



# REFERRAL DISCLOSURE BROCHURE

## Form ADV – Part 2A and 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.*

*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 or AssetMark with questions about the changes.

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

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

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The following are changes since the last Form ADV Part 2A update in September 2016.

- Item 4: On October 31, 2016 Huatai Securities Co., Ltd. completed the purchase of AssetMark, Inc.
- Item 5: Fee Schedule Update as of November 2016, to reflect the addition of new strategist and/or new product offerings.
- Item 9: Disciplinary Information

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## ITEM 4 – ADVISORY BUSINESS

### THE COMPANY

AssetMark is the sponsor of the AssetMark Platform (the “Platform”) through which it offers its advisory services to its Clients. AssetMark is an investment adviser registered with the U.S. Securities and Exchange Commission providing various investment advisory services pursuant to the Investment Management Services Agreement (“IMSA”). Its predecessor business began in 1980.

In April 2016, Aquiline Capital Partners and Genstar Capital, private equity firms that invest in the financial services industry, announced the sale of AssetMark, Inc. (“AssetMark”) and AssetMark Trust Company to Huatai Securities Company, Ltd. The sale was completed on October 31, 2016.

The investment divisions of AssetMark, are known as Aris (“Aris”) and Savos Investments (“Savos”).

AssetMark offers various Platform options (“Solution Types”) for the Client’s investment objectives and financial condition. Each of the Solution Types may be implemented with a number of features and alternatives, such as a selection of one or more Investment Approaches, a group of available “Portfolio Strategists” or “Investment Managers,” a variety of account “Mandates” and a range of “Risk/Return Profiles,” and various privately managed accounts, so that the Client can create a strategy by which each of the Client’s accounts under the Platform will be managed or maintained. The specific Solution Type and the above components of the strategy selected for a 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.”

As a manager for certain Privately Managed Accounts or Unified Managed Accounts, Aris and Savos provide services for investment products offered on the AssetMark Platform. AssetMark also serves as the Portfolio Strategist and Investment Manager for the Market Blend ETF Strategies and the Guided Portfolios, which include GPS Fund Strategies and GPS Select. GPS Fund Strategies shall invest in pre-determined allocations of the GuidePath® Funds and GuideMark Funds, with the option to also include additional investment options such as alternative investments. GPS Select will invest in pre-determined allocations to various Investment Approaches as well as additional investment options and, within each Investment Approach, will make allocations to various Portfolio Strategists and Investment Managers.

AssetMark serves as the investment adviser for the following registered investment companies that may be available in certain Solution Types under the Platform:

- 1) GPS I, a series of sub-advised no-load mutual funds that include the GuideMark® Funds;
- 2) GPS II, a series of no-load mutual funds that include two GuideMark Funds as well as six GuidePath Fund of Funds; and
- 3) the Savos Investments Trust Dynamic Hedging Fund (“Savos DHF”), a registered investment company used by Savos to provide risk mitigation in some Solution Types.

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, with respect to the GuidePath Managed

Futures Strategy Fund and the Savos DHF, AssetMark is registered as a “commodity pool operator” under the Commodity Exchange Act (“CEA”) and the rules of the CFTC.

### DESCRIPTION OF ADVISORY SERVICES

AssetMark offers the following advisory services or Solution Types to Clients. The services discussed in this brochure are:

#### I. Guided Portfolios

- GPS Fund Strategies
- GPS Select
- Custom GPS Select

#### II. Single Strategy Solution Types

- Mutual Fund Accounts (Including Market Blend and Individual Mutual Fund Solution Types)
- Exchange-Traded Fund (“ETF”) Accounts (including Market Blend)
- Mutual Fund/ETF Blend Accounts

#### III. Privately Managed Accounts (“PMA”) or Separately Managed Accounts (SMA), including:

- Individually Managed (“IMA”) Accounts, (Equity Balanced, Fixed-Income, and Custom High-Net Worth)
- Manager Select Accounts (“MSA”), and
- Consolidated Managed Accounts (“CMA”)

#### IV. Savos Unified Managed Accounts (“Savos UMA’s”), including:

- Savos Preservation Strategy
- GMS Accounts,
- Active Return Opportunities (“ARO”) Accounts
- Privately Managed Portfolios (“PMP”) Accounts, and
- US Risk Controlled Strategy

#### V. 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.

### RISK/RETURN PROFILES

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

One of the fundamental elements of establishing the Client’s investment objective is identifying the appropriate Risk/Return Profile for each of the Client’s Accounts in their AssetMark Portfolio. These Risk/Return Profiles range from most conservative (lowest estimated risk and lowest potential return) to most aggressive (highest estimated risk and highest potential return). For all Solution Types, other than certain IMAs and Manager Select Accounts MSAs, the Client, with the assistance of the Client’s Financial Advisor, selects a Risk/Return Profile for the

management of the Client's Account. Not all Risk/Return Profiles are available for all Solution Types. 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 risks of loss to capital with capital appreciation.

**Profile 4 – Moderate Growth**

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

The percentage exposure to equity securities for each Risk/Return Profile is likely to be higher as the Risk/Return Profiles increase from Profile 1, Conservative through Profile 6, Maximum Growth. The percentage exposure to fixed income is likely to be higher as the Risk/Return Profiles decrease from Maximum Growth to Conservative. Some Solution Types may not offer all Risk/Return Profile levels.

AssetMark establishes, and periodically reviews and confirms or adjusts, guidelines for each of the Risk/Return Profiles. AssetMark provides these guidelines to the independent investment management firms, referred to as the "Portfolio Strategists," that provide allocations for the Mutual Fund, ETF, Mutual Fund/ETF Blend, and CMA Solution Types. Savos and Aris also use these guidelines in the management of their respective Solution Types.

## INVESTMENT APPROACHES

Another element of establishing the Client's investment objective is to identify the appropriate mix of Investment Approach(es) to manage risk efficiently and meet the Client's return objectives. Each Portfolio Strategist, Investment Manager and/or Solution Type may be classified by AssetMark based on their Investment Approach. Additionally, the Client may select GPS Fund Strategies, which will allocate assets across some or all Investment Approaches. The Client, with the assistance of their Financial Advisor, may select Solution Types for their Portfolio that represents a blend of different Investment Approaches.

The following Investment Approaches are available:

**Core Markets**

- Seek to provide exposure to economic growth through a mix of traditional asset classes like equities and fixed income.

**Tactical Strategies**

**Enhanced Return Focus**

- Seek to provide consistent exposure to the equity market while aiming to add return over a benchmark by using thematic stock selection, sector or country rotation strategies or other tactical investment strategies.

**Limit Loss Focus**

- Seek to limit losses in extreme market downturns while aiming to participate in the equity markets most of the time. These strategies will automatically exit and re-enter equity exposure to allow greater equity participation most of the time and sharply reduce equity exposure when risk of loss is perceived to be high.

**Diversifying Strategies**

**Equity Alternatives**

- Seek to provide risk diversification benefits through non-correlation to equities and having higher impact to returns, specifically not being significantly dilutive to returns. These strategies will have higher levels of volatility and be heavily invested in managed futures, but may include exposure to other alternative strategies like global macro strategies.

**Bonds and Bond Alternatives**

- Seek to provide risk diversification benefits through non-correlation to equities through traditional bond portfolios or bond alternative portfolios with low variability of return. These strategies will have lower levels of volatility and may include non-traditional bond positions, including market neutral strategies, absolute return strategies and low volatility equity strategies.

The Core Markets and Tactical Strategies 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, it 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.

## ADVISORY SERVICES AND WRAP FEE PROGRAMS

### I. GUIDED PORTFOLIOS

**GPS Fund Strategies**

For GPS Fund Strategies, AssetMark will provide investment allocations across Investment Approaches based on investment objectives, market outlook, risk profile and other preferences. GPS Fund Strategies primarily utilize proprietary no-load mutual funds that are considered No Transaction Fee ("NTF") funds because the cost of 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 to the custodian.

AssetMark's Investment Strategies Group ("ISG") starts with a baseline allocation across Core Markets, Tactical Strategies and Diversifying Strategies; however, they may tilt these allocations over time based on their view of the risk environment. In times of heightened risk concentration, they will tilt more toward Diversifying Strategies – Equity Alternatives while, in times of lower risk concentration, they will tilt more toward Core Markets. In times of heightened market risk, they will tilt more towards Diversifying Strategies – Bonds & Bond Alternatives while in times of lower risk they will tilt more towards Tactical Strategies – Enhanced Return. This allocation mix is met with the use of GuidePath

**This must remain with the Client**

Funds and, as needed, GuideMark Funds. GPS Fund Strategies are available with or without an exposure to alternative investment mutual funds. With the assistance of the Financial Advisor, the Client's selected GPS Fund Strategy will take into account the Client's investment objective, if the Client is in an accumulation or distribution phase, if the Client seeks to have exposure to alternative investments or not, or seeks to use GPS Fund Strategies as a focused strategy in order to complement other Solution Types selected for the Client Portfolio.

*Investment Objective: Accumulation vs. Distribution.*

*Accumulation Objective.* An accumulation objective typically refers to investors who are still working and seeking to build their wealth base. Strategies are allocated with a blended mix of Investment Approaches with an emphasis on growth of capital.

*Distribution Objective.* A distribution objective typically refers to investors who are in or near retirement and seeking to take withdrawals from their asset base over time. Strategies are allocated with a blended mix of Investment Approaches with an emphasis toward providing income through the use of multi-asset income strategies.

*Focused GPS Fund Strategies.* Focused GPS Fund 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 Investment Approach used to complement other Solution Types selected for the Client Portfolio. These include either a Core Markets investment approach, or a specific or combination of Tactical and Diversifying Strategies – Bond Alternatives Investment Approaches.

*Relative Return Focused.* Strategies are generally allocated to Core Markets Investment Approaches in a blended mix.

*Unconstrained Return Focused.* Strategy is allocated solely to Tactical Strategies – Limit Loss Focus.

*Unconstrained/Absolute Return Focused.* Strategies are allocated to Tactical Strategies – Limit Loss Focus and Diversifying Strategies – Bonds and Bond Alternatives in a blended mix.

*Absolute Return Focused.* Strategy is allocated solely to Diversifying Strategies – Bonds and Bond Alternatives.

*Multi-Asset Income Focused.* Depending on the profile, strategies are allocated to Core Markets Investment Approaches, Tactical Strategies – Limit Loss Focus, or Diversifying Strategies – Bonds and Bond Alternatives. A core position in the GuidePath Multi-Asset Income Fund is held with complementary exposure to GuidePath Aggressive Allocation, Tactical Allocation and Flexible Income.

The standard minimum for a GPS Fund Strategies account is \$10,000. Service share class of the GuidePath Funds are used within the GPS Fund Strategies and pay management fees to AssetMark, Inc. The GuidePath Funds pay 12b-1 and service fees to the custodians. Refer to Item 5 "Fees and Compensation" for more information about indirect fees mutual fund shareholders pay.

### GPS Select

For GPS Select, AssetMark will provide investment allocations across Investment Approaches based on investment objectives, market outlook, risk profile and other preferences. Additionally, AssetMark will select the mix of Portfolio Strategists and Investment Managers, including Aris and Savos, and including Proprietary Funds (AssetMark advised mutual funds are collectively known as "Proprietary Funds"). The AssetMark investment team starts with a baseline allocation across Core Markets, Tactical Strategies and Diversifying Strategies; however, they may tilt these allocations over time based on their view of the risk

environment. In times of heightened risk concentration, they will tilt more toward Diversifying Strategies – Equity Alternatives while, in times of lower risk concentration, they will tilt more toward Core Markets. In times of heightened market risk, they will tilt more towards Diversifying Strategies – Bonds & Bond Alternatives while in times of lower risk they will tilt more towards Tactical Strategies – Enhanced Return.

GPS Select 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 GPS Select, 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, AssetMark will seek to invest clients in the lowest cost non-transaction fee share class that is commonly available across custodians. If Proprietary Funds are used, investment will be in a share class that includes a 0.25% 12b-1 fee.

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

- *Select Wealth Preservation.* Strategies are allocated with a blended mix to selected strategist portfolios within Core Markets, Tactical Strategies and Diversifying Strategies Investment Approaches. This strategy is designed for wealth preservation and protection from inflation.
- *Select Accumulation.* Strategies are allocated with a blended mix to selected strategist portfolios within Core Markets, Tactical Strategies and Diversifying Strategies Investment Approaches.
- *Select Distribution.* Strategies are allocated with a blended mix to selected strategist portfolios within Core Markets, Tactical Strategies and Diversifying Strategies Investment Approaches. Strategist selection will be focused toward strategists managing to a multi-asset income mandate or where income is a large component of the strategy. This strategy is also designed to provide an enhanced level of income and to control portfolio volatility.

