account. Clients authorize AssetMark to provide information, including without limitation information regarding the Client and the Account, to those providing services related to the Account, including, without limitation, the Custodian and any Discretionary Manager.

In order that AssetMark's advisory services may be tailored to meet a Client's investment objectives, the Client may select from among a number of "Investment Solutions." Depending upon the Investment Solution chosen, the Client may make selections to further define the final "Strategy" for their Account. A Client may establish one or more investment accounts (each an "Account"), and the Client's Accounts are collectively referred to as the Client's "Portfolio."

The Investment Solutions advisory services discussed in this brochure are:

- The BJ Group Services
- Mutual Fund Accounts
- Exchange Traded Fund ("ETF") Accounts
- Individually Managed Accounts ("IMA")

### THE BJ GROUP SERVICES INVESTMENT SOLUTION

In The BJ Group advisory services, Client accounts are invested primarily in mutual funds that are selected by AssetMark through its Savos Investments ("Savos") division. AssetMark may also purchase other investments for Client accounts, including, without limitation, closed-end investment companies, exchange traded funds (or "ETFs"), U.S. Treasury bonds, notes and bills, and bank notes. Clients may choose from a variety of investment objectives, depending upon their individual needs. Based on the investment objective selected, some Client accounts may experience significant fluctuation in value, and higher risk of loss, in the pursuit of potentially higher returns,

The BJ Group Services offer tactical asset allocation by implementing asset allocation recommendations from Robert ("Bob") J. Brinker, author of the Marketimer newsletter. Mr. Brinker analyzes

economic trends and financial markets and makes asset allocation recommendations to AssetMark based on that analysis. AssetMark implements Mr. Brinker's recommendations by selecting mutual funds for Client accounts. Clients may choose among the following investment objectives, or Strategies, for their Account:

- **Aggressive.** This investment objective is the most aggressive, best suited for long-term, growth-oriented investors willing to accept higher volatility in the pursuit of potentially higher returns. The focus is on domestic large-cap and international equities.
- **Growth.** This investment objective is most suitable for Clients whose primary objective is the growth of capital and is designed to meet the objectives of growth-oriented investors, utilizing mutual funds to invest in a diversified broad base of domestic large-cap and international equities.
- **Growth-Income.** This investment objective utilizes mutual funds that invest in domestic large-cap and international equities in addition to fixed income securities. This objective is most suitable for Clients who desire moderate growth of capital with a minor emphasis on income.
- **Balanced Growth.** This investment objective utilizes mutual funds that invest in a diversified, broad base of domestic and international equities, in addition to fixed income securities, to provide balance and diversification. With a more conservative growth and income objective, this objective emphasizes preservation of capital and limited volatility. This objective is designed for a Client's core holdings.
- **Balanced.** This investment objective is designed for conservative investors seeking risk levels consistent with a portfolio that has a solid weighting in fixed income positions. High priority is placed on preservation of capital and limited volatility. Portfolios consist of mutual funds that invest in domestic large-cap and international equities in addition to fixed income securities. This objective is most suitable for Clients who place emphasis on generating current income, rather than growth of capital.
- **Fixed Income.** This investment objective seeks current income through a diverse portfolio of mutual funds investing in U.S. Government, corporate, high yield, international, and inflation protected securities along with cash equivalents. This objective is appropriate for investors seeking risk levels consistent with portfolios composed mainly of fixed income positions.

### ASSETMARK MUTUAL FUND, ETF AND IMA INVESTMENT SOLUTIONS

In addition to the BJ Group advisory services, a Client may also select an Investment Solution from the AssetMark Platform of advisory services. When specifying the Strategy for the Account, the Client will generally choose from among available "Risk/Return Profiles" and may also generally choose from four "Asset Allocation Approaches."

The following AssetMark Platform Investment Solutions are available:

- Mutual Fund Accounts;
- Exchange Trade Fund Accounts; and
- Individually Managed Accounts, which includes, Savos Preservation Strategy and Fixed-Income Strategies

Within these Investment Solutions, the Client may choose among available "Portfolio Strategists" and "Mandates" to customize the Strategy for their Account.

Additionally, the Client may establish an "Administrative/Non-Managed Account" to hold "non-managed" assets that will not be managed or advised by AssetMark.

**This must remain with the Client**

## RISK/RETURN PROFILES

In establishing an Account, the Client may complete a questionnaire, or otherwise provide information to AssetMark, to enable the Client and AssetMark to identify the Client's risk tolerance and rate of return objectives. The Client may provide information concerning their investment experience, anticipated need for liquidity, potential timing of the need for retirement funds, and other investment needs and parameters. This information will assist the Client and AssetMark in selecting which of the Investment Solutions, Risk/Return Profiles and Strategies are most closely aligned with the Client's investment objectives.

One of the fundamental elements of establishing the Client's investment objective is identifying the appropriate Risk/Return Profile for each of the Client's Accounts in their AssetMark Portfolio. These Risk/Return Profiles range from most conservative (lowest estimated risk and lowest potential return) to most aggressive (highest estimated risk and highest potential return). The Client selects a Risk/Return Profile for the management of the Client's Account. Some Risk/Return Profiles may not be available in some Asset Allocation Approaches. Not all Risk/Return Profiles are available for certain solutions.

The following six Risk/Return Profiles are available. As with any investment, all involve downside risk and volatility of returns.

### *Profile 1 – Conservative*

The profile is designed for an investor who wants to focus on preservation of capital as a primary goal and wishes to minimize downside risk.

### *Profile 2 – Moderate Conservative*

The profile is designed for an investor who seeks to preserve capital but wishes to assume moderate downside risk in order to earn a return sufficient to preserve purchasing power.

### *Profile 3 – Moderate*

The profile is designed for an investor who seeks to balance risks of loss to capital with capital appreciation.

### *Profile 4 – Moderate Growth*

The profile is designed for an investor who seeks enhanced capital appreciation and is willing to accept greater risk of loss and volatility of returns.

### *Profile 5 – Growth*

The profile is designed for an investor who seeks significant capital appreciation and is willing to accept a correspondingly greater risk of loss and volatility of returns.

### *Profile 6 – Maximum Growth*

The profile is designed for an investor who seeks the highest level of capital appreciation and is willing to accept the correspondingly greater risk of loss and volatility of returns.

The percentage exposure to equity securities for each Risk/Return Profile is likely to be higher for each Risk/Return Profile as the level of aggressiveness increases from Conservative through Maximum Growth.

AssetMark establishes, and periodically reviews and confirms or adjusts, guidelines for each of the Risk/Return Profiles. AssetMark provides these guidelines to the independent investment management firms, referred to as the "Portfolio Strategists," that recommend asset allocations for the Mutual Fund and ETF Investment Solutions.

## *Asset Allocation Approaches*

Another element for establishing the investment strategy for a Client's Account is to identify the Asset Allocation Approach(es). Each Portfolio Strategist and/or Investment Solution may be classified by AssetMark based on their approach to asset allocation. However, some Investment Solutions may not be categorized into any one of these approaches.

