



# PLATFORM DISCLOSURE BROCHURE

## Form ADV – Appendix 1

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### ITEM 1 – COVER PAGE

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*This Disclosure Brochure provides information about the qualifications and business practices of AssetMark, Inc. ("AssetMark"). If you have any questions about the contents of this Brochure, please contact AssetMark 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. 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 is also 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 update, and is intended to help Clients determine if they want to review this brochure in its entirety, or contact their Financial Advisor with questions about the changes.

This summary may include any changes to AssetMark's Platform.

AssetMark may make interim updates to this brochure throughout the year. Each brochure must be filed with the SEC. To request a copy of the most recent disclosure brochure, write to:

**AssetMark, Inc.**  
**Attention: Adviser Compliance**  
**1655 Grant Street, 10th Floor**  
**Concord, CA 94520**  
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The updates in this Brochure include:

- Item 5 Fees and Compensation - The Fee Tables for the Custom GPS Select and Multiple Strategy Accounts include the addition of the Savos Fixed Income Strategy.

The following updates were previously included in the last disclosure brochure dated April 28, 2014:

- 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.
- Item 4 Service, Fees and Compensation - Refer to Item 4 for the following product updates

Effective on or after April 25

- Three new ETF, Tactical Unconstrained Portfolio Strategists have been added to the Platform: Windham, BCM Capital Management and William Blair
- Certain Savos PMP Investment Solutions are reopened to new business.

Effective on or after June 2014

- The GPS Solutions will be also available without an allocation to alternative investments.
- The GPS Select Solutions may now be customized by the Financial Advisor, within certain guidelines set by AssetMark.
- Certain single strategy investment solutions may be combined in one account to create a Multiple Strategy Account.
- Fees and Compensation
  - The Fee Tables have been updated to reflect the product updates stated above, and will take effect when the products are open and made available to new business.
  - We have standardized the Platform Fee schedule for fixed-income products.

- We will change the way the Account fees are charged for fixed-income Eaton Vance account. We are lowering the AssetMark Platform Fee, as described above for fixed-income products. However, we will charge a separate Investment Manager Fee for Eaton Vance advised accounts at the rate of 0.16%, or 16 basis points, per year. This will have the effect of lowering the total fee rates for all Eaton Vance advised accounts, except those over \$5 million in assets.

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## ITEM 4 – SERVICE, FEES AND COMPENSATION

### WRAP FEE PROGRAM – THE FINANCIAL ADVISORY FIRM

The Platform described in this Disclosure Brochure is offered through financial advisory firms such as registered investment advisers and broker-dealers (each, a “Financial Advisory Firm”), serving as the individual investment advisor for each client (the “Client”) with accounts invested through the Platform. In order to participate in the Platform, the Client and the Financial Advisory Firm will enter into a Client Services Agreement that outlines the services to be performed by the Financial Advisory Firm, the authority of the Financial Advisory Firm and the Client over transactions in the Client’s account, the compensation payable by the Client and other important provisions governing participation in the Platform. The Financial Advisory Firm evaluates the Client’s investment needs and objectives, consults with the Client concerning the Client’s participation in the Platform and is responsible for determining the suitability of various Platform options (“Investment Solutions”) for the Client’s investment objectives and financial condition. Each of the Investment Solutions may be implemented with a number of options, including a range of Risk/Return Profiles (the “Risk/Return Profiles”) and Asset Allocation Approaches (the “Asset Allocation Approaches”), each described below, so that the Client can customize a strategy by which each of the Client’s accounts under the Platform will be managed or maintained. The specific Investment Solution and the components of the strategy selected for the Client’s Account are referred to as the Client’s investment “Strategy.” A Client may establish one or more investment accounts (each an “Account”) through the Platform, and the Client’s Accounts are collectively referred to as the Client’s “Portfolio.”

Set forth below are descriptions of the components and function of the Platform.

### ASSETMARK, INC.

AssetMark, Inc. (“AssetMark”) is a registered investment adviser with the Securities and Exchange Commission (SEC), and provides consulting services to other advisors and investment advisory clients. Aquiline Capital Partners and Genstar Capital, private equity firms that invest in the financial services industry, completed the purchase of AssetMark Holdings, Inc. the parent company of AssetMark, Inc. (“AssetMark”) and AssetMark Trust Company (“AssetMark Trust”), 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 the sponsor of the Platform, and consults with the Financial Advisory Firms to implement the Platform for their Clients. As part of its services, AssetMark provides Account administration and has developed internet-based software which provides the Financial Advisory Firm with the ability to directly monitor its Client Accounts, download information concerning changes in the Platform, and access current information relating to the Platform. AssetMark also serves as the Portfolio Strategist and Investment Manager for the Market Blend ETF Strategies and the Guided Portfolios which includes the GPS Solutions and the GPS Select Solutions. GPS Solutions will invest in pre-determined allocations of the GuidePath Funds, with the option to also include additional investment options such as alternative investments. GPS Select Solutions will invest in pre-determined allocations to various Asset Allocation Approaches and within each Asset Allocation approach, will make allocations to various Portfolio Strategists and Investment Managers, including Altegris Advisors, LLC, an affiliate of AssetMark, and Savos.

Additionally, AssetMark also serves as the investment adviser for the following registered investment companies that may be available in certain Investment Solutions under the Platform:

- 1) GPS I, a series of sub-advised no load mutual funds that include the GuideMark Funds (formerly known as the AssetMark Funds);
- 2) GPS II, a series of no-load mutual funds that include both sub-advised GuideMark Funds as well as GuidePath funds of funds; and
- 3) the Savos Investments Trust Contra Fund (the “Contra Fund”), a registered investment company used by AssetMark to provide risk mitigation in certain Investment Solutions

AssetMark is not registered with the Commodity Futures Trading Commission (“CFTC”) as a commodity trading advisor, based on its determination that it may rely on certain exemptions from registration provided by the Commodity Exchange Act and the rules thereunder. The CFTC has not passed upon the availability of these exemptions to AssetMark. Additionally, solely with respect to the GuidePath Altegris Diversified Alternatives Allocation Fund, AssetMark is registered as a “commodity pool operator” under the Commodity Exchange Act (“CEA”) and the rules of the CFTC.

### PLATFORM OVERVIEW

To establish a Client’s Account on the Platform, the Financial Advisory Firm and Client will enter into a Client Services Agreement. In establishing the Account, the Client may complete a questionnaire, or otherwise provide information to the Financial Advisory Firm, to enable the Client and the Financial Advisory Firm to identify the Client’s risk tolerance and rate of return objectives. The Client may provide information concerning the Client’s 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 the Financial Advisory Firm in selecting which of the Risk/Return Profiles, is most closely aligned with the Client’s investment goals.

### RISK/RETURN PROFILES

One of the fundamental elements of the Platform is establishing the Client’s appropriate Risk/Return Profile. These Profiles range from most conservative (lowest estimated risk and lowest potential return) to most aggressive (highest estimated risk and highest potential return).

The investment objectives for each of the six Risk/Return Profiles are listed below:

#### *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 risk 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 downside 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.

Generally, the percentage allocation to equity securities targeted for each Risk/Return Profile increases for each Profile from Conservative, which would represent the lowest target allocation of equity securities, through Maximum Growth, which would represent the highest target allocation of equity securities. Not all Risk/Return Profiles are available for all solutions.

**ASSET ALLOCATION APPROACHES**

Another element of establishing the Client's investment objective 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 strategies within certain Investment Solutions, i.e. Altegris Strategies, and some Investment Solutions i.e. Individually Managed Accounts and Manager Select Accounts, may not be categorized into any one of these approaches. Additionally, the Client may select the Guided Portfolios which will allocate assets across some or all asset allocation approaches and may also include additional investment options including alternatives. 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***

- 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***

- 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***

- Seeks to optimize risk adjusted returns without regard to asset allocation parameters. (Typically higher Risk/Return profiles)
- 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***

- Seeks to capture modest positive returns over time regardless of general market direction while managing broad market risk and correlation (typically Risk/Return Profile 1).
- 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.

***Alternative Investment Options***

Alternative Investments seek to apply active investment strategies across a range of asset classes with the goal of achieving investment

returns with limited correlation to traditional equity and fixed-income asset classes. Active investment decisions drive return results.

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.

**INVESTMENT SOLUTIONS**

AssetMark makes a number of different Investment Solutions available to Clients through the Platform. These include:

**I. Guided Portfolios**

- GPS Solutions
- GPS Select Solutions
- Custom GPS Select Solutions

**II. Single Strategy Investment Solutions**

- Mutual Fund Accounts
- ETF Accounts
- Market Blend ETF Strategies

**Privately Managed Accounts ("PMA"), including:**

- Individually Managed ("IMA") Accounts,
- Manager Select Accounts ("MSA"),
- Savos Preservation Strategy,
- Savos Fixed Income Accounts, and
- Consolidated Managed Accounts ("CMA")

**Savos Unified Managed Accounts, including:**

- GMS ("GMS") Accounts,
- Active Return Opportunities ("ARO") Accounts, and
- Privately Managed Portfolios ("PMP") Accounts

**III. Multiple Strategy Accounts****SERVICES NO LONGER OFFERED**

AssetMark continues to manage other advisory services which are no longer offered to new clients. Clients with these services may contact AssetMark for more information.

The asset allocations created by Portfolio Strategists are comprised of (i) open-end mutual funds, (ii) Exchange Traded Funds (ETFs), which are baskets of securities, tracking a wide variety of market indexes, that are traded as individual securities on a national exchange, (iii) variable annuity sub-accounts with certain variable annuity issuers, and (iv) individual securities for Consolidated Managed Accounts. Each of these Investment Solutions is discussed in more detail in separate subsections below.

The Portfolio Strategists select and monitor the performance of the mutual funds, ETFs, variable annuity sub-accounts and securities within their asset allocations and will periodically adjust and rebalance the asset allocations in accordance with their investment strategies.

For time to time, AssetMark may add or delete from the Platform:

- a) The mutual funds, ETFs, variable annuity sub-accounts, and variable annuity issuers available through the Platform;
- b) the investment managers used in the IMA Accounts;
- c) Portfolio Strategists; and
- d) other investment management firms providing asset allocations and asset selections for Platform Investment Solutions.

The Financial Advisory Firm reviews the Portfolio Strategists', investment managers' and investment management firms' decisions on behalf of the Client and makes or recommends investment decisions (depending upon the specific form of Client Services Agreement entered into between the Financial Advisory Firm and the Client) based on such analysis.

