

# axiom

Integrated Advisor Solutions



## WRAP FEE PROGRAM DISCLOSURE BROCHURE

This wrap fee program brochure provides information about the qualifications and business practices of Geneos Wealth Management, Inc., SEC registered investment advisor.\* If you have any questions about the contents of this brochure, please contact us at 303-785-8470. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Geneos also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Our Firm SEC Number is 801-62331.

\*Registration with the SEC does not imply a certain level of skill or training.

# MATERIAL CHANGES

Pursuant to SEC rules, Geneos Wealth Management, Inc. (“Geneos”) will ensure that clients receive a summary of any material changes to this and subsequent disclosure brochures within 120 days after the firm’s fiscal year end, December 31. This means that if there were any material changes over the past year clients will receive a summary of those changes no later than April 30. At that time, Geneos will also offer a copy of its most current disclosure brochure and may also provide other ongoing disclosure information about material changes as necessary. If there are no material changes over the past year, no notices will be sent.

Clients and prospective clients can always receive the most current disclosure brochure for Geneos at any time by contacting their investment advisor representative or by contacting us at 303-785-8470.

The last annual update of the Geneos brochure was dated March 30, 2021. There have been material changes to our business and/or the contents of this disclosure brochure since that time; the changes are outlined below.

Added information about our affiliated Registered Investment Advisor, Portfolio Design Advisors, Inc. related to PDA being the sub-advisor to the Uncommon Portfolio Design Core Equity Fund, an exchange traded fund (“ETF”).

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## SERVICES, FEES AND COMPENSATION

Geneos Wealth Management, Inc. ("Geneos" or "We", an Investment Advisor registered with the Securities and Exchange Commission) offers services under a wrap fee program called Axiom where we provide investment supervisory services defined as giving continuous investment advice to you, the Client, (or making investments for you) based on the investment model(s) selected. The Axiom program is a Unified Managed Account ("UMA") program. This means that the client may select multiple portfolio strategist models and each model is managed separately yet unified within a single account. We provide overlay portfolio management services to your entire account portfolio. This allows us to combine and customize multiple investment products to meet your goals. In this regard, we are responsible for rebalancing the portfolio when an asset class is out of tolerance with the model allocation by more than 2%, unless circumstances dictate otherwise, or if a portfolio strategist's model moves into defensive positions, for example: a move to cash in certain market conditions. We also take instructions from your investment advisor representative ("representative") in order to complete specific trades, such as those for tax-loss harvesting purposes at year end, to raise cash for withdrawal requests, etc. We offer portfolio management services in which there are various models available with a qualified custodian for clients and advisors to choose from. Your representative will work with you to design an allocation among the models available and Geneos will manage the account to the model allocations. The models are designed to utilize asset allocation strategies and do not attempt to engage in market timing or short term trading. We provide ongoing evaluation and selection of portfolio strategists, investments and adjustment and balancing of portfolios. Various asset types are available and they include: no-load mutual funds, load waived mutual funds, equities, exchange traded funds, variable annuity subaccounts, stocks, cash, and cash equivalents. Alternative investments may be held within the account as a convenience to the customer as an excluded asset. Geneos does not permit illiquid investments within ERISA qualified accounts.

If you wish to contract with us and your representative for participation in the Axiom program, you are required to use only those broker-dealers and custodians approved by us. Additionally, our representatives may also be registered representatives with Geneos in its capacity as a broker-dealer. We recommend custodians based on relationships that we have established. Due to our dual registration as an investment advisor and broker-dealer, we are limited to using ourselves as a broker-dealer and any custodian that we have approved for advisory activities.

When executing an agreement for services with us, Geneos will be granted limited trading authority to execute transactions within the model allocations chosen by the client and directed by the portfolio strategists. This discretionary trading authority includes the authority, without first consulting you to (1) determine the portion of assets in your account to allocate to each investment or asset class; (2) change your allocation of assets as necessary; and (3) take any and all other actions on your behalf that we determine are customary or appropriate for a discretionary investment advisor to perform, including the authority to buy, sell, select, remove and replace securities, including mutual fund shares, stocks, bonds and other investments for the account. You can place reasonable limitations and restrictions in relation to the trading authority. Any restrictions must be submitted to us in writing. Neither Geneos nor your representative have access to your funds and/or securities with the exception of having advisory fees deducted from your account and paid to us. Any fee deduction or check requests are done pursuant to your prior written authorization. For ERISA (Employee Retirement

Income Security Act of 1974) accounts, neither Geneos, nor its investment advisor representatives, act in an ERISA 3(38) fiduciary capacity; only in a 3(21) fiduciary capacity.