Focused GPS Select are based primarily on the client's risk profile and desire for focused exposure to one or more Investment Approaches used to complement other Solution Types selected for the Client Portfolio.

- *Select Low Volatility.* Strategies are allocated with a blended mix to selected strategist portfolios representing the Diversifying Strategies – Bonds and Bond Alternatives Investment Approach. This focused investment strategy targets low volatility with a low level of return.
- *Select Tactical.* Strategies are allocated with a blended mix to selected strategist portfolios representing the Tactical Strategies – Limit Loss Focus and Diversifying Strategies – Bonds and Bond Alternatives Investment Approaches. This focused investment strategy seeks to limit participation in extreme market downturns while generally participating in normal markets. Higher risk profiles will hold higher exposure to Tactical Strategies while lower risk profiles will hold higher exposures to Diversifying Strategies.
- *Select Multi-Asset Income.* Strategies are allocated with a blended mix to selected strategist portfolios representing the Multi-Asset Income Mandate spanning the Core Markets, Tactical Strategies

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and Diversifying Strategies Investment Approaches. This focused investment strategy seeks to provide an enhanced level of income across changing markets.

The standard minimum investment for the GPS Select ranges from \$50,000 to \$100,000. AssetMark reserves the right, in its sole judgment, to accept certain investments below the standard minimum.

### Custom GPS Select

GPS Select, as described above, may be customized within a specific range from the baseline to various Investment Approaches. The Client, with the assistance of their Financial Advisor, may select from various Portfolio Strategists and Investment Managers, including Savos, and Proprietary Funds. In doing so, and by selecting within the range of pre-determined allocations, a Custom GPS Select 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 from a minimum of three to a maximum of eight sleeve selections, to comprise the entire Custom GPS Select account. The standard minimum account by sleeve may vary and AssetMark's revenue may increase or decrease based on the sleeve allocation agreed upon between the Client and Financial Advisor.

## **II. SINGLE STRATEGY SOLUTION TYPES**

### **Mutual Fund Solution Types**

For Clients selecting a Mutual Fund Account, their Account will be invested in NTF funds and/or mutual funds that generally do charge a sales load but where the sales charge has been waived. The Account will be invested consistent with allocations provided by a Portfolio Strategist for the Risk/Return Profile selected by the Client. Certain Portfolio Strategists compose their mutual fund allocations utilizing only those mutual funds managed by the Portfolio Strategist or an affiliate of the Portfolio Strategist. One or more of the Portfolio Strategists, will construct their allocations exclusively using funds managed by AssetMark, including the GuideMark and GuidePath Funds.

In the Mutual Fund Solution Type, all Investment Approaches are available. Information regarding the Investment Solutions and the Portfolio Strategists available for each of the Investment Approaches is available from the Client's Financial Advisor.

Unless otherwise restricted by the Client in writing and accepted by AssetMark, if a Mutual Fund account is chosen, it may also include non-mutual fund investments. For example, non-mutual fund investments could include cash alternatives held by the Account. The standard minimum investment through the Platform will generally be \$10,000 - \$25,000 for Mutual Fund Accounts.

Portfolio Strategists select from third-party mutual funds or Proprietary NTF funds or load-waived mutual fund share classes that are available on each custodian's platform. There are no per-trade transaction fees charged to the client in the mutual fund Solution Types on the AssetMark Platform. Except for GPS Select 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. Refer to Item 5 "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.

Additionally, for some, but not all Mutual Funds, the Client may select a Mandate for the Account. The Client can select between the Tax-Sensitive or Standard Mandates described in Section A and/

or select one of the investment styles, Domestic, Global or Hedged, described in Section B. For GPS Fund Strategies, only the Standard Mandate is available.

### Section A

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

*Standard.* Consideration generally will not be given to tax-exempt or tax-managed investments or holding periods.

*Multi-Asset Income.* Managed to maximize the realization of current income from a range of asset categories including fixed income, equity and specialty asset classes. Seeks income generation as a primary objective; however, also considers diversification and risk profile ranges as important components of portfolio construction. Multi-asset income strategies will take on risk in pursuit of their objectives as defined by the risk profile to which the mandate is being managed.

### Section B

*Domestic.* Strategy allocations are focused on U.S. asset classes.

*Global.* Strategy allocations include a mix of U.S. and international asset classes.

*Hedged.* Strategy allocations include a mix of U.S. and international asset classes. Implementation will include the use of specialty funds designed to have a low correlation to traditional asset classes such as stocks and bonds.

### Market Blend Mutual Fund Strategies

For Market Blend Strategies, AssetMark will provide the following strategic asset allocation strategies. With the assistance of the Financial Advisor, Clients may select from the following Market Blend Mutual Fund Strategies:

- Global GuideMark Market Blend
- US GuideMark Market Blend (Closed to new business)

These strategies will provide a strategic asset allocation across seven to 10 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. The Global model will take global exposures while the US model will only take domestic exposures. 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 asset class exposures are reviewed for reallocation of the strategy. The investment vehicles used to implement the strategy are GuideMark Funds that provide exposure to each of the asset classes.

Client accounts invested in Market Blend Mutual Fund or CMA Solution Type will receive allocations, determined by AssetMark, among the GuideMark Funds. 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. If a client elects a Market Blend Mutual Fund or CMA Solution, client authorizes and instructs that the account be invested pursuant to the selected profile, acknowledges that the fund advisory fees collected by AssetMark will vary, and approve of the fund advisory fee payments to AssetMark. Client will be given notice if these ranges or funds change and results in a higher average weighted fee earned. Unless the Client or Financial Advisor gives notice to AssetMark, Client consents to these changes. See Exhibit A for more information.

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### *Individual Mutual Fund Solution Types*

A Client, with the assistance of their Financial Advisor, may also select from Individual Mutual Fund ("IMF") Solution Types. The IMF Solution Type is intended to complement other Solution Types available on the AssetMark platform, as part of the Client's overall portfolio. The IMF's used in this advisory service may be Proprietary, or third-party funds and may be available in all Investment Approaches. Clients should be aware that the platform fees charged by AssetMark for this service may be higher or lower than those charged by others in the industry, or directly from the third-party mutual fund provider, and that it may be possible to obtain the same or similar services from other investment advisers at lower or higher rates. A Prospectus for any individual mutual fund made available under this Solution Type may be obtained upon request from AssetMark or your Financial Advisor. Please review and consult with your Financial Advisor if you have further questions regarding these Funds.

### *ETFs*

A Client, with the assistance of their Financial Advisor, may also select from ETF Solution Types, and their Account will be invested in 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 Solution Types may also invest in exchange-traded notes ("ETNs"), which are senior, unsecured debt securities issued by an underwriting bank. AssetMark's trading practices are discussed further in Item 12 "Brokerage Practices" in the Trade Execution and Brokerage Allocation section below.

In the ETF Solution Type, all Investment Approaches are available. Information regarding the Solution Types and the investment providers available for each of the Investment Approaches is available from the Client's Financial Advisor.

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.

The standard minimum investment through the Platform will generally be \$25,000 - \$50,000 for ETF Accounts. AssetMark reserves the right, in its sole judgment, to accept certain investments below the standard minimum. Additionally, for some, but not all, ETF Solution Types, the Client may select one of the following Mandates for the Account, as described below.

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

*Standard.* Consideration generally will not be given to tax-exempt or tax-managed investments or holding periods.

*Multi-Asset Income.* Managed to maximize the realization of current income from a range of asset categories including fixed income, equity and specialty asset classes. Seeks income generation as a primary objective; however, also considers diversification and risk profile ranges as important components of portfolio construction. Multi-asset income strategies will take on risk in pursuit of their objectives as defined by the risk profile to which the mandate is being managed.

### Market Blend Strategies

For Market Blend Strategies, AssetMark will provide the following strategies. With the assistance of the Financial Advisor, Clients may select from the following Market Blend ETF Strategies:

### *ETF Strategies*

- *Global Market Blend Strategies.* These strategies will provide a global strategic asset allocation across seven to 10 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 asset class exposures are reviewed for reallocation of the strategy. The investment vehicles used to implement the strategy are ETFs that are representative of the cap-weighted indices for each of the asset classes and lower cost.
- *Global Market Factor Blend Strategies.* These strategies will provide a global strategic asset allocation across seven to 10 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 asset class exposures are reviewed for reallocation of the strategy. Where available the investment vehicles used to implement the strategy are ETFs that are representative of the factor-weighted indices for each of the 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.
- *US Market Blend Strategies.* These strategies will provide a domestic strategic asset allocation across seven to 10 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 asset class exposures are reviewed for reallocation of the strategy. The investment vehicles used to implement the strategy are ETFs that are representative of the cap-weighted indices for each of the asset classes and lower cost.

### Mutual Funds/ETF Blend Solution Types

For Clients selecting a Mutual Fund/ETF Blend Solution Type, their Account will be invested in a blend of mutual funds and ETFs consistent with allocations provided by a Portfolio Strategist for the Risk/Return Profile selected by the Client, and as described in the preceding Mutual Fund and ETF sections.

### *III. PRIVATELY MANAGED ACCOUNTS*

A Privately Managed Account ("PMA") or Separately Managed Account ("SMA") Solution Type can be established as:

- Individually Managed Account ("IMA") Equity/Balanced, Fixed Income and Custom High Net Worth,
- Manager Select Account ("MSA"), or a
- Consolidated Managed Account ("CMA").

A PMA may also be categorized as a SMA under Equity/Balanced, Fixed Income or Custom High Net Worth options.



AssetMark has contracted with third-party investment management firms to act as Investment Managers for client accounts. For certain PMA solutions, AssetMark, through its Savos or Aris divisions, acts 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, to select the broker-dealers or others with which transactions for the accounts will be effected, and such other actions that are customary or appropriate for an Investment Manager to perform. The Investment Manager is responsible for selecting the securities for client investment, including the share class if the investment is in mutual funds. Custody fees, if charged, are asset based. There are generally no transaction fees charged in the PMA program. However, while not routine, there may be situations where the Investment Manager will “step-out” a trade and use a brokerage firm other than that usually used with the Client’s selected Custodian and such trading may result in an additional fee from the Account Custodian (refer to Item 12 “Brokerage Practices”). The Investment Manager may also be referred to as a “Discretionary Manager” or “Overlay Manager” in the instance of the MSA and CMA Investment Solutions. In addition, Investment Managers and Portfolio Strategists may be collectively referred to as “Investment Solution Providers” in marketing materials.

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

For Clients selecting an IMA, their Account will be managed by an Investment Manager consistent with the Strategy selected by the Client. The Investment Manager shall provide discretionary investment management services to the Account, and the Client grants the Investment Manager the discretionary authorities discussed above. AssetMark may replace the Investment Manager at its discretion.

The standard minimum for each IMA is generally between \$100,000 and \$1,000,000, although for Savos Fixed Income IMA Accounts, the account minimum ranges from \$25,000 - \$50,000. With the exception of Custom IMAs, there are no Investment Approaches or separate Risk/Return Profiles available for an IMA. Custom IMAs are available in the Core Markets Investment Approach and the six Risk/Return Profiles, as described above under Risk/Return Profiles.

In certain IMA Solutions, Clients may receive from the Investment Manager, and be required to acknowledge receipt of, additional disclosures regarding specific investments, such as alternative investments.

Options strategies may be used for certain IMA Solutions. Clients with IMAs that may include investment in options should be aware that options trading can be highly speculative and could result in financial losses even though margin borrowing will not be used for the types of options traded by these Client Accounts. Options transactions are subject to the rules, regulations, customs and practices of The Options Clearing Corporation (OCC) and the securities exchange, association or clearing organization through which the transactions are executed. Expiring options that are valuable (meaning, in the money) are exercised automatically pursuant to the exercise by exception procedure of the OCC. Additional information about the risks, characteristics and features of options is available at: <http://www.optionsclearing.com/components/docs/riskstoc.pdf>.

#### **Savos Fixed Income Strategies**

For Savos Fixed Income Accounts, Savos acts as Investment Manager for Client Accounts. The available Mandates for the Savos Fixed Income accounts are as follows:

- *Laddered Bond Mandates.* These Strategies invest the Account in either U.S. Treasury, U.S. Agency or U.S. Treasury Inflation

Protected bonds, with an intermediate effective duration, on a buy and hold basis.

- *Municipal, Duration-based and the High Income Mandates.* These standard Strategies invest the Account in closed-end funds, ETFs or mutual funds to obtain relevant exposure specific to desired asset categories.