Additionally, the Client may establish an Account to hold "non-managed" assets (an "Administrative/Non-Managed Account"), including a Cash Alternative Account or a General Securities Account.

## PORTFOLIO STRATEGISTS

AssetMark establishes and will periodically review and confirm or adjust the guidelines provided to the investment management firms, referred to as Portfolio Strategists, who create the asset allocations under each of the Risk/Return Profiles. Altegris, an affiliate of AssetMark, serves as the Portfolio Strategist for the Altegris Strategies and AssetMark serves as the Portfolio Strategist for the GPS Solutions.

The Portfolio Strategists used in mutual fund, ETF, variable annuity, IMA and CMA Accounts are selected by AssetMark in order to provide a wide range of investment options and philosophies to Financial Advisory Firms and their Clients. In constructing their asset allocations, each of the Portfolio Strategists will generally provide a range of asset allocations that will correspond to one or more of the four Asset Allocation Approaches and one or more of the six Risk/Return Profiles, ranging from "Conservative" to "Maximum Growth." The Portfolio Strategists use technical and/or fundamental analysis techniques in formulating their Asset Allocation Approaches and some will incorporate strategies with specific income distribution objectives. Although each of the Risk/Return Profiles includes asset allocations developed by several Portfolio Strategists, each of the Portfolio Strategists nevertheless has its own investment style resulting in the use of different asset classes, and mutual fund, ETF, variable annuity sub-account, or investment management firm options within their asset allocations. The Asset Allocation Approaches will be comprised of a combination of asset classes, represented by mutual funds, ETFs, variable annuity sub-accounts, or individual securities in Accounts, and 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 the Client's investment objectives. The Client and their Financial Advisors must review each Portfolio Strategist's investment style prior to making the election of which

Portfolio Strategist and Asset Allocation Approach to follow for each Client Account under the Platform.

Portfolio Strategists will provide AssetMark with instructions to rebalance (return back to policy mix) and/or reallocate (change the target mix) portfolios, either periodically or as they deem appropriate over time, depending on their specific Asset Allocation Approach and investment process. These adjustments to the asset allocations will result in transactions in accounts. The Financial Advisory Firm or the Client (depending on whether the form of Client Services Agreement is Discretionary or Non-Discretionary, respectively) instructs and directs that the Client's account be invested in accordance with all adjustments and rebalancing of the asset allocations identified on the Account Set-Up Form unless and until the Client or Financial Advisory Firm expressly terminates the automatic adjustment and rebalancing and/or executes written instructions to change the Portfolio Strategist or asset allocations in which the account is invested. In this way, the Client's account will be automatically traded to align with all adjustments and rebalancing made by the Portfolio Strategists of the asset allocations currently reflected on the Account Setup Form, unless and until the Client or Financial Advisory Firm (depending on the authority in the Client's Agreement) instructs otherwise. Client will receive notification of all transactions implemented in the account in compliance with the foregoing instructions on a periodic basis in the form of an account statement to be provided by the account Custodian. In addition, to the extent possible, AssetMark accommodates same day trading recommendations from Portfolio Strategists. These changes are implemented for all client accounts, unless the account is pending any client-directed activity. Those accounts that are pending for client directed activity will be traded the next day to realign with the trading recommendations provided by the Portfolio Strategist the prior day. Upon any portfolio rebalancing by a Portfolio Strategist, change in Portfolio Strategist or asset allocation selection by the Client or Financial Advisory Firm, or any other transaction in the Client's Account, the transactions will be effected automatically through software administered by AssetMark.

AssetMark may from time to time add or remove a Portfolio Strategist in its discretion. As the Portfolio Strategists identify other mutual funds, ETFs or investment management firms suitable for the Platform, AssetMark may periodically add or remove mutual funds, ETFs or investment management firms to those available for use in the Portfolio Strategists' asset allocations. Variable annuity sub-accounts available to the Portfolio Strategists will depend upon the individual variable annuity issuer selected by the Client and will be more fully described in the Prospectus delivered to the Client by the variable annuity issuer.

Although most of the Portfolio Strategists creating asset allocations composed of mutual funds consider all of the mutual funds available under the Platform in designing their asset allocations, certain Portfolio Strategists compose their mutual fund asset allocations utilizing only those mutual funds managed by affiliates of the Portfolio Strategist. These "proprietary" Portfolio Strategists will be identified in factsheets or other descriptive materials provided to Clients and Financial Advisory Firms. In addition, one or more of the Portfolio Strategists will construct their asset allocations using funds managed by AssetMark or an affiliate, including the GuideMark and GuidePath Funds and funds which are managed by Altegris, (the "Altegris Advised Funds"). AssetMark and Altegris advised mutual funds are collectively known as "Proprietary/Affiliated Funds". The GuideMark and GuidePath Funds are a series of no-load mutual funds advised by AssetMark and sub-advised by a group of institutional investment managers. Both Altegris and AssetMark serve as Portfolio Strategists and they both use Proprietary/Affiliated Funds in their respective Strategies. A Prospectus for the Proprietary/Affiliated Funds may be



obtained upon request from AssetMark or your Financial Advisor, who is a representative of the Financial Advisory Firm. Please review and consult with your Financial Advisor if you have further questions regarding these Funds.

AssetMark makes available to the Financial Advisory Firm and the Financial Advisor 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, which the Financial Advisor may share with the Client. The Client and Financial Advisory Firm may select more than one Portfolio Strategist and/or asset allocation for the Client's Accounts, and, as noted above, the Client and Financial Advisory Firm are free to change Portfolio Strategists, asset allocations or the mutual fund, ETF or variable annuity sub-account components of their Portfolios from time to time, though any change by a Client in the components of a specific asset allocation used for a Client's Account will result in a custom portfolio for that Account which would no longer be automatically rebalanced along with the Portfolio Strategist's rebalancing of its asset allocation. The Client is free to consult with the Financial Advisory Firm at any time concerning the portfolio, and AssetMark is available to consult with Clients and Financial Advisory Firms concerning the administration of the Platform. It is not anticipated that Clients or Financial Advisory Firms will have the opportunity to consult directly with the Portfolio Strategists concerning their asset allocation Strategies, although the Financial Advisory Firms will be provided with information concerning such Strategies and any updates or revisions to such information.

## GUIDED PORTFOLIOS

### *GPS Solutions*

For the GPS Solutions, AssetMark, as the Portfolio Strategist will allocate across the asset allocation approaches based upon the Client's investment objectives, market outlook, risk profile & other preferences. The GPS Solutions primarily utilize proprietary no load mutual funds that are considered No Transaction Fee ("NTF") funds.

The variety of strategies and investment allocations are pre-set using a mix of Strategic, Tactical Constrained, Tactical Unconstrained, and Absolute Return Asset Allocation Approaches. This allocation mix is met with the use of the GuideMark and/or GuidePath Funds, and if applicable, Altegris mutual funds. The GPS Solutions are available with or without an exposure to alternative investment mutual funds. With the assistance of the Financial Advisor, the Client's selected GPS Solution will also take into account the Client's investment objective, if the client is in an accumulation or distribution phase, or seeks to use the GPS Solutions as a focused strategy in order to complement other Investment Solutions selected for the Client Portfolio.

### *Investment Objective: Accumulation vs. Distribution*

An accumulation objective typically refers to investors that are still working and seeking to build their wealth base. A distribution objective typically refers to investors who are in or near retirement and seeking to take withdrawals from their asset base over time.

- *Accumulation Objective.* Strategies are allocated with a blended mix of Asset Allocation Approaches along with an allocation to Alternative Investment asset classes.
- *Distribution Objective.* Strategies are allocated with a blended mix of Asset Allocation Approaches along with an allocation to Alternative Investment asset classes with a generally greater allocation to the Absolute Return asset allocation approach than strategies seeking an Accumulation objective, as well as an allocation toward multi-asset income strategies.

### *Focused GPS Solution*

Focused strategies provide a means for clients to access pre-set strategies based primarily on the client's risk profile and their desire for focused exposure to one or more Asset Allocation approaches used to complement other Investment Solutions selected for the Client Portfolio. These include either a combination of Strategic Asset Allocation and Tactical Constrained Asset Allocation approaches (referred to as Relative Return), or either specific or a combination of Tactical Unconstrained and Absolute Return asset allocation approaches.

- *Relative Return Focused.* Strategies are generally allocated to the Strategic Asset Allocation and Tactical Constrained Asset Allocation approaches in a blended mix.
- *Unconstrained Return Focused.* Strategy is allocated solely to the Tactical Unconstrained asset allocation approach.
- *Unconstrained/Absolute Return Focused.* Strategies are allocated to the Tactical Unconstrained and Absolute Return asset allocation approaches in a blended mix.
- *Absolute Return Focused.* Strategy is allocated solely to the Absolute Return Asset Allocation approach.
- *Multi-Asset Income Focused.* Strategies are allocated to the Strategic, Tactical Constrained, Tactical Unconstrained and Absolute Return asset allocation approaches, primarily through the GuidePath Multi-Asset Income Fund as well as potential exposure to the GuidePath Tactical Constrained, and Absolute Return Funds.

The standard minimum for a GPS Solution account is \$25,000. Service share class of the GuidePath funds are used within the GPS Solutions and pay management fees to AssetMark, Inc. The GuidePath Funds pay 12b-1 and service fees to the custodians. Please see Section 5 "Fees and Compensation" for more information about indirect fees mutual fund shareholders pay.

### *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 Savos.

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. AssetMark will seek to use non-retail or institutional classes where these share classes are available and in doing so, the platform fee is higher for these solutions to pay for the administration and servicing of the accounts that AssetMark performs than for other solutions that use mutual fund share classes that pay 12b-1 fees. In striving for consistency across all custodial options on the Platform in the GPS Select solutions, AssetMark 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 non-transaction fee share class that is commonly available across custodians.

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.

AssetMark manages GPS Select Solutions using limited discretionary authority. While AssetMark will exercise limited discretion on the portfolio asset allocation within portfolio investment sleeves, AssetMark relies upon the strategists to conduct security selection. As mentioned above AssetMark will seek to utilize the lowest cost mutual fund for accounts in the GPS Select Solutions, however, there may be circumstances where AssetMark 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.