We charge for our investment supervisory services based on a percentage of assets under management. Typically, there is an annual fee that is negotiated between you and your representative up to 2.50%. Some portfolio strategists receive a portion of this fee ranging from 0.00%-0.70% depending on the model selected, this is also referred to as the model cost. Each models' specific cost is disclosed to you within the Model Cost Disclosure. These costs are subject to change and you may request updated cost information from your representative at any time. We compensate Axiom portfolio strategists from the advisory fee rates that are based on a percentage of the value of the total assets of the platform that are invested in accordance with the respective portfolio strategist's model portfolios. These fee rates are based on, among other things, asset class, investment style, and assets allocated to that particular portfolio strategist. Your account will be billed the Rep Fee Plus Model Cost; where your account is charged a set fee percentage (the rep fee) plus the model cost where the model cost will vary based on the account allocation but will never be more than 0.70% or 70 basis points.

Fees, fee structure, and experience may vary by representative. Clients with different representatives may receive similar services and pay more or less of a fee than another client. Furthermore, representatives may determine advisory fees differently. For example, some representatives may aggregate all of your managed accounts together to determine a fee breakpoint or charge a fee based on each account size. Additionally, some representatives may have a flat fee assigned to the account regardless of account value; others set fee breakpoints for the account in an effort to reduce the fee as the account grows and other representatives set a tiered fee schedule. There are advantages and disadvantages to all fee structures but each representative may have their own variances within Geneos' fee structure. The fee that is negotiated between you and your representative is disclosed to you in the agreement that you sign in advance of services being provided. Representatives have an incentive in the fee charged to the account as they receive a percentage of the fee with the remaining amount of the fee shared by Geneos, and the portfolio strategist. Your representative receives the same percentage of the fee after account expenses regardless which advisory program you select.

The qualified custodian will debit the fees from the account on a quarterly basis either in advance or in arrears as disclosed in your agreement up to a maximum of 2.50% Fees payable in advance are calculated by Geneos based upon the previous quarter's ending balance and adjusted at the end of the quarter for daily changes in market value and additions to and withdrawals from the account. Fees payable in arrears are calculated by Geneos daily to account for changes in market value and additions to and withdrawals from the account and billed at the end of the quarter. These fees are prorated based on the number of days that services are provided during the billing period.

The Axiom program fee includes trading costs. It may cost you more or less than if you paid the ticket charges at the time of trade execution. The amount of trades placed in the account is a factor that has a bearing upon the relative cost of the program. If there are only a few trades placed in the account over a period of time, it is possible that paying for advisory services and ticket charges separately may be less expensive than the fee. The opposite is also true; if there are a large amount of trades placed in the account over a period of time, it is possible that paying for advisory services and ticket charges separately may be more expensive. Axiom accounts with Fidelity Institutional Wealth Services ("IWS"), one of our available qualified custodians, will be subject to trading cost surcharges if they have a household assets under management ("AUM") with IWS of less than one million dollars and are not

enrolled in electronic delivery of statements and confirmations. These surcharges can range anywhere from \$10 per trade on equities and ETFs to \$37 on certain mutual funds.

You may incur other charges imposed by third parties besides us in connection with investments made through the account, including but not limited to mutual fund 12(b)-1 distribution fees, sub accounting fees, contingent deferred sales charges, short term redemption fees, qualified retirement plan fees and account maintenance fees. A description of these fees and expenses are available in each investment company security's prospectus. The annual fee does not include certain fees and charges related to account services provided by the custodian. A description and amount of these fees are provided to you by your representative and some are disclosed as part of your agreement with the custodian.

You should be aware that mutual funds generally charge a management fee for their services as investment managers. The management fee is called an expense ratio. For example, an expense ratio of 0.50 means that the mutual fund company charges 0.5% for their services. These fees are in addition to the fees paid by you to Geneos. Fund companies also charge each fund shareholder an investment management fee that is disclosed in the fund prospectus. Performance figures quoted by mutual fund companies in various publications are after their fees have been deducted.