#### **Manager Select Account (“MSA”)**

For MSAs, AssetMark has contracted with an “Overlay Manager” to act as the Investment Manager. The Overlay Manager provides discretionary investment management services to the MSA. AssetMark has also contracted with an Investment Management Firm to provide recommendations for a specific asset class. The Overlay Manager will 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, the Client, with the assistance of their Financial Advisor, shall select a Strategy, which shall represent a single asset class with recommendations from a single Investment Management Firm. The standard minimum for each MSA is generally \$100,000. There are no Investment Approaches or separate Risk/Return Profiles available for an MSA. AssetMark reserves the right, in its sole judgment, to accept certain investments below the standard minimum.

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

For Clients selecting a CMA, AssetMark has contracted with an “Overlay Manager” to act as the Investment Manager. The Overlay Manager provides discretionary investment management services to the CMA. AssetMark has also contracted with a number of Investment Management Firms or Portfolio Strategists, which AssetMark may replace at its discretion, to provide recommendations for specific asset classes. Coordination of the Investment Management Firms’ recommendations of individual securities and asset allocations is included in the Overlay Manager’s responsibilities. The Overlay Manager strives to provide the return of a combination of asset managers or styles while maintaining control over total portfolio risk and tax consequences. The Overlay Manager’s role extends to total coordination and implementation of the Account from initial trading to rebalancing, managing restrictions and cash flows, and, where relevant, the management of portfolio tax liabilities.

In a CMA, investment of the Account will be consistent with a Core Markets Investment Approach, as selected by the Client. The standard minimum CMA investment is \$500,000. AssetMark reserves the right, in its sole judgment, to accept certain investments below the standard minimum.

With the assistance of the Financial Advisor, the Client may choose between the Tax-Sensitive or the Standard Mandate as described in Section A, and then further refine the Account’s Mandate by selecting either the Hedged or Core-Satellite Investment style described in Section B.

#### **Section A**

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

*Standard.* Consideration generally will not be given to tax-exempt or tax-managed investments or holding periods.

**Section B**

*Hedged.* Strategy allocations include a mix of U.S. and international asset classes. Implementation will include the use of specialty funds designed to have a low correlation to traditional asset classes such as stocks and bonds.

*Core-Satellite.* Strategy allocations include a mix of U.S. and international asset classes. The U.S. large-cap equity allocation will be focused on a broad domestic index objective and will be directly managed by Parametric.

**IV. SAVOS UNIFIED MANAGED ACCOUNTS (“SAVOS UMAs”)**

The Savos UMAs include:

- Preservation Strategy
- GMS Accounts
- Active Return Opportunities (“ARO”)
- Privately Managed Portfolios (“PMP”) Accounts and
- US Risk Controlled Strategy

**Savos Preservation Strategy**

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

In the Savos Preservation Strategy, the Client and their Financial Advisor need not make further selections to specify the Strategy for the Account. The Savos Preservation Strategy follows Diversifying Strategies – Bonds & Bond Alternatives Investment Approach and is considered to be Risk/Return Profile 1. For Savos Preservation Strategy, the account minimum is \$25,000.

The primary investment objective of the Preservation Strategy is to avoid a calendar-year loss. Intra-year volatility and performance may vary and are independent of the Strategy's primary investment objective. There is no guarantee that the Strategy's primary investment objective will be met in all market conditions. The Account will be invested primarily in mutual funds and ETFs.

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.

Additionally, Savos may use one or more Proprietary Funds within the strategy. The strategy for each Proprietary Fund is described in more detail in the Prospectus for the Fund. All Proprietary Funds utilized are registered investment companies for which AssetMark, either directly or through its Savos division, serves as investment adviser.

**Savos GMS, ARO, PMP and US Risk Controlled Strategy**

AssetMark manages UMAs through Savos whereby Savos serves as Overlay Manager and may also be referred to as Discretionary Manager. As Overlay Manager for UMAs, Savos provides discretionary investment management services and coordinates 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.

The standard minimum UMA investment, depending on the strategy selected, is between \$25,000 and \$100,000. AssetMark reserves the right, in its sole judgment, to accept certain investments below these standard minimums.

Investments for UMA Investment Solutions will be made in part by Savos using securities recommendations by independent Investment Management Firms. In addition, UMAs may hold investments selected by Savos, and these investments may include, but are not limited to, some or all of the following types of securities: ETFs; closed-end mutual funds; open-end mutual funds; preferred stocks; Treasury bonds, bills and 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 at 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 UMAs, 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: (i) the strategic and tactical determination and implementation of asset allocation levels; (ii) the selection of independent Investment Management Firms to advise as to the formation of portfolios of their highest conviction individual security preferences; (iii) the formation of portfolios with risk management options to match the portfolio to the Client's chosen level of risk tolerance; and (iv) efficient execution of trade orders resulting from ongoing management of the Client's Account.

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

For GMS and PMP accounts, a risk management strategy may be implemented through the use of fixed income strategies. Portfolio allocations for these risk management strategies will vary based on individual Client objectives within target allocations established and monitored by Savos.

**GMS Accounts**

Clients who select the GMS Account as their Solution Type must deposit at least \$25,000 into their account, and if multiple deposits are made into such an Account, the Account will not be invested and will not be considered a “Discretionary Account” until the Account balance reaches the required minimum \$25,000. A Client's Account will be held by Custodian in cash or in any assets transferred in-kind until such time as the value of the deposits to the account reaches the required \$25,000 minimum for investment. Savos reserves the right, in its sole judgment, to accept certain investments below the standard minimum.

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

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

Additionally, Savos may use one or more proprietary mutual funds within the strategy. The strategy for each proprietary mutual fund is described in more detail in the prospectus for the fund. All proprietary funds utilized are registered investment companies for which AssetMark, either directly or through its Savos division, serves as investment adviser.

Savos may elect to adjust the holdings in a GMS Account on an ongoing basis. Savos may elect to sell or readjust GMS Account holdings to take advantage of certain opportunities to reduce taxes for the Client.

Additionally, Clients should be aware that a reasonable amount of time will be needed to purchase, redeem and/or transfer assets during the annual adjustment period, and AssetMark will not be held liable for losses due to market value fluctuations during the time taken for these transactions. Such transactions may not be implemented the next day, and may take three or more business days.

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

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

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

When selecting a Risk/Return Profile for a GMS Account, the Client, with the assistance of the Client's Financial Advisor, may select a risk management option from among investment-grade, high-yield and municipal fixed income strategies.

A Client may also select a risk management strategy through the use of the Savos Dynamic Hedging Feature, described in more detail below. Not all GMS mandates and Risk/Return Profiles offer this strategy.

#### ***Mandates***

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

**High Dividend.** The Account will primarily be allocated to large-capitalization U.S. stocks, with possible significant allocations to real estate and high dividend-paying stocks.

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

#### **Active Return Opportunities ("ARO") Accounts**

In an ARO Account, the Client authorizes Savos to provide discretionary investment management services to the Account. The Client grants Savos the authority to buy and sell securities and investments for the

Account, to vote proxies for securities held by the Account and such other discretionary authorities described earlier in this Agreement. Savos may select securities for the Account, to a substantial degree, consistent with recommendations provided by Investment Management Firms that AssetMark selects, retains and may replace. Savos may invest the Account in individual securities, pooled investment vehicles, such as open end mutual funds, closed end investment companies, including ETFs, or in other securities or investments. Savos retains the right to allocate across asset classes, in its own discretion. Savos will generally adjust the holdings in an ARO Account on an ongoing basis.

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

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

The ARO Account follows the Diversifying Strategies – Equity Alternatives Investment Approach. For ARO Accounts, the Client, with the assistance of the Client's Financial Advisor, selects a Risk/Return Profile for the management of the ARO Account.

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

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

PROFILE	RISK MANAGEMENT OBJECTIVE TARGETED MAXIMUM LOSS <sup>1</sup>	ABSOLUTE RETURN OBJECTIVE <sup>2</sup>
#6	20%	Maximum return
#5	16%	90% of Profile 6 Return
#4	12%	80% of Profile 6 Return
#3	8%	70% of Profile 6 Return
#2	4%	60% of Profile 6 Return

<sup>1</sup> Each Profile is managed with the objective to avoid calendar year losses greater than the indicated percentage. No attempt is made to manage, moderate, or otherwise reduce intra-year portfolio volatility and there is no guarantee that the Strategy's primary investment objective will be met in all market conditions.

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

In implementing a risk management strategy in an ARO Account, Savos will, at its discretion, utilize a variety of risk management tools. These tools generally will include investments intended to act in a manner that is non-correlated or, in some cases, inversely correlated to broad market indices or specific market sectors. ARO risk management tools may include investments in fixed income securities, but may also

include other asset classes such as vehicles investing in commodities, real estate, or other investments that Savos, at its discretion, deems appropriate to mitigate risk.

Additionally, Savos may use one or more Proprietary Funds within the strategy. The strategy for each Proprietary Fund is described in more detail in the prospectus for the fund. All Proprietary Funds utilized are registered investment company for which AssetMark, either directly or through its Savos division, serves as investment adviser.

Savos will determine when to use each risk management tool, and in what proportion, based on its evaluation of current market conditions.

Clients who select the ARO Account as their Solution Type must deposit at least \$100,000 into their Account, and if multiple deposits are made into such an Account, the Account will not be invested and will not be considered a "Discretionary Account" until the Account balance reaches the required account minimum. A Client's Account will be held by the Custodian in cash or in any assets transferred in-kind until such time as the value of the deposits to the Account reaches the required minimum for investment. Savos reserves the right, in its sole judgment, to accept certain investments below the standard minimum.

### ***Mandates***

The Client may choose a Global Mandate for an ARO Account. This Mandate allows for the Account to invest in "opportunistic" or "specialized" asset categories, which may include, among other things, real estate, commodities, precious metals, energy and other less traditional asset classes, with no geographic restrictions, and the Savos DHF. In addition, the ARO Account may be traded more "opportunistically," which may lead to higher turnover and more frequently realized gains and losses than experienced in other UMAs.

Global. (ARO 100 Global) Global Accounts are managed to an investment objective that allows exposure to both domestic and international asset categories. This investment objective also allows exposure to equities, fixed income and specialized asset categories. For the purposes of this investment objective, specialized asset categories are defined to include real estate, commodities, precious metals, energy and other less traditional asset class exposures. The selection of asset class exposures and the percentage allocations to each is made with the objective of bringing the account's aggregate characteristics into approximate alignment with the current and prospective investment and economic environments. There is no minimum percentage allocation to any asset class exposure. This investment objective focuses exclusively on total return and gives absolutely no preference to income generation.

### **Privately Managed Portfolios ("PMP") Accounts**

A Client who selects a PMP as their Solution Type must deposit at least \$25,000 into their Account, and if multiple deposits are made into such an Account, the Account will not be invested and will not be considered a "Discretionary Account" until the Account balance reaches the required minimum \$25,000. A Client's Account will be held by the Custodian in cash or in assets transferred in-kind until such time as the value of the deposits to the Account reaches the required \$25,000 minimum for investment. Savos reserves the right, in its sole judgment, to accept certain investments below the standard minimum.

In a PMP Investment Solution, the Client authorizes Savos to provide discretionary investment management services to the Account. Savos may select securities for the Account, to a substantial degree, consistent with recommendations provided by Investment Management Firms that Savos selects, retains and may replace. Savos may invest the Account in individual securities, pooled investment vehicles, such as

open-end mutual funds or ETFs, or other securities or investments.

Additionally, Savos may use one or more Proprietary Funds within the strategy. The strategy for each Proprietary Fund is described in more detail in the prospectus for the fund. All Proprietary Funds utilized are registered investment company for which AssetMark, either directly or through its Savos division, serves as investment adviser.

Savos retains the authority to allocate across asset classes, in its own discretion. Savos will generally adjust the holdings in a PMP Account on an ongoing basis.

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

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

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

With the assistance of the Client's Financial Advisor, the Client selects a Risk/Return Profile for a PMP Account. Only Profiles numbered three (3) through six (6), that is Moderate, Moderate Growth, Growth and Maximum Growth, are available for a PMP Account. When selecting a Risk/Return Profile for a PMP Account, the Client, with the assistance of the Client's Financial Advisor, may select a risk management option from among investment-grade, high-yield and municipal fixed income strategies.

### ***Mandates***

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

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

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

### **US Risk Controlled Strategy**

Clients who select the US Risk Controlled Strategy as their Solution Type must deposit at least \$25,000 into their account, and if multiple deposits are made into such an Account, the Account will not be invested and will not be considered a "Discretionary Account" until the Account balance reaches the required minimum \$25,000. A Client's Account will be held by Custodian in cash or in any assets transferred in-kind until such time as the value of the deposits to the Account reaches the required \$25,000 minimum for investment. Savos reserves the right, in its sole judgment, to accept certain investments below the standard minimum.