### **Custom GPS Select Solutions**

The GPS Select Solutions, as described above, may be customized within a specific range of pre-determined allocations to various Asset Allocation Approaches. The Client, with the assistance of their Financial Advisor, may select from various Portfolio Strategists and Investment Managers, including Altegris Advisors and Savos, and Proprietary/Affiliated Funds. In doing so, and by selecting within the range of pre-determined allocations, a Custom GPS Select Solution account will be established. Each Portfolio Strategist, Investment Manager, or mutual fund selection is referred to as a "sleeve" allocation.

AssetMark will make available the specific range of pre-determined allocations, which may be updated from time to time. The number of

sleeves selected may vary within a minimum of three and maximum of eight sleeve selections, to comprise the entire Custom GPS Select Solution account. The standard minimum account by sleeve may vary.

### **MUTUAL FUNDS AND EXCHANGE TRADED FUND ACCOUNTS**

Through the Custodian partners, a variety of mutual funds are used as the vehicles for implementing the Portfolio Strategists' asset allocations. These mutual funds include both no-load mutual funds (that is funds which do not include a sales load) and mutual funds that generally do charge a sales load, but where the sales charge has been waived. The mutual funds available provide the Portfolio Strategists with a diversified range of asset classes and investment objectives from which to select in structuring their asset allocation strategies. The mutual fund families made available for use by the Portfolio Strategists are selected based on a number of criteria, and fund families may be added or removed from the Platform from time to time.

Portfolio Strategists select from third party mutual funds or Proprietary/Affiliated no load or load waived mutual fund share classes that are available on each custodian's platform. These mutual fund share classes may also be known as "no transaction fee" ("NTF") funds because the cost for distributing the funds and shareholder servicing is included in the administrative service fees, sub-transfer agency fees and/or 12b-1 fees the mutual fund company collects from the shareholders and in turn pays the custodian. There are no per trade transaction fees charged to the client in the mutual fund investment solutions on the AssetMark Platform. Except for the GPS Select solutions discussed above, Portfolio Strategists do not use mutual fund share classes (such as institutional or investor share classes) that seek to minimize or eliminate 12b-1 fees. See "Fees and Compensation" for more information on the custodial support payments AssetMark receives from custodians, as well as the indirect fees the Client pays through their investment in mutual funds.

### **MUTUAL FUND INVESTMENT SOLUTIONS**

In the Mutual Fund Investment Solution, all four Asset Allocation Approaches are available. Information regarding the Investment Solutions and the Portfolio Strategists available for each of the Asset Allocation Approaches is available from your Financial Advisor.

For a Mutual Fund Investment Solution, the Client, with the assistance of the Financial Advisory Firm, 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 solutions, a Mandate. For certain mutual fund strategies where Altegris is the Portfolio Strategist, an asset allocation approach is not selected.

All mutual funds purchased for the Client's Portfolio are held by a Custodian selected by the Client and the Financial Advisory Firm. Each of the Client's investments is held by the Custodian in the Client's name in a separate account. The Client is entitled to receive a copy of the Prospectus for each mutual fund, and confirmations of each security purchased and sold for the Client's account (either separately or as part of the periodic custodial statement) and copies of all annual and periodic reports issued by the mutual funds the Client holds, and the Client may be able to delegate receipt of such materials and confirmations to a third party, such as the Client's Financial Advisory Firm, depending on the terms of the custody agreement with the Client's Custodian. In addition, 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.



## ETF INVESTMENT SOLUTIONS

In the ETF Investment Solution, all four Asset Allocation Approaches are available.

For an ETF Investment Solution, the Client, with the assistance of the Financial Advisory Firm, 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 ETF Investment solutions, a Mandate.

For Clients selecting an ETF Investment Solution, their Account will be invested in exchange traded funds ("ETFs") consistent with allocations provided by a Portfolio Strategist for the Risk/Return Profile selected by the Client. 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. ETFs are traded daily at market determined prices on a national exchange in a similar manner to other individual equity securities. Some ETF solutions may also invest in exchange traded notes ("ETNs"), which are senior, unsecured debt securities issued by an underwriting bank. In the ETF Investment Solution, all four Asset Allocation Approaches are available. Unless otherwise restricted by the Client in writing and accepted by AssetMark, the Account may also include some non-ETF investments, or an allocation to proprietary mutual funds managed by the Portfolio Strategist. In addition, 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.

### Market Blend ETF Strategies

AssetMark manages the Market Blend ETF Strategies and offers the following strategic asset allocation strategies:

*Market Blend Strategies.* These strategies will provide a global strategic asset allocation across seven core asset classes in an effort to capture broad capital market returns while seeking to balance the pursuit of maximum total return against the control of risk in the portfolio. Asset class exposures are reviewed on a quarterly basis for drift against volatility based targets, which may trigger a rebalance. On an annual basis the peer group and average asset class exposures are recalculated for reallocation of the strategy. The investment vehicles used to implement the strategy are exchange traded funds that are representative of the cap-weighted indices for each of the seven asset classes and lower cost.

*Market Factor Blend Strategies.* These strategies will provide a global strategic asset allocation across seven core asset classes in an effort to capture broad capital market returns while seeking to balance the pursuit of maximum total return against the control of risk in the portfolio. Asset class exposures are reviewed on a quarterly basis for drift against volatility based targets, which may trigger a rebalance. On an annual basis the peer group and average asset class exposures are recalculated for reallocation of the strategy. Where available the investment vehicles used to implement the strategy are exchange traded funds that are representative of the factor-weighted indices for each of the seven asset classes, and consideration of associated costs. If a factor-weighted index ETF is unavailable, the lower cost cap-weighted index ETF will be used.

AssetMark has also developed an administrative structure allowing for the development of portfolios using ETFs, which are traded daily at market determined prices on a national exchange in a similar manner to other individual equity securities. Some ETF solutions may also invest in exchange traded notes ("ETNs"), which are senior, unsecured debt securities issued by an underwriting bank. Although ETFs are priced

intra-day in the same manner as other equity securities, AssetMark typically directs trades for ETFs to the Custodian selected by the Client and the Financial Advisory Firm once daily. The actual timing of trade order execution may vary, depending upon trade volume, systems limitations and issues beyond AssetMark's control, and the actual fulfillment of trade orders by the broker in the market may take place at different prices and different times throughout the day. AssetMark submits ETF trades for a given day to each broker in a random order to provide the most feasibly equivalent execution for all participating Clients. With respect to ETF Accounts which may include ETFs for which it may be impracticable to execute transactions in a single day in response to a Portfolio Strategist's adjustments and rebalancing of its ETF asset allocation model, the Client also hereby instructs, authorizes and directs that such Accounts be traded in accordance with instructions on timing and price levels given by AssetMark to the Custodian, which AssetMark may obtain from the Portfolio Strategist to the extent practicable or, in the case of exceptionally high volume requests, in accordance with instructions provided by AssetMark to an alternate broker or "authorized participant" liquidity provider selected by AssetMark with the instruction to provide liquidity on a net fee basis.

All ETFs purchased for the Client's Portfolio are held by a Custodian selected by the Client and the Financial Advisory Firm. Each of the Client's investments is held by the Custodian in the Client's name in a separate account. The Client is entitled to receive a copy of the Prospectus for each ETF, and confirmations of each security purchased and sold for the Client's account (either separately or as part of the periodic custodial statement) and copies of all annual and periodic reports issued by the ETFs the Client holds, and the Client may be able to delegate receipt of such materials and confirmations to a third party, such as the Client's Financial Advisory Firm, depending on the terms of the custody agreement with the Client's Custodian. In addition, 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.

## PRIVATELY MANAGED ACCOUNTS

A Privately Managed Account can be established as an Individual Managed Account, Manager Select Account, Savos Principal Return Exposure Strategy, Savos Preservation Strategy, Savos Fixed Income Account, a Consolidated Managed Account, or a Unified

### INDIVIDUAL MANAGED ACCOUNT ("IMA")

A Privately Managed Account can be established as an:

- Individual Managed Account ("IMA"),
- Manager Select Account ("MSA"),
- Savos Preservation Strategy,
- Savos Fixed Income Account,
- a Consolidated Managed Account ("CMA"), or a
- Unified Managed Account ("UMA").

AssetMark has contracted with third party investment management firms to act as "Investment Managers" for client accounts. For certain PMA solutions and GPS Select Solutions, Savos and AssetMark may also act as the "Investment Manager." The Investment Manager will provide discretionary investment management services to the Account and the Client grants the Investment Manager the authority to buy and sell securities and investments for the Account, vote proxies for securities held by the Account and such other discretionary authorities described later in the Agreement. The Investment Manager may also be referred to as a "Discretionary Manager" or "Overlay Manager" in the instance of the Manager Select and CMA Investment Solutions.

**Individually Managed Account (“IMA”)**

AssetMark has contracted with a number of institutional investment management firms (the “Investment Managers”) to provide discretionary investment management services to IMA Clients in accordance with the stated investment objectives of each Investment Manager and the individual objectives of each Client. AssetMark has contracted with certain consulting firms to provide services for IMAs with respect to the selection and/or on-going monitoring of certain Investment Managers.

Each Client, with the assistance of the Financial Advisory Firm and based on the Client’s individual investment objectives, designates one or more individual Investment Manager(s) and/or a selection of Mutual Funds to comprise the Client’s IMA. With the exception of IMA Accounts managed by Rochdale Investment Management, LLC, there are no Asset Allocation Approaches or separate Risk/Return Profiles available for an IMA Account. IMA Accounts managed by Rochdale are available in the Tactical Unconstrained Asset Allocation Approach and the six Risk/Return Profiles, as described above under Risk/Return Profiles.

**Manager Select Account (“MSA”)**

For the MSA Investment Solution, AssetMark has contracted with an “Overlay Manager” to act as the Investment Manager (or Discretionary Manager) for Client Accounts. The Overlay Manager shall provide discretionary investment management services to the Account, and the Client grants the Overlay Manager 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. AssetMark has also contracted with an Investment Management Firm to provide recommendations for a specific asset class. The Overlay Manager shall generally invest the Account consistent with these recommendations unless circumstances indicate that modified allocations or investment are appropriate. AssetMark may replace the Overlay Manager and Investment Manager Firm at its discretion.

For an MSA Investment Solution, the Client, with the assistance of their Financial Advisor, shall select a Strategy, which shall be an asset class, represented by a single Investment Management Firm. There are no Asset Allocation Approaches or separate Risk/Return Profiles available for an MSA Account.

**Savos Preservation Strategy**

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 secondary objective is to maximize total return over the long term with no preference to income. 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. The Savos Preservation Strategy follows an Absolute Return Allocation Approach and is considered to be Risk/Return Profile 1.