Neither Geneos, nor our representatives, will receive any portion of the 12b-1 fees generated by mutual fund investments within our Axiom program accounts. Not all mutual funds pay a 12b-1 fee. Please refer to your funds' prospectus for fund specific information as it relates to your accounts. Any 12b-1 fees generated from account assets will be credited back to your advisory account. You will see the credits on your account statements.

Income tax liabilities may result from the sale of individual securities within your account, unless the account is otherwise tax sheltered or tax deferred. Income tax liabilities directly reduce investment returns. You are responsible for all tax liabilities arising from the sale of individual securities within your account. Please consult your tax advisor as we cannot offer tax advice.

You, Geneos, or your representative may terminate the agreement at any time by providing written notice to the appropriate party. If services are terminated within five business days of executing the agreement, services are terminated without penalty and no fees are due. If the account is to be liquidated as a result of a termination notice, we may take up to five business days from the date of receipt to process the liquidation request. If termination is due to death, the portion of the account allocated to any tactical manager will be liquidated. Proceeds will be payable to the client subject to the usual securities settlement procedures. The final fee is prorated based on the number of days that services are provided prior to the effective date of termination. You are responsible for paying fees only for services rendered until the effective date of termination. Your account will either be debited for the additional services or credited if you paid in advance.

## **ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS**

### **MINIMUM ACCOUNT SIZE**

We require a minimum account size of \$10,000 to establish and maintain an Axiom managed account. Each model within the program has its own minimum investment requirement. Some are \$10,000, most are \$25,000 or \$50,000 and some are higher. Exceptions may be granted to this account minimum at our

discretion, usually based on your specific situation. For example, we may accept a \$20,000 Roth IRA account because you also have a \$150,000 joint account.

### **TYPES OF CLIENTS**

Representatives of Geneos provide investment advice to many different types of clients. These clients generally include individuals, trusts, estates, charitable organizations, corporations and other types of business entities.

## **PORTFOLIO STRATEGIST SELECTION AND EVALUATION**

Geneos is the portfolio manager for all Axiom accounts. Geneos is the only party with access to place trades recommended by portfolio strategists. Each portfolio strategist or investment advisor representative must meet certain criteria for having models within the Axiom program. Each portfolio strategist must have at least \$100 million in assets under management and they must have a minimum of a 3 year track record as an asset manager. The specific model does not need a 3 year track record, but the portfolio strategist must. Investment advisor representatives must have at least \$50 million in assets under management within the Axiom program, 20 or more years of industry experience and either a Bachelor's or Master's degree in finance or one of the following professional industry designations: CFP®, CFA, ChFC®, or CPA to be able to offer their own model to their clients within the Axiom program. Geneos also reviews the type of model, strategic versus tactical for example, the model holdings, portfolio turnover, and if it fills a gap in our current model selections.

Recommendations of portfolio strategists to clients is primarily handled by each client's investment advisor representative and is made in accordance with your investment objectives, risk tolerance and other relevant information. Representatives may request Geneos' assistance in developing a portfolio of models for your account. Again, recommendations are made based on information provided by you related to your investment objectives, risk tolerance and other relevant information. You are responsible for notifying the representative of interim changes to personal and financial circumstances, needs, or goals. Such changes may include, but are not limited to: consideration or unexpected occurrence of a life changing event (e.g., marriage, divorce, children, promotion, unemployment, health issues, death); and achievement of or changes in goals (e.g., satisfied mortgage, large purchases, inheritance).

The performance we use for our internal reviews of portfolio strategists is calculated by Morningstar using industry standards. Morningstar uses a geometrically linked return method also known as Time Weighted Return. Our reviews of model performance are based upon the calculated performance generated by Morningstar for each model. No performance from the portfolio strategist is used; only hypothetical returns are used as we do not have any composites.