In the US Risk Controlled Strategy, the Client authorizes Savos to provide discretionary investment management services to the Account. The Client grants Savos the authority to buy and sell



securities and investments for the Account, to vote proxies for securities held by the Account and the other discretionary authorities described above in the IMSA. Savos may select securities for the Account, to a substantial degree, consistent with recommendations provided to Savos by Investment Management Firms that AssetMark selects, retains and may replace. Savos retains the right, however, to allocate across asset classes, which will include such recommended securities, in its own discretion. Savos may invest the Account in individual securities and ETFs.

Savos will adjust the holdings in the US Risk Controlled Strategy based on a proprietary indicator. Savos may elect to sell or readjust holdings based on the indicator. During periods of heightened market volatility, Savos may adjust the holdings to a non-equity alternative. During periods of low market volatility, Savos may adjust the holdings to use a leveraged investment to obtain additional market exposure.

Additionally, Clients should be aware that a reasonable amount of time will be needed to purchase, redeem and/or transfer assets during the adjustment period, and AssetMark will not be held liable for losses due to market value fluctuations during the time taken for these transactions. Such transactions may not be implemented the next day, and may take three or more business days.

The US Risk Controlled Strategy follows the Tactical Investment Approach. Only Profile six (6), Maximum Growth, is available for a US Risk Controlled Strategy. The Account will be allocated to domestic securities.

#### Use of Proprietary Funds in Savos Solution Types

Savos may use Proprietary Funds in various investment solutions, including the Savos DHF. The Savos DHF is a proprietary registered investment company for which AssetMark, through its Savos division, serves as investment adviser. Information about the proprietary funds, including fees and expenses, are described in more detail in the prospectus for the fund.

#### Fees and Expenses

Some expenses are inherent within the investments held in Client Accounts. Mutual funds pay management fees to their investment advisers, and certain funds and bank money market accounts have other types of fees or charges, including 12b-1, administrative, shareholder servicing, bank servicing or certain other fees, which may be reflected in the net asset value of these mutual funds held in Client Accounts. Such expenses are borne by all investors holding such securities in their Accounts and are separate from AssetMark's fees or charges. Certain mutual funds selected for Client Accounts may include the Savos DHF from which AssetMark or its affiliates may receive additional compensation. AssetMark may receive management and other fees for both its management of the Savos DHF, as well as the fees for a Savos PMA. However, any management fees collected for the portion of the strategies invested in SDHF will be rebated back to the Client.

#### **SAVOS DYNAMIC HEDGING FEATURE**

The Dynamic Hedging feature is offered within certain Solution Types managed by its Savos division. The primary investment objective of the Dynamic Hedging feature is to mitigate losses resulting from a severe and sustained decline in the broad-based equity markets. Savos may implement the Dynamic Hedging feature by investing in any number of hedging, fixed income or other protective investment vehicles. At the current time, the Dynamic Hedging feature invests primarily in the Savos DHF.

#### Investment Objective

The goal of the Dynamic Hedging feature is to participate in the growth of equity markets while also providing risk management protection during periods of sustained and severe equity market decline. The Dynamic Hedging feature seeks to allow investors to stay invested for the long term by partially offsetting extreme declines in the equity markets while also seeking to provide positive total returns in rising markets.

#### Risks

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

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

The Dynamic Hedging feature should not be expected to mitigate losses occurring over short periods of time, nor should the Dynamic Hedging feature be expected to mitigate losses occurring from market declines that are relatively small or minor.

##### *Limiting Circumstances for Participation in Upside Equity Market Movements*

Another goal of Dynamic Hedging is to allow growth in the equity portion of a Client's account to increase the value of the overall account. This is the "participation" portion of Savos' "participation and protection" objective. Clients who elect Dynamic Hedging should know that the "cost" of the protection may reduce returns when equity markets are increasing in value.

This drag would generally result because (i) the hedging vehicles used by Savos to implement the Dynamic Hedging feature moves inversely to equity markets, and (ii) the cost of the hedging vehicles used in the Dynamic Hedging feature may, from time to time, increase, particularly in declining equity market conditions. As a result, the level of participation and protection of a Client's account may vary depending upon market environment and the specific path of market returns. Dynamic Hedging may fall while the overall equity market is rising in certain time intervals, and may fall more than the overall equity markets in certain intervals.

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

Savos may receive management fees as the investment adviser to the Savos DHF. Such management fees are in addition to the fees Savos receives under the Investment Management Services Agreement or the Client Service Agreement, although under certain circumstances they will be rebated to clients.

#### **V. MULTIPLE STRATEGY ACCOUNTS**

Certain Single Strategy Solution Types 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. The Client, with the assistance of their Financial Advisor, may select from various Portfolio Strategists and Investment Managers, including Altegri 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 from a minimum of two to a maximum of eight selections, to comprise the Multiple Strategy Account. The standard minimum account by sleeve will vary.

## ASSETS UNDER MANAGEMENT

As of December 31, 2016, the Referral Model Platform had \$19.8 billion in assets under management. These assets include investments in proprietary mutual funds and third-party investment managers under the Referral model.

## ITEM 5 – FEES AND COMPENSATION

All fees are subject to negotiation.

### FEES OVERVIEW

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

1. Financial Advisor Fee
2. Platform Fee, which may include any Strategist or Manager Fee, as applicable, and most custody fees. The Platform Fee Schedules for the various Investment Solutions are listed in the fee table in Exhibit B, at the end of this Disclosure.
3. Initial Consulting Fees

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

### FINANCIAL ADVISOR FEE

The Financial Advisor Fee is paid to the Financial Advisory Firm with which the Client's Financial Advisor is associated and compensates for the consultation and other support services provided by the Financial Advisory Firm through the Financial Advisor. These services include obtaining information regarding the Client's financial situation and investment objectives, conducting an analysis to make a determination of the suitability of the services to be provided by AssetMark for the Client, providing the Client with AssetMark disclosure documents, assisting the Client with Account paperwork and being reasonably available for ongoing consultations with the Client regarding the Client's investment objectives.

Clients should also be aware that the Financial Advisors recommending these advisory services receive compensation as a result of Clients' contracting with AssetMark for these services.

The Financial Advisor and Client select an annual rate for the Financial Advisor Fee, which is paid to the Financial Advisory Firm, by choosing a flat rate, or a custom tiered rate of up to 1.50% (150 basis points), as negotiated and agreed between the Client and the Financial Advisor.

### PLATFORM FEE

The combined Platform Fee includes (i) the Platform Fee; (ii) the Custody Fee except for third-party mutual funds; and (iii) the Strategist's or Manager's Supplemental Fee, if applicable.

The Platform Fee provides compensation to AssetMark for maintaining the Platform and providing advisory and administrative services to the Account. The advisory services include, but are not limited to: selecting, reviewing and replacing, as it deems appropriate, the Portfolio Strategists providing allocations, Investment Management Firms providing securities recommendations, Discretionary and Overlay

Managers providing discretionary management services and other Consultants and service providers; review and validation of Portfolio Strategists' recommendations; and executing trades for mutual fund and ETF shares.

The administrative services include, but are not limited to: arranging for custodial services to be provided by various custodians pursuant to separate agreement between Client and Custodian; preparation of quarterly performance reports (to complement Account Statements provided by Custodians); maintenance and access to electronic or web-based inquiry system that provides detailed information on each Client Account on a daily basis.

The annual rate of the ongoing Platform Fee is based on the amount and type of assets under AssetMark management or administration. Each fee schedule is tiered so that, subject to certain exceptions, the first dollar under management receives the highest fee and only those assets over the breakpoints receive the reduced fees. Under certain circumstances, assets held in one AssetMark Investment Solution Account may be considered when determining assets under management for breakpoint purposes relating to another Investment Solution Account held for the benefit of the same or a related person.

Some of AssetMark's management fees are negotiable, and exceptions to the Fee Schedule may be made with the approval of an authorized officer of AssetMark. As a standard practice, AssetMark may grant exceptions to the Fee schedule for accounts of employees and employees of broker-dealer, investment advisory or other firms with whom AssetMark maintains an active selling agreement, any of which may be offered discounted fees.

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 described below.

The Platform Fee may be higher for certain Financial Advisory Firms based on the amounts payable to broker-dealers with supervisory responsibility over the Financial Advisory Firm. This supervisory fee, of up to 0.20% annually, may be deducted from Client Account assets in non-AssetMark Proprietary Products, and paid to certain Financial Advisory Firms, for supervision of the Account.

The Platform Fee Schedules for the various Investment Solutions, subject to a minimum fee, shall be charged at the rates listed in the fee table in Exhibit B, at the end of this Disclosure.

### Custody Fee

AssetMark has negotiated with AssetMark Trust (AssetMark's affiliate custodian) and the third-party custodians on AssetMark's platform, to allow for the Custody Fees to be included in the Combined Platform Fee. The client does not pay transaction fees on any trades made in the solution types available on the platform, with the exception of most Fixed Income solutions.

The selected custodian's full fee schedule will be presented to the Client together with the separate custodial agreement to be executed between the Client and their selected custodian. Please refer to the Custody agreement for specific fees attributable to the client account.

Pershing Advisor Solutions, TD Ameritrade, Fidelity Investment Services and AssetMark Trust currently generally charge a Custody Fee of \$150

**This must remain with the Client**

per year for Accounts invested in Mutual Fund Accounts that do not utilize Proprietary/Affiliated Funds. The Custody Fee for Proprietary/Affiliated Mutual Funds is \$0.

The custodians also charge termination fees and various other miscellaneous fees for wires, returned checks and other non-standard activity on an Account. The details are clearly presented in each custodian's full fee schedule.

### ***Strategist's or Manager's Supplemental Fee***

For an Account invested in a third-party IMA Investment Solution or UMA Investment Solution, a supplemental Investment Manager Fee is payable to the Discretionary Manager. The Investment Manager Fee provides compensation for services provided by the Discretionary Manager that are customary for a Discretionary Manager to provide, including but not limited to, selecting, buying, selling and replacing securities for the Account and selecting the broker-dealers with which transactions for the Account will be effected.

For certain Solution Types, you will be charged a Supplemental Investment Manager Fee payable to the Account's Discretionary Manager. These fees are payable on Account assets at the annual rates set out on the fee schedule below.

The Strategist's and Manager's Supplemental Fee may be negotiated at the sole discretion of the Discretionary Managers. Each Discretionary Manager's investment process and philosophy are described in their Form ADV Part 2A Disclosures Brochure, provided when you open an account. To request another copy, contact your Financial Advisor or AssetMark's Compliance department at the address on the front cover of this Brochure.

### ***No Strategist or Terminated Strategist Accounts***

AssetMark may have accounts that no longer receive advisory services pursuant to the IMSA because the strategy in which the Account was invested has been terminated from the AssetMark Platform and the Client has not selected another strategy for the assets. These Accounts may be referred to as "No Strategist" or "Terminated Strategist" Accounts. Neither AssetMark, nor any Discretionary Manager will manage or shall be responsible for giving any advice with regard to these assets, but the Account may remain invested in the investments last selected for the strategy at a Platform Fee that is a reduction from that payable when the strategy was active on the AssetMark Platform. Any Financial Advisor Fee payable pursuant to the IMSA shall be payable on No Strategist or Terminated Strategist Accounts unless AssetMark receives instructions not to charge the Financial Advisor Fee. A separate Custodial Account Fee may apply on No Strategist or Terminated Strategist accounts. Please see the Custody agreement for specific fees attributable to the client account. Platform Fee schedules for No Strategist or Terminated Strategist accounts are available by contacting AssetMark, or your Financial Advisor.

### **INITIAL CONSULTING FEE**

An Initial Consulting Fee ("ICF") of up to one percent (1.00%) on any cash deposit or in-kind investment transfer of \$2,000 or more to the Account may be assessed and paid to the Financial Advisory Firm. The amount of the ICF, if any, will be determined by agreement between the Client and the Client's Financial Advisor.

### ***Fee Billing Process***

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.

Unless other arrangements are made, the Custodian will debit these fees from the Account. Additional fees, such as custodian termination fees, may be due pursuant to a separate agreement with the Custodian ("Custody Agreement"). Upon termination of the Account, the amount of prepaid Account Fees refunded are calculated by multiplying the daily prepaid Account Fee during the final quarter by the number of days remaining in that quarter. As a result, in certain circumstances, clients terminating their account within 90 days may receive refunded Account Fees based upon a lower daily fee rate than the initial fees paid by the client in the prior partial quarter.

Account values may be grouped for fee billing purposes. Account fees will be calculated based on the total value of existing accounts across a Client household. This grouping may result in a reduction of the overall Portfolio Fees.

