

---

**EFFECTIVE MARCH 25, 2024**

# Referral Disclosure Brochure

Form ADV Part 2A Appendix 1, Wrap Fee Program Brochure

SEC File Number – 801 56323

IA Firm CRD Number - 109018

## ITEM 1 – COVER PAGE

---

**AssetMark, Inc.**

Advisor Compliance  
1655 Grant Street, 10th Floor  
Concord, CA 94520-2445  
800-664-5345

This wrap fee 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 as 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. It includes changes to AssetMark's Platform and is intended to help Clients determine if they want to review this brochure in its entirety or contact their Financial Advisor with questions about the changes.

AssetMark can make interim updates to this brochure throughout the year. However, you will receive notice of any material changes, which must also be filed with the SEC. Information about AssetMark is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) or at [www.assetmark.com](http://www.assetmark.com). You can also request a copy by contacting us at:

**AssetMark, Inc.**  
**Attention: Adviser Compliance**  
**1655 Grant Street, 10th Floor**  
**Concord, CA 94520**  
**800-664-5345**  
**[advisercompliance@assetmark.com](mailto:advisercompliance@assetmark.com)**

There have been no material changes since the last Form ADV Part 2A Appendix 1 update in October 2023. The following updates were made, in addition to clarifying edits in the disclosure brochure:

- Item 4 – Services, Fees and Compensation
  - Updated Investment Strategies Framework
- Item 6 – Portfolio Manager Selection and Evaluation
  - Provided disclosures about the Model Provider and Discretionary Manager Data and Engagement Programs, and related conflicts of interest
- Item 9 – Additional Information
  - Affiliated company AssetMark Retirement Services, Inc. was renamed AssetMark Services, Inc.
  - Provided disclosures about a Certificate of Deposit Account Registry Service® ("CDARS") Program, and related conflicts of interest. The CDARS program will be available on or after May 2024 at affiliated company AssetMark Trust.
  - Provided disclosures about AssetMark incentive compensation programs and related conflicts of interest.
- Exhibit B – AssetMark Portfolio Solutions – Solution Types
  - Name change from Aris Asset Builder to AssetMark Asset Builder
  - Name change from Aris Personal Values to AssetMark Personal Values
  - Name change from Aris Income Builder to AssetMark Income Builder
  - Name change from Aris Custom High Net Worth to AssetMark High Net Worth

**ITEM 3 – TABLE OF CONTENTS**

<b>ITEM 1 – COVER PAGE</b>	<b>i</b>
<b>ITEM 2 – MATERIAL CHANGES</b>	<b>ii</b>
<b>ITEM 3 – TABLE OF CONTENTS</b>	<b>1</b>
<b>ITEM 4 – SERVICE, FEES AND COMPENSATION</b>	<b>2</b>
• WRAP FEE PROGRAM	2
• ASSETMARK AND ITS OWNERSHIP STRUCTURE	2
• ASSETMARK’S INVESTMENT MANAGEMENT SERVICES AGREEMENT	2
• DESCRIPTION OF PLATFORM SERVICES	2
• OTHER SERVICES AND NON-MANAGED ACCOUNTS	6
• INVESTMENT VEHICLES	6
• ASSETS UNDER MANAGEMENT	7
• FEES AND COMPENSATION	7
<b>ITEM 5 – ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS</b>	<b>13</b>
<b>ITEM 6 – PORTFOLIO MANAGER SELECTION AND EVALUATION</b>	<b>13</b>
• SELECTION AND REVIEW OF PORTFOLIO STRATEGISTS AND INVESTMENT MANAGEMENT FIRMS	13
• INVESTMENT AND TAX RISKS	15
• ASSETMARK AS PORTFOLIO STRATEGIST OR INVESTMENT MANAGER	15
• VOTING CLIENT SECURITIES	16
<b>ITEM 7 – CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS</b>	<b>16</b>
• REVIEW OF ACCOUNTS	16
<b>ITEM 8 – CLIENT CONTACT WITH PORTFOLIO MANAGERS</b>	<b>17</b>
<b>ITEM 9 – ADDITIONAL INFORMATION</b>	<b>17</b>
• DISCIPLINARY INFORMATION	17
• OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS	17
• CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING	21
• CUSTODIAL RELATIONSHIPS	22
<b>ITEM 10 – REQUIREMENTS FOR STATE-REGISTERED ADVISORS</b>	<b>24</b>
<b>EXHIBIT A – SOLUTION TYPES – MODEL PROVIDERS AND INDIVIDUAL MANAGED ACCOUNTS</b>	<b>25</b>
<b>EXHIBIT B – ASSETMARK PORTFOLIO SOLUTIONS – SOLUTION TYPES</b>	<b>26</b>
<b>EXHIBIT C – PROPRIETARY MUTUAL FUND SOLUTIONS - CONFLICTS OF INTEREST DISCLOSURES</b>	<b>33</b>
<b>FEES AND INVESTMENT MINIMUMS</b>	<b>36</b>

## ITEM 4 – SERVICES, FEES AND COMPENSATION

### WRAP FEE PROGRAM

AssetMark, Inc. (“AssetMark”) is the sponsor of the AssetMark Platform (“Platform”) through which it offers its advisory and Platform services to Clients (the “Client”). Representatives of third-party 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”), consult with Clients to assess their financial situation and identify their investment objectives in order to implement investment solutions designed to meet the Client’s financial needs.

### ASSETMARK AND ITS OWNERSHIP STRUCTURE

AssetMark is an investment adviser registered with the U.S. Securities and Exchange Commission (“SEC”) since 1999 providing various investment advisory and consulting services to other advisors and investment Clients. AssetMark and AssetMark Trust Company (“AssetMark Trust”) are wholly owned subsidiaries of AssetMark Financial Holdings, Inc. AssetMark Financial Holdings, Inc. is an indirect subsidiary of Huatai Securities, Co., Ltd. (“HTSC”). HTSC is a financial services and securities brokerage firm, incorporated in China and listed on the Shanghai and Hong Kong exchanges, with global depository receipts (“GDRs”) listed on the London stock exchanges. Entities incorporated in China may be subject to China’s laws and regulations that differ from those in the United States. AssetMark Financial Holdings, Inc., is publicly listed on the New York Stock Exchange (ticker: AMK).

AssetMark Wealth Solutions includes AssetMark’s Asset Management (AAM), Due Diligence, Investment Consulting, and other portfolio, wealth, and practice solutions. AAM is responsible for AssetMark’s proprietary investment strategies. AAM replaces AssetMark Portfolio Solutions (APS) (formerly referred to as AssetMark Investment Management).

If the Client and the Financial Advisor choose a Solution Type (or “Solutions,” described below) managed by APS, AssetMark is responsible for the management of that Solution Type for the Client’s Account (described below). AssetMark also serves as the investment adviser for the GuideMark Funds and GuidePath Funds (each a “Fund” and collectively the “Proprietary Funds”) available in certain Solution Types on the Platform:

- 1) GuideMark Funds (no-load sub-advised mutual funds)
- 2) GuidePath Funds (no-load funds of funds and a sub-advised managed futures mutual fund)

AssetMark is responsible for the selection and management of subadvisors for each of the GuideMark Funds. However, the Client and the Financial Advisor, and not AssetMark, are responsible for selecting the Solution Type that uses Proprietary Funds.

AssetMark is not registered with the Commodity Futures Trading Commission (“CFTC”) as a commodity trading advisor, based on its determination that it will rely on certain exemptions from registration provided by the Commodity Exchange Act (“CEA”) and the rules thereunder. The CFTC has not passed upon the availability of these exemptions to AssetMark. AssetMark currently acts as a registered “commodity pool operator” (“CPO”) with respect to the GuidePath Managed Futures Strategy Fund and its wholly owned controlled foreign corporation, the GuidePath Managed Futures Strategy Cayman Fund. AssetMark is registered as a CPO under the CEA and the rules of the CFTC.

## ASSETMARK’S INVESTMENT MANAGEMENT SERVICES AGREEMENT

To participate in the Platform, AssetMark, the Client and the Financial Advisor will enter into an Investment Management Services Agreement (“IMSA”) that outlines the responsibilities of AssetMark and the Financial Advisor, as well as the Client’s responsibilities, authorizations and acknowledgements as the Client. The IMSA also outlines the fees and compensation payable by the Client and other important provisions governing participation in the Platform. Under the IMSA, the Financial Advisor is responsible for:

- evaluating the Client’s investment needs and objectives;
- consulting with the Client concerning the Client’s participation in the Platform;
- determining the initial and ongoing suitability of various Platform Solutions for the Client’s investment objectives and financial condition.

Under the IMSA, AssetMark is responsible for, among other things:

- initial and ongoing due diligence related to the Solution, as described in more detail below;
- terminating or replacing Solutions available on the Platform, if appropriate;
- implementing in Client Accounts decisions made by the Model Providers (described below) for the Solutions on the Platform.

APS acts as Portfolio Strategist (described below) providing Model Portfolios (described below) for a number of Solutions. It is also among the Discretionary Managers (described below) offered on the Platform. With respect to those Strategies in which AssetMark acts as a Discretionary Manager, its obligations are accordingly those of a Discretionary Manager and include the selection of securities for the Account (consistent with the Strategy (described below) selected by the Financial Advisor and Client) and trade execution. A list of Portfolio Strategists/Model Providers and Investment/Discretionary Managers are provided in Exhibit A.

Individual Solutions are available either through third-party Investment Management Firms (described below) or as proprietary Strategies managed by APS. Strategists are also permitted to use AssetMark proprietary investment options or funds as part of a Strategy.

While AssetMark does deliver full management (including, for Model Provider Strategies, trade execution) of the Client’s Account using the Platform, AssetMark’s account management obligations are delivered after the Financial Advisor and Client have selected the Strategy and Platform Custodian (described below) for the Account. Thus, regardless of the Strategy selected, it is the Financial Advisory Firm and the Financial Advisor, not AssetMark, that recommends the Strategy to the Client and monitors whether to recommend that the Client remain in the Strategy.

### DESCRIPTION OF PLATFORM SERVICES

Financial Advisory Firms enter into an agreement with AssetMark to implement the Platform for their Clients. As part of its services, AssetMark provides account administration, custody, brokerage and advisory services and is therefore considered a “wrap program.” AssetMark has developed internet-based software which provides the Financial Advisory Firm with the ability to directly monitor its Client Accounts, download information concerning changes in the Platform, and access current information relating to the Platform.

To establish an Account, a Client typically will complete a questionnaire, or otherwise provide information to the Financial Advisory Firm, to enable the Client and the Financial Advisory Firm to identify the Client's risk tolerance and rate of return objectives. The Client typically will provide the Financial Advisory Firm with information concerning the Client's investment experience, anticipated need for liquidity, potential timing of the need for retirement funds, and other investment needs and parameters. This information will assist the Client and the Financial Advisory Firm in selecting which of the Risk/Return Profiles (described below) is most closely aligned with the Client's investment goals. The Financial Advisory Firm remains responsible for monitoring the Solution Types and Risk/Return Profiles and recommending any changes to the Client throughout the duration of the Client's Account on the Platform, including any custom accounts at third-party Discretionary Managers. AssetMark's responsibility is to implement the Solution Type and Risk/Return Profile chosen by the Client and the Financial Advisory Firm. AssetMark does not advise the Client about potential changes to the Client's Solution Type or Risk/Return Profile.

## RISK RETURN PROFILES

One of the fundamental elements of the Platform is establishing the Client's appropriate Risk/Return Profile. These Profiles range from most conservative (lowest estimated risk and lowest potential return) to most aggressive (highest estimated risk and highest potential return). Strategies on the Platform can only have a single risk profile or may have multiple risk profiles.

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

- *Profile 1 – Conservative:* The profile is designed for an investor who wants to focus on preservation of capital as a primary goal and wishes to minimize downside risk.
- *Profile 2 – Moderate Conservative:* The profile is designed for an investor who seeks to preserve capital but wishes to assume moderate downside risk in order to earn a return sufficient to preserve purchasing power.
- *Profile 3 – Moderate:* The profile is designed for an investor who seeks to balance risk of loss to capital with capital appreciation.
- *Profile 4 – Moderate Growth:* The profile is designed for an investor who seeks enhanced capital appreciation and is willing to accept greater risk of downside loss and volatility of returns.
- *Profile 5 – Growth:* The profile is designed for an investor who seeks significant capital appreciation and is willing to accept a correspondingly greater risk of loss and volatility of returns.
- *Profile 6 – Maximum Growth:* The profile is designed for an investor who seeks the highest level of capital appreciation and is willing to accept the correspondingly greater risk of loss and volatility of returns.

Generally, the percentage allocation to equity securities targeted for each Risk/Return Profile increases for each Profile from Profile 1, Conservative, which would represent the lowest target allocation of equity securities, through Profile 6, Maximum Growth, which would represent the highest target allocation of equity securities.

## INVESTMENT STRATEGIES

Another element of establishing the Client's investment objective is to identify the appropriate mix of Investment Strategies to manage risk efficiently and meet the Client's return objectives. Each Portfolio Strategist, Investment Manager and/or Solution Type is classified by

AssetMark based on their Investment Strategy. The Client, with the assistance of their Financial Advisor, can select Solution Types for their Portfolio that represent a blend of different Investment Strategies.

Here are four main types of investment strategies which can be used in a client portfolio:

1. **Core:** A mix of predominantly equities and fixed income across US or global markets and have multiple risk profiles. Other asset classes, including real assets and alternatives may be included to help manage risk. Core Strategies may focus on a total return or income mandates. Some Core Strategies may offer a tax aware option whereby tax-exempt fixed income investments are held within portfolios and in some cases tax-managed equity investments can also be held. For some Core Strategies, 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.
2. **Equity:** Strategies that are mainly invested in equities and are typically a single risk profile. Equity Strategies may focus on one of three investment mandates; total return (enhancing return over a diversified benchmark through active management - Enhanced Return Focus), income (ie equity dividends) or defense (limiting losses during market downturns through reducing equity exposure - Limit Loss Focus - holding lower beta securities or using hedging strategies).
3. **Bond:** Strategies that are mainly invested in fixed income and are typically a single risk profile (Bond and Bond Alternatives). Some Bond Strategies may include some low volatility alternative or equity exposure. These Strategies can help manage risk through diversification benefits and may focus on either a total return, income or defensive (typically lower duration) investment mandate.
4. **Alternative:** Strategies that are mainly invested in non-correlated liquid alternative strategies to provide diversification benefits to help manage risk. Alternative Strategies are typically a single risk profile and can invest in traditional alternative strategies, niche strategies or trend following strategies (managed futures - Equity Alternatives).

## SOLUTION TYPES

Investment Strategies are available through three general "Solution Types" (or "Solutions") on the Platform.

- *Model Portfolios* – Client Accounts are allocated among securities and other investment vehicles on a non-discretionary basis pursuant to Model Portfolios provided by "Portfolio Strategists" (also referred to as "Model Providers"). Model Portfolios include mutual fund and ETF investment strategies and Separately Managed Accounts ("SMA"). SMA Model Portfolios are allocated among securities and other investment vehicles in accordance with the model and are typically selected for a specific asset class. AssetMark will serve as the Overlay Manager with regard to SMA accounts, as described below.
- *Individually Managed Accounts ("IMA")* – the Client Account is managed and individual Client Account trades are implemented on a discretionary basis by a "Discretionary Manager" (also referred to as an "Investment Manager"). For some IMAs, AssetMark serves as the Discretionary Manager; for others, a third-party manager serves as Discretionary Manager and AssetMark has no role in trading for the IMA.

- *Individual Mutual Fund ("IMF")* – Client accounts are allocated to a single mutual fund and 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 can be Proprietary or third-party funds. Each IMF is not available at all Custodians. Clients should be aware that the Platform Fees charged by AssetMark for this service can be higher or lower than those charged by others in the industry or directly from the third-party mutual fund provider, and that it can be possible to obtain the same or similar services from other investment advisers at lower or higher rates. AssetMark may waive the Platform Fee in its discretion. A Prospectus for any individual mutual fund made available under this Solution Type can be obtained upon request from AssetMark or the Client's Financial Advisor. Clients should review fund prospectuses and consult with their Financial Advisor if they have questions regarding these IMF Solution Types. The mutual funds shares selected for use can be institutional or retail shares, and can include administrative service fees, sub-transfer agency fees and/or 12b-1 fees, that are fees borne by Clients. See Servicing Fees Received by Custodians, including AssetMark Trust Company and Share Class Use for a discussion of 12b-1 fees, administrative service fees and sub-transfer agency fees and the Fees & Investment Minimums table at the back of this Disclosure Brochure for the Platform Fees charged IMFs.

The client's Investment Strategy can be customized to each client's account and implemented with a number of features and alternatives, such as:

- a range of Risk/Return Profiles;
- selection of one or more Investment Strategies and Mandates;
- a group of available Portfolio Strategists or Investment Managers; and
- various individually managed accounts ("IMA"), so that the Client, as advised by the Financial Advisor, can create a Strategy by which each of the Client's Accounts under the Platform will be managed or maintained.

Some Solution Types are available through third-party Investment Management Firms unaffiliated with AssetMark. Other Solution Types are proprietary Strategies available through APS. AssetMark makes available fact sheets and other information to assist the Financial Advisor in making an informed decision. More detailed information about the proprietary solutions are provided in Exhibit B – AssetMark Portfolios Solutions Solution Types.

### ***Overlay Manager***

For SMA Investment Solutions, the Client, with the assistance of their Financial Advisor, shall select a model provided by a Portfolio Strategist and AssetMark will serve as the "Overlay Manager" (or Investment Manager or Discretionary Manager) for Client Accounts. The Overlay Manager shall provide limited discretionary investment management services to the Account as discussed further below. The Client grants the Overlay Manager the authority to buy and sell securities and investments for the Account, to vote proxies and to effect corporate actions. AssetMark has contracted with Portfolio Strategists to provide recommendations for exposures to a specific asset classes or securities.

The SMA Model Portfolios have been constructed by Portfolio Strategists engaged by AssetMark using individual securities recommendations. The Overlay Manager will have limited discretionary authority to execute transactions in each Account necessary to (i) track any reallocations, rebalance or other adjustments to the SMA asset allocations constructed by the Portfolio Strategists, (ii) implement changes recommended

by the Portfolio Strategists; (iii) effect sale transactions of specified securities as directed by the Client and purchases of replacement securities; (iv) implement trades to support advisor-directed tax-loss harvesting requests for Clients and (v) implement any individual securities restrictions imposed on the Account by the Client.

As Overlay Manager, AssetMark intends to invest the Account consistent with the models provided by the Portfolio Strategist, unless circumstances indicate that modified allocations or investments are appropriate. The Client, with assistance of their Financial Advisor, can specify the initial Portfolio Strategist for the Account and will be given notice of any change to that Portfolio Strategist. AssetMark can remove or replace the Portfolio Strategists on the Account in its discretion.