There are portfolios available within the Axiom program that are created under the PDA (Portfolio Design Advisors, Inc.) name. There is also an exchange traded fund (ETF) available within the program that is sub-advised by PDA. The ETF is a derivative of two PDA models, Dividend Payer and Pure US Equity. The ETF allows clients to invest at a lower minimum (\$50) than investing in the two models separately (\$100,000). Portfolio Design Advisors, Inc. and Geneos Wealth Management, Inc. are commonly owned by GWM Holdings, Inc. The portfolio design team for both PDA and Geneos consist of the same people. As these models are created by Geneos employees and named under a commonly owned registered investment advisor, PDA models and funds will continuously be available for clients and their representative to select if they choose. While these models are not necessarily subject to the

same selection and review process as other portfolio strategists, we strive to hold ourselves to the same performance standards and our portfolio management team makes adjustments to the portfolios as necessary to continue to achieve the models' stated goals.

#### **DESCRIPTION OF ADVISORY SERVICES OFFERED**

Geneos enables investment advisor representatives ("representatives") to utilize many different avenues to provide personalized investment advisory services to their clients. These services include financial planning and consulting services, referrals to third party money managers, and asset management. The following are brief descriptions of all of our services. Descriptions are provided in our Investment Advisor Disclosure Brochure or Wrap Fee Disclosure Brochure, as appropriate, so that clients and prospective clients can review those services and description of fees more thoroughly. As part of our asset management services, Geneos offers two wrap fee programs; one marketed as VIP Ultra, and one marketed as the Axiom program, which is the focus of this brochure.

##### *FINANCIAL PLANNING SERVICES (PLANS AND CONSULTATIONS)*

Financial planning can be described as helping clients determine and set their long-term financial goals, through investments, tax planning, asset allocation, risk management, retirement planning, and other areas. The role of a financial planner is to find ways to help clients understand their overall financial situation and help them set financial objectives.

We offer advisory services in the form of comprehensive and modular (segmented) financial plans and also through recommendations. These services do not involve actively managing client accounts. Instead, comprehensive planning services focus on a client's overall financial situation. Modular planning services and consultations focus on specific areas of client concern, like retirement planning or asset allocation advice, for example. These issue specific planning services may not take all important financial issues into consideration.

##### *USE OF THIRD PARTY MONEY MANAGERS*

We also offer advisory services by referring clients to outside, or unaffiliated, money managers that are registered or exempt from registration as investment advisors. Third party money managers are responsible for continuously monitoring client accounts and making trades in client accounts when necessary.

##### *ASSET MANAGEMENT SERVICES*

We offer investment management services providing clients with continuous and ongoing supervision over their accounts. This means that Geneos/your representative will continuously monitor your account and make trades in that account when necessary, or at your request. Geneos also offers two wrap fee programs; the Axiom program and the VIP Ultra program. The Axiom program offers several portfolio strategist models for representatives and clients to choose from. The VIP Ultra program allows you and your representative to design a custom portfolio. Geneos and your representative will continuously supervise the accounts and make trades when necessary, or at your request.

#### **SERVICES TAILORED TO CLIENTS NEEDS**

Our services under the Axiom program offer several pre-determined portfolio models. You and your representative will select your portfolio models based on risk tolerance and investment objectives. You are given the ability to impose written restrictions on your accounts, including specific investment selections and sectors within reasonable parameters set by us and the portfolio strategist. We will not substitute another security for the restricted one or request that the portfolio strategist designate a

substitute security. In some instances, certain restrictions placed on the account, may not allow for the selection of certain models. Any restrictions placed on the account may adversely affect the management of your account or the ability to meet your investment objectives. For this reason, it is important you understand that we perform advisory and/or brokerage services including investment reporting for various clients, and that we may give advice or take actions for other clients that differ from the advice given to you.

#### **WRAP FEE PROGRAM VERSUS PORTFOLIO MANAGEMENT PROGRAM**

In traditional management programs, advisory services are provided for a fee, but transaction services are billed separately on a per transaction basis. In wrap fee programs, advisory services and transaction services are provided for one fee. Our traditional management programs are managed by each representative. Some representatives manage each account to models that they have created; others customize each account to each client. Under our Axiom wrap fee program, there are models provided by various portfolio strategists. Each account can allocate funds to one or more models. As the sponsor and advisor for the Axiom program, we receive a portion of the wrap fee charged to the account referred to as the model cost and a percentage of the representative fee.

#### **PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

Performance-based fees are defined as fees based on a share of capital gains or on capital appreciation of the assets held in a client's account. Geneos does not charge or accept performance-based fees.