### ***Servicing Fees Received by AssetMark***

Portfolio Strategists select from the mutual funds available on each Custodian's platform to be used in the Mutual Fund Accounts. The Custodian determines and then makes available the universe of mutual funds to be used in the AssetMark investment solutions. If a mutual fund is not available, the Portfolio Strategist works with AssetMark and the Custodian to make available the fund, where possible. The funds available at the custodians for use with the AssetMark Platform are NTF Funds. NTF Funds generally pay Custodians a range of servicing fees from the 12b-1 fees and administrative service fees collected by the mutual funds. As well, there are a range of share classes available on these custodial platforms, including what are generally known as no-load or service shares (C shares), institutional shares or load-waived A shares. Except for GPS Select discussed above, AssetMark does not make available institutional or investor class mutual fund share classes that minimize or eliminate 12b-1 fees. In addition, there are no transaction fees charged for any mutual funds investments on the Platform.

AssetMark provides the Custodians 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 custody fee it charges the Client or receives from other parties including mutual funds, to AssetMark as compensation for these substantial 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 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. Further information about the compensation paid AssetMark, including current and historical compensation is available on request. The Client hereby acknowledges and agrees that AssetMark will receive, as reasonable compensation for its services, the sum of (i) the fees applicable to the Account under this Agreement and (ii) the custodial account fees, if applicable, and (iii) amount payable to AssetMark by the third-party Custodian. This amount, in the aggregate, may be substantial, based on the substantial services provided by AssetMark, and may vary by Custodian.

***Indirect Investment Expenses and Mutual Fund Fees Paid by Client***

Some expenses are inherent within the investments held in Client Accounts. Mutual funds pay management fees to their investment advisers, and certain funds and money market accounts have other types of fees or charges, including 12b-1, administrative, shareholder servicing, bank servicing or certain other fees, which may be reflected in the net asset value of these mutual funds held in Client Accounts. Such expenses are borne by all investors holding such securities in their Accounts and are separate from AssetMark's fees or charges. As discussed above, retail share classes of mutual funds typically pay 12b-1 fees to Custodians in return for shareholder services performed by those Custodians, and those Custodians in turn share some of these fees with AssetMark in return for the shareholder services it performs for the Custodians. Other than GPS Select discussed above, AssetMark does not seek to minimize or eliminate 12b-1 fees by using mutual fund institutional or investor share classes. Certain mutual funds selected for Client Accounts may include Proprietary Funds from which AssetMark receives additional compensation as described here, in addition to fees paid to AssetMark. AssetMark receives management and other fees for its management of the GuideMark and GuidePath Funds. When the Savos DHF is used in AssetMark's Investment Solutions, AssetMark receives an advisory fee from client assets for its management as well as an additional fee through the Savos DHF 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. However, any management fees collected for the portion of the strategies invested in Savos DHF will be rebated back to the Client.

Some mutual funds may charge short-term redemption fees. Currently, AssetMark seeks to avoid investing Client assets in funds that charge such fees to the extent practicable, but avoidance of these fees cannot be guaranteed.

***Administrative Service Fees Received by Affiliate***

Both Aris and Savos select mutual funds used in their Solution Types and generally the mutual funds selected are NTF Funds when available. NTF Funds pay Custodians Administrative Service Fees ("ASF") for services provided.

AssetMark Trust typically receives ASFs from mutual funds, banks and insurance companies, or from their respective service providers. Any such income received by AssetMark Trust is in payment for administrative services it provides. This amount, in the aggregate, may be substantial, based on the substantial services provided by AssetMark Trust to these respective service providers, and varies by mutual fund. These payments may be used to offset the annual custody fees that are otherwise payable by IRA Clients and Clients with accounts subject to the Employee Retirement Income Security Act of 1974 ("ERISA"). Other than in GPS Select discussed above, AssetMark Trust does not seek to minimize or eliminate 12b-1 fees by using mutual fund institutional or investor share classes. Refer to the AssetMark Trust Custody Agreement for more information.

***Affiliate Fee Income Disclosure*****Savos, GPS Fund Strategies and GPS Select**

Client Accounts invested in these Strategies will receive allocations, determined by AssetMark, among mutual funds advised by AssetMark. AssetMark may receive fees from the mutual funds in which these accounts invest. The mutual fund 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. If a Client elects the GPS Fund Strategies, the Client authorizes and instructs that the account be invested pursuant to the selected profile, acknowledges

that fund advisory and other fees collected by AssetMark will vary, and approves of the fee payments to AssetMark. The Client will be given prior notice if these allocations or mutual funds change resulting in fee payments and, unless the Client or the Financial Advisor gives notice to AssetMark, the Client consents to these changes.

If a Client selects GPS Select, 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 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.

For more information regarding the fees collected by AssetMark when using these strategies, refer to the allocation tables provided in Exhibit A at the end of the Disclosure Brochure. For Savos investment solutions, AssetMark will credit the net advisory fee earned on the portion of the accounts invested in a proprietary mutual fund.

***Special Service Fees Paid by Client***

Non-standard service fees incurred as a result of special requests from Clients, such as wiring funds or overnight mailing services, will be an expense of the Client's Account and may be deducted by the Custodians at the time of occurrence. An authorized officer of AssetMark or the Custodian must approve exceptions.

***Security and Sales-Based Fees Paid by Client***

In connection with sales of equity securities, the Account may also incur fees referred to as "Regulatory Transaction Fees." These fees from the Account are paid by brokerage firms to self-regulatory organizations such as U.S. securities exchanges. The fees received by self-regulatory organizations are used to offset fees charged by the U.S. Securities and Exchange Commission for costs related to the government's supervision and regulation of the U.S. securities markets and professionals.

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

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

**ITEM 7 – TYPES OF CLIENTS**

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

If the Client's account is an Individual Retirement Account ("IRA") or subject to ERISA, the Client and/or their Financial Advisor must inform AssetMark in writing, and the Client agrees to be bound by the terms of the "ERISA and IRA Supplement to AssetMark Investment Management Services Agreement." Unless expressly agreed to in writing, AssetMark does not serve as a trustee or plan administrator

for any ERISA plan, and does not advise such plans on issues such as funding, diversification or distribution of plan assets.

Account minimums for each investment solution are provided in Item 4 under Advisory Services. AssetMark reserves the right, in its sole judgment, to accept certain investments below the standard minimum.

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

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

### SELECTION AND REVIEW OF PORTFOLIO STRATEGISTS AND INVESTMENT MANAGEMENT FIRMS

Portfolio Strategists and Investment Managers may be collectively referred to as Investment Solution Providers in marketing and other materials.

#### *Portfolio Strategists*

The Portfolio Strategists used in Mutual Fund, ETF, IMA and CMA Solution Types are selected by AssetMark in order to provide a wide range of investment options and philosophies to Clients. AssetMark serves as the Portfolio Strategist for the GPS Fund Strategies. In constructing their asset allocations, some, but not all of the Portfolio Strategists will utilize the Investment Approaches described earlier in this Disclosure Brochure. Each of the Portfolio Strategists provides to AssetMark a range of investment allocations that will correspond to some or all of the six Risk/Return Profiles, ranging from most conservative to most aggressive, as discussed above under “RISK/RETURN PROFILES” in Item 4.

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

- *U.S. 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:* U.S. 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 Advisor should review each Portfolio Strategist's investment style prior to selecting the Portfolio Strategist and Asset Allocation Approach for each Client Account on the Platform.

AssetMark has contracted with Portfolio Strategists, to provide recommended allocations based upon the corresponding risk profile determined by the Client and the Advisor, by which AssetMark intends to invest the Account, unless circumstances indicate modified allocations or investments are appropriate. These allocation recommendations are implemented by AssetMark in Client Accounts when they are received from the Portfolio Strategists and will result in transactions in

the impacted Accounts. Portfolio Strategists will guide AssetMark with instructions to rebalance portfolios (return back to policy mix) and/or reallocate (change the target mix), either periodically or as they deem appropriate over time, depending on their specific Investment Approach and investment process.

AssetMark's ISG oversees the performance of the Portfolio Strategists and presents performance information, Strategist due diligence findings and other Strategist-related recommendations quarterly to the Strategist Investment Oversight Committee comprised of senior management. AssetMark may from time to time add, remove or replace a Portfolio Strategist at its discretion. AssetMark may periodically add to or remove from the mutual funds, ETFs and Investment Management Firms available for use in the Portfolio Strategists' allocations.

Although some of the Portfolio Strategists creating portfolios comprised of mutual funds consider all of the mutual funds available under the Platform, certain Portfolio Strategists compose their mutual fund allocations utilizing those mutual funds managed by the Portfolio Strategist or an affiliate of the Portfolio Strategist. In addition, one or more of the Portfolio Strategists will construct their allocations using Proprietary Funds. A Prospectus for the Proprietary Funds may be obtained upon request from AssetMark or your Financial Advisor. Please review and consult with your Financial Advisor if you have further questions regarding these Funds.

AssetMark negotiates agreements with each Portfolio Strategist separately and the terms of these agreements vary from firm to firm, which creates a potential incentive for AssetMark to favor one Portfolio Strategist over another based on how advantageous that firm's agreement is for AssetMark. AssetMark makes available to the Financial Advisor and Client 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. For more information regarding specific Portfolio Strategists' investment processes and philosophy, or to request a copy of a Portfolio Strategist's Form ADV Part 2A Disclosures Brochure, contact your Financial Advisor or AssetMark's Compliance department at the address on the front cover of this Brochure.

#### *Investment Management Firms*

AssetMark uses independent investment management firms (referred to as Investment Managers or Discretionary Managers) in the PMAs. In MSAs and CMAs, the Discretionary Manager is also referred to as an Overlay Manager. These Discretionary Managers manage individual Client Accounts on a discretionary basis consistent with the Strategy selected by the Client.

For CMAs, MSAs and UMAs, AssetMark also selects and retains independent investment management firms (referred to in the discussions of those Solution Types as the “Investment Management Firms”) in an advisory or consulting capacity, to select and recommend to Savos or Parametric the individual securities in a specific asset class, according to a pre-determined mandate, and to provide Savos or Parametric with model portfolios of securities.

In IMAs and Savos Solution Types (Savos Preservation Strategy and Savos Fixed Income Accounts), the Discretionary Managers have full discretionary authority to invest the assets in Client Accounts. In MSAs and CMAs, the Overlay Manager has limited discretionary authority to implement the securities selected by the Investment Management Firms. In UMAs, Savos has full discretionary authority to implement the Investment Management Firm selections, and generally invests Client assets, to a substantial degree, in accordance with these model portfolios, consistent with the allocation appropriate to each Client's Account. For certain asset classes in UMAs, Savos does not utilize



the services of an independent Investment Management Firm, and instead selects the portfolio of securities for that asset class itself.

The independent investment management firms acting as Investment Managers or Discretionary Managers in their discretionary management capacity, and acting as the Investment Management Firms in their advisory capacity, depending on the Solution Type in question, are all referred to below as Investment Management Firms in the discussion of their selection and oversight. AssetMark negotiates agreements with each independent Investment Management Firm separately and the terms of these agreements vary from firm to firm, which creates a potential incentive for AssetMark to choose one independent Investment Management Firm over another based on how advantageous that firm's agreement is for AssetMark.

*Selection of Investment Management Firms.* In selecting the Investment Management Firms that are made available on the Platform, AssetMark evaluates investment firms based upon investment style, consistency and performance relative to peer groups and appropriate benchmarks. Key elements in this evaluation process include an analysis of investment philosophy and process rigor, competitive advantage, organizational stability, historical results and mandate compatibility.

*Investment Management Firm Oversight and Replacement.* AssetMark generally employs both proactive and reactive systems in its ongoing oversight of the Investment Management Firms. The proactive system involves review of three sets of criteria for each Investment Management Firm. AssetMark undertakes holdings analyses for each Investment Management Firm that examines sector exposure versus an appropriate benchmark and the Investment Management Firm's total return versus an appropriate benchmark. AssetMark also evaluates the consistency of the Investment Management Firm's investment style using a variety of analytical tools. Finally, AssetMark engages in an ongoing review of Investment Management Firms' personnel, investment mandates and ownership. AssetMark's ISG oversees the performance of the Investment Management Firms who act as Discretionary Managers and present this information, Manager due diligence findings, and any recommendations related to new potential Managers to be added to the Platform at the Manager Investment Oversight Committee comprised of senior management.

The reactive system involves periodic submission of Investment Management Firm performance data to a set of statistical procedures designed to identify Investment Management Firms whose performance falls outside of tolerance levels.

In the performance of both its proactive and reactive oversight review of the Investment Management Firms, AssetMark may use the services of external investment management consulting firms ("Consultants"). These Consultants are used to help collect and review both quantitative and qualitative information, not only with regard to the Investment Management Firms currently under contract with AssetMark or with its proprietary mutual funds, but also those prospective Investment Management Firms that might be of use in developing investment recommendations for the Platform, either to replace or to supplement existing Investment Management Firms.