The Strategic, Tactical Constrained and Tactical Unconstrained Asset Allocation approaches may be implemented with a Capital Appreciation objective or a Multi-Asset Income objective. Capital Appreciation objective seeks to maximize total return within the risk selected by the client. Multi-Asset Income objective seeks to deliver an enhanced level of current income from a range of asset categories. This objective seeks income generation as a primary objective, however also considers diversification and risk profile ranges as important components of portfolio construction. Multi-asset income strategies will take on risk in pursuit of their objectives as defined by the risk profile to which the objective is being managed.

The Client may select Investment Solutions for their Portfolio that represents a blend of different Asset Allocation Approaches. The following four Asset Allocation Approaches are available.

### *Strategic Asset Allocation Approach*

- Seeks to optimize risk adjusted return while adhering to asset allocation parameters.
- Relative market exposure and market performance will be important to return results.

### *Tactical Constrained Asset Allocation Approach*

- Seeks to optimize risk adjusted returns while adhering to asset allocation parameters and utilizing tactical deviations from the mix in efforts to add additional value.
- Relative market exposure and market performance will be important to return results with further impact from tactical decision making.

### *Tactical Unconstrained Asset Allocation Approach*

- Seeks to optimize risk adjusted returns without regard to asset allocation parameters.
- Relative return exposure will vary over time and, as a result, the decisions made regarding the magnitude and types of asset class exposure taken over time will be important to return results, along with the performance of those asset classes.

### *Absolute Return Allocation Approach*

- Seeks to capture modest positive returns over time regardless of general market direction while managing broad market risk and correlation. This objective may or may not be achieved in any specific time frame.
- Active investment decisions made with regard to specific asset class exposures and security selections will be important to return results, along with performance of the selected investments.

## MUTUAL FUND AND EXCHANGE TRADED FUND INVESTMENT SOLUTIONS

For Clients selecting a Mutual Fund Account, their Account will be invested in no-load mutual funds (that is, funds that do not charge a sales charge or "load") and/or mutual funds that generally do charge a sales load but where the sales charge has been waived. The Account will be invested consistent with allocations provided by a Portfolio Strategist for the Risk/Return Profile selected by the Client. Certain AssetMark Platform Portfolio Strategists compose their mutual fund asset allocations utilizing only those mutual funds managed by the Portfolio Strategist or an affiliate of the Portfolio Strategist.

For Clients selecting the Exchange Traded Fund Investment Solution, their Account will be invested in exchange traded funds (or ETFs) consistent with allocations provided by a Portfolio Strategist for the Risk/Return Profile selected by the Client. ETFs are traded daily at market determined prices on a national exchange in a similar manner to other individual equity securities. AssetMark's trading practices are discussed further in the Trade Execution and Brokerage Allocation section. A Portfolio Strategist may compose their ETF asset allocations utilizing only those ETFs managed by the Portfolio Strategist or an affiliate of the Portfolio Strategist.

Unless otherwise restricted by the Client and accepted by AssetMark, if a Mutual Fund or ETF Investment Solution is chosen, the Account may also include non-mutual fund or non-ETF investments, as applicable. For example, non-mutual fund investments could be cash equivalents held by the Account.

In a Mutual Fund or ETF, or in an Administrative/Non-Managed Account, the Client retains all indicia of beneficial ownership, including, without limitation, all voting power and other rights as a security holder in each of the funds held for the Client.

The standard minimum investment through the Platform will generally be \$50,000 for Mutual Fund and \$100,000 for ETF Accounts. AssetMark reserves the right, in its sole judgment, to accept certain investments below the standard minimum.

For Mutual Fund and ETF Investment Solutions, the Client selects for the management of the Account: (1) a Risk/Return Profile; (2) an Asset Allocation Approach, as represented by the selected Portfolio Strategist; and (3) for some, but not all Mutual Fund and ETF Investment Solutions, a Mandate. Risk/Return Profiles are described above. In the Mutual Fund Investment Solution, Strategic Asset Allocation, Tactical Constrained Asset Allocation, and Absolute Return Allocation Approaches are available. In the ETF Investment Solution, all Allocation Approaches are available.

### **AssetMark Platform Portfolio Strategists**

AssetMark's investment of the Account shall be consistent with the Asset Allocation Approach and Risk/Return Profile selected by the Client for the Account. For the Mutual Fund and ETF Investment Solutions, AssetMark has contracted with investment management firms ("Portfolio Strategists"), which AssetMark may replace in its discretion, to provide recommended asset allocations, consistent with the Asset Allocation Approach and Risk/Return Profile, by which AssetMark intends to invest Account assets, unless circumstances indicate that modified allocations or investments are appropriate. The Client may specify the initial Portfolio Strategist for the Account. AssetMark may replace a Portfolio Strategist at its discretion, and will give to the Client, notice of any change to that Portfolio Strategist.

Additional information about the Portfolio Strategists is provided below under "Selection And Review Of Portfolio Strategists."

### **Mandates**

Additionally, for some, but not all, Mutual Fund and ETF Investment Solutions, the Client may select a Mandate for the Account.

For some Mutual Fund and ETF Investment Solutions, the Client can select from the Tax-Sensitive, Standard, or Multi-Asset Income Mandates as described below.

- **Tax-Sensitive.** Tax-exempt fixed income investments, tax-managed equity investments, holding periods and turnover levels will be considered. However, AssetMark cannot guarantee that the portfolios will behave in a tax sensitive manner over any given time period.

- **Standard.** Consideration will generally not be given to tax-exempt investments or holding periods.
- **Multi-Asset Income.** Managed to maximize the realization of current income from a range of asset categories including fixed income, equity and specialty asset classes. Seeks income generation as a primary objective, however also considers diversification and risk profile ranges as important components of portfolio construction. Multi-asset income strategies will take on risk in pursuit of their objectives as defined by the risk profile to which the mandate is being managed.

### **IMA Investment Solution**

Individually Managed Accounts include the Savos Preservation Strategy and Fixed-Income Strategies.

**Savos Preservation.** For the Savos Preservation Strategy, Savos acts as a Discretionary Manager for Client Accounts. Savos shall provide discretionary investment management services to the Account, and the Client grants Savos 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 PCG IMSA.

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

The primary investment objective of the Savos 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. Preservation Strategy Accounts will be invested primarily in mutual funds.

The Savos Preservation 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.

For Savos Preservation Account, the account minimum is \$50,000. AssetMark reserves the right, in its sole judgment, to accept certain investments below the standard minimum.

**Savos Fixed Income Accounts.** For the Savos Fixed Income Accounts, Savos acts as Investment Manager for Client Accounts. Savos shall provide discretionary investment management services to the Account, and the Client grants Savos 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 PCG IMSA.

For a Savos 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 Savos Fixed Income Account. For Savos Fixed Income Accounts, the account minimum ranges from \$25,000 - \$50,000. AssetMark reserves the right, in its sole judgment, to accept certain investments below the standard minimum.

The available Mandates for the Savos 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.

**This must remain with the Client**



- **Municipal, Duration-based and the High Income 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.