Side-by-side management refers to the process of evaluating accounts 'side-by-side' for fair and transparent allocations. We allocate all assets in accordance with regulatory mandates and are not basing these decisions between specific accounts for our own interests. We endeavor to place all trades for the same security on a given day through our average price account to ensure that all accounts receive the same price.

#### **METHODS OF ANALYSIS AND INVESTMENT STRATEGIES**

Geneos uses primarily fundamental analysis, but also uses charting, technical and cyclical analysis when considering investment strategies and recommendations. In simple terms, fundamental analysis involves analyzing company characteristics, charting looks at historical patterns, cyclical analysis looks at recurring periods, and technical analysis studies past market data looking for price trends and movements.

When implementing investment decisions, Geneos employs several investment strategies: Long and Short Term Purchases, Strategic and Tactical Asset Allocation, Strategic Timing and Sector Rotation. Asset allocation is the combination of several different types of investments; typically stocks, bonds and cash equivalents among various asset classes so your investments are diversified. The objective of asset allocation is to develop an investment plan that will help investors reach their financial goals, while holding down their risks. Strategic timing is designed to reduce risks in bear markets (when markets are decreasing in value). This is a trend-following strategy that involves holding total cash positions during bear markets and fully invested positions during bull markets. Sector rotation is employed only in the growth portfolio models, spreading the risk over several sectors in the more aggressive models. In bull markets, the technique may consist of using the stronger industrial sectors or surrogates for various market indexes ("bull" funds). In bear markets, it may consist of employing "bear" funds that are structured to rise in price when the market indexes decline in price. Also, when

our portfolio manager believes market conditions call for the use of leverage, we may employ leveraged bull or bear funds that are more volatile than the market indexes.

Investing in securities involves a risk of loss that you should be prepared to bear, including loss of your original principal. Further, depending on the different types of investments, there will be varying degrees of risk. However, you should be aware that past performance of any security is not necessarily indicative of future results. Therefore, you should not assume that future performance of any specific investment or investment strategy will be profitable. We do not provide any representation or guarantee that your goals will be achieved.

#### **VOTING CLIENT SECURITIES**

We do not perform proxy voting services on your behalf. You are instructed to read through the information provided with the proxy voting documents and to make a determination based on the information provided. Upon your request, our representatives may, but are not required to, provide limited clarifications of the issues presented in the proxy voting materials based on your representative's understanding of issues presented in the proxy voting materials. However, you have the ultimate responsibility for making all proxy voting decisions.

## **CLIENT INFORMATION PROVIDED TO PORTFOLIO STRATEGISTS**

Geneos does not provide client specific information to portfolio strategists. Geneos only provides limited information so that the strategists are able to confirm the assets under management within their portfolio and the fee that Geneos pays them for providing us their model information.

## **CLIENT CONTACT WITH PORTFOLIO STRATEGISTS**

There is no client contact with the portfolio strategists. The strategists provide asset and trade information to Geneos related to their models that we have selected to make available in our program. All of the trading and account access is limited to Geneos, our employees, our representatives and our clients. Portfolio Strategists do not have direct client account access. Clients are always welcome to contact Geneos or its representatives for any assistance or questions they have related to their account.

## **ADDITIONAL INFORMATION**

#### **DISCIPLINARY INFORMATION**

Geneos was the subject of an administrative proceeding with the SEC that was finalized April 6, 2018. The SEC states "These proceedings arise from a series of failures by Geneos, a registered investment adviser and broker-dealer, in connection with its mutual fund share class selection practices and its receipt of revenue sharing payments. First, from February 2012 through April 2017 (the "Relevant 12b-1 Period"), Geneos invested certain advisory clients in mutual fund share classes that charged 12b-1 fees when these clients were eligible to invest in cheaper share classes of the same funds that did not charge such fees. Geneos financially benefitted from investing advisory clients in mutual fund share classes with higher fees, which created a conflict of interest that Geneos failed to adequately disclose in