Based on the results of both the proactive and reactive oversight systems, AssetMark's procedures generally involve a three-stage process for addressing concerns regarding specific Investment Management Firms. Stage one includes an internal discussion within AssetMark regarding the results of the proactive and reactive system tests, and continued monitoring of the Investment Management Firm in question. If an issue remains unresolved, additional attribution analysis is performed, and the issue is discussed directly with the

Investment Management Firm. If, after additional monitoring, the issue remains unresolved, then the process of replacing the Investment Management Firm is initiated. This process may take place over an extended time period.

## INVESTMENT AND TAX RISKS

Clients should understand that all investments involve risk (the amount of which may vary significantly), that investment performance can never be predicted or guaranteed and that the value of their Accounts will fluctuate due to market conditions and other factors. Clients who open Accounts by transferring securities instead of opening an Account with cash, should also understand that all or a portion of their securities may be sold either at the initiation of or during the course of management of their Accounts. The Client is responsible for all of the tax liabilities arising from such transactions and is encouraged to seek the advice of a qualified tax professional. AssetMark does not provide tax advice.

## ITEM 9 – DISCIPLINARY INFORMATION

On August 25, 2016, the SEC announced a settlement with AssetMark in an order containing findings, which AssetMark neither admitted nor denied, that AssetMark violated Section 206(4) of the Advisers Act and Rule 206(4)-1(a)(5) by allowing its staff, from July 2012 through October 2013, to circulate to prospective clients who were considering an F-Squared managed account service offered by AssetMark, performance advertisements created by F-Squared relating to a different separately managed account service not offered by AssetMark and which misleadingly described that different service's performance between 2001 and 2008, and that AssetMark violated Section 204(a) of the Advisers Act and Rule 204-2(a)(16) by failing to maintain records substantiating the performance in the advertisements created by F-Squared.

There are no disciplinary items to report for the management of AssetMark.

## ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

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

- AssetMark Brokerage, LLC
- AssetMark Trust Company

### AssetMark Brokerage, LLC

AssetMark Brokerage, LLC ("AssetMark Brokerage") is a broker-dealer registered with the SEC and is a member of FINRA. AssetMark Brokerage is affiliated with AssetMark by common ownership.

### AssetMark Trust Company

AssetMark Trust Company ("AssetMark Trust") is an Arizona chartered trust company that serves as the custodian for certain Accounts on the AssetMark Platform. AssetMark Trust is affiliated with AssetMark by common ownership.



## AFFILIATE CONFLICTS OF INTEREST

### Banking Institution - AssetMark Trust

Clients 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 funds, 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 to be invested on behalf of Client Accounts. 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 Savos Investments Trust Dynamic Hedging Fund

AssetMark receives compensation as the investment adviser of the GuideMark and GuidePath Funds, which are utilized within certain Solution Types. 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. Because of the lack of a Platform Fee, some Financial Advisors may be inclined to charge a higher Financial Advisor Fee for an Account invested in the GuideMark and GuidePath Funds than they might for an Account invested in other Investment Solutions. With regard to CMAs, if the Discretionary or Overlay Manager selects a GuideMark or GuidePath Fund, AssetMark may receive an Advisory Fee from client assets for its management of the CMA as well as an additional fee through the GuideMark or 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 is directly managed by AssetMark's ISG and is 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 Investment Approaches. In addition to the responsibility of managing the GuidePath Funds, ISG 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 Savos DHF, a registered investment company used by the Savos division of AssetMark in risk mitigation strategies in some Solution Types. When the Savos DHF is used in an AssetMark solution, AssetMark may receive an advisory fee from client assets for its management of a Solution Type as well as an additional fee through the Savos DHF 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.

## ITEM 11 – CODE OF ETHICS

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

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

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

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

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

## ITEM 12 – BROKERAGE PRACTICES

### TRADE EXECUTION AND BROKERAGE ALLOCATION

Trading is directed by and is the responsibility of AssetMark or the Discretionary Manager, if applicable. Subject to the Client's chosen Solution Type and Strategies, AssetMark or the Discretionary Manager gives instructions for the purchase and sale of securities for Client Accounts. AssetMark or the Discretionary Manager may select the broker-dealers or others with which transactions for Client Accounts are effected. There may be an additional charge by the Custodian, if AssetMark or the Discretionary Manager, as applicable, determines to trade away from the selected brokerage firm.

AssetMark or the Discretionary Manager, if applicable, will generally direct most, if not all transactions to the Account Custodian. Trades are bundled by custodian in trading blocks and submitted for execution on a pre-determined randomized rotation. In addition, if the selected custodian is AssetMark Trust, generally most, if not all transactions will be directed to Fidelity Brokerage Services, LLC, and/or National Financial Services, LLC (collectively and individually "Fidelity") or other broker-dealers selected by AssetMark, and contracted with by AssetMark Trust, in view of their execution capabilities, and because the selected broker-dealer(s) is paid by AssetMark or AssetMark Trust and generally does not charge Client Accounts transaction based fees or commissions for its execution service. In certain circumstances, better execution may be available from broker-dealers other than the broker-dealer(s) generally used by the Client's Custodian. AssetMark, or other Discretionary Manager may trade outside the selected broker-dealer(s).

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

Clients should be aware that the arrangement that AssetMark Trust has with Fidelity described above may operate as an incentive for AssetMark to utilize that broker-dealer regardless of execution quality, in order to avoid incurring the charges that may accompany trading with other broker-dealers. This incentive may create a conflict of interest to the extent that AssetMark utilizes Fidelity to execute trades for Client accounts when higher quality execution might be available through other broker-dealers. As well, in fulfilling its fiduciary obligations, AssetMark evaluates the execution quality received by Clients at their selected custodians on a periodic basis. Any execution trends over a period of time are researched and discussed at AssetMark's quarterly Execution Review Committee meeting. In addition, some investment solutions that have historically only been available at AssetMark Trust, are now available at other Custodians.

ETFs are traded daily at market determined prices on a national exchange in a similar manner to other individual equity securities. Although ETFs are priced intra-day in the same manner as other equity securities, AssetMark typically directs trades for ETFs 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. On days with heavy trade volumes, AssetMark

may utilize "not held" and/or "limit order" instructions in an attempt to reduce market impact on the price received for the security. In the case of exceptionally high volume requests, AssetMark may utilize an alternate agency broker or an "authorized participant" liquidity provider selected by AssetMark to execute orders for Clients at multiple custodians, and then "step out" those trades to those custodians on a net fee basis.

AssetMark or the Overlay Manager receives model portfolios or trade recommendations from Strategists on a non-discretionary basis. There may be instances in which the policy of a specific Strategist or Discretionary Manager is to effect trades in the accounts of their discretionary clients before delivering model portfolios to non-discretionary clients.

### ACCOUNT LIQUIDITY RESERVE

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

### DELIVERY OF FUND REDEMPTION PROCEEDS

Mutual funds may be included in Client Accounts. Under certain economic or market conditions or other circumstances, mutual funds may pay redemption proceeds by an in-kind distribution of securities in lieu of cash. Mutual funds, broker-dealers or transfer agents may experience delays in processing orders, or may suspend redemptions or securities trading under emergency circumstances declared by the SEC, the New York Stock Exchange or other stock exchanges or regulatory agencies.

### RECEIPT OF EXECUTION REPORTS

AssetMark does not utilize soft dollars by directing trades to broker-dealers and accumulating soft dollar credits. AssetMark receives execution reports from vendors such as Abel Noser and Fidelity, which it uses to review best execution of trades on the platform. AssetMark does not pay directly for these reports. The Client's asset-based custody fee does not vary depending on whether AssetMark receives these execution reports or not.

## ITEM 13 – REVIEW OF ACCOUNTS

AssetMark does not assign Client Accounts directly to specific individuals for investment supervision, and hence there is not a single individual or class of individuals within the organization that can be identified as being solely responsible for implementing a full set of review criteria on any one client account. Instead, AssetMark offers a platform of Solution Types to its clients, each of which is a model portfolio to which the Client's Account is linked. A variety of teams within the organization then have responsibility for reviewing the application of the appropriate investment guidelines to each account. At the model level, two groups are responsible for ensuring that the investment models to which client accounts are linked are consistent with the guidelines and investment strategy selected by the Client. ISG reviews those model recommendations provided by the Portfolio Strategists. The Savos Investment Management Department reviews on an ongoing basis the performance of the Strategies in the Savos PMAs and UMAs. The Trade Operations Group monitors account adherence to models provided by Strategists and adherence to models created and maintained by Savos. AssetMark makes available periodic account statements to its investment advisory Clients in the form

of a Quarterly Performance Report. These written reports generally contain a list of assets, investment results, and statistical data related to the client's Account. AssetMark urges Clients to carefully review these reports and compare them to statements that they receive from their Custodian.

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.

#### **ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION**

AssetMark receives Client referrals through representatives of broker-dealer firms and investment adviser firms (these firms are referred to in this brochure as "Financial Advisory Firms" and their representatives are referred to as the "Financial Advisors"). The Financial Advisors consult with Clients to assess their financial situation and identify their investment objectives in order to implement investment solutions and Strategies designed to meet the Client's financial needs. A Financial Advisor referring a Client to AssetMark for advisory services interviews the Client and makes a determination that a Solution Type is suitable for the Client before making the referral to AssetMark. Working with the Financial Advisor, a Client selects a Solution Type for the Client's Account, and the components of the Client's Strategy, including the Client's desired and appropriate Risk/Return Profile. Financial Advisors are required to contact Clients at least annually regarding the suitability of the Client's chosen Solution Type(s). AssetMark manages each Client Account according to the Client's selected Solution Type under the terms of the AssetMark IMSA.

Financial Advisory Firms receive fees for their services and compensation from AssetMark for referrals of Clients, as described previously in Item 5 under Financial Advisor Fee and Initial Consulting Fee.

In addition to the compensation payable under the IMSA, AssetMark may enter into other fee arrangements with certain Financial Advisory Firms and/or Financial Advisors in the manner set forth below. Such arrangements will not increase the fees payable under the IMSA by the Client.

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

Under AssetMark's Business Development Allowance program, certain Financial Advisors may receive a 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. Additionally, certain Financial Advisors may earn quarterly allowances depending on the value of the assets on the AssetMark Platform held by Clients of the Financial Advisor. For the 2016 calendar year, participating Financial Advisors were reimbursed an average of \$2,256.

##### ***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 to, 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.

##### ***Negotiated Fees***

AssetMark may, in its discretion, negotiate the Platform Fee for Clients of certain Financial Advisors. Certain Financial Advisors with higher aggregate levels of assets on the Platform may be eligible for negotiated fees, which are passed through to the Client. The Financial Advisor does not earn additional compensation as a result of these negotiated fees.

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

In order to promote community involvement, AssetMark created the Community Inspiration Award to honor selected Financial Advisors across the United States 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 15 – CUSTODY**

AssetMark does not provide custodial services to its clients. Client assets are held with banks, financial institutions or registered broker-dealers that are "qualified Custodians." Clients will receive custodial statements directly from the qualified Custodians at least quarterly. We urge clients to carefully review those statements and compare the custodial records to the Quarterly Performance Reports that are available to them. Not all Solution Types may be offered at all Custodians.

AssetMark provides access to the following qualified Custodians:

- AssetMark Trust, an Arizona trust company and affiliate of AssetMark, 3200 North Central Avenue, Seventh Floor, Phoenix, Arizona 85012. Its mailing address is P.O. Box 80007, Phoenix, Arizona 85060.
- Pershing Advisor Solutions ("PAS"). One Pershing Plaza, Jersey City, NJ 07399
- TD Ameritrade ("TDA"). 1005 North Ameritrade Place, Bellevue, NE 68005
- Fidelity Brokerage Services, LLC ("Fidelity"). 200 Seaport Boulevard, Boston, MA 02210

The assets of each Client Account may be custodied at AssetMark Trust or another qualified Custodian, and each Client must contract separately with AssetMark Trust or another qualified Custodian for custodial services. Pursuant to the Custody Agreement, the Client authorizes the Custodian to debit Custodial Account Fees from the Account. These fees are for custodial services to the Account and are separate, and in addition to, other fees that the Custodian may be authorized to deduct from the Account, including the fees under the IMSA. Refer to "Custodial Account Fees" below, for detail on what is included in the Platform Fee.