### **Individually Managed Accounts ("IMA")**

An IMA can be established as:

- Equity/Balanced;
- Fixed Income; and
- Custom High Net Worth

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. Usually, transaction fees are not charged to IMA accounts.

### ***Step Out Trades for IMAs***

The Investment Manager has the authority to "step-out" a trade and use a brokerage firm other than that usually used with the Client's selected Custodian, and such trading will result in additional fee(s) from the Platform Custodian, unless such fees are waived (refer to Item 9 under "Brokerage Practices"). If a Discretionary Manager of an IMA determines to "step out" or "trade away" a trade, the Custodians are permitted to assess a fee of \$20.00 per trade. This transaction fee would be in addition to any commission or trading costs. If an Account is invested in fixed income investments, e.g., a Parametric bond ladder IMA, the Client should expect this \$20.00 fee on each security transaction. Commission charges, dealer spreads, markups/downs, and foreign currency conversion rates associated with these transactions may not be visible in program documents.

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 can replace the Investment Manager at its discretion. Certain 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 will receive from the Investment Manager, and will be required to acknowledge receipt of, additional disclosures regarding specific investments, such as alternative investments, the use of the IMA managers' mutual funds, or the use of options and/or certain fixed-income solutions.



### ***Use of IMA Manager Proprietary Mutual Funds***

IMA Managers can use their own proprietary funds or funds of an affiliate in the IMA Client Accounts they manage. In these situations, the IMA Manager typically receives fees from AssetMark in their management of the Client's Account, and they typically receive investment adviser or other fees from their proprietary funds. This is a conflict because it can create an incentive for the IMA Manager to select their own proprietary or affiliated funds. These fees can exceed what the IMA Manager would receive for using third-party mutual funds. Clients should discuss this conflict with their Financial Advisor. Clients will also receive the IMA Manager's Form ADV Disclosure Brochure which will also disclose all conflicts of interests. The IMA Manager also provides additional disclosures regarding their rebate process in order to avoid collecting two fees on the same assets. In some instances, the IMA Manager will receive fees from AssetMark and rebate the portion of fees received from the funds they or the affiliate manage. In other cases, the IMA Manager will receive their fees from the funds they or the affiliate manages, and rebate the portion of the fees received.

### ***Use of Options***

Options strategies will be used for certain IMA Solutions. Clients should consider their financial resources, investment objectives and tolerance for risk and 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. Clients will be obligated to deliver the underlying security within the prescribed time for a call option that is exercised. Each of AssetMark and the Investment Manager is authorized to act as the Client's agent to complete the Client's obligations with respect to any options in the Client Account. The Client agrees to assume the financial risks of options transactions. All 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: <https://www.theocc.com/company-information/documents-and-archives/options-disclosure-document>.

### ***Custom High Net Worth***

For Custom High Net Worth ("HNW") accounts, the Client, with the assistance of the Client's Financial Advisor, selects an Investment Manager to manage the individual Client Account and to provide discretionary investment management services to the Account. The Client grants the Investment Manager the authority to buy and sell securities and investments for the Account, to re-balance and re-allocate assets within the Account, to vote proxies for securities held by the Account and such other discretionary authorities as described in the IMSA, and as determined between the Client, their Financial Advisor and the Investment Manager. As such, the Client's personalized investment objective can go beyond the standard investment objectives listed for each of the six Risk/Return Profiles as described earlier in this section, and as developed by the Investment Manager for the Client. The Investment Manager, in its discretion, will maintain investment decision records with regards to the Client's HNW Account. If a Client's investment objective and/or Risk/Return Profile changes, the Financial Advisor is responsible for notifying AssetMark of the change.

## **FINANCIAL ADVISOR – CUSTOM ACCOUNTS**

### **Multiple Strategy Accounts**

Certain Model Solutions discussed above are also available as sleeve-level options within a Multiple Strategy Account. In a Multiple Strategy Account, an Account can be customized with no set allocation limits. The Client, with the assistance of their Financial Advisor, can select from various Portfolio Strategists and Investment Managers, including APS, and AssetMark-advised mutual funds ("Proprietary Funds"). In selecting and determining the allocations in each sleeve, a Multiple Strategy Account will be established. The number of sleeves selected can vary from a minimum of two to a maximum of eight selections, to comprise the Multiple Strategy Account and will be evaluated on quarterly basis for rebalancing across the sleeves. The standard minimum account by sleeve will vary. The fees charged for the Multiple Strategy Account will be based on the single-strategy fee schedule for each Strategist selection and weighted based on the allocation to each sleeve.

### **Custom GPS Select**

GPS Select, as described in Exhibit B – AssetMark Portfolio Solutions – Solution Types, can be customized within a specific range from the baseline to various Investment Strategies. The Client, with the advice of their Financial Advisor, not AssetMark, can select from various Investment Approaches from Portfolio Strategists and Investment Managers, including APS, 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. If a mutual fund Solution Type is selected, the share class used will be consistent with the underlying single strategy Solution. The Financial Advisor is responsible for advising the Client on an ongoing basis whether or not to maintain or change the Investment Strategy, the Portfolio Strategist and the Investment Manager for the duration of the account. AssetMark does not advise the Client about the Investment Strategy, the Portfolio Strategist or the Investment Manager appropriate for that Client's Account.

AssetMark will make available the specific range of pre-determined allocations, which range will be updated from time to time. The number of sleeves selected can 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 varies and AssetMark's revenue will increase or decrease based on the sleeve allocation agreed upon between the Client and Financial Advisor.

### **Savos Custom GMS, PMP, Advisor – Custom, or Personal Portfolios**

*(Refer to Exhibit B – AssetMark Portfolio Solutions – Solution Types for more detailed information regarding the selection of APS strategies to be used within these custom accounts.)*

- *Custom GMS and Privately Managed Portfolios ("PMP")* - The Client, with the assistance of the Financial Advisor, can request that APS deviate from standard allocations for the selected GMS or PMP Strategy. Such an Account is considered a Custom GMS or PMP Strategy.
- *Advisor – Custom Accounts* - The Client can choose to participate in a program in which their Financial Advisor, in consultation with APS, can request further customization for their Client's Account ("Advisor – Custom Accounts" or "ACA"). The Financial Advisory Firm will be solely responsible for determining the additional customization and the suitability for the Client. APS, in

its discretion, will determine the implementation of the ACA. The Financial Advisory Firm will be solely responsible for determining the additional customization. The Financial Advisory Firm can request that APS recommend to the Financial Advisory Firm asset allocations or investment selections for the ACA, but APS does not provide any individualized investment advice to ACA. The asset allocation classification of the ACA developed by the Financial Advisory Firm may not be consistent with the Investment Strategies or Risk/Return Profiles described in this Disclosure Brochure for the GMS or PMP Accounts described in Exhibit B – AssetMark Portfolio Solutions – Solution Types. The GMS or PMP Platform Fee schedules will be charged to the Client Account, unless otherwise negotiated between the Financial Advisory Firm and AssetMark.

- *Savos Personal Portfolios – Custom* - A Savos Personal Portfolios (“SPP”) - Custom Account can be customized within a specific range across equity, fixed-income and tactical allocations. The Client, with the assistance of their Financial Advisor, can select from various SPP investment sleeves. In doing so, and by selecting within the range of pre-determined allocations, a Savos Personal Portfolios - Custom Account will be established. Each equity, fixed-income and tactical allocation is referred to as a “sleeve” allocation.

## INVESTMENT CONSULTING

A Financial Advisory Firm or Financial Advisor can request that AssetMark consult on the creation of practice-based models that include Platform Solutions to meet specific goals and/or objectives sought by the Financial Advisory Firm or Financial Advisor. These models can include proprietary and/or third-party Solutions. The Financial Advisory Firm and Financial Advisor will continue to be responsible for determining the final combination of Solutions used in their practice-based models and the suitability of these Solutions for their Client(s). AssetMark does not provide individualized investment advice to Clients or to the Financial Advisor for individual client accounts. There is typically no fee for this service, but the Financial Advisor is expected to make an asset commitment to the Platform, which creates a conflict of interest for the Financial Advisor. The inclusion of a proprietary Solution creates a conflict of interest for AssetMark if selected by the Financial Advisory Firm and Financial Advisor because AssetMark receives fees for the management of proprietary Solutions.

## TAX MANAGEMENT SERVICES

The Tax Management Services (TMS) is designed to improve the after-tax return for the client’s account. The application of TMS can cause the account to stray from the Strategy and Risk/Return Profile selected for the Account. AssetMark does not provide tax planning, accounting, or legal advice or services. The Tax Management Services fee is ten basis points (0.10%) with a \$100 minimum annual fee per account. TMS fees can be negotiable. Accounts enrolled in TMS can trade at different times than other accounts on the AssetMark Platform invested in the same strategy and can hold higher cash allocations due to minimum trade size, rounding and other factors. TMS accounts will not be automatically rebalanced if the cash allocation exceeds a 2% threshold. The cash allocations will be invested in the cash “sweep” vehicle at the client’s selected custodian, which for AssetMark Trust Company is usually its Insured Cash Deposit (“ICD”) Program.

## OTHER SERVICES AND NON-MANAGED ACCOUNTS

### Administrative and General Securities Accounts

Although options vary depending upon the Custodian selected by the Client, the Client can usually establish an Account at their selected Custodian to hold “non-managed” assets (an “Administrative/Non-Managed Account”), and such Account can include a Cash Account or a General Securities Account. An Administrative/Non-Managed Account is provided as an administrative convenience for the Client. Assets in an Administrative/Non-Managed Account are not managed or advised by AssetMark, and AssetMark is not responsible for their investment or management. The Client will be solely responsible for directing the investments in the Non-Managed Account. Non-Managed assets are subject to the terms of the Client’s agreement with their selected Custodian. In addition to reporting by the Client’s Custodian, the assets of an Administrative/Non-Managed Account will be included in periodic AssetMark reports that the Financial Advisor can provide to the Client.

If Clients select AssetMark Trust as their Platform Custodian, they will be offered a FDIC-Insured Cash Program and, expected on or after May 2024, Certificates of Deposit for their Administrative account. This option and other cash management services from AssetMark Trust and the conflicts of interest involved in AssetMark’s affiliate AssetMark Trust offering these services are discussed in Item 9 of this Brochure.

### Cash Accounts

Certain custodians offer cash management services, which are described in more detail in their custodial agreements and/or disclosures. For more information about Cash Management Services at AssetMark Trust, including the conflicts related to these services, refer to Item 9, Additional Information. Additionally, AssetMark Trust Company clients will receive a separate disclosure entitled AssetMark Trust Company Disclosures Regarding Services that describes its Cash Management Services.

## SERVICES NO LONGER OFFERED

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

## INVESTMENT VEHICLES

The Solution Types can be comprised of: (i) closed-end mutual funds; (ii) open-end mutual funds; (iii) ETFs, (iv) individual securities (stocks, bonds, preferred stocks, treasury bills and notes, bank notes) and (v) alternatives. The Client Accounts managed by Investment or Discretionary Managers can also include options and alternative investments, as advised by the Financial Advisor and the Investment Manager.

The Portfolio Strategists select and monitor the performance of the mutual funds, ETFs, and securities within their asset allocations and will periodically adjust and rebalance the asset allocations in accordance with their investment strategies. Each Investment Solution will maintain a 2% target cash allocation for the payment of fees, to cover withdrawals and other fees applicable to the Account. However, Portfolio Strategists and IMA Managers can determine to allocate a higher percentage to cash.

From time to time, AssetMark will add to or remove certain investment vehicles from the Platform:

**This must remain with the Client**



- a) Mutual Fund and ETF model portfolios available through the Platform;
- b) Investment Managers available for the IMA Accounts;
- c) Portfolio Strategists available on the Platform; and
- d) other Investment Management Firms providing asset allocations and asset selections for Platform Solution Types.

The Financial Advisor reviews the Portfolio Strategists', Investment Managers' and Investment Management Firms' and the Strategies' performance on behalf of the Client and makes or recommends investment decisions (pursuant to the authorizations given the Financial Advisor in the IMSA) based on such analysis. AssetMark does not recommend specific Portfolio Strategists, Investment Managers or Investment Management Firms to Clients.

## MUTUAL FUND MODEL PORTFOLIOS

For Clients selecting a Mutual Fund Account, their Account will be invested in institutional mutual funds, retail NTF funds and/or mutual funds that generally do charge a sales load but where the sales charge has been waived. Third-party mutual funds and AssetMark's Proprietary Funds are used. (Refer to Servicing Fees Received by Custodians, including AssetMark Trust Company and Share Class Use below) The Account will be invested consistent with allocations provided by a Portfolio Strategist for the Risk/Return Profile selected by the Client based on the advice of the Financial Advisor. Certain Portfolio Strategists compose their mutual fund allocations utilizing only those mutual funds managed by the Portfolio Strategist, Investment Manager or an affiliate of the Portfolio Strategist or Investment Manager. One or more of the Portfolio Strategists will construct their allocations exclusively using Proprietary Funds managed by AssetMark, including the GuideMark and GuidePath Funds. AssetMark does not advise the Client about the Portfolio Strategist or the Risk/Return Profile appropriate for that Client's Account.

Multiple Investment Strategies are available as a model portfolio. Information regarding the Solutions and the Portfolio Strategists available for each of the Investment Strategies is available from the Client's Financial Advisor.

If a Mutual Fund account is chosen, it can also include non-mutual fund investments. For example, non-mutual fund investments could include cash alternatives and/or ETFs held by the Account.

Portfolio Strategists select from mutual funds that are AssetMark Proprietary Funds, third-party funds, NTF funds, load-waived, or retail 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. See Servicing Fees Received by Custodians, including AssetMark Trust Company and Share Class Use under Fees and Compensation for more information on indirect fees the Client pays through their investment in mutual funds.

### Use of Portfolio Strategist and IMA Manager Proprietary Mutual Funds

Portfolio Strategists and IMA Managers are permitted to use their own funds or funds that they or an affiliate advises in the Model Portfolios or IMA accounts they manage. In these situations, the Portfolio Strategist and the IMA Manager typically receive fees from AssetMark for the Model Portfolio or the management of the Client's IMA Account, and they typically receive investment adviser or other fees from the funds that they or an affiliate advise. These fees can exceed what the Portfolio

Strategist or IMA Manager would receive for using third-party mutual funds. This is a conflict for the Portfolio Strategist or IMA Manager because it can create a financial incentive for the Portfolio Strategist or IMA Manager to select their own proprietary or affiliated funds. Clients should discuss this conflict with their Financial Advisor. Clients will also receive the IMA Manager's Form ADV Disclosure Brochure in which the IMA Manager is required to disclose all conflicts of interests.

APS uses Proprietary Funds in various investment solutions. Information about the Proprietary Funds, including fees and expenses, are described in more detail in the Proprietary Funds' prospectus.

## ETF MODEL PORTFOLIOS

An ETF is an investment fund traded on stock exchanges and holds assets such as stocks, commodities, or bonds, and can be traded over the course of the trading day. Each investor owns shares, which represent a portion of the holdings of the fund, and ETFs, like mutual funds, have management fees paid to the manager of the ETF. There are no separate share classes for ETFs. ETF Solutions invest in third-party ETFs, which are not advised by AssetMark.

A Client, with the assistance of their Financial Advisor, can 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 can compose their ETF asset allocations utilizing only those ETFs managed by the Portfolio Strategist or an affiliate, an unaffiliated investment manager, or a combination of both. ETFs are traded daily at market determined prices on a national exchange in a similar manner to other individual equity securities. ETF Solution Types also invest in exchange-traded notes ("ETNs"), which are senior, unsecured debt securities issued by an underwriting bank. AssetMark is responsible for trading the ETF Solution Types based on the recommendations of Portfolio Strategists. The ETF trading practices are discussed further in Item 9 under "Brokerage Practices" in the Trade Execution and Brokerage Allocation section.

Multiple Investment Strategies are available as an ETF Model Portfolio. Information regarding the Solution and Portfolio Strategists available for each of the Investment Strategies is available from the Client's Financial Advisor.

The Account is also permitted to 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.

## ASSETS UNDER MANAGEMENT

As of December 31, 2023, the Referral Model Platform had \$65.6 billion in assets under management. These assets include investments in proprietary mutual funds and third-party Investment Managers under the Referral model and are managed on a discretionary basis.

## FEES AND COMPENSATION

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

1. Financial Advisor Fee
2. Platform Fee, which includes any Strategist or Manager Supplemental Fee, as applicable, and most custody fees.

The Fees applicable to the Account will be set forth in the Client Billing Authorization the Client receives each time an Account is established. The Financial Advisor Fee and the Platform Fee when combined are referred to as the Advisory Fee. Other fees for special services are also charged. The Client should consider all applicable fees.

Clients should be aware that the fees charged by AssetMark can be higher or lower than those charged by others in the industry and that it can be possible to obtain the same or similar services from other investment advisers and other platform providers at lower or higher rates. A Client can 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 can be lower or higher than the fees described below and in the Fees & Investment Minimums table at the end of this Disclosure Brochure.

It is important that the Client understands all the fees applicable to the Account and understands that all fees are subject to negotiation. The Platform Fee schedules and fee rates for the various Investment Solutions are listed in the Fees & Investment Minimums table located at the end of this Disclosure Brochure. The Fees & Investment Minimums will be updated from time to time, to include the addition of new products and services, to remove any terminated strategies, or to make updates. Information regarding the Fees & Investment Minimums will also be posted at [www.assetmark.com/info/disclosure](http://www.assetmark.com/info/disclosure), and you should consult this site for the most up-to-date information about the Fees & Investment Minimums. Generally, you will also receive notification in advance if there is a fee increase. That notification may direct you to your Financial Advisor or to the web address listed above for specific information on the change.

## 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 Solutions 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.

AssetMark receives Client referrals through representatives of broker-dealer firms and investment adviser firms. 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.

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 Platform Fee includes:

- (i) payment for advisory services (including the Strategist's or Manager's Supplemental Fee, if applicable) and administrative services; and
- (ii) payment for custodial and brokerage services (although additional fees are payable for certain third-party mutual funds, Actively Managed Fixed Income Strategies, Funding Accounts (an account used to receive cash and assets transferred in kind before sale or transfer to an advised Account), acquired Global Financial Private Capital (“GFPC”) Strategies, and Accounts custodied at Charles Schwab & Co. (“Schwab”).

The Platform Fee provides compensation to AssetMark for maintaining the Platform and for providing advisory, administrative, custodial and brokerage services to the Account. The advisory services include, but are not limited to: selecting, reviewing and replacing, as AssetMark 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 in certain cases provision of advisory services to the Account itself, whether through recommendations from third-party Portfolio Strategist or management by third-party Discretionary Manager or management of the Account by AssetMark staff; and providing instruction for trade execution for mutual fund and ETF Solution Types. As discussed above, AssetMark does not advise Clients about the selection or retention of Strategies; the Financial Advisor is responsible for those advisory services to Clients.