**Savos Fixed Income Accounts**

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.

*Laddered Bond.* 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 High Income Mandates.* These standard fixed-income Strategies invest the Account in closed-end funds, exchange traded funds or other mutual funds to obtain relevant exposure specific to these desired asset categories.

**Consolidated Managed Account (“CMA”)**

For Clients selecting a CMA Investment Solution, AssetMark has contracted with Parametric Portfolio Associates (“Parametric”) to act as the Overlay Manager, and provide limited discretionary investment management services to the Account and coordinate the management of individual securities and asset allocations. The CMA asset allocations have been constructed by Portfolio Strategists engaged by AssetMark using individual securities recommendations developed and maintained by a group of third-party investment management firms (the “Investment Management Firms”). The Overlay Manager will have the limited discretionary authority to execute transactions in each Account necessary to (i) track any reallocations or other adjustments to the CMA asset allocations constructed by the Portfolio Strategists, (ii) implement changes recommended by the Investment Management Firms; (iii) effect tax management transactions for any Account for which the Client has directed the Overlay Manager to provide tax management services (a “Tax-Sensitive Account”); and (iv) implement any individual securities restrictions imposed on the Account by the Client. In addition, the Client, with the assistance of their Financial Advisory Firm, will select a “Mandate” from a range of choices.

For the CMA Investment Solution, AssetMark has contracted with Portfolio Strategists, which AssetMark may replace in its discretion, to provide asset allocations, consistent with the Asset Allocation Approach and Risk/Return Profile, by which the Overlay Manager intends to invest the Account, unless circumstances indicate that modified allocations or investments are appropriate. The Client may specify the initial Portfolio Strategist for the Account and will be given notice of any change to that Portfolio Strategist. AssetMark may remove, replace or add to the Portfolio Strategists on the Account in its discretion.

Each client selects an Asset Allocation Approach, with the assistance of the Financial Advisory Firm based on the Client’s individual investment objectives, and designates Parametric as the Overlay Manager to oversee the implementation and management of the asset allocation including the allocation of assets into a number of model accounts developed and maintained by the Investment Management Firms.

**UNIFIED MANAGED ACCOUNT (“UMA”)**

AssetMark manages UMA Investment Solutions through Savos whereby Savos serves as “Overlay Manager” and may also be referred to as “Discretionary Manager.” As Overlay Manager for the UMA Investment Solutions, Savos provides discretionary investment management services and coordinating recommendations of independent Investment Management Firms acting as portfolio advisers to AssetMark. As Overlay Manager for UMAs, Savos may also select securities directly for Client Accounts.

For UMA Investment Solutions, Savos employs comprehensive analysis, including specific mathematical, technical and/or fundamental tools and risk-control criteria in the management of Client Accounts. The focus of Savos as Overlay Manager is to add value to each Client’s account through: (1) the strategic and tactical determination 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.

As part of the UMA Discretionary Manager Designation, Client will direct Savos to invest the Client's Account in accordance with a strategy offered by Savos. UMA Investment Solutions include GMS Accounts (GMS), and Active Return Opportunities (ARO). Investments will be made in part by Savos using securities recommendations by individual Investment Management Firms and, in addition, investment selections by Savos that 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 asset allocation decisions, Investment Management Firm selection decisions and additional security selection decisions will all be made solely by Savos 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 each UMA, risk management solutions may be implemented through the use of fixed income strategies. Portfolio allocations will vary based on individual Client objectives within target allocations established and monitored by Savos.

Set forth below are brief summaries of the PMP, GMS and ARO UMA strategies offered under the Platform. The Savos Disclosure Brochure section includes more detailed information about Investment Solutions offered through AssetMark's Savos Division.

**PMP.** In the PMP Investment Solution, the Client authorizes Savos to provide discretionary investment management services to the Account. Savos may invest the Account, to a substantial degree, consistent with recommendations provided by Investment Management Firms. Savos will generally adjust the holdings in a PMP Account on an ongoing basis. (Note: Effective no earlier than April 25, 2014, certain PMP Investment Solutions will reopen to new business.)

**GMS.** For a GMS Investment Solution, the Client, with the assistance of their Financial Advisory Firm, will select a "Mandate," a Risk/Return Profile and a fixed income risk management strategy for the management of their Account. In the GMS Investment Solution, the Client authorizes Savos to provide discretionary investment management services to the Account. Savos may invest the Account, to a substantial degree, consistent with recommendations provided by Investment Management Firms. AssetMark may also invest portions of the Account in pooled investment vehicles, such as mutual funds or ETFs, or in other securities or investments. AssetMark will generally not adjust the holdings in a GMS Account on an ongoing basis. Instead, unless a security is subject to a corporate action such as an acquisition, AssetMark will generally only sell or readjust Account holdings after a one-year holding period for each position taken for all GMS Accounts, though during the first year of an individual Client's holding a GMS Account, the holding period for that Client's Account will be less than a full year. 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.

**ARO.** For an ARO Investment Solution, the Client, with the assistance of their Financial Advisory Firm, will select a Risk/Return Profile for the management of their Account.

In the ARO Investment Solution, the Client authorizes Savos to provide discretionary investment management services to the Account. Savos

may invest the Account, to a substantial degree, consistent with recommendations provided by Investment Management Firms, or Savos may invest the Account in pooled investment vehicles, such as mutual funds or ETFs, or in other securities or investments. Savos will generally adjust the holdings in an ARO Account on an ongoing basis. If the Account is a taxable account, the management of the Account will include a loss-harvesting strategy and, at Savos's sole discretion, Account assets may be sold to realize capital value losses.

The ARO Global Mandate allows for the Account to be exposed to "opportunistic" or "specialized" asset categories, which may include real estate, commodities, precious metals, energy and other less traditional asset classes, with no geographic restrictions.

### **III. MULTIPLE STRATEGY ACCOUNTS**

Certain Single Strategy Investment Solutions discussed above are also available as sleeve level options within a Multiple Strategy Account. In a Multiple Strategy Account, an Account may be customized with no set allocation limits. An account may include sleeve options from various Portfolio Strategists and Investment Managers, including Altegris Advisors and Savos, and Proprietary/Affiliated Funds. In selecting and determining the allocations in each sleeve, a Multiple Strategy Account will be established. The number of sleeves selected may vary within a minimum of two and maximum of eight selections, to comprise the Multiple Strategy Account. The standard minimum account by sleeve will vary.

### **ASSETS UNDER MANAGEMENT**

As of 12/31/2013, AssetMark had \$10.2 billion in assets under administration on the AssetMark Platform. This includes investments in proprietary mutual funds and Savos investment solutions, in which Savos is the discretionary manager.

### **ADMINISTRATIVE ACCOUNTS**

The Client may establish an Account to hold "non-managed" assets (an "Administrative/Non-Managed Account"), 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 Non-Managed Account. Non-Managed 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 their selected 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 their selected 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 not be charged against the assets of a General Securities Account. Any Administrative Fee or other fees payable shall be charged to another Account established under this Agreement or directly to a bank account via the Automated Clearing House (ACH) process, if available.

## FEES AND COMPENSATION

The fees applicable to each Account on the Platform may include:

1. Financial Advisor Fee
2. Platform Fee
3. Investment Manager Fee
4. Initial Consulting Fees;

Other fees for special services may also be charged. The Client should consider all applicable fees.

### *Advisory Fee*

The Financial Advisor Fee and the Platform Fee when combined is referred to as the "Advisory Fee." AssetMark's standard Platform Fees and other fee arrangements for each Investment Solution are provided in the tables below.

### *Investment Manager Fee*

Clients invested in third-party IMA and UMA Investment Solutions may also pay an Investment Manager Fee to the Investment Manager(s) that the Client designates to manage Client's Account. Investment Manager Fees are set forth on the Client Billing Authorization. For more information refer to the Privately Managed Accounts Fee Disclosure section below.

### *Account Fee*

The Account Fee includes the Advisory Fee plus any Investment Manager Fee. Each Client Account pays an Account Fee. If a Client has more than one Account on the Platform, the total of their Accounts Fees is referred to as their Portfolio Fee.

### *Initial Consulting Fee*

An Account invested in any of the above listed Investment Solutions may be assessed an Initial Consulting Fee ("ICF") if the Account is custodied at AssetMark Trust Company ("AssetMark Trust"), an Arizona trust company that is an affiliate of AssetMark. The ICF is payable to the Financial Advisory Firm, up to one percent (1.00%) of any cash deposit or in-kind investment transfer of \$2000 or more.

The Advisory Fee is typically expressed as an annual amount equal to a percentage of assets under management, and may also include an initial consulting fee. The Platform Fee schedules listed below reflect AssetMark's standard Platform Fee, calculated as a percentage of the Client's assets invested in the Platform. This standard Platform Fee schedule may not apply to all Financial Advisory Firms.

The Platform Fee may be higher for certain Financial Advisory Firms based on any amounts payable to broker-dealers with supervisory responsibility over the Financial Advisory Firm. In such cases, the standard Platform Fee payable by the Financial Advisory Firm may be increased and a portion of the Platform Fee otherwise payable to AssetMark is paid to the broker-dealers as compensation for supervisory services provided to the Financial Advisory Firm in connection with the Platform. The Financial Advisory Firm may also pay AssetMark a Quarterly Maintenance Fee in consideration of AssetMark's performance of services in establishing the Financial Advisory Firm's participation in the Platform and providing continuing Platform support services. In addition, a portion of the Platform Fee may be paid as compensation to the Portfolio Strategists based on the assets invested in their respective asset allocations, as well as to the Overlay Manager and Investment Management Firms for services in connection with Manager Select, CMAs and UMAs.

## PLATFORM FEE SCHEDULES - SINGLE STRATEGY

MUTUAL FUND &, ETF ACCOUNTS					
ACCOUNT ASSET LEVEL	PROPRIETARY/ AFFILIATED MUTUAL FUNDS <sup>1</sup>	THIRD-PARTY MUTUAL FUNDS	ETF ACCOUNTS		
			ETF STANDARD <sup>2</sup>	ETF I <sup>3</sup>	ETF II <sup>3</sup>
First \$ 250,000	0.00%	0.45%	0.45%	0.65%	0.90%
\$ 250,000 - \$ 500,000	0.00%	0.40%	0.45%	0.60%	0.85%
\$ 500,000 - \$ 1,000,000	0.00%	0.35%	0.45%	0.55%	0.80%
\$ 1,000,000 - \$ 2,000,000	0.00%	0.30%	0.40%	0.50%	0.75%
\$ 2,000,000 - \$3,000,000	0.00%	0.20%	0.40%	0.40%	0.70%
\$ 3,000,000 - \$ 5,000,000	0.00%	0.20%	0.35%	0.40%	0.70%
Over \$ 5,000,000	0.00%	0.20%	0.25%	0.40%	0.70%

In addition to the rates described in the above tables, an additional fee of up to 0.20% annually may be deducted from Client Account assets and paid certain Financial Advisory Firms, if the Account is invested in a Mutual Fund, ETF, Variable Annuity, Manager Select, Third-Party IMA or CMA Investment Solution.

