

Item 1 – Cover Page

Global Portfolio Strategies, Inc.
Services Related to Stable Value Investment Products

280 Trumbull Street, Hartford, CT 06103
860-534-7790

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This brochure provides information about the qualifications and business practices of Global Portfolio Strategies Inc. (GPSI). If you have any questions about the contents of this brochure, please contact Joseph Hess at 860.534.7790 or gpssupport@prudential.com. 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.

Additional information about GPSI also is available on the SEC's website at www.adviserinfo.sec.gov.

GPSI is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.

Item 2 – Material Changes

There are no material changes to report. Currently, our brochure may be requested by contacting us at 860.534.7790 or gpssupport@prudential.com. Our brochure is also available free of charge on the SEC web site, www.adviserinfo.sec.gov.

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Item 4 – Advisory Business

GPSI, a unit of Prudential Retirement (PR), was established October 27, 1981. The principal owner of GPSI is Prudential Retirement Financial Services Holding LLC, a wholly owned subsidiary of Prudential Financial Inc. (PFI). This brochure will describe certain services provided by GPSI which include:

- **Investment Advisory Services Related to Stable Value Investment Products**
- **Asset Allocation Services for Retirement Plans Investing in a Certain Stable Value Product**

Investment Advisory Services Related to Stable Value Investment Products:

We offer investment advisory services in conjunction with stable value investment made available to three defined contribution plans sponsored by a single employer. The stable value investment consists of certain investment options owned by the plans that are covered by a book value guarantee under a synthetic GIC issued by our affiliate, the Prudential Insurance Company of America. Pursuant to an agreement between us and the named fiduciary to those defined contribution plans: (a) with respect to certain investment options covered by the synthetic GIC, we have entered into a subadvisory agreement with the investment adviser providing day-to-day management of the investment option and (b) we monitor the balance in certain investment options covered by the synthetic GIC, and if the balance in one or more of the investment options deviates from the percentages agreed-upon in our investment management agreement with the named fiduciary to the plans, we rebalance assets so as to restore the agreed-upon allocations. As to amounts withdrawn in connection with such a rebalancing, we transfer the amount to other investment options as directed by the plans' named fiduciary, and in the absence of direction we transfer amounts in the manner dictated by our investment management agreement with the plans' named fiduciary.

As indicated, for certain investment options covered by the synthetic GIC, we have entered into an agreement's with subadvisers, which provides day-to-day management of the option. Some of those subadvisers are affiliated with us (i.e., PGIM, Inc., Jennison Associates, LLC, and Quantitative Management Associates LLC) and other subadvisers are not affiliated with us. There may be other investment options covered by the synthetic GIC as to which we monitor the account value and effect rebalancing, but have not retained a subadviser (and any such subadviser may be either affiliated with us or not).

Asset Allocation Services for Retirement Plans Investing in a Certain Stable Value Product:

Certain retirement plans currently hold, or may in the future acquire, a synthetic GIC contract issued by our affiliate, The Prudential Insurance Company of America (PICA). In this synthetic GIC contract, the retirement plan owns assets consisting of units of a collective investment trust sponsored by our affiliate, Prudential Trust Company, and the synthetic GIC contract issued by PICA to the retirement plan provides certain "book value" guarantees. In general, the guarantee of book value means that the plan can make withdrawals of its investment at book value (i.e., contributions plus credited earnings less withdrawals) regardless of the actual market value of its investment. The collective investment trust, together with PICA's associated book value guarantee, is marketed under the name Prudential Stable Value Fund (PSVF).

Under the termination provisions of each synthetic GIC contract, upon termination, the plan may receive either the market value of its interest in PSVF or a book value termination option under which the book value of the plan's interest in PSVF is delivered to the plan in a lump sum on a designated future "maturity date." The latter is known as the "book-out option." For purposes of delivering book value to the plan on the maturity date, the book-out option contemplates periodic transfers from the PSVF assets owned by the plan to an affiliated money market fund or vice-versa, so as to match the duration of the assets with the duration of the book-out option liability. These transfers are effected by us using a non-discretionary asset allocation model and are subject to (a) an agreement that we enter into with the retirement plan and (b) an agreement that we have in place with PICA.

Our Assets under Management:

As of December, 31 2016, GPSI managed \$2,565,218,272.15 on a non-discretionary basis in connection with the services covered by this brochure.

Item 5 – Fees and Compensation

Investment Advisory Services Related to Stable Value Investment Products:

The investment advisory fee and GIC fee for each client are negotiable. Under the current agreement, all investment management fees are paid directly to the sub-advisers.