The administrative services include but are not limited to: arranging for custodial services to be provided by various Platform Custodians pursuant to separate agreement between Client and Custodian; preparation of quarterly performance reports (to complement account statements provided by Custodians); and 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 are 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 Platform Fees are negotiable, and exceptions to the Fees & Investment Minimum table are made with the approval of an authorized officer of AssetMark. As a standard practice, AssetMark grants exceptions to its 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 can be offered discounted fees.

## CUSTODIAL AND BROKERAGE SERVICES

The Platform Fee charged to Client Accounts includes compensation for custodial and brokerage services. Pursuant to agreements that AssetMark has negotiated with AssetMark Trust (AssetMark's affiliate Custodian) and the third-party Custodians on AssetMark's Platform, AssetMark pays the Custodian for the custodial and brokerage services provided to Client Accounts. (The Custodians also have other income sources.) The Client does not pay transaction fees on trades made in most of the Solution Types available on the Platform. Separate transaction fees will be charged in Fixed Income IMA Solutions and in some equity IMA Solutions. Additionally, AssetMark generally receives more revenue when Clients choose AssetMark Trust as their Custodian. These differences in payments and revenue create conflicts of interest for AssetMark. AssetMark addresses these conflicts by having the same Platform Fee apply regardless of the Custodian chosen and by allowing the Client to choose their own Custodian, which can be AssetMark's affiliated Custodian, AssetMark Trust. Although the Platform Fee is the same among Custodians, different fees for incidental expenses can apply.

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 (described below) for specific fees attributable to the Client Account. More information about Custodians is also discussed below in Item 9, Additional Information – Custodial Relationships.

## SUPERVISORY FEE

The Platform Fee will be higher for certain Financial Advisory Firms due to the amounts payable to Financial Advisory Firms with supervisory responsibility over the Financial Advisors. This supervisory fee, of up to 0.20% annually, is deducted from Client Account assets, and paid to certain Financial Advisory Firms, for supervision of the Account. The receipt of a supervisory fee creates an incentive for Financial Advisory Firms to use the AssetMark program versus other platform programs. You can ask your Financial Advisor if a supervisory fee applies to your Account. Information on participating Financial Advisory Firms is available from AssetMark upon request.

## MINIMUM ACCOUNT PLATFORM FEE

Certain ETF and mutual fund investment solutions are subject to an Annual Minimum Platform Fee of \$350, or \$87.50 per quarter. If the quarter end value of an Account multiplied by the fee rate is less than \$87.50, then the Account will be charged at least \$87.50 for the quarter.

**The Platform Fee Schedules and fee rates for the various Investment Solutions are listed in the Fees & Investment Minimums table at the end of this Disclosure Brochure. The Fees & Investment Minimums table will be updated from time to time, to include the addition of new products and services, to remove any terminated strategies, or to make updates. Information regarding the Fees & Investment Minimums will also be posted at [www.assetmark.com/info/disclosure](http://www.assetmark.com/info/disclosure), and you should consult this site for the most up-to-date information about the Fees & Investment Minimums.**

## STRATEGIST'S OR MANAGER'S SUPPLEMENTAL FEE

For an Account invested in a third-party Investment Solution, a supplemental Strategist or Investment Manager Fee can be payable to the Strategist or 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, the Account will be charged a Supplemental Investment Manager Fee on the basis of the applicable Discretionary Manager. These fees are payable by the Client on Account assets at the annual rates set out on the Fees & Investment Minimums fee table located at the end of this Disclosure Brochure.

The Strategist's and Manager's Supplemental Fee can 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, which is provided to the Client when they open an Account. To request another copy, the Client can contact their Financial Advisor or AssetMark's Compliance department at the address on the front cover of this Brochure.

## FEES FOR TERMINATED STRATEGIST OR NO STRATEGIST ACCOUNTS

AssetMark has 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 are 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 typically remains 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. It is up to the Financial Advisor to a Client to recommend a new Strategy to a Client for a No Strategist or Terminated Strategist Account. A separate Custodial Account Fee applies to 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 the Client's Financial Advisor.

## FINANCIAL PLANNING AND CONSULTING FEES

Financial Advisory Firms that provide financial planning and consulting services are permitted to charge their Financial Planning and Consulting Fees through the Client's Account on the Platform. Client authorization is required to establish or modify the Financial Planning and Consulting Fee, and to elect from which Account the fee will be charged, or establish for payment via Automated Clearing House, or ACH. The Fee can be a one-time fee or a recurring fee. If a Client elects to charge this Fee to an Individual Retirement Account ("IRA") or other qualified account, the Client is responsible for any adverse tax consequences that can arise from fee payments from an IRA.

## Fee Billing Process

Advisory Fees (or "Account Fees") are payable quarterly, in advance. The quarterly Advisory Fee is calculated by multiplying the market value of all Account assets, inclusive of accrued interest and dividends, as of the end of the previous calendar quarter by the "quarterly rate." The quarterly rate is number of calendar days in the quarter, divided by 365 (or 366, as applicable) days in the year, multiplied by the applicable annual Advisory Fee rate provided for in

the Fees & Investment Minimum table. For the initial deposit to the Account and for any subsequent amounts deposited to the Account, the Advisory Fee shall be payable upon AssetMark's commencement of management, based upon the amount of the deposit multiplied by the quarterly rate (as described above) 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 in writing, the Custodian will debit these fees from the Account. Additional fees, such as custodian termination fees, are due where applicable, pursuant to the Client's separate agreement with the Custodian ("Custody Agreement"). Upon termination of the Account, the amount of prepaid Advisory Fees to be refunded are calculated by multiplying the daily prepaid Advisory Fee during the final quarter by the number of days remaining in that quarter.

Account values are typically grouped for fee billing purposes. Advisory Fees will be calculated based on the total value of existing Accounts across a Client household. This grouping is usually referred to as "Householding" and often results in a reduction of the overall Portfolio Fees.

The Client will not be assessed or refunded a pro-rata portion of the Platform Fee when an Investment Solution change is made in their Account and is executed intra-quarter between quarterly billing events. The Platform Fee for the new investment Solution will be effective in the next applicable billing cycle following the execution of the Investment Change instruction, which may be the monthly or quarterly cycle depending on Client directed activity in the account.

Beginning in 2024, the Client will be assessed or refunded a pro-rata portion of the Platform Fee when an Investment Solution change is executed intra-quarter between quarterly billing events, and when the change results in a change, removal, or addition of an investment solution assigned to an account or sleeve. The Platform Fee for the new investment solution will be effective based on the date of the Investment Change execution. Refunds for the removed investment solution will be provided on a pro-rata basis from the date of Investment Change execution to the end of the current quarter based on the cumulative amount of fees charged from the beginning of the quarter to Investment Change execution date. The Client will not be assessed or refunded a pro-rata portion of the Platform Fee when rebalancing allocation weights within a sleeved solution (e.g. Multiple Strategy Account) that does not result in a change in existing underlying investment sleeve.

#### **SERVICING FEES RECEIVED BY CUSTODIANS, INCLUDING ASSETMARK TRUST COMPANY AND SHARE CLASS USE**

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 the fund available, where possible. Mutual fund families offer a variety of funds with varying fee structures and different share classes. The funds available at the Custodians for use with the AssetMark Platform will vary among different mutual fund share classes and will generally fall into these two share class categories.

- *Retail share class* – Retail share class funds charge a 12b-1 fee of generally 0.25%, which is paid to the Custodian. Retail shares also include administrative fees, shareholder servicing and sub-transfer agent fees, which are also paid to the Custodian. There are a range

of retail share classes available on the custodial platforms that also charge 12b-1 fees or administrative fees. These share classes are generally known as no-load or service shares (C shares), or load-waived A shares, Investor Shares, or NTF mutual funds, available through NTF programs at various Custodians.

- *Institutional share class* – Institutional share class funds have lower expenses because there are no 12b-1 fee charges. However, institutional share classes can include administrative fees, shareholder servicing, and/or sub-transfer agent fees paid to the Custodian.

NTF funds generally pay Custodians, including AssetMark Trust, AssetMark's affiliated custodian, a range of servicing fees from the 12b-1 fees and administrative service fees, which typically include shareholder servicing and sub-transfer agent fees, collected by the mutual funds. See below Administrative Service Fees Received by Affiliate.

AssetMark will use retail share mutual funds and institutional share mutual funds. There are no separate transaction fees charged for mutual fund investments on the Platform. AssetMark does not always use the lowest cost share class. In striving for consistency across all custodial options on the Platform, AssetMark will seek to select the lowest cost share class available across all Custodians. Due to specific custodial or mutual fund company constraints, situations will arise where a specific share class is not consistently available. In those cases, AssetMark will seek to invest Clients in the lowest cost share class that is commonly available across Custodians. The institutional share class is typically lower, however, in some cases, the lowest share class may be the retail share class.

Information about the specific fees charged by mutual funds is described in each fund's prospectus.

#### **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 are typically 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.

Certain mutual funds selected for Client Accounts include Proprietary Funds from which AssetMark receives compensation as the investment adviser, as described above. AssetMark receives management and other fees for its management of the GuideMark and GuidePath Funds.

Some mutual funds 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.

#### **MUTUAL FUND SHARE CLASS USE IN APS STRATEGIES**

In the APS Strategies, 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 institutional classes where these share classes are available. In striving for consistency across all custodial



options on the Platform, the APS Strategies will seek to select the lowest cost share class available across all Custodians. Due to specific custodial or mutual fund company constraints, situations will arise where a specific share class is not consistently available. In those cases, AssetMark will seek to invest Clients in the lowest cost share class that is commonly available across Custodians. The institutional share class is typically lower, however, in some cases, the lowest share class may be the retail share class.

## OTHER COMPENSATION DISCLOSURE

Bank money market accounts and other bank services typically charge separate fees. For more information regarding bank services, refer to Cash Management Services offered by Affiliate in Item 9 below.

Each of the mutual funds, ETFs, alternative investments and other funds or pooled investment vehicles available on the Platform bears its own operating expenses, including compensation to the fund or sub-adviser. As an investor in the mutual funds or ETFs, the Client indirectly bears the operating expenses of the mutual funds or ETFs, as these expenses will affect the net asset value (or share price in the case of an ETF) of each mutual fund or ETF. These expenses are in addition to the Financial Advisory Fee paid to the Client's individual Financial Advisory Firm and the Platform Fee payable to AssetMark. The ratios of fund expenses to assets vary from fund to fund according to the actual amounts of expenses incurred and fluctuations in the fund's daily net assets. Information on the specific expenses for each of the mutual funds is set forth in the fund's prospectus and periodic reports.

The cost of advisory and investment management services provided through the Platform can be more or less than the cost of purchasing similar services separately. For example, direct investment in a mutual fund or ETF would be less expensive than investment in the same fund through the Platform, because the Client would not bear any Platform Fee. All mutual funds included in mutual fund strategies on the Platform will be available for purchase at each fund's net asset value and with no sales charge, so that no sales commissions are incurred in connection with investment in the initial Portfolio and Portfolio rebalancing. While most mutual funds available through the Platform will charge no transaction fees, mutual funds or Custodians charge redemption fees under certain circumstances.

The Platform Fee for related Accounts of any Client on the Platform is negotiable, as are Platform Fees paid on Accounts that are associated with a particular Financial Advisory Firm, subject to approval. These negotiated fees typically lower the portion of the Platform Fee that AssetMark receives.

## 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 will typically 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

An Account can also incur fees referred to as "Regulatory Transaction Fees," paid to brokerage firms to offset the fees the firms owe to self-regulatory organizations and U.S. securities exchanges to cover fees charged by the SEC for costs related to the government's supervision and regulation of the U.S. securities markets and professionals. In addition, applicable Accounts will also be charged expenses related to custody of foreign securities and foreign taxes. The Client should review the agreement or schedule of fees of their selected Custodian.

## FINANCIAL ADVISORY FIRM AND FINANCIAL ADVISOR PROGRAMS

Financial Advisory Firms receive fees for their services and compensation from AssetMark for referrals of Clients, as described above under Financial Advisor Fee. Therefore, they have a financial incentive to recommend the AssetMark wrap fee program over other programs or services, which creates a conflict of interest on the part of the Financial Advisory Firms.

In addition to the compensation payable under the IMSA, AssetMark enters into other fee arrangements with certain Financial Advisory Firms and/or Financial Advisors as described below. Such arrangements will not increase the fees payable under the IMSA by the Client. However, Client's should review and understand that these arrangements can be deemed to cause a conflict of interest because they provide Financial Advisory Firms and Financial Advisors with incentives to place and retain Client assets on the AssetMark platform.

### Advisor Benefits Program for Financial Advisors

Under AssetMark's Advisor Benefits Program, Financial Advisors are encouraged to utilize AssetMark's advisor-directed tools, templates and best practices, or to engage with AssetMark to receive business and investment consulting, and/or, education and guidance for implementing a growth plan for their businesses. Certain Financial Advisors can receive an allowance or "growth support" for reimbursement of qualified expenses incurred by the Financial Advisor based on their participation in AssetMark sponsored events, marketing initiatives, or use of technology resources and tools. Financial Advisors can also receive benefits by reaching certain levels, or tiers, on the AssetMark Platform. This program creates a financial incentive for Financial Advisors to recommend that Clients invest assets through the AssetMark Platform.

### 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: i) the charitable organization is not a Client or prospective Client of the Financial Advisor, ii) the Financial Advisor cannot hold an officer position on the charitable organization's board or direct funds at the charitable organization, and iii) 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 has an incentive to place, or retain Client assets on the Platform as a result of AssetMark's contribution to their supported charitable organization.

### Direct and Indirect Support for Financial Advisors

AssetMark sponsors 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 offers Portfolio Strategists, Investment Managers and Investment Management Firms, who in some cases also are 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 covers 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 Advisor Benefits Program, AssetMark contributes 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. AssetMark also solicits research from Financial Advisors regarding new products or services that AssetMark is considering for Clients. In exchange for this feedback and guidance, AssetMark can offer an incentive to the Financial Advisor for their attendance at, or participation in, for example, an online survey or an in-person focus-group. These programs create financial incentives for Financial Advisors to recommend that Clients invest assets through the AssetMark Platform.

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

Financial Advisors can receive discounted pricing or complimentary subscriptions from third-party service providers or from AssetMark or its affiliates for services such as business consulting, practice management, technology, financial planning tools and marketing-related tools and services as a result of their participation in the Platform. In certain cases, AssetMark receives a portion of the subscription fees paid by Financial Advisors to such third-party service providers. Discounted pricing and complimentary subscriptions can be subsidized by AssetMark. These arrangements create a financial incentive for Financial Advisory Firms and their representatives to recommend that Clients invest assets through the AssetMark Platform.

#### **Loans by AssetMark to Financial Advisory Firms**

AssetMark and its affiliates have made loans on a selected basis to some Financial Advisory Firms, and will continue to do so in certain circumstances. These financing arrangements result in additional revenue to AssetMark (primarily interest earned on those loans) and they create certain conflicts of interest for Financial Advisory Firms. A Financial Advisory Firm that has borrowed money from AssetMark and that still has a loan balance outstanding will have an incentive to continue using AssetMark's products and services for its Clients even when AssetMark's services can be more expensive or less appropriate for the Client. Certain financing arrangements are structured to create long-term obligations by those Financial Advisory Firms that can be costly or difficult for those firms to terminate and certain of those arrangements may give AssetMark the right to convert the debt obligation into equity in the Financial Advisory Firm, giving AssetMark certain additional rights. Therefore, these loans can create an ongoing conflict of interest for Financial Advisory Firms between their own financial interests tied to those financing arrangements and the interests of their Clients.

#### **Loans by AssetMark to Financial Advisory Firms**

AssetMark and its affiliates have made loans on a selected basis to some Financial Advisory Firms, and will continue to do so. These financing arrangements result in additional revenue to AssetMark (primarily interest earned on those loans) and they create certain conflicts of interest for Financial Advisory Firms. A Financial Advisory Firm that has borrowed money from AssetMark and that still has a loan balance outstanding will have an incentive to continue using AssetMark's products and services for its Clients even when AssetMark's services can be more expensive or less appropriate for the Client. Therefore, these loans can create a conflict of interest for Financial Advisory Firms between their own financial interests and the interests of their Clients.

#### **Payment for recorded testimonials/endorsements**

Financial Advisors may provide video, audio or documented statements endorsing AssetMark, and AssetMark may compensate the Financial Advisors for these.

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

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 the communication of AssetMark's service capabilities to Financial Advisors and their Clients in various venues, including participating in meetings, conferences and workshops. AssetMark also provides certain Financial Advisory Firms or their representatives with organizational consulting, education, training and marketing support. These arrangements create a financial incentive for Financial Advisory Firms and their representatives to recommend that Clients invest assets through the AssetMark Platform.

#### **Negotiated Fees**

AssetMark is permitted, in its discretion, to negotiate the Platform Fee for Clients of certain Financial Advisors. Certain Financial Advisors with higher aggregate levels of assets on the Platform are 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. These arrangements create an incentive for Financial Advisory Firms and their representatives to recommend that Clients invest assets through the AssetMark Platform.

#### **Pilot and Early Release Programs**

AssetMark can invite certain Financial Advisor Firms to participate in pilot or early release programs designed to solicit feedback on new product or service offerings. In exchange for participation in these programs, AssetMark may provide certain incentives to the Financial Advisor Firms such as fee waivers, or other incentives.

#### **Strategist Fees**

In circumstances where a Financial Advisory Firm uses a Portfolio Strategist to assist in the management of a Client's account, AssetMark will pay a strategist fee on a selected basis to the Financial Advisory Firm for use and monitoring of the model portfolio recommended by the Portfolio Strategist. This strategist fee creates a conflict of interest because the Financial Advisory Firm has an incentive to use the model portfolios produced by a Portfolio Strategist in order to keep receiving the fee, compared to other arrangements that might be less expensive or more appropriate for the Client.

#### **Transitions Program for Financial Advisory Firms**

AssetMark and its affiliates may enter into business arrangements designed to assist Financial Advisory Firms with succession planning, and will continue to do so. These financing arrangements result in additional revenue to AssetMark and they create certain conflicts of interest for Financial Advisory Firms. A Financial Advisory Firm that has agreed to share a portion of their Firm's revenue with AssetMark and will have an incentive to continue using AssetMark's products and services for its Clients even when AssetMark's services can be more expensive or less appropriate for the Client. Therefore, these business arrangements can create a conflict of interest for Financial Advisory Firms between their own financial interests and the interests of their Clients.