#### ADVISORY SERVICES NO LONGER OFFERED

AssetMark manages other advisory and mutual fund services which are no longer offered to new Clients. These services continue to be managed in accordance with the description of strategy and disclosures in the respective Client agreement in effect prior to July 1, 2010, although all other terms of the current PCG IMSA govern the relationship between the Client and AssetMark. Clients with these advisory services may contact AssetMark for more information.

#### ADMINISTRATIVE ACCOUNTS

The Client may establish an "Administrative/Non-Managed Account" to hold "non-managed" assets, and such Account may include a Cash Alternative Account or General Securities Account.

An Administrative/Non-Managed Account is provided as an administrative convenience for the Client. Assets in an Administrative/Non-Managed Account are not managed or advised by AssetMark, and AssetMark is not responsible for their investment or management. However, the assets of an Administrative/Non-Managed Account will be included in periodic AssetMark reports to the Client. The Client will be solely responsible for directing the investments in the Administrative/Non-Managed Account. Administrative/Non-Managed Account assets are subject to the terms of the Client's agreement with their selected Custodian.

**Cash Alternative Account.** In the Cash Alternative Account, the Client may select among options available at the Custodian, which may include investments in a Money Market Fund or the Custodian's cash sweep vehicle.

**General Securities Account.** In the General Securities Account, the Client may move to the Account those equity or fixed-income securities acceptable to the Custodian. No securities may be purchased in this Account. The Client will be solely responsible for directing the sale of investments in the Account. Administrative Fees will generally not be charged against the assets of a General Securities Account, but any Administrative Fee or other fees payable will be charged to another Account established under this Agreement or directly to a bank account via the Automated Clearing House (or ACH) process.

#### ASSETS UNDER MANAGEMENT

As of December 31, 2013, the PCG division of AssetMark had \$500.1 million in assets under management.

### ITEM 5 – FEES AND COMPENSATION

All fees are subject to negotiation.

#### FEES

##### OVERVIEW

The fees applicable to the Client Account under the PCG IMSA are:

1. Management Fees;
2. Administrative Fees – if applicable; and
3. Other Fees and Expenses, such as Special Request Services Fees, if applicable.

Unless other arrangements are made, the Client authorizes the Account's Custodian to debit these fees from the Account. Additional fees may be payable pursuant to a separate Custody Agreement with the Account's Custodian.

The Management Fees and any Administrative Fees shall be payable quarterly, in advance, for the upcoming calendar quarter, on Account assets, at the annual rates provided below.

For the initial deposit to the Account and for any subsequent, additional deposits to the Account, the Account Fee for that deposit shall be prorated for the remainder of that calendar quarter.

For assets invested in the Account throughout the preceding quarter, including as of the last day of the preceding quarter, the Account Fee shall be calculated on the market value at the end of each calendar quarter of all such Account assets, multiplied by one quarter (25%) of the applicable annual rate.

Upon termination of the Account, prepaid Account Fees shall be refunded pro-rata. The amount of prepaid Account Fees refunded are calculated by multiplying the daily prepaid Account Fee during the final quarter by the number of days remaining in that quarter.

#### MANAGEMENT FEE SCHEDULES

For The BJ Group, Mutual Fund, ETF and IMA Investment Solutions, the Client agrees to pay AssetMark a quarterly Management Fee at the applicable annual rates set forth below. For purposes of calculating Management Fees, Account assets include any assets in the "dollar cost averaging" program before they are transferred to an Investment Solution.

##### **Management Fee Schedule for the Investment Solutions of The BJ Group (excluding the Fixed Income Strategy), Mutual Fund, ETF and IMA**

FEE ON ASSETS		FEE
FROM	TO	
\$0.00	\$99,999.99	2.00%
\$100,000.00	\$249,999.99	1.75%
\$250,000.00	\$499,999.99	1.50%
\$500,000.00	\$999,999.99	1.25%
\$1,000,000.00	\$1,499,999.99	1.10%
\$1,500,000.00	\$1,999,999.99	0.95%
\$2,000,000.00 and above		0.85%

##### **BJ Group Fixed-Income Strategy Management Fee and IMA Savos Fixed-Income Accounts**

FEE ON ASSETS		FEE
FROM	TO	
\$0.00	\$499,999.99	0.45%
\$500,000.00	\$999,999.99	0.35%
\$1,000,000.00	\$4,999,999.99	0.25%
\$5,000,000.00 and above		0.20%

#### MANAGEMENT FEE SERVICES

AssetMark's Management Fee includes payment for AssetMark's discretionary investment management of the Client Account. This discretionary management includes, without limitation, management and monitoring of the Client Account, asset allocation, providing

**This must remain with the Client**

instructions for execution of the purchase and sale of investments for the Account, monitoring and replacement of Portfolio Strategists, Discretionary Managers and Investment Management Firms and other services providers, which may provide AssetMark with a range of services, including asset allocation recommendations and other recommendations for use in AssetMark's management of Client accounts, and Client consultations. AssetMark also pays Portfolio Strategists, Discretionary Managers and Investment Management Firms and other services providers, including Mr. Bob Brinker and the registered investment adviser he controls, Robert J. Brinker Investment Advisory Services, Limited, (collectively, "Brinker"). AssetMark pays Brinker an annual fee, paid periodically, which fee is not based on assets under management.

***Administrative Fee Schedule for Administrative/Non-Managed Accounts***

FEE ON ASSETS FROM	ADMINISTRATIVE FEE ANNUAL RATE
\$0 to \$249,999	0.25%
\$250,000 to – \$499,999	0.15%
Over \$500,000	0.10%

**OTHER FEES AND EXPENSES**

Special request service fees. Service fees incurred as a result of special requests, such as wiring funds or overnight delivery, will be charged to a Client's Account unless waived by AssetMark or the Custodian, as applicable.

Fees under Custody Agreement. Additional fees may be due pursuant to the Client's separate Custody Agreement with the Account Custodian.

Indirect Investment Expenses and Fees from Pooled Investments. Some expenses are inherent within the investments held in Client accounts. Mutual funds, ETFs, Certificates of Deposits and other pooled investment vehicles bear their own operating expenses, including management fees and compensation paid to their advisers and other services providers as well as other expenses and fees. An Account with assets invested in these funds, accounts or vehicles will indirectly pay its share of the compensation and fees paid by the fund or investment instrument, in addition to the fees paid to AssetMark. Mutual funds selected by AssetMark for the Account may include funds advised or serviced by AssetMark or affiliates, from which AssetMark or affiliates may receive compensation in addition to the fees paid under this Agreement. Included in the mutual funds may be the Savos Investments Trust Contra Fund (the "Contra Fund") or other fund advised by AssetMark; in which case, AssetMark may receive management fees for both its management of the Contra Fund or other fund and the Client's Account.