0.15% is added to the standard Platform Fee for mutual fund and ETF Accounts maintained at Charles Schwab. Platform fees are waived for Investment Solutions comprised of the Proprietary/Affiliated Funds.

<sup>1</sup> Altegris serves as strategist for the Altegris Diversified Alternatives (previously known as Multi-Strategy) and Altegris and AssetMark serve as advisor for the funds used within the Strategy. For the Altegris Diversified Alternatives, an annual AssetMark Fee of 0.45% is charged and Altegris and AssetMark also earn varying management fees for the different funds used within the Strategy. The 0.45% AssetMark Fee is credited back to you, resulting in a net AssetMark Fee of 0.00% to your account for assets invested in the Strategy. The purpose of the 0.45% fee credit is to ensure that regardless of the fund allocation decisions made by Altegris as strategist, the client will receive a AssetMark Fee credit that is at least as much as any additional management fees Altegris and AssetMark might receive on the mutual funds invested in the Strategy for any fund allocation that Altegris is permitted to make pursuant to the Strategy investment guidelines.

<sup>2</sup> There are no separate custody fees for the Market Blend ETF Strategies.

<sup>3</sup> ETF I - Stadion and Windham; ETF II - F-Squared and BCM Capital



GUIDED PORTFOLIOS (NET FEES)		
ACCOUNT ASSET LEVEL	GPS SOLUTIONS <sup>4</sup>	GPS SELECT SOLUTIONS <sup>5</sup>
First \$ 250,000	0.00%	0.65%
\$ 250,000 - \$ 500,000	0.00%	0.65%
\$ 500,000 - \$ 1,000,000	0.00%	0.60%
\$ 1,000,000 - \$ 2,000,000	0.00%	0.55%
\$ 2,000,000 - \$ 3,000,000	0.00%	0.45%
\$ 3,000,000 - \$ 5,000,000	0.00%	0.40%
Over \$ 5,000,000	0.00%	0.35%

<sup>4</sup> Proprietary/Affiliated mutual funds are used in GPS Solutions.

<sup>5</sup> AssetMark serves as investment manager for GPS Select Solutions. For GPS Select Solutions, an annual AssetMark Fee of 0.95% is charged. AssetMark pays fees to various Strategists and IMAs, including Altegris. When a Savos IMA is used, the Savos fees are waived. For the reasons provided below, 0.30% of the AssetMark Fee is credited back to you, resulting in a net AssetMark 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 AssetMark, the client will receive a AssetMark Fee credit that is at least as much as any additional management fees AssetMark or its affiliates might receive on the allocations that AssetMark is permitted to make pursuant to the GPS Select Solution investment guidelines. There are no separate custody fees for the GPS Solutions and GPS Select Solutions.

PRIVATELY MANAGED ACCOUNTS (IMA AND CMA)				
ACCOUNT ASSET LEVEL	THIRD-PARTY IMA	SAVOS PRESERVATION	CMA	MANAGER SELECT
First \$ 250,000	0.45%	0.75%	0.80%	0.90%
\$ 250,000 - \$ 500,000	0.45%	0.50%	0.80%	0.90%
\$ 500,000 - \$ 1,000,000	0.45%	0.50%	0.80%	0.90%
\$ 1,000,000 - \$ 2,000,000	0.40%	0.45%	0.75%	0.85%
\$ 2,000,000 - \$ 3,000,000	0.40%	0.45%	0.75%	0.85%
\$ 3,000,000 - \$ 5,000,000	0.35%	0.40%	0.70%	0.80%
Over \$ 5,000,000	0.25%	0.30%	0.65%	0.75%

Additional third-party IMA fees may apply.

SAVOS UMA ACCOUNTS (PMP, GMS & ARO) <sup>6</sup>		
ACCOUNT ASSET LEVEL	PMP, GMS	ARO GLOBAL
First \$100,000	0.40%	0.65%
\$100,000 to \$250,000	0.25%	0.65%
\$ 250,000 - \$ 500,000	0.20%	0.45%
\$ 500,000 - \$ 1,000,000	0.15%	0.40%
\$ 1,000,000 - \$ 2,000,000	0.10%	0.40%
\$ 2,000,000 - \$ 3,000,000	0.10%	0.40%
\$ 3,000,000 - \$ 5,000,000	0.10%	0.40%
Over \$ 5,000,000	0.00%	0.25%

<sup>6</sup> In addition to the Platform fee shown above, there is a flat 0.60% Investment Manager Fee for UMA accounts.



FIXED INCOME IMA		
ACCOUNT ASSET LEVEL	STANDARD	LADDERED
First \$100,000	0.30%	0.20%
\$100,000 to \$250,000	0.30%	0.20%
\$ 250,000 - \$ 500,000	0.30%	0.20%
\$ 500,000 - \$ 1,000,000	0.25%	0.20%
\$ 1,000,000 - \$ 2,000,000	0.20%	0.15%
\$ 2,000,000 - \$3,000,000	0.20%	0.15%
\$ 3,000,000 - \$ 5,000,000	0.20%	0.15%
Over \$ 5,000,000	0.20%	0.15%

Cash Alternative and General Securities Accounts will be charged the following Administrative Fee:

ADMINISTRATIVE FEE FOR ADMINISTRATIVE/ NON-MANAGED ACCOUNTS	
ACCOUNT ASSET LEVEL	CASH ALTERNATIVE AND GENERAL SECURITIES ACCOUNTS
First \$ 250,000	0.25%
\$ 250,000 - \$ 500,000	0.15%
Over \$500,000	0.10%

**PLATFORM FEE SCHEDULES - CUSTOM GPS SELECT SOLUTIONS ACCOUNTS**  
(AVAILABILITY OF THIS PRODUCT WILL BE ANNOUNCED IN JUNE 2014)

For a Custom GPS Select Solution account, the Standard GPS Select Solution Fee schedule will apply initially. As additional custom selections are made, the Standard GPS Select Fee will be adjusted based on the custom selections. A blended fee rate will be calculated based on the percent weighting of each sleeve to the total account, multiplied by the applicable fees noted in the table below. In some cases, the Standard GPS Select Fee may be waived, no additional fee may be charged, or an incremental additional fee will apply.

	STANDARD	CUSTOM OPTIONS					
ACCOUNT ASSET LEVEL	GPS SELECT SOLUTIONS	PROPRIETARY AFFILIATED MUTUAL FUNDS	THIRD-PARTY MUTUAL FUNDS ETF STANDARD SAVOS PRESERVATION	ETF I SAVOS GMS SAVOS PMP	ETF II	SAVOS ARO	SAVOS STANDARD FIXED INCOME ETF MARKET BLEND
First \$100,000	0.65%	Standard GPS Select Fees Waived	No additional fees; Standard GPS Select Fees apply	+0.20%	+0.40%	+0.50%	Standard Fee Rates apply (See above schedules)
\$100,000 to \$250,000	0.65%						
\$ 250,000 - \$ 500,000	0.65%						
\$ 500,000 - \$ 1,000,000	0.60%						
\$ 1,000,000 - \$ 2,000,000	0.55%						
\$ 2,000,000 - \$3,000,000	0.45%						
\$ 3,000,000 - \$ 5,000,000	0.40%						
Over \$ 5,000,000	0.35%						

Custody fees and applicable IMA fees are included.

ETF I - Stadion and Windham; ETF II - F-Squared and BCM Capital Management

**PLATFORM FEE SCHEDULES - MULTIPLE STRATEGY ACCOUNTS**  
**(AVAILABILITY OF THIS PRODUCT WILL BE ANNOUNCED IN JUNE 2014)**

For a Multiple Strategy Account, a blended fee rate will be calculated based on the percent weighting of each sleeve to the total account, multiplied by the applicable fees noted in the table below.

ACCOUNT ASSET LEVEL	PROPRIETARY/ AFFILIATED MUTUAL FUNDS <sup>1</sup>	THIRD- PARTY MUTUAL FUNDS	ETF MARKET BLEND	ETF STANDARD	ETF I	ETF II	SAVOS PRESERVATION	SAVOS GMS AND PMP	SAVOS ARO	SAVOS FIXED INCOME STANDARD
First \$100,000	0.00%	0.45%	0.45%	0.70%	0.90%	1.15%	0.75%	1.00%	1.25%	0.30%
\$100,000 to \$250,000	0.00%	0.45%	0.45%	0.70%	0.90%	1.15%	0.75%	0.85%	1.25%	0.30%
\$ 250,000 - \$ 500,000	0.00%	0.40%	0.45%	0.55%	0.70%	0.95%	0.50%	0.80%	1.05%	0.30%
\$ 500,000 - \$ 1,000,000	0.00%	0.35%	0.45%	0.55%	0.65%	0.90%	0.50%	0.75%	1.00%	0.25%
\$ 1,000,000 - \$ 2,000,000	0.00%	0.30%	0.40%	0.48%	0.58%	0.83%	0.45%	0.70%	1.00%	0.20%
\$ 2,000,000 - \$3,000,000	0.00%	0.20%	0.40%	0.45%	0.45%	0.75%	0.45%	0.70%	1.00%	0.20%
\$ 3,000,000 - \$ 5,000,000	0.00%	0.20%	0.35%	0.40%	0.45%	0.75%	0.40%	0.70%	1.00%	0.20%
Over \$ 5,000,000	0.00%	0.20%	0.25%	0.30%	0.45%	0.75%	0.30%	0.60%	0.85%	0.20%

Custody fees and applicable IMA fees are included.

ETF I - Stadion and Windham; ETF II - F-Squared and BCM Capital Management

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 either through other firms or through single or multiple strategy account selections on the Platform and, depending on the circumstances, the aggregate of any separately-paid fees, or bundled fees may be lower or higher than the fees shown above.