#### **ASSETMARK CASH PAYMENTS TO THIRD PARTIES**

AssetMark makes cash payments to third parties ("Referring Firms") for referrals ("Referral Fees") of Financial Advisory Firms ("Referred Financial Advisory Firms") that enter into a Referral Model selling arrangement ("Referral Arrangements"). In certain cases, Referral Fees shall be discounted in the event that a Referring Firm receives compensation from a qualified custodian (as defined in Item 9 below

under Custodial Relationships) in connection with the referral of a Referred Financial Advisory Firm. Each Referring Firm enters into a written agreement with AssetMark and discloses in writing to each prospective Referred Financial Advisory Firm the existence of the Referral Arrangement. Referral Arrangements will not increase the fees payable by Clients of Referred Financial Advisory Firms under the IMSA.

## ITEM 5 – ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS

Clients on the Platform include but are not limited to individuals, high-net-worth individuals, retirement plans, corporations, partnerships, trusts, insurance companies, and banks.

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.

For the Guided Income Solutions, the typical Client will be an individual who is either close to retirement or currently in retirement and would like to use a portion of their savings to generate a monthly income stream.

A Client must deposit the Account minimum 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 managed Account until the Account balance reaches the required minimum. A Client's Account will be held by the Custodian in cash or in the assets transferred in-kind until such time as the value of the deposits to the Account reaches the required minimum for investment. If accounts are at AssetMark Trust, the cash balance will be invested in the AssetMark Trust's ICD Program.

Clients should be aware that a reasonable amount of time will be needed to purchase, redeem, settle 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.

A Client must work with a Financial Advisor who will assess their financial situation and identify their investment objectives in order to implement investment solutions designed to meet their financial needs. If a Client does not have a Financial Advisor, e.g. Financial Advisor is terminated or retires, the Client must assign a new Financial Advisor. Otherwise, the account will be deemed to be an Orphaned Account and AssetMark will take steps to terminate the IMSA.

## ITEM 6 – PORTFOLIO MANAGER SELECTION AND EVALUATION

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

#### PORTFOLIO STRATEGISTS

The Portfolio Strategists and Investment Managers used in Model and IMA Solution Types are selected for the Platform by AssetMark in order to make available a curated range of investment options and philosophies to Clients and their Financial Advisors. The selection and due diligence process is described below. 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".

The Portfolio Strategists use technical and/or fundamental analysis techniques in formulating their investment decisions to meet their targeted objective. Although each of the Risk/Return Profiles includes asset allocations developed by several Portfolio Strategists, each of the Portfolio Strategists nevertheless has its own investment style resulting in the use of different asset classes, and mutual fund, ETF, or investment management firm options within their asset allocations. Investment Strategies can be a single asset class or multiple asset classes which 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 Investment Strategies and approaches 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 Investment Strategy for each Client Account on the Platform.

Portfolio Strategists will provide AssetMark with instructions to rebalance (to most recent Model Portfolio allocations) or to reallocate (to new Model Portfolio allocations), either periodically or as they deem appropriate over time, depending on their specific Investment Approach and investment process. These adjustments to the asset allocations will result in transactions in Client accounts. The Financial Advisory Firm or the Client instructs and directs that the Client's account be invested in accordance with all rebalancing and adjustment instructions provided by the Portfolio Strategists unless and until the Client or Financial Advisory Firm expressly terminates the rebalancing and adjustments and/or executes written instructions to change the Strategy in which the account is invested. Client will receive notification of all account transactions in periodic account statements provided by the account Custodian.

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.

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. This creates a conflict of interest for these Portfolio Strategists, as discussed above. In addition, one or more of the Portfolio Strategists will construct their allocations using AssetMark's Proprietary Funds.

**This must remain with the Client**

A Prospectus for the Proprietary Funds can be obtained upon request from AssetMark or the Financial Advisor. Clients should review prospectuses and consult with their Financial Advisor if they have questions regarding these Funds.

AssetMark makes available to the Financial Advisory Firm and the Financial Advisor factsheets of each investment solution managed by the Portfolio Strategists and Investment Managers. This includes a brief review of each firm, including key investment management personnel, strategy process, allocation shifts and performance metrics. The Client and Financial Advisory Firm can select more than one Portfolio Strategist and/or Investment Strategy for the Client's Accounts, and, as noted above, the Client and Financial Advisory Firm are free to change Portfolio Strategists, Investment Strategy or the mutual fund or ETF components of their Portfolios from time to time, though any change by a Client in the components of a specific asset allocation used for a Client's Account will result in a custom portfolio for that Account which would no longer be automatically rebalanced along with the Portfolio Strategist's rebalancing of its asset allocation. The Client is free to consult with the Financial Advisory Firm at any time concerning the portfolio, and AssetMark is available to consult with Clients and Financial Advisory Firms concerning the administration of the Platform. It is not anticipated that Clients or Financial Advisory Firms will have the opportunity to consult directly with the Portfolio Strategists concerning their asset allocation Strategies, although the Financial Advisory Firms will be provided with information concerning such Strategies and any updates or revisions to such information. 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 Disclosure Brochure, contact the Financial Advisor or AssetMark's Compliance department at the address on the front cover of this Brochure.

AssetMark will from time to time add or remove a Portfolio Strategist in its discretion. As the Portfolio Strategists identify other mutual funds, ETFs or investment management firms suitable for the Platform, AssetMark will periodically add or remove mutual funds, ETFs or investment management firms to those available for use in the Portfolio Strategists' asset allocations.

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. 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 the 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 certain IMAs.

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. The selection and due diligence process is described below. 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 AND DUE DILIGENCE PROCESS FOR PORTFOLIO STRATEGISTS AND INVESTMENT MANAGEMENT FIRMS

Each portfolio strategist and investment manager complete a detailed questionnaire ("DDQ") about their investment process, performance and reporting and risk management, in addition to covering business organization, compliance and ethics, operational framework, and client support. The DDQ is reviewed by AssetMark Due Diligence with compliance and ethics sections also being reviewed by the compliance group. An external third party is used for operational due diligence review. Our due diligence process is deep and thorough and focuses on five key P's; People, Philosophy, Process, Portfolio Construction and Performance. Consistency in the first four explains performance so we spend most of our time understanding the qualitative and quantitative aspects of a manager and strategy and use performance as the confirmation of our understanding. The team seeks the following in the five key P's:

1. *People* – stable and tenured teams that have experience managing through different market environments.
2. *Philosophy* – a philosophy that is clearly defined and articulated well. Understanding the foundations to the philosophy and how it has adapted over time is critical.
3. *Process* – a consistent application of the investment process. Demonstrating how investment decisions were made in multiple market environments and tying the decisions back to the philosophy.
4. *Portfolio Construction* - rigor in the risk oversight in building the portfolio. A clear discipline and process that shows how risk management is considered in the investment process.
5. *Performance* - The proof statement and purposefully last. The team's evaluation of the other P's builds up their expectations of how the strategy should perform. The actual results are used to confirm expectations and to demonstrate how the manager adds value over time.

For new searches, all findings are reported to the Due Diligence Investment Committee prior to being reviewed by the Investment Oversight Committee ("IOC"). Once selected for the Platform, the Due Diligence team conducts quarterly reviews via conference calls or in person to discuss, among other things, performance, changes to their investment process and philosophy and any material organizational changes at the firm. For ongoing monitoring all findings are reported to the Due Diligence Investment Committee on a quarterly basis, or sooner based on the significance of the findings. In the event of significant news occurring within a quarter, the Due Diligence team is in immediate contact with the Strategist or Investment Manager to fully understand the impact of the news. If a change in status is warranted, an interim investment committee meeting will be held, and relevant action taken. Any strategists on non-satisfactory status are listed in a report that is available on eWealthManager and are reviewed with the IOC on a quarterly basis.

AssetMark charges to Portfolio Strategists and IMA Managers that have been selected to participate on the Platform a one-time set up fee and an annual maintenance fee (which is typically tiered such that the fee will increase to the extent that Client Account assets invested in Model Portfolios and/or IMA Accounts managed by Portfolio Strategists and IMA Managers exceed certain thresholds) for performing certain functions, which may include administrative, operational, legal and compliance, investment and marketing

functions, in connection with adding and maintaining the Portfolio Strategist or IMA Manager on the Platform. This creates a conflict of interest for AssetMark because it provides a financial incentive for AssetMark to favor Portfolio Strategists and IMA Managers who agree to pay the fee in order to participate on the Platform. AssetMark offers a Strategist Data Program through which Portfolio Strategists pay an annual fee to access reports that provide additional detail with respect to assets invested in the Model Portfolios maintained by Portfolio Strategists. AssetMark also offers a Strategist Engagement Program that provides Portfolio Strategists the ability to engage with AssetMark in connection with the support and maintenance of their Model Portfolios on the Platform, including event sponsorships and Strategist Data Program participation, for a bundled annual fee. The Programs described above create a conflict of interest for AssetMark because they provide a financial incentive for AssetMark to favor Portfolio Strategists who pay the fees to participate in the Programs.

### INVESTMENT AND TAX RISKS

Clients should understand that all investments involve risk (the amount of which 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 will 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.

Performance for the asset allocation models by the Portfolio Strategists, are calculated monthly using a time weighted methodology in InvestCloud (fka Tegra118 and Fiserv) APL trading and portfolio management system. Performance results are shown on a net of fees basis. Composite performance is calculated using actual Client Accounts. Generally, investment Solutions move from a model-tracking portfolio to composite performance reporting when at least one Account is under the Referral Model and meets the minimum investment amount for the specific strategy at AssetMark in the previous quarter. Performance for IMA Investment Solutions is not calculated or reviewed by AssetMark due to the custom nature of these strategies.

For Client level performance, the InvestCloud APL system is used to calculate a time weighted rate of return. Performance results are displayed to each Client daily, via eWealthManager.com, if selected by the Financial Advisor and more formally quarterly via Clients' Quarterly Performance Review.

### ASSETMARK AS PORTFOLIO STRATEGIST OR INVESTMENT MANAGER

AssetMark also serves as the Portfolio Strategist and Investment Manager for certain Model and IMA Solution Types. Refer to Exhibit B – AssetMark Portfolio Solutions – Solution Types for more detailed information.

### 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 Investment Management Firms giving advice with regard to IMAs, as deemed appropriate by AssetMark.

However, as discussed above, AssetMark does not select or recommend Investment Solutions to particular Clients or monitor the continuing appropriateness of Investment Solutions for particular Clients. These recommendations and monitoring are the responsibility of the Client's Financial Advisor.

### REASONABLE RESTRICTIONS, PLEDGING AND WITHDRAWING SECURITIES

AssetMark allows reasonable 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 can 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 can 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. It is important to note that restrictions cannot be effected in certain investments or due to operational capabilities such as in a mutual funds, or at the sleeve level within a Multiple Strategy Account.

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

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

### 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 an IMA Manager, 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 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,

**This must remain with the Client**



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 can 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 cannot apply to securities that 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 APS is the Discretionary Manager for IMAs held in custody at a third-party Custodian. The Client retains the right to vote proxies for Savos and AssetMark IMAs.

If shares of Proprietary Funds are held in an Account for which AssetMark 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***

Clients retain the right to vote proxies. Clients can instruct AssetMark how to cast their vote in a particular proxy, or to vote proxies according to their particular criteria. Requests should be made by written notice to AssetMark. Clients that select a Custodian other than AssetMark Trust, i.e., Pershing Advisor Solutions, or Fidelity Brokerage Services, LLC, retain the right 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***

Pursuant to the IMSA, neither your Financial Advisor, Financial Advisory Firm, AssetMark, Inc., nor any Discretionary Manager to your Account is authorized to advise you or act on your behalf with respect to any shareholder materials or on any legal matters, including bankruptcies and class actions, with respect to securities held in the Account, with the following exception. If you choose AssetMark Trust as your custodian, pursuant to your Custody Agreement, unless you opt out, you authorize AssetMark Trust to act on your behalf and as your agent and contract with a third party for Class Action Services. AssetMark Trust has contracted with Broadridge Investor Communication Solutions, Inc. ("Broadridge") to provide Class Action Services to AssetMark Trust custodial clients. These services offered through AssetMark Trust, including the conflicts of interest they create for AssetMark, are detailed below in item 9.

#### ***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. AssetMark's proxy voting policies and procedures provide for the identification of potential conflicts of interest that can occur due to business, personal or family relationships, determination of whether the potential conflict is material, and they establish procedures to address material conflicts of interest. To address voting items identified as those in which AssetMark has a material conflict of interest, AssetMark generally will rely on the third-party firm to vote according to the guidelines. Alternatively, AssetMark can 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 will be instances when refraining from voting is in the best interests of the Client. Because the interests of Clients can differ, AssetMark can 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 can obtain a copy of AssetMark's complete proxy voting policies and procedures upon request. Clients can 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: Advisor Compliance**  
**1655 Grant Street, 10th Floor**  
**Concord, CA 94520**  
**advisorcompliance@assetmark.com**

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

If a Client selects an IMA Strategy, the Client's information will be shared with the IMA Manager who has discretionary authority on the Account. Client information will not be shared with Portfolio Strategists who provide asset allocation Strategies and have no discretion over the Account.

#### **REVIEW OF ACCOUNTS**

Under the IMSA, the Client Account review function is performed by the Client's Financial Advisor. AssetMark does not assign Client Accounts directly to specific individuals for investment supervision, and there is no 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

**This must remain with the Client**



and investment Strategy selected by the Client. AssetMark Due Diligence reviews those model recommendations provided by the Portfolio Strategists. APS reviews on an ongoing basis the performance of the Strategies in the Savos IMAs. The Trade Operations Group monitors account adherence to models provided by Strategists and adherence to models created and maintained by APS. AssetMark makes available periodic account statements to its investment advisory Clients in the form of a Quarterly Performance Report. A supplemental report is also available for use with Clients in the Guided Income Solutions. 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 can 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 8 – CLIENT CONTACT WITH PORTFOLIO MANAGERS

Together with their Financial Advisor, Clients invested in High Net Worth and IMA Strategies will have direct access to Investment Managers to discuss their Account. On the other hand, Clients who have selected Model Portfolios will not have access to the Model Provider or Portfolio Strategist.

## ITEM 9 – ADDITIONAL INFORMATION

### DISCIPLINARY INFORMATION

On September 26, 2023, the SEC issued an Order Instituting Administrative Cease-and-Desist Proceedings against AssetMark. The SEC alleged that, from at least September 2016 through January 2021, AssetMark failed to fully disclose that AssetMark and affiliate AssetMark Trust Company together set the amount of the payment that AssetMark Trust would retain as compensation from the payment received by the banks that participated in the FDIC-Insured Cash Deposit Program ("ICD Program") (the "ICD Program Fee"), which, in turn, determined the amount that would be distributed as interest by the banks to clients. The SEC alleged that AssetMark had failed to fully disclose the associated conflicts of interest related to its role in setting the ICD Program Fee. The SEC also alleged that AssetMark, from at least January 2016 through August 2019, did not fully disclose the associated conflicts of interest related to AssetMark's receipt of custodial support payments from certain no-transaction fee ("NTF") mutual funds. These failures constituted breaches of AssetMark's fiduciary duty to advisory clients. The SEC alleged that AssetMark violated Section 206(2) and 206(4) of the Advisers Act and Rule 206(4)-7 promulgated thereunder. AssetMark consented to the Order without admitting or denying the SEC's findings.

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 Investment Advisers Act of 1940 ("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 team of AssetMark.

## OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

AssetMark is an indirect subsidiary of AssetMark Financial Holdings, Inc., a publicly traded company (NYSE: AMK). 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. Conflicts do exist though, and those are noted below. The industry activities of these affiliated companies are described in further detail below:

- Atria Investments, Inc. (d/b/a Adhesion Wealth)
- AssetMark Brokerage, LLC
- AssetMark Services, Inc.
- AssetMark Trust Company

### Adhesion Wealth

Adhesion Wealth is a registered investment adviser with the U.S. Securities and Exchange Commission, currently providing sub-advisory services to other registered investment advisers, either directly or through a third party sponsored program.

### AssetMark Brokerage, LLC

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

### AssetMark Services, Inc.

AssetMark Services, Inc. provides recordkeeping and administrative services to retirement plans.

### AssetMark Trust Company

AssetMark Trust Company ("AssetMark Trust" or "ATC") is an Arizona chartered trust company that serves as the Custodian for certain Accounts on the AssetMark Platform.

## AFFILIATE SERVICES AND CONFLICTS OF INTEREST

### Banking Institution - AssetMark Trust

With the input from their Financial Advisors, the Client chooses a Custodian from among those offered through the Platform. AssetMark Trust, an affiliate of AssetMark, is among the available Platform Custodians. If the Client chooses AssetMark Trust as their Platform Custodian, AssetMark Trust is paid for custodial and brokerage services provided Client Accounts through the Platform Fee charged their Account and, where applicable, through additional fees. Pursuant to a contract between AssetMark and AssetMark Trust, AssetMark pays AssetMark Trust for services AssetMark Trust provides its custodial Clients. Additionally, AssetMark Trust receives payments from mutual funds, mutual fund service providers and other financial institutions for certain 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 would otherwise have to perform. Such payments are made to AssetMark Trust by these financial institutions based on the amount of assets invested in Client Accounts. Any such payments to the Custodian will not reduce the Platform Fee. Some

mutual funds, or their service providers, provide compensation in connection with the purchase of shares of the funds, unless prohibited by law or regulation.

#### **Investment Companies - GuideMark Funds and GuidePath Funds**

The GuidePath Funds are directly managed by APS and invested in unaffiliated mutual funds and ETFs. APS manages the GuidePath Funds based on research provided by current Portfolio Strategists in each of the Investment Approaches. AssetMark Due Diligence has ongoing oversight over the performance of the Sub-Advisers in the GuideMark and GuidePath Funds and the Portfolio Strategists on the Platform.

#### **ADMINISTRATIVE SERVICE FEES RECEIVED BY AFFILIATE**

AssetMark selects mutual funds used in their Solution Types and, generally, the mutual funds selected are institutional share class funds. However, if institutional share class funds are not available, a fund that includes a Rule 12b-1 fee can be selected. Although most mutual funds held by AssetMark Trust client accounts do not pay a 12b-1 fee, administrative service fee or similar income is paid with regard to most funds held by client accounts. This income and variation in payments create conflicts because AssetMark Trust is paid this income, as described below.

AssetMark Trust uses 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), see below, Custodial Relationships. Fidelity operates as a sub-custodian for AssetMark Trust, and as sub-custodian Fidelity receives certain payments from investment companies for certain administrative and recordkeeping services. AssetMark Trust receives payments from Fidelity for the recordkeeping and other administrative duties performed by AssetMark Trust as Custodian. Because Fidelity operates as a sub-custodian for AssetMark Trust, Fidelity remits approximately 92.25% of such fees collected from these investment companies to AssetMark Trust in exchange for the custodial support services AssetMark Trust provides. If an AssetMark-advised fund, e.g., a GuidePath or GuideMark Fund, is used, Fidelity pays AssetMark Trust 100% of the payments. Below are the types of fees AssetMark Trust receives:

- *12b-1s*, which are a cost to the shareholders of the mutual fund. If the prospectus of a mutual fund allows for 12b-1 fees to be paid for either “distribution” or “service,” it will be included in the fund’s expenses and deducted from the income the mutual fund earns.
- *ASF*, which are not an expense to the shareholders of the fund. These are an expense to the mutual fund and are paid to Fidelity per an agreement between the mutual fund company and Fidelity;
- Recordkeeping fees earned on ERISA plan account holdings; and
- Transaction-based fees, which may or may not be expenses of the fund.