Certain mutual funds and other pooled investment vehicles in which Client Account assets are invested, or service providers to these funds or to the Account Custodian, pay fees to AssetMark or a AssetMark affiliate for services provided, including, without limitation, administrative or shareholder servicing fees, bank servicing or certain other fees, which may be directly or indirectly reflected in the net asset value of the fund held in the Account. In addition, while AssetMark does not invest Client Accounts in funds that impose front-end or deferred sales charges or "loads" on the purchase or sale of fund shares, Account assets may be invested in funds that pay "12b-1 fees," which are fees paid based on fund assets. Additionally, some funds may assess redemption fees, in which case, the Account may be assessed these fees.

The Account may also incur expenses related to the custody of foreign securities, including fees from paying agents of the issuers of foreign securities, such as American Depositary Receipts (e.g., "ADR Fees"). ADR Fees may appear as a separate fee on Account Statements. The Account may also incur fees for equity transactions known as "SEC fees" or "Section 31 fees." These transaction fees are paid by self-regulatory organizations to the U. S. Securities and Exchange Commission to pay the costs incurred by the government in supervising and regulating the securities markets and securities professionals, and broker-dealers, in turn, recover these costs from customers.

IRA and ERISA Account Fee. AssetMark or its affiliates, including Custodian AssetMark Trust, may receive fees for advisory, administrative or other services from mutual funds or other pooled investment vehicles, or their service providers, whose shares may be held by the Account, from banks which may hold deposits of Account assets or from other financial services providers. In the case of an IRA and ERISA Account custodied at AssetMark affiliate AssetMark Trust, such "service fee" income will offset an "IRA & ERISA Account Fee" otherwise chargeable to the Account by AssetMark Trust for the additional custodial and other services provided by AssetMark Trust to IRA and ERISA accounts.

**OTHER FEE DISCLOSURES**

***Negotiated Fees***

Some of AssetMark's management fees are negotiable, and exceptions to the fee schedule detailed above may be made with the approval of a senior executive officer. Exceptions to AssetMark's Management Fee schedule include accounts of employees and employees of broker-dealer, investment advisory or other firms with whom AssetMark maintains an active selling agreement, any of which may be offered discounted fees. Exceptions or other modifications to the fee schedule or minimum account size require the approval of a senior executive officer, as authorized by the President and CEO. Clients whose initial contracts with AssetMark preceded the current fee schedules remain at the fee schedule specified in their initial contract, unless the parties have individually and specifically agreed otherwise.

***Disclosure Regarding Fee Rates***

Clients should be aware that the fees charged by AssetMark may be higher or lower than those charged by others in the industry and that it may be possible to obtain the same or similar services from other investment advisers at lower or higher rates. A Client may be able to obtain some or all of the types of services available through AssetMark on an "unbundled" basis through other firms and, depending on the circumstances, the aggregate of any separately-paid fees may be lower or higher than the annual fees shown above.

**ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

AssetMark does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a Client) and therefore does not participate in any side-by-side management. Side-by-side management refers to managing accounts which pay performance fees while at the same time managing accounts that do not pay performance fees.



## ITEM 7 – TYPES OF CLIENTS

AssetMark provides various investment supervisory services to registered investment companies and a variety of Clients, including but not limited to individuals, high net worth individuals, investment companies, pension and profit-sharing plans, corporations, partnerships, trusts, insurance companies and other investment managers.

If a Client is an Individual Retirement Account (IRA) or subject to ERISA, the Client and/or their Financial Advisor must inform AssetMark in writing, and the Client agrees to be bound by the terms of the "ERISA and IRA Supplement to AssetMark Investment Management Services Agreement." AssetMark does not serve as a trustee or plan administrator for any ERISA plan, and does not advise such plans on issues such as funding, diversification or distribution of plan assets.

Account minimums for each investment solution are provided in Item 4 under Advisory Services.

## ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Investing in securities involves risk of loss that Clients should be prepared to bear.

### SELECTION AND REVIEW OF PORTFOLIO STRATEGISTS

AssetMark selects the Portfolio Strategists used in Mutual Fund and ETF Investment Solutions in order to provide a range of investment options and philosophies to Clients. In constructing their asset allocations, each of the Portfolio Strategists will generally utilize the Asset Allocation Approaches described earlier in this Disclosure Brochure. Each of the Portfolio Strategists provides to AssetMark a range of asset allocations that will correspond to some or all of the six Risk/Return Profiles, ranging from most conservative to most aggressive, as discussed above.

The Portfolio Strategists generally use either technical or fundamental analysis techniques in formulating their asset allocations and some will incorporate strategies with specific income distribution objectives. Each of the Portfolio Strategists nevertheless has its own investment style resulting in the use of different asset class and mutual fund or ETF allocations within their asset allocations. The asset allocations will be comprised of a combination of asset classes, represented by mutual funds or ETFs. These asset classes may include, but are not limited to the following:

- **US equities.** Large Cap Growth, Large Cap Value, Mid Cap Growth, Mid Cap Value, Small Cap Growth, Small Cap Value
- **International equities.** Developed Markets, Emerging Markets
- **Fixed Income.** US Core, High Yield, Global, International, Emerging Markets
- **Other.** REITs, Commodities, Absolute Return Strategies, hedging strategies and other non-standard sectors, including alternatives.
- **Cash**

The objective is to provide Clients with a variety of asset allocation methods for accomplishing a Client's investment objectives. Clients should review each Portfolio Strategist's investment style prior to selecting the Portfolio Strategist and Asset Allocation Approaches to follow for their Mutual Fund or ETF Investment Solution.

AssetMark has contracted with Portfolio Strategists to provide recommended allocations, by which AssetMark intends to invest the Account, unless circumstances indicate modified allocations or investments are appropriate. These asset allocation recommendations are implemented by AssetMark in Client Accounts when they are received from the Portfolio Strategists and will result in transactions in the impacted Accounts. Portfolio Strategists will guide AssetMark with instructions to rebalance portfolios (return back to policy mix) and/or reallocate (change the target mix), either periodically or as they deem appropriate over time, depending on their specific asset allocation approach and investment process.

AssetMark implements these asset allocation recommendations in Client Accounts at the frequency at which they are received from the Portfolio Strategists and will result in transactions in the impacted Accounts. Portfolio Strategists will guide AssetMark with instructions to rebalance portfolios (return back to asset allocation parameters) and/or reallocate (change the target asset allocation), either periodically or as they deem appropriate over time, depending on their specific asset allocation approach and investment process.

AssetMark may from time to time add, remove or replace a Portfolio Strategist in its discretion. AssetMark may periodically add mutual funds and ETFs to those available for use in the Portfolio Strategists' asset allocations, and AssetMark may periodically remove mutual funds or ETFs from the list of those available.

Although some of the Portfolio Strategists creating asset allocations composed of mutual funds consider all of the mutual funds available on the Platform, certain Portfolio Strategists compose their mutual fund asset allocations utilizing only those mutual funds managed by the Portfolio Strategist or an affiliate of the Portfolio Strategist.

AssetMark makes available to Clients written descriptions of each of the Portfolio Strategists, including a brief history of each firm and an overview of the Portfolio Strategists' key investment management personnel. AssetMark makes available to Clients written descriptions of each of the Portfolio Strategists. For more information regarding specific Portfolio Strategists' investment processes and philosophy, contact your Financial Advisor.