The Advisory Fee, any initial consulting fee payable upon opening an Account or upon any additional investment in an Account and any additional Investment Manager fee payable for a Client’s Account will be set forth in the Client Billing Authorization executed with the Client Services Agreement between the Client and Financial Advisory Firm.

Fees are payable quarterly, in advance, for the upcoming calendar quarter, at the annual rates provided above and based on the preceding end of quarter market value for all Account assets. The Account Fee shall be calculated based on the end of quarter market value of all such Account assets, multiplied by one quarter (25%) of the applicable annual rate. For the initial deposit to the Account and for any subsequent, additional amounts deposited to the Account, the Account Fee for that deposit shall be payable upon deposit and shall be equal to the amount of the deposit multiplied by one quarter (25%) of the applicable annual rate, and charged pro-rata through the end of the calendar quarter. Each of the Fees are calculated on a “tiered” basis so that the first dollar under management receives the highest fee and only those assets over the breakpoints receive the reduced fees.

Advisory Fees are payable quarterly in advance. As provided in the Agreement and described in this Disclosure Brochure, the Advisory Fee includes the Financial Advisor Fee and the Platform Fee. The client will not be assessed or refunded a pro-rata portion of the Platform Fee when the investment solution instruction is executed intra-quarter between quarterly billing events. Rather the client account Platform Fee calculation is based on the investment solution assigned to the account at the point in time the quarterly billing is calculated, typically the third to fifth business day following the end of a calendar quarter.

The fee billing calculations described above may not be applicable to your Account if your Financial Advisory Firm has established a different billing process, as described in their FA Firm Disclosure Brochure.

**Mutual Fund Accounts Fee Disclosure**

In the event that the Client’s Account is invested in certain Portfolio Strategists’ asset allocations comprised primarily of the GuideMark and GuidePath Funds, AssetMark and CBC will receive compensation as the Investment Adviser and Distributor, respectively. The Prospectus for the GuideMark and GuidePath Funds, will be provided to each Client invested in such asset allocations or may be obtained by request from the Financial Advisory Firm or CBC. Because of this separate compensation from the GuideMark and GuidePath Funds, AssetMark waives the standard Platform Fee charged to the Financial Advisory Firm for assets invested in the GuideMark and GuidePath Funds.

**Privately Managed Accounts Fee Disclosure**

*Third-party IMAs.* Each of the Investment Managers may charge a separate Investment Manager Fee directly to the Client, calculated as a percentage of the total assets managed by the Investment Manager, which is in addition to the overall investment Advisory Fee negotiated between the Client and the Financial Advisory Firm. The fee charged by each Investment Manager is specified on the individual Discretionary Manager Designation incorporated in the Client Services Agreement and executed by the Client. Fees will vary from Investment Manager to Investment Manager; a complete list of fee schedules of the Investment Managers participating in the Platform is available from the Financial Advisory Firm by request.

*CMA’s, Manager Select and UMA’s.* The Platform Fee for CMA’s and UMA’s includes all fees paid by AssetMark to Parametric for its services as the Overlay Manager for CMA’s and Manager Select, and all compensation to Savos as the Overlay Manager for UMA’s. It also includes all fees paid to the Portfolio Strategists and to Investment Management Firms for their asset allocations and asset selections.

Certain mutual funds selected for Client Accounts may include Proprietary/Affiliated Funds and the Contra Fund from which AssetMark or its affiliates may receive additional compensation as described here in addition to fees paid to AssetMark under this

**This must remain with the Client**

Agreement. AssetMark may receive management and other fees for both its management of these funds as well as the Client Account.

#### Service Fees Received by AssetMark

The Account Custodians typically receive a shareholder servicing and/or similar fees from mutual funds and/or service providers to the funds held by the Client Accounts. This compensation generally ranges from 0.25% to 0.40% per annum of the amount invested through the Platform in the mutual funds. The Custodians may also receive similar fees with respect to other investments solutions. Generally, fees received by Custodians are lower for asset allocations using a greater proportion of ETFs compared to asset allocations using a high proportion of mutual funds.

AssetMark provides the Custodians certain significant services with respect to the custody arrangements. If the Client selects a Custodian other than AssetMark Trust, the selected Custodian will remit a portion of the fee it charges the Client or receives from other parties including mutual funds and other investment solutions, to AssetMark as compensation for these services. The formula under which AssetMark's compensation will be calculated is prospectively agreed upon by the Custodian and AssetMark, and will be a function of agreed upon basis points on the average daily value of assets under management or custody, or other methodology agreed to by the parties annually. The formula is set for a 12-month period, after which a new formula may be renegotiated between AssetMark and the Custodian to take effect on a prospective basis. The payment due under the formula will be calculated and paid quarterly, and may be substantial given the services provided to Custodians by AssetMark. Further information about the compensation paid AssetMark, including current and historical compensation, is available on request.

The total fees received by AssetMark with respect to a particular Client for a specified amount of assets can vary according to the particular Custodian used by the Client. In addition, a Client's particular asset allocation, including on-going changes (also known as rebalancing) based on the recommendations made by the Portfolio Strategist that provides the Client's asset allocation, may indirectly contribute to increasing or decreasing the compensation received by AssetMark from a Custodian in future periods.

#### Other Compensation Disclosure

Each of the mutual funds, ETFs and variable annuity sub-accounts included in the Platform bears its own operating expenses, including compensation to the fund or sub-account advisor. As an investor in the mutual funds, ETFs or variable annuity sub-accounts, the Client indirectly bears the operating expenses of the mutual funds, ETFs or sub-accounts, as these expenses will affect the net asset value (or share price in the case of an ETF) of each mutual fund, ETF or sub-account. These expenses are in addition to the investment Advisory Fees paid to the Client's individual Financial Advisory Firm, including the Platform Fee payable to AssetMark. The ratios of fund expenses to assets vary from fund to fund according to the actual amounts of expenses incurred and fluctuations in the fund's daily net assets. Information on the specific expenses for each of the mutual funds is set forth in the fund's prospectus and periodic reports provided by the fund to the Client. Information concerning the specific expenses of each variable annuity sub-account and any other expenses assessed by each variable annuity issuer are contained in the Prospectus delivered to the Client by the variable annuity issuer.

The cost of advisory and investment management services provided through the Platform may be more or less than the cost of purchasing similar services separately. For example, direct investment in a mutual fund, ETF or variable annuity sub-account could be less expensive than

investment in the same securities through the Platform, because the Client would not bear any Platform Fee. All mutual funds included in the Platform will be available for purchase at each fund's net asset value and with no sales charge, so that no sales commissions are incurred in connection with investment in the initial portfolio and portfolio rebalancing. While most mutual funds available through the Platform will charge no transaction fees, mutual funds or custodians may charge a Client redemption fees under certain circumstances. Accounts invested in portfolios that include ETFs are subject to transaction costs, or asset-based pricing fees, based on the fee schedule of the account custodian selected by the Client, and pursuant to a separate agreement between the Client and the account custodian. Variable annuity accounts may be subject to transaction costs in connection with portfolio rebalancing as provided in the Prospectus delivered to the Client by the variable annuity issuer.

The Platform Fee for related accounts of any client in the Platform are negotiable, as are Platform Fees paid by any Financial Advisory Firm, with the approval of a senior executive officer. These negotiated fees may lower the portion of the Platform Fee that AssetMark receives.

#### *AssetMark Affiliate Fee Income Disclosure*

AssetMark and CBC receive compensation as the Investment Advisor and Distributor, respectively, of the GuideMark and GuidePath Funds, which are utilized within certain Portfolio Strategists' asset allocations, and AssetMark waives its Platform Fee to the Financial Advisory Firm on Client accounts to the extent they are invested in asset allocations comprised primarily of the GuideMark and GuidePath Funds.

To the extent that a Client establishes a mutual fund Account and selects an asset allocation designed by a "proprietary" Portfolio Strategist (one who includes funds from its affiliated fund family), the Portfolio Strategist will generally derive additional benefit through compensation payable to its affiliates from the funds.

#### Altegris Managed Futures Exposures Strategy, Altegris Multi-Strategy, GPS Solutions, and GPS Select Solutions

Client accounts invested in the Altegris Managed Futures Exposure Strategy will receive allocations, determined by Altegris, among mutual funds advised by Altegris and AssetMark. Both Altegris and AssetMark may receive advisory fees from the mutual funds in which these accounts invest. The mutual fund advisory fees differ between funds and the total fees collected will vary depending upon the profile selected by the client and the fund allocation within each profile (for example, the blended rate of all fund advisory fees on client assets invested at the target profile allocation can range from 1.21% or higher for profile 3, and up to 1.52% for profile 5). If a client elects the Altegris Managed Futures Exposure Strategy, client authorizes and instructs that the account be invested pursuant to the selected profile, acknowledges that the fund advisory fees collected by Altegris and AssetMark will vary, and approve of the fund advisory fee payments to AssetMark and Altegris. Client will be given notice if these ranges change and, unless the Client or Financial Advisor gives notice to AssetMark, Client consents to these changes.

For the Altegris Multi-Strategy, the target allocations and available mutual funds may be modified by Altegris as market conditions vary and new funds become available. The investment guidelines for the Altegris Multi-Strategy constrain Altegris' ability, as a strategist, to modify the above fund allocations such that the range of management fees earned across the profile allocation does not exceed 0.45%. As a result, all allocation changes by Altegris will remain within the 0.45% credit amount provided to clients in the Altegris Multi-Strategy described in the fee disclosures set forth in Item 4 above.

Client accounts invested in GPS Solutions will receive allocations, determined by AssetMark, among the GuidePath Funds, the GuideMark Funds and the Altegris Advised Funds, if applicable. Both Altegris and AssetMark will receive advisory fees from the mutual funds in which these accounts invest. The mutual fund advisory fees differ between funds and the total fees collected will vary depending upon the profile selected by the client and the fund allocation within each profile (for example, the blended rate of all fund advisory fees on client assets invested at the target profile allocation can range from 1.04% or higher for profile 1, and up to 1.18% for profile 5). If a client elects the GPS Solutions, client authorizes and instructs that the account be invested pursuant to the selected profile, acknowledges that the fund advisory fees collected by Altegris and AssetMark will vary, and approve of the fund advisory fee payments to AssetMark and Altegris. Client will be given notice if these ranges change and, unless the Client or Financial Advisor gives notice to AssetMark, Client consents to these changes.