Asset Allocation Services for Retirement Plans Investing in a Certain Stable Value Product:

Under our agreement with PICA, we provide asset allocation services in connection with PSVF. For those services, PICA pays us the annual fee set forth in the table below, based on a percentage of the combined assets of PSVF and the affiliated money market fund. Specifically, each calendar quarter PICA will pay to us the quarterly portion of the annual fee, based on the average book value of the combined assets of PSVF and the affiliated money market fund during the immediately preceding quarter. The asset allocation fee that PICA pays to us is not negotiable. PICA collects the fee it pays to us by deducting the appropriate amount from the assets of PSVF. The asset allocation fee paid to us is distinct from the wrap fee paid to PICA as respects PSVF and from the expenses of the affiliated money market fund.

	<u>Assets</u>	<u>Annual Fee</u>
First	\$50,000,000	0.08%
next	\$50,000,000	0.04%
over	\$100,000,000 and above	0.01%

Item 6 – Performance Based Fees and Side-by-side Management

We do not charge performance-based fees. Rather, we charge asset based or flat fees for services related to stable value investment products.

Item 7 – Types of Clients

Investment Advisory Services Related to Stable Value Investment Products:

We provide certain investment advisory services to defined contribution retirement plans in conjunction with stable value investment products. The minimum account size is set by the registered investment adviser hired as the sub-adviser.

Asset Allocation Services for Retirement Plans Investing in a Certain Stable Value Product:

We provide asset allocation services to retirement plans investing in the PSVF product. These retirement plans typically are defined contribution plans.

The minimum initial investment amount for PSVF generally is \$10,000,000. On an exception basis, we may permit a smaller minimum initial investment amount.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

Investment Advisory Services Related to Stable Value Investment Products:

For one client, we rebalance assets among portfolios managed by sub-advisers as described in our investment management agreement with the client or as otherwise directed by the client. The sub-advisers are responsible for managing the client's portfolio. As requested by the plan sponsor, we may also rebalance assets among investments that are managed by advisers for which we have no additional responsibility.

The Form ADV for each sub-adviser contains information concerning their respective methods of analysis, sources of information, investment strategies and risks.

Asset Allocation Services for Retirement Plans Investing in a Certain Stable Value Product:

We provide asset allocation services to retirement plans investing in the PSVF synthetic GIC product using a non-discretionary asset allocation model. On a monthly basis, the model calculates the transfer amount between PSVF and the affiliated money market fund needed to make the average asset weighted duration of the combined PSVF and affiliated money market fund holdings equal to the duration of the lump sum payment liability. GPSI then executes the transfer based on the model output.

Risks Related to Regulation:

Laws and regulations affecting our business change from time to time, and we are currently operating in an environment of significant regulatory reform. We cannot predict the effects, if any, of future legal and regulatory changes on our business or the services we provide.

We follow our policies on business ethics, insider trading, personal trading and information barriers. We have adopted a code of ethics (see Item 11), allocation policies and conflicts of interest policies, among others, and have adopted supervisory procedures to assess compliance with our policies. We cannot guarantee, however, that our policies and procedures will detect and prevent, or lead to the disclosure of, each and every situation in which a conflict may arise.

Certain Risk Related to Cybersecurity and Technology:

Investment advisors, including GPSI, must rely in part on digital and network technologies to conduct their businesses and to maintain substantial computerized data relating to client account activities. These technologies include those owned or managed by ourselves as well as those owned or managed by others, such as custodians, financial intermediaries, transfer agents, and other parties to which we or they outsource the provision of services or business operations.

Like all businesses that use computerized data, we and our affiliates and the systems we use might in some circumstances be subject to a variety of possible cybersecurity incidents or similar events that could potentially result in the inadvertent disclosure of confidential computerized data or client data to unintended parties, or the intentional misappropriation or destruction of data by malicious hackers mounting an attack on computer systems. We and our affiliates maintain an information technology security policy and certain technical and physical safeguards intended to protect the confidentiality of our internal data, and take other reasonable precautions to limit the potential for cybersecurity incidents, and to protect data from inadvertent disclosure or wrongful misappropriation or destruction.

Nevertheless, despite reasonable precautions, cybersecurity incidents could occur, and might in some circumstances result in unauthorized access to sensitive information about us or our clients. In addition, such incidents might cause damage to client accounts, data, systems or affect client services.

Furthermore, these systems may fail to operate properly or become disabled as a result of events or circumstances wholly or partly beyond our or others' control. Technology failures, whether deliberate or not, including those arising from use of third-party service providers or client usage of systems to access accounts, could have a material adverse effect on our business or our clients and could result in, among other things, financial loss, reputational damage, regulatory penalties or the inability to transact business.