### INVESTMENT RISK AND TAX CONSEQUENCES

Clients must understand that risks are inherent in any investment, the amount of which may vary significantly, and that investment performance can never be predicted or guaranteed. Account assets will fluctuate in value and may incur losses. Investment returns, particularly over shorter time horizons, are highly dependent on trends in the various investment markets. Past performance is not predictive of future results. There is no guarantee that the objectives of the Strategy selected for an Account will be met. While AssetMark offers advisory services for varying investment needs and risk tolerances, AssetMark's advisory services are suitable only for long-term investors and do not provide means to engage in short-term trading. Clients should carefully consider whether their selected Investment Solution and Strategy are suitable for them, including consideration of their financial situation.

Sales of Account assets, including redemptions and exchanges of mutual fund shares, constitute sales for tax purposes. Clients who open Accounts by transferring securities in-kind, instead of opening an Account with cash, must also understand that all or a portion of their securities may be sold either at the initiation of or during the course of management of their Accounts. Clients are responsible for all of the tax liabilities arising from such transactions and all other transactions in their Accounts and are encouraged to seek the advice of a qualified tax professional. AssetMark does not provide tax advice.

## ITEM 9 – DISCIPLINARY INFORMATION

AssetMark and its management does not have disciplinary information to report.

## ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

AssetMark has numerous affiliated companies under common control with the AssetMark. AssetMark does not consider such affiliations to create a material conflict of interest for AssetMark or its Clients. For those affiliated companies you may interact with in connection with your AssetMark relationship, their industry activities are described in further detail below:

- Altegris Advisors, LLC
- Altegris Portfolio Management, Inc.
- Altegris Clearing Solutions, LLC
- Altegris Futures, LLC
- Altegris Investments, Inc.
- AssetMark Brokerage, LLC
- AssetMark Trust Company

### Altegris Advisors, LLC

Altegris Advisors, LLC (“Altegris”) is a Delaware limited liability company and is registered as an investment adviser with the Securities and Exchange Commission. Altegris, a Delaware series trust, serves as the investment adviser to the Altegris Managed Futures Strategy Fund, the Altegris Macro Strategy Fund, the Altegris Futures Evolution Strategy Fund, the Altegris Equity Long Short Fund, and the Altegris Fixed Income Long Short Fund. Altegris may also act in the capacity of Portfolio Strategist for AssetMark. Altegris is a commodity pool operator registered with the Commodity Futures Trading Commission (“CFTC”), and a member of the National Futures Association (“NFA”).

### Altegris Portfolio Management, Inc.

Altegris Portfolio Management, Inc., dba Altegris Funds (“Altegris Funds”), is a commodity pool operator registered with the Commodity Futures Trading Commission (“CFTC”), a member of the National Futures Association (“NFA”), and an investment adviser registered with the Securities and Exchange Commission. Altegris Funds acts as the sponsor to various pooled investment vehicles offered on a private placement basis, including commodity pools and hedge funds.

### Altegris Clearing Solutions, LLC

Altegris Clearing Solutions, LLC (“Solutions”) is a Delaware limited liability company registered as both a futures introducing broker and a commodity trading advisor with the CFTC and a member of the NFA. Solutions introduces futures separate accounts of its Clients to various futures commission merchants and provides futures-related consulting services.

### Altegris Futures, LLC

Altegris Futures, LLC (“Futures”) is a Delaware limited liability company registered as an introducing broker with the CFTC and is a member of the NFA. Futures acts as introducing broker for commodity pools sponsored by its affiliate, Altegris Funds.

### Altegris Investments, Inc.

Altegris Investments, Inc. (“Investments”) is an Arkansas corporation and is registered as a broker-dealer with the Securities and Exchange Commission (“SEC”) and member of the Financial Industry Regulatory Authority (“FINRA”). Investments acts as a selling agent and

wholesaling agent for commodity pools and hedge funds sponsored by its affiliate, Altegris Funds and as a distributor of mutual funds advised by its affiliate Altegris. Investments also acts as a third party selling agent for non-affiliated hedge funds and commodity pools. Through its affiliate, Solutions, Clients of Investments may access a platform of managed futures trading programs.

### AssetMark Brokerage, LLC

AssetMark Brokerage, LLC (“Assetmark Brokerage”) is a broker-dealer registered with the U.S. Securities and Exchange Commission and has applied for membership with the Financial Industry Regulatory Authority (“FINRA”) and is affiliated with AssetMark by common ownership.

### AssetMark Trust Company

AssetMark Trust Company (“AssetMark Trust”) is an Arizona chartered trust company that currently serves as the custodian for certain AssetMark advisory and platform services.

## AFFILIATE CONFLICTS OF INTEREST

### Banking Institution - AssetMark Trust

Clients may pay AssetMark Trust for custodial services pursuant to their Custody Agreement with AssetMark Trust. Additionally, pursuant to a contract between AssetMark and AssetMark Trust, AssetMark may also pay AssetMark Trust for services it provides AssetMark advisory Clients, including with regard to Savos Preservation and the Savos Fixed-Income Strategies. Additionally, AssetMark Trust may receive payments from mutual fund, mutual fund service providers and other financial institutions for services AssetMark Trust provides related to investments held in Client Accounts. AssetMark Trust handles transfer agency functions, shareholder servicing, sub-accounting, and tax reporting functions that these financial institutions may otherwise have to perform. Such payments may be made to AssetMark Trust by these financial institutions based on the amount of assets AssetMark has directed be invested on behalf of Client Accounts. AssetMark determines whether to initially invest or maintain an investment of Client Account assets in these investments. Any such payments to the Custodian will not reduce AssetMark’s Management Fee. Some mutual funds, or their service providers, may provide compensation in connection with the purchase of shares of the funds, unless prohibited by law or self-regulatory organizations. Compensation may include financial assistance for conferences, sales or employee training programs. Compensation may also be paid for travel and lodging expenses for meetings or seminars of a business nature held at various locations or gifts of nominal value as permitted by applicable rules and regulations.

## OTHER COMPENSATION TO ASSETMARK AFFILIATES

Some mutual funds and/or service providers to mutual funds pay administrative service or certain other fees to AssetMark Trust, in payment of services provided by AssetMark Trust. Banks and other financial institutions may also pay AssetMark Trust for services. AssetMark Trust handles transfer agency functions, shareholder servicing, sub-accounting, and tax reporting functions that these financial institutions would otherwise have to perform. Such payments may be made to AssetMark Trust by these financial institutions based on the amount of assets AssetMark has directed be invested on behalf of Clients in the investment. AssetMark determines whether to initially invest or maintain an investment of Client account assets in these investments. Any such payments to the custodian will not reduce AssetMark’s management fee schedule.

Some mutual fund companies provide compensation to advisers in connection with the purchase of shares of funds held in Client portfolios, unless prohibited by state law or self-regulatory organizations. Compensation may include financial assistance for conferences, sales

or employee training programs. Compensation may also be paid for travel and lodging expenses for meetings or seminars of a business nature held at various locations or gifts of nominal value as permitted by applicable rules and regulations.