AssetMark also holds fund shares directly, without using Fidelity as sub-custodian. In such a case, the fund or fund company can pay AssetMark Trust administrative service fees directly. AssetMark Trust receives ASFs from Fidelity, 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, is substantial, in consideration of the services provided by AssetMark Trust to these respective service providers and varies by mutual fund. These payments are used to offset the additional annual custody fee otherwise payable by IRA Clients and Clients with Accounts subject to the Employee Retirement Income Security Act of 1974 (“ERISA”). AssetMark Trust currently waives any portion of this IRA & ERISA Account Fee not offset by this income.

#### **CASH MANAGEMENT SERVICES OFFERED BY AFFILIATE**

If Clients select AssetMark Trust as their Platform Custodian, they will be offered the following cash management services: FDIC-Insured Cash and CDARS Programs; Securities-Backed Lines of Credit; and FDIC-insured checking accounts. AssetMark Trust does not directly provide these services; they are provided to AssetMark Trust Clients through third-party providers, and AssetMark Trust is compensated by the third parties. With the exception of the Cash Allocation (discussed below), these services are optional; Clients can opt out of the services or choose not to use them. A disclosure document further discussing these cash management services, AssetMark Trust Company Disclosures Regarding Services, will be provided to Clients who select AssetMark Trust as their Platform Custodian. Please read this disclosure to better understand the features, costs and conflicts of interest related to these services. The following is only a summary of those disclosures.

#### **FDIC-Insured Cash Program**

*Cash Allocation in Accounts invested in Platform Strategies:* A portion (the “Cash Allocation”) of Client Accounts invested in a Platform Strategy is placed in cash or a cash alternative investment. If you choose AssetMark Trust as your custodian, this Cash Allocation will be placed in AssetMark Trust’s Insured Cash Deposit (“ICD”) program and deposited in one of more banks insured by the Federal Deposit Insurance Corporation (“FDIC”). The target Cash Allocation is 2%, and the Account’s Cash Allocation is rebalanced quarterly if the allocation falls below 1.5% or is more than 2.5% of total Account assets. (Note: Accounts enrolled in AssetMark’s Tax Management Service (“TMS”) are not included in the quarterly rebalance. TMS is an optional service that AssetMark offers for some strategies on its Platform. Accounts enrolled in TMS may have Cash Allocations of more than 2%. TMS will review the Cash Allocation on an ongoing basis, with the objective to bring it to the 2% target, but with priority given to TMS objectives.) In addition to the Cash Allocation, a Client Account can also hold cash pending investment or distribution and these cash amounts will be invested in the ICD Program. Additionally, Funding Accounts will be invested in the ICD Program. (A Funding Account is used to receive cash and assets transferred in kind before sale or transfer to an advised Account.) You may opt out of the ICD Program for your Cash Allocation. If you opt out of the ICD program, your Cash Allocation will be invested in one or more money market mutual funds. Cash that is not yet in a sweep vehicle (due to trading activity, residuals or new cash in a funding account) will simply be held in cash until swept to the ICD program or a money market mutual fund, when cash is moved from the funding to managed account, or typically by the following business day.

*Administrative Accounts:* If a Client selects an Administrative Cash Account, all of the Administrative Cash Account will be placed in the ICD Program, unless the amount of the deposit qualifies for, and the Client elects, the High Yield Cash Program, which is also part of the FDIC Insured Cash Program but one in which the interest rates credited are expected to be higher than those credited ICD Program deposits. The interest rate paid on the High Yield Cash program can be negotiable. General Securities Accounts (“GSAs”) may also hold FDIC-Insured Cash Program funds. You may also opt out of the FDIC-Insured Cash Program, in which case your account will be invested in one or more money market funds. There is no Platform Fee and no Custodial Account Fee for Administrative Cash accounts. Any Financial Advisor Fee payable pursuant to a Client Advisory Agreement will be payable on an Administrative Cash Account unless AssetMark receives instructions not to charge the Financial Advisor Fee. Although there is no Platform Fee for Administrative Cash Accounts with deposits in the FDIC-Insured Cash Program, if the cash is deposited in the ICD Program and not the High Yield Cash Program, then those assets can be aggregated with assets in other Client Accounts with AssetMark for “householding”

purposes, which aggregation should result in larger aggregate balances that can reduce the rate(s) of the Platform Fee(s) applicable to other Client Account(s). If the Client has selected a tiered Financial Advisor (or "FA") Fee, this householding or aggregation of balances can also reduce the rate of the Client's FA Fee. Deposits in the High Yield Cash Program, however, will not be aggregated with other AssetMark Client Account assets for fee householding purposes. You should determine if you would prefer the higher interest rate(s) offered by HYC or the lower fees available through "householding."

*Fees on Advised Accounts and Conflicts of Interest:* The Platform Fee is assessed on 100% of the value of Account assets invested in Platform Strategies upon initial investment and, thereafter, at the end of each calendar quarter, even though the Cash Allocation, cash pending investment or distribution portions of the Account do not receive any investment advisory or brokerage services. (They do receive administrative and custodial services.) The Financial Advisor Fee is also assessed on 100% of the value of assets in Accounts invested in Platform Strategies. In some low interest-rate environments, the Financial Advisor Fee plus Platform Fee can exceed the amount of interest paid on the Cash Allocation. It is anticipated that, when looked at jointly, AssetMark Trust and AssetMark will receive more compensation on the Cash Allocation and cash pending investment or distribution portions of Accounts invested in the ICD Program than on Account assets invested in the Accounts' investment Strategy.

Client participation in the FDIC-Insured Cash Program results in financial benefits for AssetMark Trust and its affiliates that create conflicts of interest. AssetMark Trust receives compensation from the Program Banks for the record keeping and administrative services it provides in connection with maintaining the FDIC-Insured Cash Program (the "Program Fee"). The interest rates paid Client Accounts under the FDIC-Insured Cash Program are determined by AssetMark Trust, in consultation with AssetMark, and are based on the interest rates paid by the Program Banks, less the Program Fees paid to AssetMark Trust by the Program Banks. In determining the interest rates paid Client Accounts, AssetMark Trust and AssetMark also consider other factors, including the rates paid by competitors. The Program Fees paid to AssetMark Trust can be up to 4% on an annualized basis viewed on a rolling twelve-month basis, and across all Deposit Accounts. The amount of the Program Fee paid to AssetMark Trust and Administrative Fee paid to the third-party Program Administrator reduce the interest rate paid on Client Program Deposits. AssetMark Trust has discretion over the amount of its Program Fee, and AssetMark Trust reserves the right to modify the Program Fees it receives from Program Banks. This discretion in setting the Program Fee creates a conflict of interest on the part of AssetMark Trust and AssetMark; the greater the Program Fee AssetMark Trust receives – which is determined by AssetMark Trust in consultation with AssetMark – the lower the interest rate paid to Clients. In certain interest rate environments, the Program Fee is a substantial source of revenue to AssetMark Trust and, indirectly, to AssetMark Financial Holdings, Inc. AssetMark Trust can reduce its Program Fees and can vary the amount of the reductions between Clients and the amount of interest paid Clients. The gross interest rates paid by each Program Bank, which affects the interest rates paid in the FDIC-Insured Cash Program, do and are expected to vary from Program Bank to Program Bank; this creates a conflict for AssetMark Trust when selecting Program Banks in that it incentivizes AssetMark Trust to select the banks that pay higher interest rates. No part of the Program Fee is paid to Financial Advisors.

The Program Fees paid to AssetMark Trust can be greater or less than compensation paid to other Platform Custodians with regard to cash sweep vehicles. The interest rate Program Deposits earn with respect to the AssetMark Trust FDIC-Insured Cash Program can be lower than

interest rates available to depositors making deposits directly with a Program Bank or with other depository institutions. Program Banks have a conflict of interest with respect to setting interest rates and do not have a duty to provide the highest rates available on the market and can instead seek to pay a low rate; lower rates are more financially beneficial to a Program Bank. This is in contrast to money market mutual funds, which have a fiduciary duty to seek to maximize the rates they pay investors consistent with the funds' investment strategies. There is no necessary linkage between the bank rates of interest and other rates available the market, including money market mutual fund rates.

If an Account's cash is invested in a money market mutual fund (because, for example, the Account opted out of the FDIC-Insured Cash Program or is a Section 403(b)(7) custodial account), AssetMark Trust receives and expects to receive service fees from the mutual fund or its service providers. AssetMark Trust expects the Program Fees it receives from Program Banks in the FDIC-Insured Cash Program to be at a higher rate than any service fee it will receive from money market mutual funds or their service providers and that has been its recent experience. This is a conflict of interest for AssetMark Trust in that it expects to receive a higher Program Fee from Program Banks than the service fee from money market mutual funds.

#### **CDARS Program for Certificates of Deposits**

In addition to the FDIC-Insured Cash Program (and its ICD and HYC deposit accounts), AssetMark Trust makes available to its custodial client a Certificate of Deposit Account Registry Service® ("CDARS") Program that allows a depositor to deposit amounts in Certificates of Deposit ("CDs") at one or more depository institution insured by the Federal Deposit Insurance Corporation ("FDIC"). This service is expected to be offered beginning in May 2024. Deposits in the CDARS Program are deposited through a network of individual "Destination Institutions" unaffiliated with AssetMark Trust. Subject to the satisfaction of certain conditions, these deposits are eligible for FDIC insurance up to the maximum amount permitted by the FDIC, currently \$250,000 for all deposits held at each Destination Institution in the same legal capacity. AssetMark Trust is not a depository institution and does not issue or offer CDs. There is no Platform Fee assessed on the CDs held in your GSA. If instructed by your Financial Advisor, a Financial Advisor Fee can be charged.

#### ***Conflicts of Interest:***

Client participation in the CDARS Program results in financial benefits for AssetMark Trust and its affiliates that create conflicts of interest. AssetMark Trust receives compensation from the Destination Institutions for the placement of deposits in CDs through the CDARS Program (the "Placement Fee"). (The third-party administrator of the CDARS Program also receives a fee ("CDARS Administrative Fee") from the Destination Institutions.) AssetMark Trust, in consultation with AssetMark, determines the amount of its Placement Fee, and the Placement Fee reduces the interest rates paid by the Destination Institutions on the CDs under the CDARS Program, as does the CDARS Administrative Fee paid to the third-party CDARS Program Administrator. In determining the Placement Fee, AssetMark Trust and AssetMark consider a number of other factors, including the rates paid on CDs in competitor programs. The Placement Fees paid AssetMark Trust can be up to 4% on an annualized basis viewed on a rolling twelve-month basis across all CDs. AssetMark Trust has discretion over the amount of its Placement Fee, and AssetMark Trust reserves the right to modify the Placement Fees it receives from Destination Institutions. This discretion in setting the Platform Fee creates a conflict of interest on the part of AssetMark Trust and AssetMark; the greater the Placement Fee AssetMark Trust receives – which is determined by AssetMark Trust in consultation with AssetMark – the lower the interest rate paid to



Clients on CDs. In certain interest rate environments, the Placement Fee is a substantial source of revenue to AssetMark Trust and, indirectly, to AssetMark Financial Holdings, Inc. AssetMark Trust can reduce its Placement Fees and can vary the amount of the reductions between Clients and the amount of interest paid Clients. No part of the Placement Fee is paid to Financial Advisors.

The Placement Fees paid to AssetMark Trust can be greater or less than compensation paid to other custodians for similar services. The interest rate CDs earn with respect to the CDARS Program offered through AssetMark Trust can be lower than interest rates available to depositors making deposits directly with, or purchasing CDs directly from, a Destination Institution or other banks or depository institutions. Destination Institutions have a conflict of interest with respect to setting interest rates and do not have a duty to provide the highest rates available on the market and can instead seek to pay a low rate; lower rates are more financially beneficial to a Destination Institution. This is in contrast to money market mutual funds, which have a fiduciary duty to seek to maximize the rates they pay investors consistent with the funds' investment strategies. There is no necessary linkage between the bank rates of interest on CDs and other rates available the market, including money market mutual fund rates.

In addition to CDs, AssetMark Trust custodial clients may invest cash in the FDIC-Insured Cash Program (and its ICD and HYC deposit accounts) and/or money market mutual funds. If an Account's cash is invested in a money market mutual fund, AssetMark Trust receives and expects to receive service fees from the mutual fund or its service providers. AssetMark Trust expects the Placement Fees it receives from Destination Institutions in the CDARS Program to be at a higher rate than any service fee it will receive from money market mutual funds or their service providers. This is a conflict of interest for AssetMark Trust in that it expects to receive a higher Placement Fee from Destination Institutions than the service fee from money market mutual funds.

#### **Securities-Backed Lines of Credit ("SBLOC")**

If Clients select AssetMark Trust to act as their Platform Custodian, they can use the holdings in their non-retirement Account(s) as collateral for a loan. Such loans are usually referred to as Securities-Backed Lines of Credit ("SBLOC").

*Suitability:* Using an Account as collateral for a loan is not suitable for all Clients. Securities-backed loans involve a number of risks, including the risk of a market downturn, tax implications if pledged securities are liquidated, and the potential increase in interest rates, and other risks. If the value of pledged securities drops below certain levels, the borrower can be required to pay down the loan and/or pledge additional securities. Clients must consider these risks and whether a securities-backed loan is appropriate before applying. Clients should consider these issues and discuss their financial position and objectives and whether using their investments as collateral for a loan is appropriate with their Financial Advisor.

There are two general ways for a Client to apply for a loan using the assets in their non-retirement AssetMark Trust custodial Account(s) as collateral: 1. Apply for a loan through a lender available through AssetMark Trust's Cash Advantage Lending<sup>SM</sup> service; or 2. Apply for a loan from the lending institution of the Client's choice.

*AssetMark Trust Company's Cash Advantage Lending<sup>SM</sup> Service:* AssetMark Trust has established relationships with two separate lenders to which Clients can apply for a line of credit under AssetMark Trust's Cash Advantage Lending<sup>SM</sup> service. Currently, the two lenders are Supernova Lending, Inc. ("Supernova") and The Bancorp Bank, an FDIC-insured bank ("Bancorp"). AssetMark's arrangements with these lenders are designed to streamline the loan application process and provide the lenders access to information about the Accounts that

Clients use as collateral for the loans. AssetMark Trust is not affiliated with either Supernova or Bancorp, and each is responsible for its own services. Clients may also use their own lender. AssetMark Trust does not have the authority to encourage Clients to take a loan and does not have the authority to decide whether one of the lenders in its Cash Advantage Lending<sup>SM</sup> service will offer Clients loans. The interest rate paid for a line of credit can be negotiable.

*Compensation and conflicts of Interest:* AssetMark Trust benefits if a Client takes a loan because the lenders in the Cash Advantage Lending<sup>SM</sup> service pay AssetMark Trust compensation based on outstanding loan balances. AssetMark Trust has discretion to reduce its compensation in order to reduce the interest rate charged a loan. AssetMark Trust has a conflict of interest with respect to the interest rates charged on loans; the higher the compensation AssetMark Trust receives, the more expensive the loans are for Clients.

#### **Deposit Accounts Opened through AssetMark Trust Company's Cash Advantage<sup>SM</sup> Service**

If Clients select AssetMark Trust as their Platform Custodian, they can choose to open a deposit (checking) account at Bancorp, the FDIC-insured bank that offers online banking services and debit cards through AssetMark Trust's Cash Advantage<sup>SM</sup> service. Bancorp deposit accounts and AssetMark non-retirement custodial accounts can be linked, so that amounts can be automatically transferred between accounts based upon the minimum and maximum targets set for balances in the Client's Bancorp checking account. AssetMark Trust benefits financially if Clients open accounts at Bancorp because Bancorp pays AssetMark Trust compensation based on the average monthly balances in Clients' deposit accounts.

#### **CLASS ACTION SERVICES OFFERED BY AFFILIATE**

AssetMark Trust has contracted with Broadridge Investor Communication Solutions, Inc. ("Broadridge") to provide Class Action Services to AssetMark Trust custodial clients. Broadridge will be compensated for its Class Action Services to AssetMark Trust clients by retaining 20% of class action proceeds payable to AssetMark Trust clients (who have not opted out of the Class Action Services). AssetMark Trust also uses Broadridge as a service provider for other services. Broadridge is compensated by AssetMark Trust or another party, such as the security issuer, depending on the service. For example, AssetMark Trust pays Broadridge to deliver prospectuses related to the holdings in client accounts to AssetMark Trust clients, but the security issuer pays Broadridge for delivery of proxy materials. Broadridge provides incentives to AssetMark Trust to use Broadridge by providing rebates to AssetMark Trust if multiple services are used. AssetMark Trust receives payments from Broadridge based on the compensation Broadridge receives for delivery of proxy materials to AssetMark Trust clients, and the rate used to calculate these payments will increase if Broadridge Class Action Services are used. The rebate paid by Broadridge to AssetMark Trust (which is based on the compensation Broadridge receives for proxy material delivery from the security issuer) can exceed the amount of fees paid by AssetMark Trust to Broadridge during the year (for prospectus deliveries). This receipt by AssetMark Trust creates a conflict of interest in that it is to AssetMark Trust's advantage to offer Broadridge Class Action Services to its clients. AssetMark Trust addresses this conflict by this disclosure, by making clear to clients that they can opt out of the services and by having a procedure for them to do so. An additional conflict exists as follows. Clients can choose as the Strategy for their Account one managed by AssetMark Trust affiliate, AssetMark. AssetMark would then have the conflict of choosing for its advisory clients securities likely to be involved in class actions, because such could increase the likelihood that AssetMark Trust clients would choose to use Class Action Services. AssetMark Trust and AssetMark address this conflict by disclosing it.

## **AFFILIATE FEE INCOME AND ASSOCIATE CONFLICTS DISCLOSURE**

### **GPS Fund Strategies and GPS Select**

Client Accounts invested in these Strategies will receive allocations, determined by AssetMark, among AssetMark's Proprietary Funds. AssetMark receives fees from the Proprietary Funds in which these Accounts invest. The 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, the Client authorizes and instructs that the Account be invested pursuant to the selected profile and acknowledges that AssetMark is permitted to modify Fund allocations within a range such that fund management fees earned by AssetMark can 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 C at the end of the Disclosure Brochure.