Item 9 – Disciplinary Information

We are required to disclose all material facts regarding any legal or disciplinary events that would be material to an evaluation of us or the integrity of our management. We have no facts or events to report in response to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

Financial Affiliates and Activities including Conflict of Interest:

We are an indirect, wholly-owned subsidiary of Prudential Financial, Inc. and part of a full-scale global financial services organization. As such, we have numerous affiliates, including insurance companies, banks, registered broker-dealers and other investment advisers. Those affiliates' products and services are very often offered together with ours, including as part of an integrated product offering by PR. These situations are described more fully below:

- Our clients are holders of variable insurance contracts issued by our affiliates, PRIAC and PICA. These contracts are funded by insurance company separate accounts of PRIAC and PICA. Contracts may also be funded by the insurance company general account of PRIAC.

- With respect to the assets held in these insurance company separate accounts and/or general account, PRIAC and PICA receive advice from various affiliated and unaffiliated registered investment advisers that manage these assets on a day-to-day basis.
- PRIAC and PICA typically provide various administrative and recordkeeping functions for our clients.
- We provide asset allocation services to retirement plans investing in the PSVF synthetic GIC product. PSVF is a combination of a GIC issued by PICA and a collective trust sponsored by Prudential Trust Company.
- In addition, the investment manager for each of PSVF and the affiliated money market fund is our affiliate, Prudential Fixed Income, a unit of PGIM, Inc.

Conflicts of Interest:

The portfolio managers of our affiliated sub-advisers (PGIM, Inc., Jennison, and QMA) often are responsible for managing multiple accounts, including accounts of affiliates, institutional accounts, mutual funds, insurance company separate accounts and various pooled investment vehicles, such as commingled trust funds and unregistered funds. These affiliations and portfolio management responsibilities may cause potential and actual conflicts of interest. We and our affiliated sub-advisers aim to conduct ourselves in a manner we consider to be the fairest and consistent with our fiduciary obligations to all of our respective clients.

For a description of our sub-advisers, potential and actual conflicts of interest, as well as the policies and procedures they have in place to mitigate these potential and actual conflicts, please see their respective investment adviser brochures.

With respect to the PSVF book-out option, the investment manager for each of PSVF and the affiliated money market fund is our affiliate. Thus, a retirement plan's investment in PSVF, and its participation in the book-out option, means that it is incurring both the PICA wrap fee as well as the management fees for PSVF and the affiliated money market fund that our affiliated investment managers earn.

A potential conflict as respects the PSVF offering generally also arises from the fact that PICA provides the book value guarantee with respect to PSVF while a PICA affiliate manages PSVF assets. In theory, the affiliated manager of PSVF could invest in a way designed to reduce PICA's exposure under its guarantee, rather than solely in the best interests of the retirement plans participating in PSVF. PICA has compliance protocols designed to prevent any such adverse effect. For example, PICA personnel involved with the guarantee are prohibited from communicating certain information regarding the financial status of the PICA guarantee to personnel of PSVF's affiliated investment manager.

Like other investment advisers, we are subject to various conflicts of interest in the ordinary course of our business. We strive to identify potential risks, including conflicts of interest, which are inherent in our business, and conduct formalized annual conflict of interest surveys. When actual or potential conflicts of interest are identified, we seek to address such conflicts through one or more of the following methods:

- elimination of the conflict;
- disclosure of the conflict; or
- management of the conflict through the adoption of appropriate policies and procedures.

We follow Prudential Financial, Inc. (PFI) policies on business ethics and personal securities trading by investment personnel, and have adopted a code of ethics, supervisory procedures, and conflicts of interest policies, among other policies and procedures, which are designed to ensure that clients are not harmed by potential or actual conflicts of interests. However, there is no guarantee that such policies and procedures will detect and ensure avoidance or disclosure of each and every potential conflict that may arise.

Please see Item 17 for a discussion regarding proxy voting.

Item 11 – Code of Ethics and Personal Trading

Code of Ethics:

We maintain a code of ethics as required by applicable SEC rules. Our code of ethics requires employees to conduct business in an honest and forthright manner in accordance with the highest of ethical standards. In addition, the code of ethics requires employees to put client interests ahead of our own and disclose actual and potential meaningful conflicts of interest. The code of ethics incorporates our personal securities trading policies that are described in greater detail below. Our employees are required to report any violation of the code of ethics promptly to our chief compliance officer.

We will provide a copy of our code of ethics to clients or prospective clients upon request.

Information Barrier Policy:

The code of ethics also includes the US information barrier standards. The standards prohibit sharing material non-public information (MNPI) with other areas of the company except on a need to know basis. These standards are designed to impose restrictions on communication used with issuer related MNPI. Specifically, employees may not communicate to any employee of another area of the company (whether or not material or nonpublic) with respect to an issuer whose name appears on his or her restricted list or any other identified issuer of publicly traded securities with respect to which he or she has MNPI. In addition, employees may not communicate with any employee of another area of the company for the purpose of eliciting MNPI with respect to an issuer of publicly traded securities and determining whether they have MNPI with respect to particular issuers of publicly traded securities; or determining whether the names of particular issuers of publicly traded securities appear on another investment sector's restricted list.