## **ITEM 11 – CODE OF ETHICS AND PERSONAL TRADING; PARTICIPATION IN CLIENT TRANSACTIONS**

AssetMark has adopted a Code of Ethics (the “Code”) that is intended to comply with the provisions of Rule 204A-1 under the Investment Advisers Act of 1940 (“Advisers Act”), which requires each registered investment adviser to adopt a code of ethics setting forth standards of conduct and requiring compliance with federal securities laws. Additionally, the Code is designed to comply with Section 204A of the Advisers Act, which requires investment advisers to establish, maintain and enforce written policies and procedures reasonably designed, taking into consideration the nature of such investment adviser’s business, to prevent the misuse of material, non-public information by any person associated with such investment adviser. AssetMark’s Code requires that all “Supervised Persons” (including officers and certain affiliated persons and employees of AssetMark) in carrying out the operations of AssetMark, adhere to certain standards of business conduct. Specifically, the Code requires that these persons: (i) comply with all applicable laws, rules and regulations, (ii) avoid any conflict of interest with regard to AssetMark and its Clients, (iii) avoid serving their personal interests ahead of the interests of AssetMark and its Clients, (iv) avoid taking inappropriate advantage of their position with AssetMark or benefiting personally from any investment decision made, (v) avoid misusing corporate assets, (vi) conduct all of their personal securities transactions in compliance with the Code, and (vii) maintain, as appropriate, the confidentiality of information regarding AssetMark’s operations.

The Code contains a number of prohibitions and restrictions on personal securities transactions and trading practices that are designed to protect the interests of AssetMark and its Clients. First, the Code prohibits trading practices that have the potential to harm AssetMark and/or its Clients, including excessive trading or market timing activities in any account that AssetMark manages, trading on the basis of material non-public information, and trading in any “Reportable Security” when they have knowledge the security is being purchased or sold, or is being considered for purchase or sale by the Accounts managed by AssetMark or any AssetMark-advised mutual funds. Second, the Code mandates the pre-clearance of certain personal securities transactions, including transactions in securities sold in initial public offerings or private placements. The Code also requires the pre-clearance of Reportable Security transactions for certain Access Persons (Access Persons is a segment of the Supervised Persons group that may have access to AssetMark information). Finally, the Code requires Access Persons to submit, and the Chief Compliance Officer (the “CCO”) to review, initial and annual holdings, and quarterly transaction reports.

AssetMark utilizes StarCompliance to provide enhanced tracking of employee transactions and gives AssetMark the ability to analyze employee trading against certain parameters and transactions in its managed Accounts or any AssetMark-advised funds. Access Persons also utilize this system to annually certify their receipt of, and compliance with, the Code and pre-clear their Reportable Security transactions, if they are required to do so by the Code.

All Supervised Persons under the Code are responsible for reporting any violations of the Code to the CCO. The Code directs the CCO to submit reports to the Board of Trustees of any AssetMark-advised mutual funds regarding compliance with the Code, and to impose sanctions on violators, as warranted.

AssetMark will provide a copy of the Code to any Client or prospective Client upon request.

## **ITEM 12 – BROKERAGE PRACTICES**

### **TRADE EXECUTION AND BROKERAGE ALLOCATION**

Trading is directed by AssetMark, and AssetMark gives instructions for the purchase and sale of securities for Client Accounts. AssetMark selects the broker-dealers or others with which transactions for Client Accounts are effected.

AssetMark or the Discretionary Manager, if applicable, will generally direct most, if not all transactions to the Account Custodian. If the selected custodian is AssetMark Trust, generally most, if not all, transactions will be directed to Fidelity Brokerage Services, LLC, and/or National Financial Services, LLC (collectively and individually “Fidelity”) or other broker-dealers selected by AssetMark, and contracted with AssetMark Trust, in view of their execution capabilities, and because the selected broker-dealer(s) is paid by AssetMark or AssetMark Trust and generally does not charge Client Accounts transaction-based fees or commissions for its execution service. If the Account is invested in an ETF or IMA Investment Solution, the selected broker-dealers will be paid through amounts collected as part of the Management 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 Custodian. AssetMark, or the Discretionary Manager, as applicable, may determine to trade outside the selected broker-dealer(s), and, in such a case, the Account may be charged for the trade execution.

For accounts custodied at AssetMark Trust, AssetMark will normally combine purchase and sale transactions for a security into a single brokerage order. By combining the purchase and sale transactions into a single brokerage order, Clients that are buying a security will receive the same average price as Clients that are selling the same security and Clients selling will receive the same average price as Clients that are buying the same security, based on the single net order placed by AssetMark. This aggregation process could be considered to result in a cross transaction among affected Client accounts.

Clients should be aware that the arrangement regarding Fidelity described above may operate as an incentive for AssetMark to utilize that broker-dealer regardless of execution quality, in order to avoid incurring the charges that may accompany trading with other broker-dealers. This incentive may create a conflict of interest to the extent that AssetMark utilizes Fidelity to execute trades for Client accounts when higher quality execution might be available through other broker-dealers.

### **ACCOUNT LIQUIDITY RESERVE**

To properly maintain cash flows for Client needs, a portion of all Client accounts is maintained in a short term investment vehicle. This liquidity reserve may be invested in a money market mutual fund or other short term pooled investment vehicle, as determined by Custodian.

### **DELIVERY OF FUND REDEMPTION PROCEEDS**

Mutual funds may be included in Client Accounts. Under certain economic or market conditions or other circumstances, mutual funds may pay redemption proceeds by an in-kind distribution of securities in lieu of cash. Mutual funds, broker-dealers or transfer agents may experience delays in processing orders, or may suspend redemptions

**This must remain with the Client**

or securities trading under emergency circumstances declared by the Securities and Exchange Commission, the New York Stock Exchange, or other stock exchanges or regulatory agencies.

## ITEM 13 – REVIEW OF ACCOUNTS

### REVIEW OF ACCOUNTS

AssetMark's Investment Management staff reviews on an ongoing basis the performance of the Strategies within each Investment Solution, as well as the individual performance of each Portfolio Strategist or Discretionary Manager, and if applicable, the individual securities in the Investment Solutions managed by the Savos division. The Client may contact AssetMark to arrange for consultations regarding the management of their account. Clients should contact AssetMark to discuss and assess their current financial situation, investment needs and future requirements in order to implement and monitor investment Portfolios designed to meet the Client's financial goals.

PCG Financial Advisors, along with representatives from AssetMark and Compliance periodically review PCG accounts which are custom accounts through the Fiduciary Accounts Investment Oversight Committee ("FAIOC"). The FAIOC committee reviews the Client's custom account and determines whether any changes to the account should occur, such as bringing the custom account back into alignment with a similar model account. Often PCG accounts are considered custom accounts because the Client has directed some activity on the account.

## ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

The BJ Group Service offers Clients tactical asset allocation by implementing asset allocation recommendations from Robert ("Bob") J. Brinker, author of the Marketimer newsletter. AssetMark has a number of agreements with Mr. Brinker and the registered investment adviser he controls, Robert J. Brinker Investment Advisory Services, Limited, (collectively, "Brinker"). AssetMark pays Brinker annual fees, paid periodically, not based on assets under management, for investment advisory and related services and has previously paid Brinker for Client referrals.

AssetMark makes cash payments to certain employees in its PCG division who solicit Clients for AssetMark. These payments are calculated based on PCG Client assets under management by AssetMark that were solicited by that employee, and are paid from AssetMark's management fee. The fees that AssetMark's PCG Clients pay do not differ on the basis of how they were referred to AssetMark.

## ITEM 15 – CUSTODY

### CUSTODY OF CLIENT ASSETS

Each Client must establish an Account with AssetMark Trust Company ("AssetMark Trust"), or such other custodian that may be agreed upon with AssetMark ("Custodian," which term shall include AssetMark Trust) for the custody of their Account assets.

AssetMark Trust, an Arizona trust company and affiliate of AssetMark, serves as custodian for most of AssetMark's PCG Clients' Accounts, although the Charles Schwab Institutional division of Charles Schwab

and Co., Inc., may also be used for custodial services. AssetMark Trust's address, which may be used for overnight couriers, is 3200 North Central Avenue, Seventh Floor, Phoenix, AZ 85012. Its mailing address is P.O. Box 80007, Phoenix, AZ 85060. The telephone number is 888 957.9700 and the fax is 602-277-0202.

All Client accounts are separately maintained on the records of the Client's selected Custodian.

With regard to AssetMark Trust, Client funds and securities may be held in omnibus accounts at various banks, broker-dealers and mutual fund companies. The holdings of these omnibus accounts reflect book-entry securities, which AssetMark Trust allocates to the individual Client Accounts on its own records. AssetMark Trust may use sub-custodians in fulfilling its responsibilities, including National Financial Services Corp., (whose affiliated broker-dealer, Fidelity Brokerage Services, LLC, also provides brokerage and clearing services for Client accounts), and Bank One.

The Custodian provides Clients with a quarterly statement of their account, with information including Account holdings and fees; full year-end tax reporting for taxable accounts and fiscal year-end reporting for Accounts held for tax-qualified entities; and access to an electronic or web-based inquiry system that provides detailed information on each Client's Account on a daily basis.

### CLIENT REPORTS

The Custodian selected by the Client shall send periodic account statements detailing the Client's individual Account(s), including portfolio holdings and market prices, all transactions (such as trades, cash contributions and withdrawals, in kind transfers of securities, interest and dividend or capital gains payments) for each individual Client Account, and fee deductions. Additionally, Clients are able to inquire about their current holdings and the value of their Accounts custodied at AssetMark Trust via internet access. The Custodian may also send a Transaction Acknowledgement to the Client for all cash contributions, withdrawals and in kind transfers as they occur. Although the standard form of AssetMark Trust Custody Agreement provides that the receipt of individual transaction confirmations is waived by the Client, a Client may elect, by written request to AssetMark Trust, to receive a confirmation of each security transaction and such confirmations will thereafter be provided.

Clients are strongly encouraged to review all statements, acknowledgements and correspondence sent by the Custodian.

## ITEM 16 – INVESTMENT DISCRETION

AssetMark accepts discretionary authority to manage the assets in the Client's account.

### ASSETMARK'S PCG INVESTMENT MANAGEMENT SERVICES AGREEMENT

Pursuant to the PCG IMSA, Clients grant AssetMark the authority to manage the assets in their Accounts on a fully discretionary basis. This grant of discretionary authority includes the authority, without first consulting the Client:

- to buy, sell, select, remove and replace securities, including mutual funds shares and including those of funds advised by AssetMark or an affiliate, and other investments, for the Account, and to determine the portion of assets in the Account that shall be allocated to each investment or asset class and to change such allocations;



- to select the broker-dealers or others with which transactions for the account will be effected;
- to retain or replace any person providing investment advice, securities recommendations, model portfolios or other services to AssetMark, including without limitation, Portfolio Strategists giving advice with regard to the Mutual Fund and ETF Investment Solutions, and any Investment Management Firms giving advice with regard to IMA Investment Solutions, as deemed appropriate by AssetMark;
- with regard to IMA Investment Solutions, to retain or replace any person providing discretionary investment management of the Account, as deemed appropriate by AssetMark; and
- when appropriate to the Investment Solution and/or the Risk Management Strategy and/or the Mandate and/or Strategy selected by the Client for the Account, to invest a portion of the Account assets, at such times and in such amounts as AssetMark decides in its sole discretion, in one or more registered investment companies, for which AssetMark or an affiliate serves as investment adviser.
- to take any and all other actions on the Client's behalf that AssetMark determines is customary or appropriate for a discretionary investment adviser to perform.

## SHAREHOLDER MATERIALS & OTHER INFORMATION

With regard to an Account invested in a Mutual Fund or ETF Investment Solution, a BJ Group Investment Solution or in the Savos Preservation and Fixed-Income Strategies, the Client waives the right to receive all shareholder materials applicable to securities held in the Account, including without limitation prospectuses, shareholder reports, proxies and other documents, and designates the applicable Discretionary Manager as their agent and attorney-in-fact to receive certain documents related to securities purchased on a discretionary basis for their account, with the exception of the Contra Fund for which Clients shall receive shareholder materials. This waiver may be rescinded at any time by written notice to AssetMark.

The Client retains the right to receive, and shall receive, shareholder materials if the Account is invested in an Administrative/Non-Managed Account.

Upon request, AssetMark will provide Clients with an overview briefly describing any Portfolio Strategist participating in an Investment Solution. These overviews will focus on each Portfolio Strategist's investment style.

## REASONABLE RESTRICTIONS, PLEDGING AND WITHDRAWING SECURITIES

We observe investment limitations and restrictions when notified of such by the Client.

AssetMark Clients have the option, upon written request accepted by AssetMark, 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, understanding that any restrictions placed on an Account may adversely affect performance. Requests for such restrictions are reviewed by AssetMark to ensure that they are reasonable and will not unduly impair AssetMark's ability to pursue the Investment Solution and Strategy selected by the Client. Clients may also pledge the securities in their Account or withdraw securities from their Account (transfer in-kind to another account or custodian), but must do so by giving instructions in writing to AssetMark and their Custodian.

## INVESTMENT IN GENWORTH SECURITIES

AssetMark does not invest Client Account assets in securities issued by Genworth Financial, Inc. ("Genworth") or any of its affiliates, even when the Client's investment objective might call for investment in companies having characteristics similar to those of Genworth or its affiliates. Although Genworth no longer has an ownership interest in AssetMark, conflicts of interest may still exist in AssetMark's investment of Client Accounts in Genworth securities because AssetMark continues to maintain certain relationships, including service agreements, with Genworth and its affiliates.

Mutual funds and other pooled investment vehicles may invest in securities issued by Genworth or any of its affiliates, so that Client Accounts may be indirectly invested in Genworth securities. The investment advisers for these funds make their investment decisions independently from AssetMark and any AssetMark affiliate, and AssetMark will not have any role in the decision to buy or sell Genworth securities for these funds.