## **INCENTIVE COMPENSATION**

Certain AssetMark associates, typically sales associates, are eligible to receive compensation pursuant to a Sales Incentive Plan ("SIP"). Payments under a SIP are based on meeting certain production goals in support of AssetMark's long-term growth strategy and profitability but are not based on specific product offerings. Financial Advisors, not an AssetMark associate, is responsible for a Client's suitability and/or investment recommendations. AssetMark can also provide additional incentives for affiliate (Adhesion Wealth Services) program referrals or to promote services, e.g. tax management services. Certain AssetMark associates are also eligible to receive compensation based on meeting production goals specific to AssetMark's proprietary strategies. These incentives create a conflict of interest because AssetMark associates can earn more compensation in support of AssetMark's business profitability and growth.

## **CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

AssetMark has adopted a Code of Ethics (the "Code") that is intended to comply with the provisions of Rule 204A-1 under the 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. The 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 have access to AssetMark pre-trade 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 certain employee transactions and gives AssetMark the ability to analyze those employee trades 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.

## **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 selects the broker-dealers or others with which transactions for Client Accounts are effected. There is often an additional charge by the Platform 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 Platform Custodian. Trades are bundled by Custodian in trading blocks and submitted for execution on a pre-determined randomized rotation, or through simultaneous submission to all Custodians. 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-

**This must remain with the Client**



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 could be available from broker-dealers other than the broker-dealer(s) generally used by the Client's Custodian. AssetMark, or other Discretionary Manager is permitted to trade outside the selected broker-dealer(s).

For Accounts custodied at AssetMark Trust, AssetMark, or the Discretionary Manager as applicable, can 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 creates a financial incentive for AssetMark to utilize that broker-dealer regardless of execution quality, in order to avoid incurring the charges that accompany trading with other broker-dealers. This incentive creates an actual or potential 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. However, 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 individual equity securities. Although ETFs are traded intra-day in the same manner as equity securities, the actual timing of trade order execution varies, 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 can 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, or simultaneously where possible, to provide the most feasibly equivalent execution for all participating Clients. On days with heavy trade volumes, AssetMark can utilize "not held" and/or "limit order" instructions in an attempt to reduce market impact on the price received for the security. When a Portfolio Strategist implements a reallocation adjustment or rebalance to its ETF strategy, and/or in the case of exceptionally high volume requests, AssetMark can 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 also seeks and can rely upon a Portfolio Strategist's recommendation for stepping out to an alternative broker when executing the Portfolio Strategists reallocation. There are no separate fees charged for ETF trades that are stepped out to an alternate broker, unless in the case of a broker trading on an agency basis, in which case their flat fee will be included in the execution price. On a quarterly basis, AssetMark's Execution Review Committee will review the step out trade activity in the Accounts.

AssetMark receives Model Portfolios or trade recommendations from Strategists on a non-discretionary basis. There can 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 invested in a Strategy is maintained in a short-term investment vehicle. This liquidity reserve (or "Cash Allocation") is generally referred to as the Custodian's cash "sweep" vehicle. The Cash Allocation target is 2%, and an Account's Cash Allocation is rebalanced quarterly if the allocation falls below 1.5% or is more than 2.5% of total Account assets. (Note: Accounts enrolled in AssetMark's Tax Management Service ("TMS") are not included in the quarterly rebalance. TMS is an optional service that AssetMark offers for some strategies on its Platform. Accounts enrolled in TMS may have Cash Allocations of more than 2%. TMS will review the Cash Allocation on an ongoing basis, with the objective to bring it to the 2% target, but with priority given to TMS objectives.)

The sweep vehicle for the Cash Allocation will differ by the Custodian and Strategy selected by the Client. At AssetMark Trust, it is usually AssetMark Trust's Insured Cash Deposit ("ICD") Program but depending upon the Strategy selected for the account, could be a money market mutual fund or other short-term pooled investment vehicle. Additionally, an AssetMark Trust Client can opt out of the ICD Program for the Account's Cash Allocation, in which case the Account will be invested in one or more money market funds (see FDIC-Insured Cash Program, above).

## DELIVERY OF FUND REDEMPTION PROCEEDS

Mutual funds are included in some Client Accounts. Under certain economic or market conditions or other circumstances, mutual funds pay redemption proceeds by an in-kind distribution of securities in lieu of cash. Mutual funds, broker-dealers or transfer agents can experience delays in processing orders, or 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 Platform Fee, which includes custody, does not vary depending on whether AssetMark receives these execution reports or not.

## CUSTODIAL RELATIONSHIPS

AssetMark does not provide custodial services to its Clients. Client assets are held with banks, financial institutions or registered broker-dealers ("Platform Custodians" or "Custodians") that are qualified Custodians under Advisers Act Rule 206(4)-2. Clients will receive custodial account statements directly from their selected Platform Custodian at least quarterly. Clients are urged to carefully review those statements and compare the custodial statements to the quarterly performance reports that are available to them. **The Client agrees to review all Account Statements, trade confirmations and other notices and confirmations of information and promptly notify AssetMark of any errors within 10 days.** AssetMark shall not be liable for any losses due to errors that remain unreported for more than 10 days after receipt of mailed Account Statements, trade confirmations and other notices and confirmations of information or the electronic posting of such documents. Not all Solution Types are offered at all Custodians.

The AssetMark Platform provides access to the following Platform 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.
- Charles Schwab & Co., Inc. ("Schwab"). 7801 Mesquite Bend Drive, Ste. 112, Irving, TX 75063
- Fidelity Brokerage Services, LLC ("Fidelity"). 200 Seaport Boulevard, Boston, MA 02210.
- Pershing Advisor Solutions ("PAS"). One Pershing Plaza, Jersey City, NJ 07399.

On an exception basis, AssetMark can allow for the selection of a Platform Custodian not listed above. The assets of each Client Account are custodied at a Platform Custodian, and each Client must contract separately with their selected Platform Custodian for custodial services. Payment for the custodial and brokerage services provided by the Platform Custodian to the Account are included in the AssetMark Platform Fee. Refer to "Custodial Account Fees and Servicing Costs" below, for more information on what is included in the Platform Fee. The Client authorizes the Custodian to debit Platform Fees from the Account.

All Client Accounts are separately maintained on the records of the Client's selected Custodian. With regard to AssetMark Trust, Client funds and securities are typically 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 uses 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 (f/k/a Bank One).

The Client, with the assistance of their Financial Advisor, shall select a Custodian for their Account. 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 can inquire about their current holdings and the value of their Accounts on a daily basis by electronic or web-based access. The Custodian can 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 can elect, by written request to AssetMark or AssetMark Trust, to receive a confirmation of each security transaction and such confirmations will thereafter be provided. A Client can incur termination fees from another custodian when transferring their account to ATC. ATC can elect to reimburse these termination fees to the Client. This arrangement can be deemed to cause a conflict of interest because they provide Financial Advisory Firms and Financial Advisors and their Clients with incentives to place Client assets with ATC, and ATC and AssetMark can earn more revenue.

The Custodians will mail a letter of acknowledgement confirming the establishment of an Account and receipt of assets, 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 AND SERVICING COSTS

The Platform Fee is a "wrap" fee and includes payment for custodial and brokerage services. AssetMark pays each Platform Custodian to provide custodial and brokerage services to Client Accounts. Clients do not pay transaction fees on any trades made in the Solution Types available on the Platform, unless described in the separate Custody Agreement with their selected Custodian. There are some Solution Types that do incur additional fees at the Custodian, such as fixed-income solutions or those that hold alternative or option products. Additionally, AssetMark Trust charges an annual Administrative Custody Fee of \$25.00 and reserves the right to waive this fee at its discretion.

Each Client will enter a custodial agreement with their selected Custodian and be provided a fee schedule or schedule of charges. Refer to the Custody Agreement or schedule of charges for specific fees applicable to the Client Account that are not included in AssetMark's Platform Fee. For example, the Custodians can 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 can also apply to Accounts in Solution Types that are either closed or no longer offered to new Clients. As well, for some legacy strategies on the AssetMark Platform no longer available to new investors, AssetMark continues to use retail share classes. All custody fee details are clearly presented in each Custodian's fee schedule and separate custody agreement.

AssetMark has negotiated with each Platform Custodian the compensation that AssetMark will pay the Custodian for providing custodial and brokerage services to Client Accounts. AssetMark provides third-party Platform Custodians with significant support services with respect to the custodial services that the Custodians must perform, including, for example, reviewing new Account paperwork and communicating with Financial Advisors to resolve incomplete custodial paperwork. These Services are taken into consideration when AssetMark and each Custodian negotiate the compensation that AssetMark will pay the Custodian for providing custodial and brokerage services to Client Accounts. The amount of the compensation that AssetMark pays differs between Custodians. Additionally, AssetMark generally receives more revenue when Clients choose AssetMark Trust as their Custodian. These differences in payments and revenue create conflicts of interest for AssetMark. AssetMark addresses these conflicts by having the same Platform Fee apply regardless of the Custodian chosen and by allowing the Client to choose their own Custodian, which can be AssetMark's affiliated Custodian, AssetMark Trust. Although the Platform Fee is the same among Custodians, different fees for incidental expenses can apply. Pursuant to the services agreement between AssetMark and AssetMark Trust, AssetMark reallocates expenses for non-advisory services that AssetMark provides to AssetMark Trust. These services are primarily administrative in nature, all of which are provided by AssetMark for the benefit of all affiliates, including AssetMark Trust.

## 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. If the Client selects AssetMark Trust as their Custodian, Clients

waive receipt of prospectuses, shareholder reports, proxies and other shareholder documents. This waiver can be rescinded at any time by written notice to AssetMark. Clients that select a Custodian other than AssetMark Trust, i.e., PAS, or Fidelity, elect to receive prospectuses, shareholder reports, proxies and other shareholder materials for Accounts invested in a Mutual Fund Strategy or Guided Portfolios, i.e., GPS Fund Strategies or GPS Select. The Client is entitled to receive materials related to Proprietary Funds advised by AssetMark.

#### **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. AssetMark's parent company, AssetMark Financial Holdings, Inc., files quarterly and annual financial statements with the SEC. These are available through the SEC and on our parent company web site at the following location:

**[www.assetmark.com](http://www.assetmark.com)**

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

Not applicable to AssetMark as the Platform sponsor.

**EXHIBIT A – SOLUTION TYPES – MODEL PROVIDERS AND INDIVIDUAL MANAGED ACCOUNTS**

ASSETMARK PLATFORM				
INVESTMENT SOLUTIONS	MODEL PORTFOLIOS		INDIVIDUALLY MANAGED ACCOUNTS	
	PROPRIETARY	3RD PARTY	PROPRIETARY	3RD PARTY
	GPS Fund Strategies	Acadian <sup>4</sup>	AssetMark Custom HNW	City National Rochdale (HNW)
	GPS Select <sup>1</sup>	AlphaSimplex		CIBC (HNW)
	Guided Income Solutions <sup>2</sup>	AllianceBernstein <sup>4, 5</sup>		Clark PUMA (HNW)
	Market Blend - Global	Beaumont		William Blair (HNW)
	Market Blend - US	BlackRock <sup>4, 5</sup>		Parametric - Custom
	MarketDimensions	Brown Advisory <sup>4, 5</sup>	Fixed-Income	
	OBS DFA/EFS Portfolios	Capital Group (American Funds) <sup>4</sup>	Savos Fixed Income - Laddered Bonds	Parametric
	WealthBuilder	Dorsey Wright		Clark
	AssetMark Asset Builder	DoubleLine <sup>3</sup>		Nuveen
	AssetMark Personal Values	Federated-Hermes <sup>4</sup>		
	AssetMark Income Builder	Fiera Capital <sup>4</sup>		
	Savos Preservation	First Trust		
	Savos GMS/PMP <sup>1</sup>	Franklin Templeton		
	Savos USRC	Hartford (Wellington) <sup>4</sup>		
	Savos Personal Portfolios <sup>1</sup>	JP Morgan <sup>4</sup>		
	GuidePath Managed Futures <sup>3</sup>	Julex		
		Kensington		
		Logan <sup>4</sup>		
		New Frontier		
		Nuveen <sup>5</sup>		
		Neuberger Berman <sup>3, 4</sup>		
		PIMCO		
		Principal (Principal Edge)		
		State Street		
		Stone Ridge <sup>3</sup>		
		VanEck		
		WestEnd		
		William Blair <sup>4</sup>		
FINANCIAL ADVISOR CUSTOM ACCOUNTS <sup>1</sup>				
Multi-Strategy Account (MSA)				
Custom GPS Select				
Custom Savos GMS and PMP				
Savos Personal Portfolios Custom				
OTHER SERVICES AND NON-MANAGED ACCOUNTS				
Administrative Accounts				
General Securities Account				
ICD and High Yield Cash				
INVESTMENT VEHICLES				
closed-end mutual funds; open-end mutual funds; ETFs, alternatives, stocks, fixed income, bonds, options, preferred stocks; treasury bonds, bills and notes, bank notes.				

<sup>1</sup> Financial advisor can customize this Model Portfolio to more closely reflect the Client's specific needs or preferences<sup>2</sup> Goal or target-based Solution<sup>3</sup> Individual Mutual Fund or Model Provider offers at least one Individual Mutual Fund solution<sup>4</sup> Offers at least one equity model; used in SMA Program<sup>5</sup> Offers at least one ESG model

## EXHIBIT B – ASSETMARK PORTFOLIO SOLUTIONS – SOLUTION TYPES

AssetMark Portfolio Solutions (“APS”) serves as the Portfolio Strategist and Investment Manager for the proprietary Models and IMA Solution Types described below. APS can exercise its discretion by making investment decisions that are tailored to one specific proprietary solution and not applicable to all proprietary solutions on the Platform.

### MODEL PORTFOLIOS

#### Guided Portfolios

- GPS Fund Strategies
- GPS Select

#### Mutual Fund Solution Types

- Market Blend (GuideMark Funds)
- OBS/DFA
- AssetMark Asset Builder
- AssetMark Personal Values
- AssetMark Income Builder

#### Exchange-Traded Fund (“ETF”) Solution Types

- MarketBlend

#### Mutual Fund/ETF Blend Solution Types

- WealthBuilder
- MarketDimensions

#### Savos Solution Types

- IMA Accounts, (Equity Balanced, Fixed-Income, and Custom High-Net Worth)
- Savos Preservation Strategy
- Savos GMS Accounts
- Savos PMP Accounts
- Savos US Risk Controlled Strategy, and
- Savos Personal Portfolios

#### Guided Income Solutions

### I. GUIDED PORTFOLIOS

#### GPS Fund Strategies

For GPS Fund Strategies, AssetMark will provide investment allocations across Investment Strategies based on investment objectives, market outlook, risk profile and other preferences. As of the date of this Brochure, the GPS Fund Strategies primarily utilize NTF mutual funds advised by AssetMark, the GuidePath Funds. AssetMark advised mutual funds, including the GuidePath Funds, are collectively known as “Proprietary Funds.”

AssetMark is compensated by the Proprietary Funds for its advisory services provided to the Proprietary Funds. The Platform Fee for the GPS Fund Strategies is lower than that charged for strategies with third party funds. The Platform Fee for the GPS Fund Strategies does not include a charge for advisory services but pays for custodial, trading, administrative and other services.

APS starts with a baseline allocation across Investment Strategies; however, these allocations will tilt over time based on their view of the risk environment. This allocation mix is met with the use of GuidePath

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. A blended mix of Investment Strategies with an emphasis on growth of capital is used.

*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. A blended mix of Investment Strategies with an emphasis toward providing income with a secondary objective of growth of capital is used.

*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 Strategies used to complement other Solution Types selected for the Client Portfolio.

*Core Markets Focused.* Strategies seek to provide exposure to growth of capital markets and are generally allocated to Core solutions blending a mix of equities and bonds.

*Tactical Focused.* Strategy seeks to provide flexible exposure to the equity market dependent on risk environment and for defensive equity exposure.

*Tactical-Low Volatility Focused.* Strategies seek to provide flexible exposure to the equity market alongside flexible bond exposures in a blended mix.

*Low Volatility Focused.* Strategy seeks to provide a low correlation to equities with low volatility experience similar to bonds for risk management purposes.

*Multi-Asset Income Focused.* Seeks to provide a blend of income and growth, and depending on the profile. A core position in the GuidePath Multi-Asset Income Fund is held with complementary exposure to GuidePath Growth Allocation, Tactical Allocation and Absolute Return.

#### 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 APS Solutions and Proprietary Funds. APS starts with a baseline allocation across Investment Strategies; however, these allocations will tilt over time based on their view of the risk environment.

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 utilize institutional share classes. Some mutual funds have both institutional share classes, which do not charge fund shareholders 12b-1 fees but which typically do charge fund shareholders for shareholder servicing or sub-transfer agent fees, and retail share classes, which charge fund shareholders



12b-1 fees as well as shareholder servicing fees or sub-transfer agent fees. AssetMark will seek to use institutional classes where these share classes are available. AssetMark has determined that for most Clients, transaction fee mutual funds and share classes would be more expensive than non-transaction fee mutual funds and share classes. The Platform Fee for these solutions is used to pay for the administration and servicing of the Accounts that AssetMark performs. 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, the institutional share class is not always consistently available. In those cases, AssetMark will seek to invest Clients in the lowest cost share class that is commonly available across Custodians. The institutional share class is typically lower, however, in some cases, the lowest share class can be the retail share class. See Servicing Fees Received by Custodians, including AssetMark Trust Company and Share Class Use in Item 4, Service, Fees and Compensation.

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

- *Select Wealth Preservation.* Strategy seeks to preserve capital while keeping up with inflation and is allocated with a blended mix to selected Strategist portfolios across Investment Strategies. This Strategy is designed for wealth preservation and protection from inflation.
- *Select Accumulation.* Strategies seek growth of capital and are allocated with a blended mix to selected Strategist portfolios Investment Strategies.
- *Select Distribution.* Strategies seek a blend of income and growth of capital and are allocated with a blended mix to selected Strategist portfolios across Investment Strategies. 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 Strategies used to complement other Solution Types selected for the Client Portfolio.

- *Select Low Volatility.* Strategy seeks to provide a low correlation to equities with low volatility experience and is allocated with a blended mix to selected Strategist portfolios mainly emphasizing bonds. This focused investment Strategy targets low volatility with a low level of return.
- *Select Tactical.* Strategies seek to provide flexible exposure to the equity market alongside flexible bond exposures and are allocated with a blended mix to selected Strategist portfolios across mainly defensive equity and bond Investment Strategies. 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 seek to provide a blend of income and growth, and are allocated with a blended mix to selected Strategist portfolios across Investment Strategies. This focused investment Strategy seeks to provide an enhanced level of income across changing markets.