Personal Securities Trading Standards:

We maintain a personal securities trading policy that governs the trading activities of our employees. Depending upon their classification under the policy, employees may be required by the policy to:

- report personal securities transactions to our corporate compliance unit;
- maintain brokerage accounts only with certain approved brokers that report transaction information to our corporate compliance unit; and
- annually report securities holdings to our corporate compliance unit.

Employees receive periodic training regarding our personal securities trading policies. In addition, employees must annually confirm that they have read and understand our code of ethics, including the personal securities trading policy.

Gifts & Entertainment Policy:

Our employees may occasionally give or receive gifts, meals or entertainment of moderate value, subject to compliance with applicable laws and regulations and rules of self-regulatory organizations. We have adopted a policy to address the conflicts of interest related to gifts and entertainment, such as the appearance of having given or received something of value that influenced our business decisions or the business decisions of our clients. The policy requires the reporting and preclearance of gifts, meals and entertainment given or received which exceed certain thresholds. In addition, our employees are prohibited from soliciting the receipt of gifts, meals or entertainment. Senior management periodically reviews summaries of gifts and entertainment activity to detect trends of abuse, conflicts of interest, or possible violations of the policy.

Political Contributions:

Due to the potential for conflicts of interest, we have established policies and procedures relating to political contributions that are designed to comply with applicable federal, state and local law.

Item 12 – Brokerage Practices

Except as described below, we do not require customers to conduct any transactions through brokerage firms chosen by us. We do not recommend that customers use any specific brokerage firms, nor do we receive any consideration from any brokerage firm in connection with client transactions.

GPSI has no “soft dollar” arrangements in place with any other firm. We do not select or recommend any brokerage firms to customers based on client referrals we might receive from those firms.

Item 13 – Review of Accounts

Investment Advisory Services Related to Stable Value Investment Products:

On a monthly basis, we monitor balances in accounts with sub-advisers to determine whether rebalancing is appropriate in light of the parameters set forth in the investment management agreement, and send an electronic report to the client.

Day-to-day discretionary management of advisory client portfolios is delegated to the sub-advisers. We review, or cause the sub-advisers to review, quarterly reports prepared by the custodian for the advisory client's portfolios. We provide the advisory client with a monthly asset balance summary report and such other reports and information as is requested.

Asset Allocation Services for Retirement Plans Investing in a Certain Stable Value Product:

On a monthly basis, we monitor the duration of the assets and liabilities to determine whether rebalancing is appropriate and send an electronic confirmation to the client.

We provide asset allocation services to retirement plans investing in the PSVF synthetic GIC product using a non-discretionary asset allocation model. We provide the advisory clients with a monthly trade confirmation with the beginning and ending duration of the assets and the ending duration of the liability.

Item 14 – Client Referrals and Other Compensation

We do not accept or pay referral fees in connection with Stable Value Investment Products.

Item 15 – Custody

Investment Advisory Services Related to Stable Value Investment Products:

With respect to these investment advisory services, we do not have custody over the client assets.

Asset Allocation Services for Retirement Plans Investing in a Certain Stable Value Product:

With respect to asset allocation services provided to retirement plans investing in the PSVF synthetic GIC product, because our affiliate PB&T may serve as plan trustee or custodian, in our opinion the SEC custody rule deems us to have custody over these assets. Plan sponsors will receive account statements from PB&T and/or third party qualified custodians with possession of client assets no less frequently than quarterly, and should carefully review those statements.

Item 16 – Investment Discretion

Investment Advisory Services Related to Stable Value Investment Products:

With respect to these investment advisory services, day-to-day discretionary management of the advisory client's portfolios is delegated to the sub-advisers.

Asset Allocation Services for Retirement Plans Investing in a Certain Stable Value Product:

With respect to these investment advisory services, day-to-day discretionary management of an advisory client's portfolios is delegated to the sub-advisers.

Item 17 – Voting Client Securities

Investment Advisory Services Related to Stable Value Investment Products:

Currently, we do not take any action or render any advice regarding the voting of proxies relating to the securities held in investment advisory clients' accounts. Rather, we have delegated all day-to-day discretionary management of these portfolios, including proxy voting, to the sub-advisers. A client holding these accounts should contact the sub-adviser on the account to obtain a copy of the sub-adviser's proxy voting policy, or the proxy voting record for the client's account.

Asset Allocation Services for Retirement Plans Investing in a Certain Stable Value Product:

With respect to money market fund shares acquired by clients in connection with the PSVF book-out option the client is responsible for voting proxies. All proxies are sent to the client by our service provider, Broadridge Investor Communication Solutions, Inc.

To obtain a copy of our proxy voting policy, please contact us at 860-534-7790.

Item 18 – Financial Information

We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to our clients.