If a Client selects a GPS Select Solutions strategy, Client authorizes and instructs that the account be invested pursuant to the selected profile and acknowledges that AssetMark may modify fund allocations within a range such that fund management fees earned by AssetMark or Altegris (if a GPS Select Solution chosen includes an allocation to Altegris) may vary within a range of 0.30% of the assets in the Strategy. Client approves fund allocations within this range and acknowledges Client will not receive prior notice of the fund allocation changes unless such allocations would exceed the 0.30% range.

#### ***Business Development Allowance Program for Financial Advisors***

Under AssetMark's Business Development Allowance program, certain Financial Advisors may receive a quarterly business development allowance for reimbursement of qualified marketing/practice development expenses incurred by the Financial Advisor. These allowances may be earned based upon initial assets introduced to the AssetMark Platform if a specific asset minimum is met and/or the asset minimum is met within the first 12 months of an Advisor's use of the Platform. These amounts vary depending on the value of the assets on the AssetMark Platform held by Clients of the Financial Advisor. For the 2013 calendar year, participating Financial Advisors were reimbursed an average of \$2012.73.

#### ***Marketing Support for Financial Advisory Firms***

Additionally, certain Financial Advisory Firms enter into marketing arrangements with AssetMark whereby the Firms receive compensation and/or allowances in amounts based either upon a percentage of the value of new or existing Account assets of Clients referred to AssetMark by Financial Advisors, or a flat dollar amount. These arrangements provide for the communication of AssetMark's service capabilities to Financial Advisors and their Clients in various venues including participation in meetings, conferences and workshops. AssetMark may also agree to provide the Financial Advisory Firm or its representatives with organizational consulting, education, training and marketing support.

#### ***Direct and Indirect Support for Financial Advisors***

AssetMark may sponsor annual conferences for participating Financial Advisory Firms and/or Financial Advisors designed to facilitate and promote the success of the Financial Advisory Firm and/or Financial Advisor and/or AssetMark advisory services. AssetMark may offer Portfolio Strategists, Investment Managers and Investment Management Firms, who may also be Sub-Advisors for the GuideMark and GuidePath Funds, the opportunity to contribute to the costs of AssetMark's annual conferences and be identified

as a sponsor. AssetMark may also cover travel-related expenses for certain Financial Advisors to attend AssetMark's annual conferences, quarterly meetings, or to conduct due diligence visits. In addition and outside of the Business Development Allowance, AssetMark may contribute to the costs incurred by Financial Advisors in connection with conferences or other Client events conducted by the Financial Advisor or the Financial Advisory Firm.

#### ***Discounted Fees for Financial Advisors***

Financial Advisors may receive discounted pricing from AssetMark for practice management and marketing related tools and services.

#### ***Community Inspiration Award***

In order to promote community involvement, AssetMark created the Community Inspiration Award to honor selected Financial Advisors across the US who have inspired others by supporting charitable organizations in their communities. AssetMark will make a cash donation, subject to the published rules governing the program, to the Financial Advisor's nominated charity in accordance with the following: 1) the charitable organization is not a client or prospective client of the Financial Advisor, 2) the Financial Advisor will not receive a monetary award and 3) the charitable organization must not have the ability to contribute funds or services to a candidate for public office or to a Political Action Committee. There is no direct compensation paid to an honored Financial Advisor. However, the Financial Advisor may be inclined to place, or retain client assets on the Platform as a result of AssetMark's contribution to their supported charitable organization.

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

The Financial Advisory Firm utilizing the AssetMark Platform will determine the specific account requirements and the types of clients with which it may offer its services. Generally, the AssetMark Platform is made available to high net worth individuals and institutional investors, financial institutions, annuity funds, charitable institutions, foundations, municipalities, endowment funds, corporations, corporate pension and profit-sharing plans, and Taft-Hartley plans.

#### **MINIMUM INVESTMENT REQUIREMENTS**

AssetMark reserves the right, in its sole judgment, to accept certain investments below the standard minimums shown below.

#### **Mutual Fund, ETF (including Market Blend Strategies) and Variable Annuities**

The standard minimum investment through the Platform will generally be \$25,000-50,000 for mutual fund and variable annuity Accounts, and \$100,000 for ETF accounts.

#### **Guided Portfolios**

The standard minimum investment through the Platform will generally be \$25,000 - \$50,000 for GPS Solutions and \$100,000 - 250,000 for GPS Select Solutions. Sleeve level investment minimums within the Custom GPS Select Solutions will vary.

#### **Individually Managed Accounts**

The standard minimum IMA investment per Investment Manager is generally between \$100,000 and \$250,000, and will depend on the Custodian and Investment Manager(s) selected for the Account. Certain Investment Managers may require minimum investments greater than \$250,000. The Investment Managers, in their sole judgment may accept investments below the standard minimum.



For strategies in which Savos is the Investment Manager, the minimum investment is \$25,000.

#### Consolidated Managed Accounts

The standard minimum CMA investment generally is \$500,000.

#### Unified Managed Accounts

The standard minimum UMA investment, depending on the strategy selected, is between \$50,000 and \$100,000.

#### Multiple Strategy Accounts

Sleeve level investment minimums will vary.

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

The Platform does not have information applicable to Portfolio Manager Selection and Evaluation. Item 4 describes AssetMark's selection and the roles of the Portfolio Strategists, Investment or Discretionary Managers and Overlay Managers.

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

The Platform does not have information applicable to Client Information Provided to Portfolio Managers. Item 4 describes the relationship and agreement between the Client and the Financial Advisory Firm's including the FA Firm's responsibilities to evaluate the Client's need and objectives and determine the suitability of various Platform options for the Client.

Discretionary Managers may request and are entitled to receive information about a Client pursuant to a separate Appendix A to the Client Service Agreement, also referred to as the Discretionary Manager Designation, between the Client and the Discretionary Manager.

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

The Platform does not have information applicable to Client Contact with Portfolio Managers. Item 4 describes the relationship and agreement between the Client and the Financial Advisory Firm's and that the Firm may consult with AssetMark regarding the administration of the Platform. Additionally, the Client has the opportunity to consult jointly with the Financial Advisory Firm and the Discretionary Managers concerning the individual management of their account.

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

#### **DISCIPLINARY INFORMATION**

As the platform sponsor, AssetMark and its management does not have disciplinary information to report.

#### **OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

As the platform sponsor, AssetMark has the following financial industry affiliations:

### **AFFILIATED COMPANIES**

The following companies are 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 the AssetMark Platform, 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, a commodity pool operator registered with the Commodity Futures Trading Commission ("CFTC"), a member of the National Futures Association ("NFA"), and is registered as an investment adviser with the Securities and Exchange Commission. Altegris, a Delaware series trust, serves as the investment adviser to mutual funds including 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 Portfolio Management, Inc.

Altegris Portfolio Management, Inc., dba Altegris Funds ("Altegris Funds"), is registered with the CFTC, a member of the 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 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.

#### 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.



**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.

***ASSETMARK AFFILIATE CONFLICTS OF INTEREST*****Banking Institution - AssetMark Trust**

Clients who select AssetMark Trust as custodian 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, especially with regard to Savos PMAs and UMAs. 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 the Platform 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 regulation. 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.

**Investment Companies - GuideMark Funds, GuidePath Funds, and the Contra Fund**

AssetMark receives compensation as the investment advisor of the GuideMark and GuidePath Funds, which are utilized within certain Investment Solutions. When the GuideMark Funds are used in AssetMark's Investment Solutions, AssetMark waives its Platform Fee on the assets in those accounts, unless it is in a CMA Investment Solution. AssetMark is compensated only pursuant to its Investment Advisory Agreement with the GuideMark and GuidePath Funds. With regard to a CMA Investment Solution, if the Discretionary or Overlay Manager selects a GuideMark and GuidePath Fund, AssetMark may receive a Platform Fee from client assets for its management under the CMA Investment Solution as well as an additional fee through the GuideMark and GuidePath Fund for that portion of a client's account that is invested in the Fund, effectively receiving two fees, under two different management agreements, on the same assets.

The GuidePath fund of funds are directly managed by AssetMark's Investment Strategies Group ("ISG") and will be invested in shares of the GuideMark Funds, unaffiliated mutual funds, and ETFs. ISG manages the GuidePath Funds based on research provided by current Portfolio Strategists in each of the four Asset Allocation Approaches. In addition to the responsibility of managing the GuidePath Funds, the Investment Strategies Group has ongoing oversight over the performance of the Sub-Advisers in the GuideMark Funds and the Portfolio Strategists on the Platform. Because of the conflict between

ISG managing the GuidePath Funds, and thereby controlling the allocations to affiliated mutual funds, and potentially receiving the GuideMark Funds' profitability information as a participant in the Fund board meetings, AssetMark has created information barriers to shield ISG personnel from those discussions.

AssetMark serves as the investment adviser to the Contra Fund, a registered investment company used by the Savos division of AssetMark in risk mitigation strategies in certain Investment Solutions. When the Contra Fund is used in AssetMark's Investment Solutions, AssetMark may receive an advisory fee from client assets for its management under an Investment Solution as well as an additional fee through the Contra Fund for that portion of a client's account that is invested in that Fund, effectively receiving two fees, under two different management agreements, on the same assets.

**Other Investment Advisers - Altegris Advisors, LLC**

Altegris Advisors, LLC ("Altegris") is a Delaware limited liability company formed in February 2010, and commenced its advisory operations in August 2010. Altegris is registered as an investment adviser with the SEC. Altegris serves as the investment adviser to the Altegris mutual funds, including the Managed Futures Strategy Fund, a series Delaware Trust, and its wholly owned subsidiary. Altegris manages the assets of the Fund directly in accordance with applicable law and the investment objectives, policies and restrictions set forth in the Fund's current Prospectus and Statement of Additional Information, and subject to such further limitations as the Fund's Board of Trustees may from time to time impose by written notice to Altegris. Altegris also acts in the capacity of Portfolio Strategist for the Platform.

***OWNERSHIP OF GENWORTH SECURITIES***

AssetMark's former parent was Genworth Financial, Inc. ("Genworth"). Genworth's stock is publicly traded and it and its affiliates may also issue other securities. The mutual funds, ETFs, variable annuity sub-accounts and other collective investment vehicles held in client accounts through the Platform may hold or acquire securities issued by Genworth. In addition, the independent Discretionary Managers managing Privately Managed Accounts may invest in Genworth securities in the discretion of the independent Discretionary Managers. However, Privately Managed Accounts advised directly by AssetMark will be restricted so that no securities issued by Genworth or its affiliates will be acquired even if such an investment is appropriate for such Accounts. In addition, the Proprietary/Affiliated Funds, and the Contra Fund, will not acquire any Genworth securities.