AssetMark manages GPS Select using limited discretionary authority. While AssetMark will exercise limited discretion on the Portfolio asset allocation within portfolio investment sleeves, AssetMark relies upon the third-party Strategists to conduct individual security selection. As discussed above AssetMark will seek to utilize the lowest cost mutual fund share class for Accounts in the GPS Select Solutions, however, because of limitations on the securities available at the Platform Custodians, there will be circumstances where AssetMark is not able to obtain the lowest cost mutual fund share class available, and will have exercised "discretion" in selecting an alternative share class.

Refer to Exhibit C at the back of this Disclosure Brochure for more information.

## MUTUAL FUND SOLUTION TYPES

### Market Blend Mutual Fund Strategies

Market Blend Strategies use Proprietary Funds, and in Market Blend Strategies, AssetMark provides the following strategic asset allocation Strategies. With the assistance of the Financial Advisor, Clients can select from the following Market Blend Mutual Fund Strategies:

- Global GuideMark Market Blend
- US GuideMark Market Blend

These Strategies will provide a strategic asset allocation across seven to ten 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 take domestic exposures. Asset class exposures are reviewed on an ongoing basis for drift against volatility-based targets and relative to the updated model based on new data being available. Where the drift exceeds pre-set criteria, the Account will be rebalanced or reallocated to the revised allocations. The investment vehicles used to implement the Strategy are the proprietary GuideMark Funds that provide exposure to each of the asset classes. APS manages the Market Blend Strategies and the underlying Proprietary Funds, but the Client, with the advice of the Financial Advisor, chooses whether to invest, or remain invested, in the Market Blend Strategies. APS does not advise the Client whether to invest, or to remain invested, in the Market Blend Strategies.

It is important to note that Client Accounts invested in Market Blend Mutual Fund Strategies will receive allocations, determined by APS, 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 fund advisory fees collected by AssetMark will vary depending upon the profile selected by the Client and the fund allocation within each profile. If a Client, as advised by the Financial Advisor, selects a Market Blend Mutual Fund Solution, the 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, within the ranges provided in Exhibit C. The Client will be given notice if these ranges or funds change and it results in a higher average weighted fee earned. Unless the Client or Financial Advisor gives notice to APS, Client consents to these changes. See Exhibit C for more information.

### AssetMark Asset Builder (formerly known as Aris Asset Builder)

APS provides strategic asset allocation services utilizing mutual funds. Client asset allocations are dependent on the stated risk parameters and investment objectives of the Client. Assets are managed on a discretionary basis. Clients can transfer existing investments to fund the Account; however, all transferred assets will be liquidated and

**This must remain with the Client**

invested to the appropriate asset allocation without regard to any taxable gains or losses that can result. Periodic Account reviews will include Account rebalancing. Rebalancing can be performed without consideration for any realized taxable gains or losses that result. Clients can place reasonable restrictions on Accounts.

#### **AssetMark Income Builder (formerly known as Aris Income Builder)**

Income Builder is an asset allocation strategy designed to provide a higher level of current yield in comparison to traditionally asset allocated portfolios with a similar risk profile. Income Builder will allocate the portfolio across a variety of fixed income and equity investments: traditional fixed income, high yield fixed income, income and growth and traditional equities. While Income Builder is designed to provide a higher current yield, a higher yield is not guaranteed.

#### **AssetMark Socially and Faith Based Screened Portfolios (formerly known as Aris Socially and Faith Based Screened Portfolios) (Values Based Portfolios)**

At a Client's request, APS will offer portfolios managed for various social or faith based considerations ("Personal Values Portfolios"). Such portfolios can be offered under the Asset Builder and the AssetMark Custom High Net Worth strategies. Personal Values Portfolio allocations are typically constructed from mutual funds, but can also include Separately Managed Accounts, individual securities, closed-end funds and exchange traded funds. Mutual funds utilized in Personal Values Portfolios are selected from a more limited menu of mutual funds than "traditional" allocations. As a result, and though not expected, risk characteristics and returns of Personal Value Portfolios could vary significantly from our traditional Portfolios. Minimum Account sizes for applicable service levels apply and are subject to negotiation.

### **ETF SOLUTION TYPES**

#### **Market Blend ETF Strategies**

With the assistance of the Financial Advisor, Clients can select from the following Market Blend ETF Strategies:

- *Global Market Blend Strategies.* These Strategies will provide a global strategic asset allocation across 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 an ongoing basis for drift against volatility-based targets and relative to the updated model based on new data being available. Where the drift exceeds pre-set criteria, the Account will be rebalanced or reallocated to the revised allocations. On at least 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.
- *US Market Blend Strategies.* These Strategies will provide a domestic strategic asset allocation across 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 an ongoing basis for drift against volatility based targets and relative to the updated model based on new data being available. Where the drift exceeds pre-set criteria, the Account will be rebalanced or reallocated to the revised allocations. On at least 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 FUND AND ETF BLEND SOLUTION TYPES**

#### **MarketDimensions Strategies**

For the MarketDimensions Strategies, APS will seek to create strategic global portfolios through a combination of multiple asset classes including equities and fixed income. In seeking to maximize total return, these Strategies allocate to a diversified portfolio of domestic and international equity securities, domestic and international fixed income securities, and cash equivalent money market securities indirectly using Dimensional Fund Advisors mutual funds and ETFs (DFA Funds).

With the assistance of the Financial Advisor, Clients can select from the following MarketDimensions Strategies.

- *Standard.* The Global Standard Strategy will represent asset classes selected from the broad universe of DFA Funds.
- *Tax-Sensitive.* The Tax-Sensitive Strategy will represent asset classes seeking to use tax-advantaged DFA Funds where possible.

The Strategy will be reallocated typically one to two times per year. APS will monitor the Strategies' exposures to the asset classes on an ongoing basis for excessive drift against volatility-based targets and relative to the updated model based on new data being available. Where the drift exceeds pre-set criteria, the Account will be rebalanced or reallocated to the revised allocations.

#### **OBS Strategies**

APS will seek to create strategic global portfolios through a combination of multiple asset classes including equities and fixed income. In seeking to maximize total return, these Strategies allocate to a diversified portfolio of domestic and international equity Securities, domestic and international fixed income Securities, and cash equivalent money market securities indirectly using Dimensional Fund Advisors mutual funds and ETFs (DFA Funds). These strategies will bias towards the factors favored by Dimensional Fund Advisors.

With the assistance of the Financial Advisor, Clients can select from the following OBS Strategies.

- *AssetMark DFA/EFS.* The Flagship Strategy will represent asset classes selected from the broad universe of DFA Funds.
- *AssetMark DFA/EFS.* Enhanced International. The Enhanced International Strategy will represent asset classes selected from the broad universe of DFA Funds and will tilt exposures more towards international markets.

The Strategies will be reviewed at least annually for reallocation. APS will monitor the strategies' exposures to the asset classes on a quarterly basis for excessive drift against volatility-based targets and will rebalance the Strategies if targets are breached.

#### **WealthBuilder Strategies**

For WealthBuilder Strategies, APS will provide strategic investment allocations across Investment Strategies based on investment objectives, market outlook, risk profile and other preferences to provide a portfolio seeking to grow their capital. APS combines a Core Market globally focused Core portfolio of ETFs with three complementary third-party mutual funds that represent other Investment Strategies. The Strategy will also be comprised of a 2% allocation to cash. For more information regarding the cash allocation, refer to the ICD Program section under Other Financial Industry Activities and Affiliations and Affiliate Conflicts of Interest. The goal of the portfolio is to manage risk efficiently through diversification of Strategy. The Core Market portfolio

will provide a strategic asset allocation across seven to ten 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 portfolio is globally diversified with asset class exposures reviewed on a quarterly basis for drift against volatility-based targets. Where the drift exceeds pre-set criteria, the Account will be rebalanced. The mutual funds complement the Core Market portfolio and are selected based upon their representation of the approach. Each Fund undergoes deep due diligence before being used within the Strategy, and institutional shares are used. On an annual basis, the portfolio's exposures are reviewed for reallocation of the Strategy.

## **SAVOS SOLUTION TYPES**

- Savos Preservation Strategy
- Savos GMS Accounts
- Savos PMP Accounts
- Savos US Risk Controlled Strategy
- Custom Accounts
  - Savos Personal Portfolios
  - Savos Fixed Income Strategies
- AssetMark Custom High Net Worth

### **Savos Preservation Strategy**

For the - Savos Preservation Strategy, APS provides discretionary investment management services to the Account, and the Client grants APS 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 is considered to be Risk/Return Profile 1 as a bond Investment Strategy.

The primary investment objective of the Savos Preservation Strategy is to generate a positive real (after-inflation) return over each 12 month period. A secondary objective is to limit the strategy's sensitivity to changes in interest rates. Intra-year volatility and performance will vary and are independent of the Strategy's primary investment objective. There is no guarantee that the Strategy's primary and secondary investment objective will be met in all market conditions. The Account will be invested primarily in mutual funds and ETFs.

This Strategy is permitted to invest in, among other things, "opportunistic" or "specialized" asset categories, which can include real estate, commodities, precious metals, energy and other less traditional asset classes, with no geographic restrictions.

Additionally, APS is permitted to use one or more Proprietary Funds within the Strategy. The Strategy for each Proprietary Fund is described in more detail in the Proprietary Funds' prospectus. All Proprietary Funds utilized are registered investment companies for which AssetMark serves as investment adviser.

### **Savos GMS, PMP, US Risk Controlled and Savos Personal Portfolios**

APS manages UMAs and is also referred to as Discretionary Manager providing discretionary investment management services. APS selects securities directly for Client Accounts.

IMA Accounts are permitted to hold investments selected by APS, and these investments can include, but are not limited to, some or all of the following types of securities: ETFs; equities, closed-end mutual

funds; open-end mutual funds; preferred stocks; Treasury bonds, bills and notes; and bank notes. The asset allocation decisions, and security selection decisions will be made solely by APS at its discretion.

For IMA Accounts, APS employs comprehensive analysis, including specific mathematical, technical and/or fundamental tools and risk-control criteria in the management of Client Accounts. The focus of APS as Discretionary 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 securities with investment characteristics which APS believes are appealing; and (iii) the formation of portfolios with risk management options to match the portfolio to the Client's chosen level of risk tolerance.

For GMS and PMP accounts, a risk management strategy is 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 APS.

### **GMS & PMP Accounts**

Clients who select the GMS or PMP 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 the Platform 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. APS reserves the right, in its sole judgment, to accept certain investments below the standard minimum.

In a GMS or PMP Account, the Client authorizes APS to provide discretionary investment management services to the Account. The Client grants APS 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. APS is permitted to invest the Account in individual securities, pooled investment vehicles, such as mutual funds or ETFs or in other securities or investments.

Additionally, APS is permitted to 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 are registered investment companies for which AssetMark serves as investment adviser.

APS will adjust the holdings in a GMS or PMP Account on an ongoing basis. In some instances, APS will sell or readjust GMS or PMP 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 can take three or more business days.

The GMS or PMP Account is a Core Investment Strategy allocating across equities and fixed income. The type of fixed income used will vary depending on the risk profile selected. There are two main investment mandates that a client can choose between:

- *High Dividend* – The account will primarily be allocated to U.S. stocks and tilted towards dividend paying securities which can include significant allocations to real estate and high dividend paying stocks.

**This must remain with the Client**

- *Global* – The account will be allocated to U.S. and international securities (including emerging markets).

With the assistance of the Client's Financial Advisor, the Client selects a Risk/Return Profile for the GMS or PMP Account. Only Profiles numbered two (2) through six (6) that is Moderate, Moderate Growth, Growth and Maximum Growth are available.

### **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. Discretionary authority includes the authority, without first consulting with the Client to buy, sell, remove and replace securities and to determine the allocations to each investment, select broker-dealers, vote proxies, and take any and all other actions on the Client's behalf that APS determines is customary or appropriate for a discretionary investment adviser to perform.

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. APS reserves the right, in its sole judgment, to accept certain investments below the standard minimum.

In the US Risk Controlled Strategy, the Client authorizes APS to provide discretionary investment management services to the Account. The Client grants APS the authority to buy and sell securities and investments for the Account, to vote proxies for securities held by the Account and other discretionary authorities. APS retains the right to allocate across asset classes, which will include such recommended securities, in its own discretion. APS invests the Account in individual securities and ETFs.

The US Risk Controlled Strategy adjusts equity exposure, seeking to limit losses in extreme market declines while participating in equity market returns most of the time. APS will adjust the holdings in the US Risk Controlled Strategy based on a proprietary indicator. APS will sell or readjust holdings where appropriate based on the indicator. During periods of heightened market volatility, APS will have the ability to adjust the holdings to a non-equity alternative. During periods of low market volatility, APS will have the ability to 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 can take three or more business days.

The US Risk Controlled Strategy is a defensive U.S. equity solution (Tactical Limit Loss) and is offered in a single risk profile, Profile six (6), Maximum Growth.

### **Custom and Advisor - Custom Accounts**

The Client, with the assistance of the Financial Advisor, can request that APS deviate from standard allocations for the selected GMS or PMP Strategy. Such an Account is considered a Custom GMS or PMP Strategy. The Custom GMS and PMP Strategy can be customized (1) based on a tax-managed transition plan, (2) due to a

request to reduce net capital gains on an ongoing basis, or (3) due to a request for other customization.

If the Client requests a tax-managed transition, APS will take commercially reasonable efforts to limit the immediate realization of net gains related to securities transferred in-kind. Clients can also ask that certain securities not be purchased for their Custom account. Clients can request the implementation of socially responsible screens, of Global Industry Classification Standard ("GICS") codes or social themes, or the exclusion of specific securities by CUSIP. Requests for restrictions are reviewed by AssetMark to ensure that they are reasonable and will not unduly impair AssetMark's ability to pursue the Strategy selected by the Client. Clients can also request a Custom Account consistent with a proposal or product sheet provided by APS for the Account. Contact your AssetMark consultant for more information.

Additionally, the Client, can choose to participate in a program in which their Financial Advisor, in consultation with APS, can request further customization for their Client's Account ("Advisor – Custom Accounts" or "ACA"). The Financial Advisory Firm will be solely responsible for determining the additional customization and the suitability for the Client. APS, in its discretion, will determine the implementation of the ACA. The Financial Advisory Firm will be solely responsible for determining the additional customization. The Financial Advisory Firm can request that APS recommend to the Financial Advisory Firm asset allocations or investment selections for the ACA, but APS does not provide any individualized investment advice to ACA. The asset allocation classification of the custom models developed by the Financial Advisory Firm may not be consistent with the Investment Approaches or Risk Return Profiles described in this Disclosure Brochure for the GMS or PMP Accounts described below. The GMS or PMP Platform Fee schedules will be charged to the Client Account, unless otherwise negotiated between the Financial Advisory Firm and APS.

### **Savos Personal Portfolios**

Clients who select the Savos Personal Portfolios must deposit at least \$150,000 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 \$150,000. 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 \$150,000 minimum for investment. APS reserves the right, in its sole judgment, to accept certain investments below the standard minimum.

In Savos Personal Portfolios, the Client authorizes APS to provide discretionary investment management services to the Account. The Client grants APS the authority to buy and sell securities and investments for the Account, to vote proxies for securities held by the Account and other discretionary authorities. APS retains the right to allocate across asset classes, which will include such recommended securities, in its own discretion. APS invests the Account in individual securities, mutual funds and ETFs.

Savos Personal Portfolios is a Core Investment Strategy invested in a mix of traditional asset classes, mainly equities and fixed income, and a tactical Strategy. Savos Personal Portfolios seeks to provide total return through the combination of multiple asset classes predominantly in equity and fixed income. The tactical sleeve adjusts equity exposure, seeking to limit losses in extreme market declines while participating in equity market returns most of the time. The fixed income holdings will include a combination of ETFs and/or mutual funds selected to maximize the yield of the fixed income sleeve while managing to pre-



defined risk limits. The Tax-Sensitive Strategies will offer an optional, personalized tax-managed transition in the Account and will also offer tax-loss harvesting to Clients.

There are two main investment mandates a client can choose between:

- *Growth and Growth Tax-Sensitive* - The Strategy focuses on growth whereby equity exposure is taken across U.S. and international equity market securities (including emerging markets), targeting stocks selected to maximize exposure to equity style factors such as value, momentum, and quality.
- *Dividend and Dividend Tax-Sensitive* - The Strategy focuses on growth and income whereby equity exposure targets stocks that exhibit positive exposure to equity style factors including dividend yield.

The Savos Personal Portfolios follow the Core Markets Investment Approach. Profiles numbered three (3) through six (6), are available for the Savos Personal Portfolios, and can be customized based on a tax-managed transition plan.

#### **Savos Personal Portfolios - Custom**

A Savos Personal Portfolio - Custom Account can be customized within a specific range across equity, fixed-income and tactical allocations. The Client, with the assistance of their Financial Advisor, can select from various Savos Strategies. In doing so, and by selecting within the range of pre-determined allocations, a Savos Personal Portfolios - Custom Account will be established. Each equity, fixed-income and tactical allocation is referred to as a "sleeve" allocation.

APS will make available the specific range of pre-determined allocations, which range will be updated from time to time. The number of sleeves selected can vary from a minimum of one to a maximum of nine sleeve selections, to comprise the entire Savos Personal Portfolios - Custom Account. There is an investment minimum of \$20,000 in the equity and tactical sleeve, and \$10,000 for the fixed-income sleeve.

The Custom Savos Personal Portfolio Strategy can be customized based on a tax-managed transition plan.

The Financial Advisory Firm and the Financial Advisor will be solely responsible for determining the Risk Return profile, additional customization and the suitability for the Client Account. APS, in its discretion, will determine the implementation of the APS Personal Portfolio - Custom. APS does not provide any individualized investment advice to Savos Personal Portfolios - Custom. The asset allocation classification of the custom models developed by the Financial Advisory Firm may not be consistent with the Investment Approaches or Risk Return Profiles described in this Disclosure Brochure.

Profiles numbered one (1) through six (6), are available for the Savos Personal Portfolios Custom Account.

#### **AssetMark Custom High Net Worth (formerly known as Aris Custom High Net Worth)**

The AssetMark Custom High Net Worth service is available through APS. The minimum Account size for this Account is \$500,000. APS uses a number of the Strategies and advisory services in providing discretionary investment management services to the Custom High Net Worth Account. APS can invest the Account in direct securities, pooled investment vehicles, such as open-end mutual funds, closed-end investment companies, including ETFs, or in other securities or investments. APS retains the right to allocate across asset classes, in

its own discretion. Portions of the Account will also be managed by third-party model providers that APS selects, retains and replaces in its discretion. For the fixed income portion of the Custom High Net Worth Account, APS will use pooled vehicles or have a third-party Discretionary Manager manage with discretion that portion of the Client's Account. APS will remove, add or replace the third-party Discretionary Manager in its discretion. The Client grants APS the authority to buy and sell securities for the Account and to vote proxies for securities held by the Account. When a third-party Discretionary Manager is used, the Client grants that third-party Discretionary Manager the authority to buy and sell securities and investments and to vote proxies for securities held in that portion of the Account it manages.