There may be times when a fund buys or sells Genworth securities that coincide with developments affecting the value of Genworth securities. AssetMark and its affiliates have strict procedures against sharing material, non-public information. Therefore, in no case will any investment decisions for the funds incorporate or otherwise be made based on inside information regarding AssetMark or its affiliates.

## LIMITATIONS ON LIABILITY; TIME NEEDED FOR TRANSACTIONS

A reasonable amount of time will be needed for transactions, including, without limitation, to process new Account Applications and contributions to an existing Account, to invest the Account consistent with the selected Investment Solution and Strategy and any requested restriction(s), to implement changes to these selections, and to terminate Accounts and to transfer assets. Account assets will continue to be impacted by the market exposure of the previous investments until each respective change is complete. The time periods previously experienced for transactions may not always be available and should not be relied upon. AssetMark Accounts are not brokerage accounts and requested changes may not be implemented the next business day.

Pursuant to the PCG IMSA Clients agree to indemnify and hold harmless AssetMark, the Custodians, any Portfolio Strategist, any Discretionary Manager, and any Investment Management Firm, their affiliates, and their officers, employees, employers and associates from all liability for the acts or omissions of AssetMark, the Custodians, any Discretionary Manager or any third party, for any loss of market value, including, without limitation, losses due to market fluctuations that may occur while transactions and changes are being implemented and processed, except for losses resulting from gross negligence, reckless disregard, bad faith or from acts or omissions for which federal and state securities laws impose liability notwithstanding the party having acted in good faith. Different standards may apply if the Account is subject to ERISA, and no provision in the PCG IMSA shall eliminate or abridge any substantive legal right (as opposed to a procedural right, mechanism or forum) a Client may have under state or federal securities laws or ERISA.

## ACKNOWLEDGEMENT REGARDING OTHER ADVISORY CLIENTS

AssetMark, any Discretionary Manager, any Investment Management Firm and any Portfolio Strategist utilized in a selected Strategy, and/or their affiliates, may perform advisory and/or brokerage services for other various Clients and the Client acknowledges that, when providing services to other Clients, these firms may give advice or take actions that differ from that given for this Account or the selected Strategy. For

**This must remain with the Client**



example, the Discretionary Manager, Investment Management Firms and/or their affiliates may purchase for this Account, or recommend for the selected Strategy, a security which they may sell for the account of another Client.

Additionally, AssetMark, any Discretionary Manager, any Investment Management Firm and any Portfolio Strategist may have advisory Clients for whom they may provide advice similar to their management, advice or recommendations with regard to the Account or selected Strategy and that purchases or sales of securities in accounts advised by these firms and/or their affiliates may have adverse effects on the price or availability of securities included in the Client's Account. Pursuant to the PCG IMSA Clients agree that these firms shall not be precluded, by reason of such possible adverse effects, from recommending, advising or effecting such purchases or sales for other accounts. The processes involved in executing trades for Client Accounts may, and in some instances will likely, result in such trades being executed after similar trades have been executed for other accounts advised by these firms and/or their affiliates and that such trades for Client Accounts may be at prices which vary from those executed for other accounts advised by these and/or their affiliates.

## ITEM 17 – VOTING CLIENT SECURITIES

### PROXY VOTING AND CLASS ACTIONS

For Accounts custodied at AssetMark Trust, the Client designates AssetMark to act 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. The Client acknowledges that as a result of this voting designation they are also designating AssetMark 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 AssetMark in writing of the desire to vote future proxies. Additionally, this designation of AssetMark 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 AssetMark to retrieve loaned securities for purposes of voting material matters. For Accounts at a Custodian other than AssetMark Trust, then the Client votes proxies; AssetMark will not vote the proxies.

If shares of the Contra Fund, or any other mutual fund or ETF that may be advised by AssetMark or an affiliate, are held in an Account for which AssetMark (including through its Savos Division) acts as Discretionary Manager, AssetMark 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. AssetMark 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 invested in an Administrative/Non-Managed Account, including a General Securities Account or Cash Alternative 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.

### *AssetMark's Policies*

AssetMark has adopted Policies designed to fulfill its duties of care and loyalty to its Clients. AssetMark has adopted a set of voting guidelines provided by an unaffiliated third-party firm with which it has contracted to vote proxies on its behalf. These Policies and the voting guidelines provide that votes will be cast in a manner consistent with the best interests of the Client. The specific guidelines established in the Policies address a broad range of issues including board composition, executive and director compensation, capital structure, corporate reorganizations, shareholder rights, and social and environmental issues. The Policies provide for the identification of potential conflicts of interest, determination of whether the potential conflict may be material, and they establish procedures to address material conflicts of interest. To address voting items identified as those in which AssetMark may have a material conflict of interest, AssetMark may rely on the third party firm to vote according to the guidelines. AssetMark may also refer a proposal to the Client and obtain the Client's instruction on how to vote, or disclose the conflict to the Client and obtain the Client's consent on its vote. AssetMark is not obligated to vote every proxy; there may be instances when refraining from voting is in the best interests of the Client. AssetMark may vote the securities of different Clients differently.

Clients may obtain a copy of AssetMark's complete proxy voting policies and procedures upon request. Clients may also obtain information from AssetMark about how AssetMark voted any proxies on behalf of their account(s).

To obtain proxy voting information, requests should be mailed to:

**AssetMark, Inc.**  
**Attention: Adviser Compliance**  
**1655 Grant Street, 10th Floor**  
**Concord, CA 94520-2445**

## ITEM 18 – FINANCIAL INFORMATION

In certain circumstances, registered investment advisers are required to provide you with financial information or disclosures about their financial condition in this Item. AssetMark has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients and has never been the subject of a bankruptcy proceeding.



# PRIVATE CLIENT GROUP DISCLOSURE BROCHURE

## Appendix 1

SEC File Number – 801 56323  
IA Firm CRD Number - 109018  
Effective March 28, 2014

## ITEM 1 – COVER PAGE

Adviser Compliance  
1655 Grant Street  
10th Floor  
Concord, CA 94520  
800-664-5345  
assetmark.com

AssetMark, Inc.  
1655 Grant Street  
10th Floor  
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AssetMark, Inc.

**ITEM 2 – MATERIAL CHANGES**

This page is cross-referenced with Item 2, Part 2A.

**ITEM 3 – TABLE OF CONTENTS**

Not applicable.

**ITEM 4 – SERVICES, FEES AND COMPENSATION**

This page is cross-referenced with Item 5, Part 2A.

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

This page is cross-referenced with Item 7, Part 2A.

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

This page is cross-referenced with Item 17, Part 2A.

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

This page is cross-referenced with Item 13, Part 2A.

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

This page is cross-referenced with Item 13, Part 2A.

**ITEM 9 – ADDITIONAL INFORMATION**

This page is cross-referenced with Items 9, 10, 11, 13, 14, and 18 of Part 2A.

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

Not applicable.