***CODE OF ETHICS***

The Financial Advisory Firm provides investment advisory services to the client. The following summary describes the Code of Ethics for AssetMark, as the Platform sponsor.

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" which 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. Finally, the Code requires employees 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 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.

## REVIEW OF ACCOUNTS

The Clients and their Financial Advisors may contact AssetMark to arrange for consultations regarding the management of their Accounts. Clients should refer to their Financial Advisors 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 needs.

AssetMark makes available periodic reports to Financial Advisory Firms for use with their investment advisory clients. These written reports, the Quarterly Performance Report, generally contain a list of assets, investment results, and statistical data related to the client's account. We urge clients to carefully review these reports and compare the statements that they receive from their custodian to the reports.

### Management of the Client's Account

The Financial Advisory Firm provides the specific advice to the Client concerning the Client's investment Strategy for each Account, including the Investment Solution, the Portfolio Strategist(s), the particular Asset Allocation Approach or sub-strategy to be chosen for the Client,

and the Client's appropriate Risk/Return Profile. The Financial Advisory Firm will also advise Clients in Individually Managed Accounts on the Investment Managers to be selected for the Client's Account. The Financial Advisory Firm and/or the client (depending upon the specific form of Client Services Agreement entered into between the Financial Advisory Firm and the Client) retains discretion to choose the Portfolio Strategist(s), the asset allocation(s) and the Investment Managers selected as the components of the Strategy for the Client's Accounts, and will have the opportunity periodically to change the Strategy or its components, including the Investment Solution, the choice of Portfolio Strategist(s), the particular asset allocation(s) or sub strategies, the Risk/Return Profile, or the Investment Managers selected for the Accounts.

Each of the variable annuity issuers has established various sub-accounts as more fully described in its variable annuity Prospectus. In addition, AssetMark has identified certain investment management firms to provide securities recommendations to be used in CMA asset allocations. Each of the mutual funds is either a no-load mutual fund or a mutual fund that may be purchased through the Platform at net asset value and without sales charges. Variable annuity accounts are subject to the terms and conditions of the Prospectus delivered to the Client by the variable annuity issuer, and may or may not involve the payment of a commission to the Financial Advisory Firm or a related party by the variable annuity issuer. The Financial Advisory Firm will seek to tailor the Client's Strategy to the Client's individual needs. Information concerning the Investment Solutions, the Portfolio Strategists participating in the Platform, and the mutual funds, ETFs, variable annuity sub-accounts and the CMA investment management firms used in the Portfolio Strategists' asset allocations is provided to the Financial Advisory Firm and updated periodically.

Clients are provided with periodic custodial reports from a custodian and AssetMark provides the Financial Advisory Firms with QPR's for each of their Client's Accounts. The periodic custodial reports include a listing of all investments in the Client's account, their current valuation, and a listing of all transactions occurring during the period. The QPR's include information concerning the allocation of the assets in each Client Account among various asset classes and the investment performance of the Client's Account during the quarter.

### Management of Privately Managed Accounts

The Investment Managers managing IMAs, MSAs, and the Overlay Managers managing CMAs and UMAs are referred to collectively as the "Discretionary Managers" for these Privately Managed Accounts.

AssetMark (in UMAs) and certain Portfolio Strategists (in CMAs) may elect to incorporate a limited number of mutual funds in certain asset class allocations where they have determined that mutual funds are a more appropriate investment vehicle than using individual Investment Managers or the asset selections by Investment Management Firms. These funds may include both no-load mutual funds (that is funds which do not include a sales load) and mutual funds which generally do charge a sales load, but which are available through the Platform at the fund's net asset value and without any sales charge. Other third-party funds or ETFs may also be utilized in CMAs for situations in which a Client's assets do not meet the required minimums of an Investment Manager for certain asset classes.

Each Investment Manager and Investment Management Firm has been selected by AssetMark for the Platform to provide investment management services based on one or more specific investment objectives, which are outlined in the Manager Profile for each Investment Manager and Investment Management Firm. For example, certain Investment Managers and Investment Management Firms have been selected to manage U.S. Large Capitalization stocks,

while others have been selected to manage International stocks. The Asset Allocations Approaches developed by Portfolio Strategists will typically consist of a combination of several Investment Managers/Investment Management Firms (and, in certain cases, mutual funds) representing a number of asset classes, which can include, but are not limited to, U.S. Fixed Income, International Fixed Income, U.S. Large Capitalization and Small/Mid Capitalization stocks, International stocks, Emerging Markets stocks, and Real Estate Investment Trusts (REITs).

All investments are held in custody by a Custodian who maintains the Client's custodial account and effects transactions at the direction of the Client and the Discretionary Manager(s) designated by the Client. Client is responsible for paying the Custodian directly for all expenses related to effecting transactions in the account, pursuant to a separate agreement executed between Client and the Custodian.

Each of the Client's investments is held by the Custodian in the Client's name. Clients will receive confirmations of each security purchased and sold for the Client's account (either separately or as part of the periodic custodial statement). Clients are entitled to receive copies of any materials distributed by the issuers of such securities to all beneficial owners of their securities, as well as the Prospectus and all annual and periodic reports issued by any mutual funds that the Client holds. In addition, 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 securities and funds held for the Client. However, the Client may delegate the right to receive prospectuses and shareholder materials, and to vote proxies on behalf of the Client, to the Discretionary Managers selected by the Client. The Discretionary Manager Designations executed in connection with opening of any Privately Managed Account will include such delegation unless the Client otherwise directs in writing. Client has the opportunity to consult jointly with the Financial Advisory Firm and the Discretionary Managers concerning the individual management of their account.

#### **Advisor as Strategist Program**

A Financial Advisory Firm may participate in the Advisor As Strategist Program ("AAS" Program). In this program, a Discretionary Client Services Agreement is executed by the Client; the Client grants the Financial Advisory Firm discretionary authority to invest and reinvest the assets in accounts invested in the Mutual Fund and ETF Investment Solutions Account; and the Advisor manages custom accounts for their clients ("Custom Accounts"). The Financial Advisory Firm will be solely responsible for determining account assets, trades and rebalances. The Financial Advisory Firm may contract with AssetMark to recommend to the Financial Advisory Firm asset allocations or investment selections for the Custom Accounts, as may be agreed upon between Financial Advisory Firm and AssetMark. AssetMark does not provide any individualized investment advice to Custom Accounts or have or exercise any discretionary authority with regard to Custom Accounts. AssetMark will perform no independent due diligence on the Advisor as Strategist.

The asset allocation classification of the custom models developed by the Financial Advisory Firm may not be consistent with the Asset Allocation Approaches or Risk Return Profiles described in this Disclosure Brochure for Platform Accounts. The Platform Fee schedules will be charged to the Client Account, unless otherwise negotiated between the Financial Advisory Firm and AssetMark. The Client will receive additional information regarding the Financial Advisory Firm's management of Custom Account through the Financial Advisory Firm's disclosure brochure.

## **CUSTODIAL ARRANGEMENTS**

The Client's investments made through the Platform are held in the Client's name by a Custodian selected by the Client, pursuant to a custody agreement directly between the Client and the Custodian. As a custodial client, the Client will receive from the Custodian periodic account statements listing the investments held in the Client custodial account, valuations of the investments and transactions which occurred during the period. The Client will also receive prospectuses and shareholder reports, as well as any proxy statements, applicable to the securities in the Client's custodial account if the Client has invested in a Mutual Fund, ETF or Variable Annuity account available through the Platform. If the Client has selected a Privately Managed Account, the Client will generally delegate the receipt of these shareholder materials to the Discretionary Manager through the Discretionary Manager Designation executed with the Client Services Agreement, unless the Client otherwise expressly directs that such materials be delivered to the Client.

Several different third party Custodians are available on the Platform for use by Financial Advisory Firms and Clients to provide Client Accounts with custody and trading services. These Custodians, include TD Ameritrade Investment Support Services, Pershing Advisor Solutions, Schwab Institutional, and Fidelity Brokerage Services. In addition, AssetMark Trust Company ("AssetMark Trust"), an affiliate of AssetMark, may be used by Financial Advisory Firms and Clients on the Platform. Except as noted, each Financial Advisory Firm will typically select the Custodian to be used by that Financial Advisory Firm's Clients. The selected Custodian's full fee schedule and separate custody agreement will be presented to the Client, to be executed between the Client and Custodian. In general, each Custodian charges a custody fee based on a tiered fee schedule specific to each investment solution available on the Platform. For Accounts invested in a mutual fund solution, the custody fee is \$150 per year. Custody fees do not apply for mutual fund solutions comprised primarily of AssetMark proprietary or affiliated funds. The minimum annual custody fee for ETF solutions is \$250 per year. The minimum annual custody fee for IMA solutions ranges from \$250 to \$500 per year, depending on the types of securities held in Accounts. The minimum annual custody fee for CMA Accounts is \$750 per year. Custody fees for GPS Selection Solutions, Custom GPS Select Solutions, Market Blend ETF Strategies, Savos UMAs, Savos Preservation Strategy, Savos Fixed Income Accounts or Multiple Strategy Accounts are included in the Platform fee payable to AssetMark on those Accounts. The Custodians may also charge termination fees and various other miscellaneous fees for wires, returned checks and other non-standard activity on an Account. Custody fees will also apply to Accounts in investment solutions that are either closed or no longer offered to new clients. All custody fee details are clearly presented in each Custodian's fee schedule and separate custody agreement.

The Client is responsible for paying the Custodian the fees charged by the Custodian for its services and for all expenses related to effecting transactions in the account, pursuant to the agreement between Client and the Custodian, unless the Custody fees are included in the Platform fee, as described above. The Client will therefore bear such Custodian fees and expenses in addition to the fees charged under the Client Services Agreement, discussed above, and the operating expenses incurred by mutual funds, ETFs, variable annuities and any other pooled investment vehicles held in the Client's account. It should be noted that other custodial arrangements may be available that would involve lower costs to the Client than does this Platform, and the custodian selected by the Client or the Client's Financial Advisory Firm. Custodians may also negotiate custodial fees at their discretion. Clients should consult with their Financial Advisor to ensure they understand the custodial fees applicable to their Account.

**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. As the wrap program sponsor, AssetMark has no financial commitment that impairs its ability to meet contractual commitments to Financial Advisory Firms or their clients, and has never been the subject of a bankruptcy proceeding.

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

Not applicable to AssetMark as the Platform sponsor.

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