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

The Custodian selected by the Client shall send periodic account statements detailing the Client's individual Account(s), including portfolio holdings and market prices, all transactions (such as trades, cash contributions and withdrawals, in-kind transfers of securities, interest and dividend or capital gains payments) for each individual Client Account, and fee deductions. The Custodian will also provide full year-end tax reporting for taxable accounts and fiscal year-end reporting for Accounts held for tax-qualified entities; and access to electronic or web-based inquiry system that provides detailed information on each Client's Account, on a daily basis. Additionally, Clients may inquire about their current holdings and the value of their Accounts on a daily basis by electronic or web-based access. The Custodian may also send a Transaction Acknowledgement to the Client for all cash contributions, withdrawals and in-kind transfers as they occur. Although the standard form of IMSA provides that the receipt of individual transaction confirmations is waived by the Client, a Client may elect, by written request to AssetMark or AssetMark Trust, to receive a confirmation of each security transaction and such confirmations will thereafter be provided.

The Custodians will mail a letter of acknowledgement confirming the establishment of an Account and receipt of assets, separately to the Account's address of record. Clients are strongly encouraged to review all statements, acknowledgements and correspondence sent by the Custodian.

#### ***Custodial Account Fees***

AssetMark has negotiated with AssetMark Trust (AssetMark's affiliate custodian) and the third-party custodians on AssetMark's platform, to

allow for the Custody Fees to be included in the Combined Platform Fee. The client does not pay transaction fees on any trades made in the solution types available on the Platform, unless described in the separate Custody Agreement.

The selected custodian's full fee schedule will be presented to the Client together with the separate custodial agreement to be executed between the Client and their selected custodian. Please see the Custody agreement for specific fees attributable to the client account.

PAS, TDA, Fidelity and AssetMark Trust currently generally charge a Custody Fee of \$150 per year for Accounts invested in Mutual Fund Accounts that do not utilize Proprietary Funds. The Custody Fee for Proprietary Funds is \$0.

The Custodians may also charge termination fees and various other miscellaneous fees for wires, returned checks and other non-standard activity on an Account such as fees for alternative investments. Custody fees will also apply to Accounts in Solution Types 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.

#### ***Prospectuses & Other Information***

The Client designates AssetMark, or the applicable Discretionary Manager as their agent and attorney-in-fact to obtain certain documents related to securities purchased on a discretionary basis for their account. Clients waive receipt of prospectuses, shareholder reports, proxies and other shareholder documents. This waiver may be rescinded at any time by written notice to AssetMark. Clients that select a Custodian other than AssetMark Trust, i.e., PAS, TDA or Fidelity, automatically rescind this waiver and elect to receive prospectuses, shareholder reports, proxies and other shareholder materials for accounts invested in a Mutual Fund or Guided Portfolios, i.e., GPS Fund Strategies or GPS Select. The Client is entitled to receive materials related to a Proprietary Fund, or any other mutual fund that may be advised by AssetMark.

### **ITEM 16 – INVESTMENT DISCRETION**

AssetMark accepts discretionary authority to manage the assets in the client's account. Pursuant to the IMSA, the Client grants AssetMark the authority to manage the assets in their Accounts on a fully discretionary basis. The grant of discretionary authority to AssetMark includes, but is not limited to the authority to:

- take any and all actions on the Client's behalf that AssetMark determines to be customary or appropriate for a discretionary investment adviser to perform, including the authority to buy, sell, select, remove, replace and vote proxies for securities, including mutual fund shares and including those advised by AssetMark or an affiliate, and other investments, for the Account, and to determine the portion of assets in the Account to be allocated to each investment or asset class and to change such allocations;
- select the broker-dealers or others with which transactions for the account will be effected;
- retain and replace, or not, any person providing investment advice, securities recommendations, model portfolios or other services to AssetMark, including without limitation, Portfolio Strategists giving advice with regard to Mutual Funds, ETFs, and CMAs and Investment Management Firms giving advice with regard to PMAs and UMAs, as deemed appropriate by AssetMark.



## REASONABLE RESTRICTIONS, PLEDGING AND WITHDRAWING SECURITIES

AssetMark observes investment limitations and restrictions when notified of such by the Client.

AssetMark Clients have the option to place restrictions against investments in specific securities or types of securities for their account that are reasonable in light of the advisory services being provided under the different Solution Types offered on the Platform, understanding that any restrictions placed on an Account may adversely affect performance. Requests for such restrictions are reviewed by AssetMark to ensure that they are reasonable and will not unduly impair AssetMark's ability to pursue the Solution Type and Strategy selected by the Client. Clients may also pledge the securities in their account or withdraw securities from their account (transfer in-kind to another account or custodian), but must do so by giving instructions in writing to AssetMark and AssetMark Trust.

## ITEM 17 – VOTING CLIENT SECURITIES

### *Proxy Voting Policy for Accounts investing in a Discretionary Manager Solution Type*

If the Account is invested in a Solution Type with a Discretionary or Overlay Manager, including IMA, CMA, Manager Select or UMA, the Client designates the applicable Discretionary Manager as its agent to vote proxies on securities in the Account and make all elections in connection with any mergers, acquisitions and tender offers, or similar occurrences that may affect the assets in the Account. Client acknowledges that as a result of this voting designation it is also designating the Discretionary Manager as its agent to receive proxies, proxy solicitation materials, annual reports provided in connection with proxy solicitations and other materials provided in connection with the above actions relating to the assets in the Account. However, the Client retains the right to vote proxies and may do so by notifying AssetMark in writing of the desire to vote future proxies. Additionally, this designation of the Discretionary Manager to vote proxies and the Client's right to vote proxies may not apply to securities that may have been loaned pursuant to a securities lending arrangement despite efforts by AssetMark to retrieve loaned securities for purposes of voting material matters. AssetMark will not vote proxies if the Savos division of AssetMark is the Discretionary Manager for IMAs or UMAs held in custody at a third-party custodian. The Client retains the right to vote proxies.

If shares of the Savos DHF or Proprietary Funds are held in an Account for which AssetMark (including through its Savos Division) acts as Discretionary Manager, AssetMark will vote 100% of the shares over which it has voting authority according to instructions it receives from its Clients, which are the Fund's beneficial shareholders. AssetMark will vote shares with respect to which it does not receive executed proxies, in the same proportion as those shares for which it does receive executed proxies. This is known as "mirror voting" or "echo voting."

### *Proxy Voting Policy for Mutual Funds and ETFs; Proxy Voting for Guided Portfolios*

The Client waives the right to vote proxies if the Account is invested in a Mutual Fund or ETF Solution Type or Guided Portfolios. This waiver may be rescinded at any time by written notice to AssetMark. Clients that select a Custodian other than AssetMark Trust, i.e., PAS, TDA or Fidelity, automatically rescind this waiver and elect to vote proxies for shares held by accounts invested in a Mutual Fund Solution Type or

Guided Portfolios, i.e., GPS Fund Strategies or GPS Select. AssetMark will not vote proxies if the Market Blend ETF Strategy or GPS Select is held in custody at a third-party custodian. The Client retains the right to vote proxies.

If shares of the Proprietary Funds are held in a Mutual Fund Account or Guided Portfolios, AssetMark will vote 100% of the shares over which it has voting authority according to instructions it receives from its Clients, which are the Fund's beneficial shareholders. AssetMark will vote shares with respect to which it does not receive executed proxies in the same proportion as those shares for which it does receive executed proxies. This is known as "mirror voting" or "echo voting."

### *Proxy Voting for Administrative Accounts*

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

### *Class Actions and Similar Actions*

In all instances the Client shall make any and all elections with regard to participation in class actions, notices regarding bankruptcies and similar elections. However, when solicited by the administrator of a certified class, AssetMark will provide Client contact information (last known, if the Client is no longer current) and holdings.

### *Voting Process and Material Conflicts*

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

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

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



#### **ITEM 18 – FINANCIAL INFORMATION**

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

**EXHIBIT A – GPS FUND STRATEGIES*****Mutual Funds Fees retained by AssetMark***

The accounts of Clients who select a GPS Fund Strategy will be invested in mutual funds advised by AssetMark. AssetMark will receive Management Fees and Administrative Service Fees from these mutual funds, and AssetMark will determine the allocations of account value among these funds. The maximum net Management Fee retained by AssetMark from a fund in GPS Fund Strategies is 0.40% of average daily net assets, and the maximum Administrative Service Fee paid AssetMark is 0.25%. Therefore, the maximum fee that AssetMark can retain from a mutual fund in a GPS Funds Strategies account is 0.65% of average daily net assets. In selecting a GPS Funds Strategy, the Client agrees to the receipt by AssetMark of this 0.65% fee and that this fee is reasonable compensation to AssetMark.

AssetMark's management of a GPS Fund Strategy may result in a fee to AssetMark lower than the 0.65% authorized by the Client. Listed below are the mutual funds advised by AssetMark in which AssetMark may invest GPS Fund Strategy accounts and the maximum fee that AssetMark can retain from each fund as a percentage of average daily net assets of the mutual funds. If a fund has a sub-adviser, the minimum that AssetMark can pay the sub-adviser is deducted in the amount shown as retained by AssetMark. AssetMark may waive part or all of its management fee, and AssetMark may also recoup previously waived fees and assumed expenses, but these possibilities are not considered in the below-reported maximum retained fees. Some funds invest in shares of other funds, including mutual funds advised by AssetMark; the fees paid these Underlying Funds are not included in the below-reported fees. The Client should refer to the funds' prospectuses and other shareholder materials for information, including fees, regarding the funds. Mutual funds may be added to those that receive allocations. If an added fund results in a fee greater than 0.65% being paid to AssetMark, you will be given notice.

MUTUAL FUNDS	MAXIMUM FEES RETAINED BY ASSETMARK
GuidePath Growth Allocation Fund	0.50%
GuidePath Conservative Allocation Fund	0.50%
GuidePath Tactical Allocation Fund	0.60%
GuidePath Absolute Return Fund	0.60%
GuidePath Managed Futures Strategy Fund	0.60%
GuidePath Flexible Income Allocation Fund	0.50%
GuidePath Multi-Asset Income Allocation Fund	0.60%
GuideMark Opportunistic Equity Fund	0.65%
GuideMark Large Cap Core	0.35%

Since the amount that AssetMark is paid by each mutual fund varies, changes by AssetMark to the allocations of mutual funds in Client accounts can change what AssetMark receives in fees from the funds. GPS Fund Strategies include strategies with "Accumulation of Wealth," "Distribution of Wealth" and "Focused" investment objectives. AssetMark anticipates making periodic changes to allocations among mutual funds in the Accumulation of Wealth and Distribution of Wealth investment objectives, but does not anticipate any material allocation changes for accounts invested in the Focused investment objectives. Listed below, for each Profile in each strategy offered in the Accumulation of Wealth and Distribution of Wealth investment objectives is the maximum retained fee and the range of retained fees that AssetMark can receive assuming the possible asset allocations that AssetMark anticipates for that Profile and objective. For the strategies in the Focused investment objectives, only the maximum possible retained fee is listed because AssetMark anticipates that a change, if any, in the allocations will not materially affect the maximum fee. If an allocation change or the addition of a new mutual fund results in a maximum retained fee for a strategy greater than that listed below, you will be given notice.

GPS SOLUTIONS	MAX NET REVENUE	RANGE OF NET REVENUE
<b>GPS ACCUMULATION OF WEALTH</b>		
1	0.59%	0.54% - 0.59%
2	0.59%	0.54% - 0.59%
3	0.58%	0.53% - 0.58%
4	0.57%	0.52% - 0.57%
5	0.58%	0.53% - 0.58%
<b>GPS DISTRIBUTION OF WEALTH</b>		
2	0.61%	0.56% - 0.61%
3	0.64%	0.59% - 0.64%
4	0.64%	0.59% - 0.64%

GPS SOLUTIONS	MAX NET REVENUE
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**GPS ACCUMULATION - NO ALTERNATIVE EXPOSURE**

1	0.54%
2	0.54%
3	0.53%
4	0.52%
5	0.53%

**GPS DISTRIBUTION, NO ALTERNATIVE EXPOSURE**

2	0.57%
3	0.60%
4	0.60%

**GPS FOCUSED TACTICAL**

2	0.55%
3	0.56%
4	0.58%

GPS SOLUTIONS	MAX NET REVENUE
---------------	-----------------

**GPS FOCUSED CORE MARKETS**

1	0.50%
2	0.49%
3	0.49%
4	0.49%
5	0.49%

**GPS FOCUSED LOW VOLATILITY**

1	0.54%
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**GPS FOCUSED TACTICAL**

5	0.59%
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**GPS FOCUSED MULTI-ASSET INCOME**

2	0.55%
3	0.59%
4	0.56%

Additionally, if AssetMark Trust is chosen as Custodian, AssetMark Trust will be paid 0.35% in Service (12b-1) Fee and Shareholder Service Fees. The third party Platform Custodians (other than AssetMark Trust) also receive service fee payments from the mutual funds in the GPS Solutions. AssetMark receives payments from the third party Custodians as compensation for administrative services provided by AssetMark to the Custodian as described in Item 5 under **Servicing Fees Received by AssetMark**.