Clients in the AssetMark Custom High Net Worth service 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. Requests for such restrictions are reviewed by APS to ensure that they are reasonable and will not unduly impair APS' ability to pursue the Account's investment objective. As may be limited by the Custodian's policies and procedures, Clients can 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 the Custodian.

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

For Savos Fixed Income Accounts, APS 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 or short duration, typically 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.
- *Advisor - Custom Accounts*. The Client can choose to participate in a program in which their Financial Advisor, in consultation with APS, can request further customization for their Client's Account ("Advisor – Custom Accounts" or "ACA"). The Financial Advisory Firm will be solely responsible for determining the additional customization and the suitability for the Client. APS, in its discretion, will determine the implementation of the ACA. The Financial Advisory Firm can request that APS recommend to the Financial Advisory Firm asset allocations or investment selections for the ACA, but APS does not provide any individualized investment advice to ACA. The asset allocation classification of the custom models developed by the Financial Advisory Firm may not be consistent with the Investment Approaches or Risk Return Profiles described in this Disclosure Brochure for the Fixed Income strategies described above, and the APS Fixed Income Platform Fee schedule will be charged to the Client Account, unless otherwise negotiated between the Financial Advisory Firm and APS.

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

The Dynamic Hedging feature is offered within certain Solution Types managed by APS. 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. APS will implement the Dynamic Hedging feature by investing in any number of hedging, fixed income or other protective investment vehicles.

### 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. APS 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 is likely to reduce returns when equity markets are increasing in value.

This drag would generally result because (i) the hedging vehicles used by APS 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 are more likely to increase in declining equity market conditions. As a result, the level of participation and protection of a Client’s Account will vary depending upon market environment and the specific path of market returns. Dynamic Hedging can fall while the overall equity market is rising in certain time intervals, and will fall more than the overall equity markets in certain intervals.

### ASSETMARK GUIDED INCOME SOLUTIONS<sup>SM</sup>

The Guided Income Solutions are designed to provide Clients with a regular income stream from their investment Account based on the Client’s objectives and specified criteria. In this program, the Financial Advisor provides the Client criteria, such as desired income and frequency. Based on these responses, a Guided Income Solutions portfolio and portfolio risk profile, seeking to generate the targeted level of distributions, will be suggested for the Client. The Financial Advisor can accept that portfolio or amend the Client criteria based on the Client objectives, risk tolerance or other factors before making a final Guided Income Solution portfolio election. Each risk profile is linked to the portfolio’s remaining life. A portfolio that is within 10 years of its end date is deemed to be Profile 1, a portfolio that has more than 10 years but less than 20 years until its end date is deemed to be Profile 2, and a portfolio that has more than 20 years until its end date is deemed to be Profile 3. The portfolio will be broadly diversified and seeks to meet the portfolio’s stated investment time horizon; however, there is no assurance that the time horizon can be met. On an annual basis, the portfolios will be reviewed and the portfolio risk profiles will be adjusted to reflect the remaining life of the portfolio.

The Guided Income Solutions advisory service will primarily invest in three GuidePath Funds. GuidePath Funds do not charge a 12b-1 fee and there is no Platform Fee for the Guided Income Solutions. See Servicing Fees Received by Custodians, including AssetMark Trust Company and Share Class Use in Fees and Compensation section, and the Fees & Minimum table at the back of this Disclosure Brochure. Each GuidePath Fund is managed to a stated investment objective as outlined in the Fund prospectus. Please refer to the Fund prospectus for more information, including any fees.

For each Guided Income Solutions portfolio, AssetMark will allocate assets across three “buckets” whereby each bucket will be invested in a specific GuidePath Fund. The allocation across the buckets shift in conjunction with changes in the remaining time horizon, long-term market conditions, or other factors as deemed appropriated by AssetMark.

For Accounts established at Custodian AssetMark Trust, the Financial Advisor can also elect to have the Client’s regular income stream adjusted for inflation. For the inflation adjusted models, on an annual basis, AssetMark will adjust the expected income distribution to reflect any increase in the U.S. rate of inflation. The inflation adjustment will begin at the beginning in the year following the Client’s participation in the Guided Income Solution Strategy. The annual adjustment will be based on AssetMark’s long-term inflation projection.

Clients invested in the Guided Income Solutions should understand that their regular income stream can include principal and the principal balance of the Account can be depleted prior to the portfolio’s target end-date and therefore, distributions can end earlier than expected. Income distributions refers to cash distributions of earnings and/or principal.

**EXHIBIT C – PROPRIETARY MUTUAL FUND SOLUTIONS - CONFLICTS OF INTEREST DISCLOSURES****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. This creates a conflict because AssetMark receives Management Fees and Administrative Service Fees from these mutual funds, the Management Fees retained by AssetMark can differ and AssetMark will determine the allocations of Account value among these funds. AssetMark addresses this conflict by providing additional information below regarding the maximum fees AssetMark can retain.

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.

AssetMark is also compensated by the Platform Fee charged for the GPS Fund Strategies, which is less than that charged for strategies with third party funds and ranges from 0.25% to 0.10% (depending upon Account assets, with the first \$250,000 of Account value always being charged the highest 0.25% fee). The Platform Fee for the GPS Fund Strategies does not include a charge for advisory (or management) services but pays for custodial, trading, administrative and other services.

In selecting a GPS Fund Strategy, the Client agrees to the receipt by AssetMark of the maximum 0.65% Management Fee plus Administrative Fee (paid by the fund) plus the applicable Platform Fee (charged at the Account level) and that this fee is reasonable compensation to AssetMark.

AssetMark's management of a GPS Fund Strategy can result in internal fund fees to AssetMark lower than the 0.65% authorized by the Client. Listed below are the mutual funds advised by AssetMark in which AssetMark can 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 can waive part or all of its management fee, and AssetMark can 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; 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. Additional mutual funds can be added to those that receive allocations. If an added fund results in a fee greater than 0.65% being paid to AssetMark, the Client 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 Large Cap Core	0.60%
GuideMark World ex-US	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. 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, the Client will be given notice. The Maximum Net Revenue for the GuidePath Absolute Return Fund reflects a fee waiver currently in place for the Fund.

GPS FUND STRATEGIES	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%

This must remain with the Client

**GPS DISTRIBUTION OF WEALTH**

2	0.61%	0.56% - 0.61%
3	0.64%	0.59% - 0.64%
4	0.64%	0.59% - 0.64%

GPS FUND STRATEGIES	MAX NET REVENUE
---------------------	-----------------

**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 FUND STRATEGIES	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%
---	-------

**GPS FOCUSED TACTICAL**

5	0.59%
---	-------

**GPS FOCUSED MULTI-ASSET INCOME**

2	0.55%
3	0.59%
4	0.56%

Mutual funds advised by APS are available only through the AssetMark Platform and are dependent on the continued vitality of the AssetMark Platform for their commercial viability.

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

APS 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 are strategies managed by APS and the investment options include allocations to mutual funds advised by APS. AssetMark pays fees to various strategists and investment managers that it allocates account value to but does not pay such fees to third parties when it allocates account value to Strategies it manages. Further, AssetMark receives 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 APS, 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 Proprietary Funds advised by AssetMark. AssetMark will receive Management Fees and Administrative Service Fees from these funds, the Management Fees retained by AssetMark can differ and AssetMark will determine the allocations of Account value among these funds. AssetMark addresses this conflict by providing additional information below regarding the maximum fees AssetMark can retain.

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.

AssetMark is also compensated by the Platform Fee charged for the GPS Fund Strategies, which is less than that charged for strategies with third party funds and ranges from 0.25% to 0.10% (depending upon Account assets, with the first \$250,000 of Account value always being charged the highest 0.25% fee). The Platform Fee for the GPS Fund Strategies does not include a charge for advisory (or management) services but pays for custodial, trading, administrative and other services.

**This must remain with the Client**



In selecting a GuideMark Market Blend Mutual Fund Strategy, the Client agrees to the receipt by AssetMark of the maximum 0.70% Management Fee plus Administrative Fee (paid by the fund) plus the applicable Platform Fee (charged at the account level) and that this fee is reasonable compensation to AssetMark.

APS' management of a GuideMark Market Blend Mutual Fund Strategy can result in internal fund fees to AssetMark lower than the 0.70% authorized by the Client. Listed below are the Proprietary Funds in which AssetMark is permitted to 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 can waive part or all of its management fee, and AssetMark can 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 can be added to those that receive allocations. If an added fund results in a fee greater than 0.70% being paid to AssetMark, the Client will be given notice.

MUTUAL FUNDS	MAXIMUM FEES RETAINED BY ASSETMARK
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 World ex-US Service	0.60%

Since the amount that AssetMark is paid by each Proprietary Fund, changes by AssetMark to the allocations of Proprietary Fund 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 Proprietary Fund results in a maximum retained fee for a Strategy greater than that listed below, the Client 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 Shareholder Service Fees. The third-party Platform Custodians (Custodians other than AssetMark Trust) also receive service fee payments from the mutual funds in the Market Blend Mutual Fund Strategies.

### GUIDED INCOME SOLUTIONS

The Accounts of Clients who select a Guided Income Solution will be invested in the following Proprietary Funds.

MUTUAL FUNDS	MANAGEMENT FEE BY ASSETMARK
GuidePath Conservative Income Fund	0.35%
GuidePath Income Fund	0.45%
GuidePath Growth and Income Fund	0.45%

AssetMark will receive Management Fees and a 0.25% Administrative Service Fee from these mutual funds. There is no Platform Fee for the Guided Income Solutions.

AS OF MARCH 2024

# Fees & Investment Minimums



Strategies		GuideMark <sup>1,6</sup>	Proprietary ETF: MF <sup>5</sup>	Third-Party ETF: Institutional MF <sup>2</sup>
<\$250K		0.25%	0.45%	0.50%
\$250K-\$500K		0.15%	0.40%	0.35%
\$500K-\$1M		0.10%	0.35%	0.30%
\$1M-\$2M		0.10%	0.30%	0.28%
\$2M-\$3M		0.10%	0.20%	0.25%
\$3M-\$5M		0.10%	0.20%	0.20%
\$5M+		0.10%	0.20%	0.10%
Minimum		\$10,000	\$25,000	\$25,000
Supplemental Fee				
AlphaSimplex, Aris AssetBuilder, BlackRock - MAI, Opportunistic Alts, RFI, DoubleLine, First Trust Alternatives, JP Morgan Global Flexible, State Street First Trust Top Themes, VanEck Thematic Disruption				
New Frontier				
Dorsey Wright				
Julex, WestEnd Advisors				
Beaumont				

Guided Portfolios				
Guided Income Solutions	GPS Fund Strategies	Clark FTR	GPS Select	Custom GPS Select
0%	0.25%	0.55%	0.65%	0.65%
0%	0.15%	0.55%	0.65%	0.65%
0%	0.10%	0.50%	0.60%	0.60%
0%	0.10%	0.45%	0.55%	0.55%
0%	0.10%	0.35%	0.45%	0.45%
0%	0.10%	0.30%	0.40%	0.40%
0%	0.10%	0.25%	0.35%	0.35%
\$50,000	\$10,000	\$250,000	\$50K-\$100K	\$250,000
Supplemental Fee				
Dorsey Wright, Savos US Risk Controlled				
Savos GMS, Savos PMP				
Julex, WestEnd Advisors				
Beaumont				

Custom Individually Managed Accounts <sup>3</sup>			
Parametric Custom Portfolios <sup>3</sup>	CIBC Custom Portfolios	Custom <sup>8</sup>	City National Rochdale
0.65%	1.00%	1.05%	1.10%
0.65%	1.00%	1.05%	1.10%
0.65%	1.00%	0.99%	1.04%
0.60%	0.95%	0.94%	0.99%
0.60%	0.95%	0.90%	0.99%
0.60%	0.90%	0.85%	0.95%
0.50%	0.80%	0.75%	0.90%
\$250K-\$750K	\$1M	\$500K-\$1M	\$1M

Supplemental Fee	Custom
William Blair	0.05%

Separately Managed Accounts (SMAs)	
SMAs	
<\$250K	0.70%
\$250K-\$500K	0.70%
\$500K-\$1M	0.67%
\$1M-\$2M	0.64%
\$2M-\$3M	0.60%
\$3M-\$5M	0.55%
\$5M+	0.50%
Minimum	\$50K-\$100K
Supplemental Fee	
AlliancesBernstein, BlackRock, Brown Advisory, Capital Group, Federated Hermes, Fiera, Franklin Templeton, Hartford, JP Morgan, Logan, Neuberger Berman, Principal Edge	
Acadian, Principal	0.10%

Individually Managed Accounts—Fixed Income <sup>8</sup>		
Third-Party Laddered Fixed Income <sup>3</sup>	Proprietary Laddered Fixed Income <sup>3,5</sup>	Active Fixed Income <sup>3</sup>
0.27%	0.20%	0.30%
0.27%	0.20%	0.30%
0.27%	0.20%	0.25%
0.22%	0.15%	0.20%
0.22%	0.15%	0.20%
0.22%	0.15%	0.20%
0.22%	0.15%	0.20%
\$125K-\$250K	\$25,000	\$25K-\$250K
Supplemental Manager Fee		
Clark Capital (Tax and Tax-Free)		
Nuveen		

Savos			
Preservation	GMS/PMP	US Risk Controlled	Personal Portfolios
0.75%	1.00%	0.90%	0.75%
0.50%	0.80%	0.75%	0.75%
0.50%	0.75%	0.70%	0.75%
0.45%	0.70%	0.65%	0.70%
0.45%	0.70%	0.65%	0.70%
0.40%	0.70%	0.65%	0.70%
0.30%	0.60%	0.55%	0.60%
\$25,000	\$25,000	\$25,000	\$150,000

Administrative Accts/Individual Third-Party MFs	
General Securities <sup>3</sup> or Custodial Sweep <sup>4</sup>	Individual MFs
0.00%	0.25%
0.00%	0.15%
0.00%	0.10%
0.00%	0.10%
0.00%	0.10%
0.00%	0.10%
0.00%	0.10%
\$10,000	\$10,000

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

## Advisor Managed Portfolios (available under the Advisor Model only):

Flat Fee: 0.25% - 0.29% and a \$10,000 account minimum

## Tax Management Services:

Flat fee: 0.10% and a \$100 annual minimum fee

For financial advisor use with advisory clients.

Please see next page for important disclosures.

INVESTMENT FIRMS BY CATEGORY

Strategies		Guided Portfolios	Individually Managed Accounts <sup>8</sup>	Separately Managed Accounts (SMAs)	Individually Managed Accounts — Fixed Income <sup>8</sup>			Individual Mutual Funds <sup>9</sup>
GuideMark <sup>1,6</sup>	Proprietary ETF, MF <sup>5</sup>	Third-Party ETF, Institutional MF <sup>2</sup>	Custom GPS Select	Custom	Third-Party Laddered Fixed Income <sup>3</sup>	Proprietary Laddered Fixed Income <sup>3,5</sup>	Active Fixed Income <sup>3</sup>	
New Frontier <sup>7</sup> , Global GuideMark <sup>®</sup> Market Blend <sup>7</sup> , US GuideMark <sup>®</sup> Market Blend <sup>7</sup> , Individual GuidePath <sup>®</sup> Funds, GuideMark <sup>®</sup> Funds	Aris Income Builder, AssetMark MarketDimensions Portfolios, AssetMark OBS DFA/EFS Portfolios, AssetMark WealthBuilder <sup>SM</sup> Market Blend ETF Portfolios	American Funds, AlphaSimplex, Aris AssetBuilder, Aris Personal Values, BlackRock - MAI, OpportunisticAlts, RFI, TA ESG, TA Multi-Manager w/ Alts, Beaumont, Dorsey Wright, DoubleLine, First Trust Alternatives, First Trust Low Duration Fixed Income, First Trust Strategic Risk Core, First Trust Top Themes, Franklin Templeton, JP Morgan Absolute Return, JP Morgan Global Flexible, JP Morgan Global Standard, JP Morgan MAI, Julex, Kensington Managed Income, New Frontier, Nuveen ESG, PIMCO, State Street, VanEck, WestEnd Advisors	All strategists (plus Clark Fixed Income Total Return and Savos UMA strategies) in the Strategies table are available for Custom GPS Select	Aris Custom High Net Worth, Clark Capital Personalized UMA, William Blair	Parametric	Savos	Clark Capital Taxable Fixed Income, Nuveen, Savos	DoubleLine Shiller Enhanced CAPE, Neuberger Berman PutWrite, PIMCO TRENDS Managed Futures, Stone Ridge Diversified Alternatives

1. Mutual Funds used within these strategies are primarily comprised of NTF (No Transaction Fee) Funds including A share and retail share classes.
2. Annual Minimum Platform Fee: \$350 (This fee is waived on American Funds and Multiple Strategy Accounts.)
3. Transaction-based fees, including trade away fees, may be applicable to the account. These fees are typically \$20 per trade.
4. Custodial sweep or money market fund selected by AssetMark
5. Proprietary solution types refer to those offered by AssetMark. AssetMark OBS models available to certain advisors.
6. AssetMark is the investment adviser to the GuideMark<sup>®</sup> Funds.
7. This strategy contains GuideMark<sup>®</sup> mutual funds.
8. Custom and Fixed Income = Individually Managed Account
9. Other Individual Mutual Funds are available, including BlackRock T-Fund and JPMorgan 100% Treasury. AssetMark waives the Platform Fee in some instances.
- Multiple Strategy Account (MSA): The fees charged for an MSA account are based on the above single-strategy fee schedule for each strategist selected and weighted based on the allocation to each sleeve.
- Proprietary Mutual Fund Solutions: Refer to Exhibit C for important conflicts of interest disclosures on strategies that use AssetMark's proprietary mutual funds.

For the most current version of this document, please go to [www.assetmark.com/info/disclosure](http://www.assetmark.com/info/disclosure)

For complete information about account minimums, fees, and expenses for the various investment solutions, refer to the Disclosure Brochure. To receive a copy, please contact your financial advisor.

**AssetMark, Inc.**  
1655 Grant Street  
10th Floor  
Concord, CA 94520-2445  
800-664-5345

AssetMark Investment Management, a division of AssetMark, Inc., includes AssetMark, Savos, and Aris strategies. AssetMark, Inc. is an investment adviser registered with the U.S. Securities and Exchange Commission. GuideMark<sup>®</sup> and GuidePath<sup>®</sup> Funds are distributed by AssetMark Brokerage<sup>™</sup>, LLC, member FINRA, an affiliate of AssetMark, Inc. AssetMark and third-party strategists are separate and unaffiliated companies.  
©2024 AssetMark, Inc. All rights reserved.  
20901 | C23-19650 | 03/2024 | 12/31/2025

For financial advisor use with advisory clients.