**GPS SELECT***Part of Platform Fee is credited to Account*

AssetMark serves as investment manager for GPS Select and will allocate account value across investment strategies, and among strategists and investment managers within those investment strategies. Included within these investment options may be strategies managed by AssetMark and the investment options may include allocations to mutual funds advised by AssetMark. AssetMark pays fees to various strategists and investment managers that it may allocation account value to, but does not pay such fees to third parties when it allocates account value to strategies it manages. Further, AssetMark retains compensation from mutual funds they advise.

For GPS Select, the Platform Fee is 0.95%. In selecting GPS Select, the Client agrees to the receipt by AssetMark of this 0.95% fee and that this fee is reasonable compensation to AssetMark. However, an amount of 0.30% is credited back to the account, resulting in a net Platform Fee of 0.65% for assets invested in GPS Select. The purpose of the 0.30% credit is to ensure that, regardless of the allocation decisions made by AssetMark, the client will receive a Platform Fee credit that is at least as much as any additional compensation AssetMark might retain due to the allocations that AssetMark is permitted to make pursuant to the GPS Select investment guidelines.

**MARKET BLEND MUTUAL FUND STRATEGIES***Mutual Fund Fees retained by AssetMark*

The accounts of Clients who select a GuideMark Market Blend Mutual Fund strategy will be invested in mutual funds advised by AssetMark. AssetMark will receive Management Fees and Administrative Service Fees from these funds, and AssetMark will determine the allocations of account value among these funds. The maximum net Management Fee retained by AssetMark from a fund in a GuideMark Market Blend Mutual Fund strategy is 0.45% of average daily net assets, and the maximum Administrative Service Fee paid to AssetMark is 0.25%. Therefore, the maximum fee that AssetMark can receive from a mutual fund in a GuideMark Market Blend Mutual Fund strategy is 0.70% of average daily net assets. In selecting a GuideMark Market Blend Mutual Fund strategy, the Client agrees to the receipt by AssetMark of this 0.70% fee and that this fee is reasonable compensation to AssetMark.

AssetMark's management of a GuideMark Market Blend Mutual Fund strategy may result in a fee to AssetMark lower than the 0.70% authorized by the Client. Listed below are the mutual funds advised by AssetMark in which AssetMark may invest GuideMark Market Blend Mutual Fund accounts and the maximum fee that AssetMark can retain from each fund as a percentage of average daily net assets of the mutual funds. If a fund has a sub-adviser, the minimum that AssetMark can pay the sub-adviser is deducted in the amount shown as retained by AssetMark. AssetMark may waive part or all of its management fee, and AssetMark may also recoup previously waived fees and assumed expenses, but these possibilities are not considered in the below-reported maximum retained fees. The Client should refer to the funds' prospectuses and other shareholder materials for information, including fees, regarding the funds. Mutual funds may be added to those that receive allocations. If an added fund results in a fee greater than 0.70% being paid to AssetMark, you will be given notice.

**This must remain with the Client**

MUTUAL FUNDS	MAXIMUM FEES RETAINED BY ASSETMARK OR AFFILIATE
GuideMark Opportunistic Equity	0.65%
GuideMark Large Cap Core	0.60%
GuideMark Small/Mid Cap Core	0.70%
GuideMark Core Fixed Income	0.60%
GuideMark Emerging Markets	0.61%
GuideMark Opportunistic Fixed Inc Svc	0.60%
GuideMark World ex-US Service	0.60%

Since the amount that AssetMark is paid by each mutual fund varies, changes by AssetMark to the allocations of mutual funds in Client accounts can change what AssetMark receives in fees from the funds. Listed below, for each Profile in each strategy offered in Market Blend Mutual Fund strategies, is the maximum retained fee that AssetMark can receive, assuming the possible asset allocations that AssetMark anticipates for that Profile and objective. If an allocation change or the addition of a new mutual fund results in a maximum retained fee for a strategy greater than that listed below, you will be given notice.

MARKET BLEND STRATEGIES	MAX NET REVENUE
GLOBAL GUIDEMARK MARKET BLEND	
2	0.59%
3	0.60%
5	0.60%
6	0.61%
US GUIDEMARK MARKET BLEND	
2	0.60%
3	0.61%
5	0.61%
6	0.62%

Additionally, if AssetMark Trust is chosen as Custodian, AssetMark Trust will be paid 0.35% in Service (12b-1) Fee and Shareholder Service Fees. The third party Platform Custodians (other than AssetMark Trust) also receive service fee payments from the mutual funds in the GPS Solutions. AssetMark receives payments from the third party Custodians as compensation for administrative services provided by AssetMark to the Custodian as described in Item 5 under **Servicing Fees Received by AssetMark**.

## EXHIBIT B – PLATFORM FEE SCHEDULE



## Fees &amp; Investment Minimums

Strategies					Guided Portfolios				Separately Managed Accounts – Equity/Balanced		
	GuideMark <sup>1,8</sup> / Altegris <sup>1</sup> Mutual Fund	Third- Party MF <sup>12</sup>	Proprietary ETF, MF	Third-Party ETF, Institutional MF	GPS Fund Strategies <sup>4</sup>	GPS Select	Custom GPS Select		Equity/ Balanced	Custom	
<\$250K	0%	0.45%	0.45%	0.60%	0%	0.65%	0.65%		1.05%	1.05%	
\$250-\$500K	0%	0.40%	0.40%	0.45%	0%	0.65%	0.65%		0.90%	1.05%	
\$500-\$1M	0%	0.35%	0.35%	0.40%	0%	0.60%	0.60%		0.90%	0.99%	
\$1-\$2M	0%	0.30%	0.30%	0.38%	0%	0.55%	0.55%		0.83%	0.94%	
\$2-\$3M	0%	0.20%	0.20%	0.35%	0%	0.45%	0.45%		0.80%	0.90%	
\$3-\$5M	0%	0.20%	0.20%	0.30%	0%	0.40%	0.40%		0.75%	0.85%	
\$5M+	0%	0.20%	0.20%	0.20%	0%	0.35%	0.35%		0.65%	0.75%	
<b>Minimum</b>	<b>\$10,000</b>	<b>\$25,000</b>	<b>\$25,000</b>	<b>\$25,000</b>	<b>\$10,000</b>	<b>\$50K-\$100K</b>	<b>\$250,000</b>		<b>\$100K-\$500K</b>	<b>\$500K-\$1M</b>	
<b>Supplemental Strategist Fee</b>											
New Frontier, State Street, William Blair, BlackRock RFI					Savos US Risk Controlled			Custom			
Clark Capital Fixed Income Total Return (FITR)					Clark Capital FITR, Salient ETF, Savos GMS, Savos PMP, Windham			0.10%			
Salient ETF, Windham					Julex, Model Capital, WestEnd Advisors			0.20%			
Julex, Model Capital, WestEnd Advisors					Beaumont			0.30%			
Beaumont					Savos ARO			0.40%			
								0.55%			
Separately Managed Accounts – Fixed Income					Savos				Administrative Accts/Individual Third-Party MFs		
	Third-Party Laddered Fixed Income <sup>5</sup>	Proprietary Laddered Fixed Income <sup>5</sup>	Active Fixed Income <sup>5</sup>		Preservation	GMS/PMP	ARO	US Risk Controlled	General Securities <sup>5</sup> or Custodial Sweep <sup>6</sup>	Individual MFs	
<\$250K	0.31%	0.20%	0.30%		0.75%	1.00%	1.25%	0.90%	<\$250K	0.25%	
\$250-\$500K	0.31%	0.20%	0.30%		0.50%	0.80%	1.05%	0.75%	\$250-\$500K	0.15%	
\$500-\$1M	0.31%	0.20%	0.25%		0.50%	0.75%	1.00%	0.70%	\$500-\$1M	0.10%	
\$1-\$2M	0.26%	0.15%	0.20%		0.45%	0.70%	1.00%	0.65%	\$1-\$2M	0.10%	
\$2-\$3M	0.26%	0.15%	0.20%		0.45%	0.70%	1.00%	0.65%	\$2-\$3M	0.10%	
\$3-\$5M	0.26%	0.15%	0.20%		0.40%	0.70%	1.00%	0.65%	\$3-\$5M	0.10%	
\$5M+	0.26%	0.15%	0.20%		0.30%	0.60%	0.85%	0.55%	\$5M+	0.10%	
<b>Minimum</b>	<b>\$100K-\$250K</b>	<b>\$50,000</b>	<b>\$25K-\$250K</b>		<b>\$25,000</b>	<b>\$25,000</b>	<b>\$50,000</b>	<b>\$25,000</b>	<b>Minimum</b>	<b>\$10,000</b>	<b>\$10,000</b>
<b>Supplemental Manager Fee</b>											
Clark Capital (Tax and Tax-Free)				Active Fixed Income <sup>5</sup>							
Natixis/Loomis, Nuveen				0.20%							
				0.35%							

The fees above are tiered. The first dollar under management receives the highest fee and assets over each breakpoint receive reduced fees as listed.

Please see next page for important disclosures.

For financial advisor use with advisory clients.



## INVESTMENT FIRMS BY CATEGORY

Strategies				Guided Portfolios	Separately Managed Accounts — Equity Balanced <sup>10</sup>		Separately Managed Accounts — Fixed Income <sup>10</sup>			Individual Mutual Funds
GuideMark <sup>1,8</sup> / Altegris <sup>1</sup> Mutual Fund	Third-Party MF <sup>1,2</sup>	Proprietary ETF, MF <sup>7</sup>	Third-Party ETF, Institutional MF <sup>3</sup>	Custom GPS Select	Equity/ Balanced	Custom	Third-Party Laddered Fixed Income <sup>5</sup>	Proprietary Laddered Fixed Income <sup>5,7</sup>	Active Fixed Income <sup>5</sup>	AQR, DoubleLine
Altegris, Litman Gregory <sup>9</sup> , New Frontier <sup>9</sup> , Global Guidemark, Market Blend <sup>9</sup> , US Guidemark, Market Blend <sup>9</sup> , Individual Guidemark Funds	Alpha Simplex, DoubleLine, Eaton Vance, JP Morgan, Litman Gregory	Aris Asset Builder, Aris Income Builder, Aris Personal Values, Market Blend ETF portfolios	American Funds, Beaumont, BlackRock MAI, BlackRock RFI, Clark Capital Fixed Income Total Return, Julex, Model Capital, New Frontier, Salient ETF, State Street, William Blair, Windham, WestEnd Advisors	All strategists (plus Savos UMA Strategies) in the Strategies table are available for both Custom GPS Select and Multiple Strategy Accounts	Clark Capital Equity, Consolidated Managed Accounts (CMA), Individually Managed Accounts (IMA), Manager Select, Parametric	Aris Custom High Net Worth, Clark Capital Personalized UMA, Rochdale, William Blair	Eaton Vance	Savos	Clark Capital Taxable Fixed Income, Natixis/Loomis, Nuveen, Savos	

<sup>1</sup> Mutual Funds used within these strategies are primarily comprised of NTF (No Transaction Fee) Funds including A share and retail share classes

<sup>2</sup> Annual Custody Fee for third-party mutual funds: \$150 (this fee is waived on Multiple Strategy Accounts)

<sup>3</sup> Annual Minimum Platform Fee: \$350 (this fee is waived on American Funds and Multiple Strategy Accounts)

<sup>4</sup> GPS Fund Strategies fees waived for proprietary and affiliated mutual funds

<sup>5</sup> Transaction-based fees at custodians except for Clark Capital FITR

<sup>6</sup> Custodial sweep or money market fund selected by AssetMark

<sup>7</sup> Proprietary solution types refer to those offered by AssetMark, Savos or Aris

<sup>8</sup> AssetMark is the investment adviser to the GuideMark Funds

<sup>9</sup> This strategy contains GuideMark mutual funds

<sup>10</sup> SMAs are also known as PMAs, Equity Balanced = Manager Select, Custom and Fixed Income = Individually Managed Account

Important disclosures for the following strategies are provided in Exhibit A of the AssetMark Disclosure Brochure: GPS Fund Strategies, GPS Select, Custom GPS Select, and Market Blend Mutual Fund Strategies.



# REFERRAL DISCLOSURE BROCHURE

## Form ADV – Part 2A and 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. ("Asset Mark"). 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 page is cross-referenced with Item 2, Part 2A.

**ITEM 3 – TABLE OF CONTENTS**

Not applicable.

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

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

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

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

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

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

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

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

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

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

**ITEM 9 – ADDITIONAL INFORMATION**

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

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

Not applicable.