its Forms ADV, Part 2A (“firm brochures”) or otherwise. In its capacity as a broker-dealer, Geneos received at least \$1,047,617.50 in 12b-1 fees based on its advisory clients’ investments in the higher-fee share classes. Geneos’ practice of investing advisory clients in mutual fund share classes that charged 12b-1 fees rather than cheaper share classes of the same funds was also inconsistent with its duty to seek best execution. Second, from February 2012 through January 2018 (the “Relevant Revenue Sharing Period”), Geneos failed to disclose to its clients compensation that it received through agreements with two third-party broker-dealers (“Clearing Broker”) and conflicts arising from that compensation. Pursuant to the agreements, the Clearing Brokers agreed to share with Geneos certain revenues that the Clearing Brokers received from the mutual funds in the Clearing Brokers’ no-transaction-fee mutual fund programs (“NTF Programs”). These payments, totaling \$386,185.77, created a conflict of interest in that they provided a financial incentive for Geneos to favor the mutual funds in the NTF Programs over other investments when giving investment advice to its advisory clients. Finally, Geneos failed to adopt written policies and procedures reasonably designed to prevent violations of the Advisers Act and the rules thereunder in connection with its mutual fund share class selection practices and its revenue sharing arrangements with the Clearing Brokers. As a result of the conduct described above, Geneos willfully violated Sections 206(2), 206(4), and 207 of the Advisers Act and Rule 206(4)-7 thereunder.”

Geneos has revised its policies and programs to ensure that it does not receive any 12(b)-1 revenue related to any investment advisory or ERISA account. Any 12b-1 revenue generated by holdings in a client account will be automatically rebated to the account. This also includes a rebate of any revenue related to NTF Program funds. All revenue the SEC stated was collected by Geneos during the Relevant 12b-1 Period and the Relevant Revenue Sharing Period was rebated to the clients affected per the SEC’s instructions.

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

The principal business of Geneos and its executive officers is as a FINRA registered broker-dealer. Geneos has been a FINRA registered broker-dealer since 2002. The principals of Geneos devote approximately 40% of their time to securities activities and approximately 60% to investment advisory activities.

Geneos’ holding company, GWM Holdings, Inc., also owns another SEC registered investment advisor, Portfolio Design Advisors (“PDA”). Both Geneos and PDA offer a similar investment program marketed under the name, Axiom. PDA is the sub-advisor to the Uncommon Portfolio Design Core Equity Fund. It is an exchange traded fund (ETF) available within the Axiom program and PDA receives compensation as the sub-advisor. Representatives of Geneos may recommend PDA as a third party investment advisor. Since Geneos and PDA are commonly owned, representatives have incentive to recommend PDA over other approved third party money managers. GWM Holding, Inc. also owns Gentech, LLC which is a technology company providing services to Geneos, Portfolio Design Advisors, and other broker-dealers and registered investment advisors.

Some of our investment advisor representatives, upon association with Geneos, receive forgivable notes to assist in the transition of their book of business to Geneos as a broker-dealer and registered investment advisor. If your IAR has received a forgivable note, it will be disclosed in your IAR’s brochure supplement. A portion of the note is utilized to offset the cost of transferring client assets, so the clients are not impacted by the move. The forgivable note is a combined amount, used for both broker-dealer and RIA costs, to be spread appropriately between the two. The forgivable notes present

a conflict of interest as it incentivizes IAR's to maintain their relationship with Geneos for the duration of the note.

Many of Geneos' related persons have relationships with other investment advisors, financial planning firms, banking or thrift institutions, accounting firms, law firms, insurance companies or agencies, pension consultants and/or real estate brokers or dealers. These relationships are not material to our advisory business. Specific information about these relationships are fully disclosed in the representative's brochure supplement, when applicable.

When referring clients to third party money managers, Geneos receives a portion of the fees generated from the referral. Since each money manager has a separate agreement with Geneos, each agreement will have a different percentage of the fee paid to us which is disclosed to you in the money manager's paperwork. This may provide an incentive for representatives to recommend one money manager over another one.

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

According to the Investment Advisors Act of 1940, an investment advisor is considered a fiduciary. As a fiduciary, it is an investment advisor's responsibility to provide fair and full disclosure of all material facts. In addition, an investment advisor has a duty of utmost good faith to act solely in the best interest of each of its clients. Geneos and its representatives have a fiduciary duty to all clients. Geneos has established a Code of Ethics which all representatives and those people defined as access persons must read and then execute an acknowledgement stating that they understand and agree to comply with Geneos' Code of Ethics. Geneos and its representatives' fiduciary duty to clients is considered the core underlying principle for Geneos' Code of Ethics and represents the expected basis for all representatives' dealings with clients. Geneos has the responsibility to make sure that the interests of clients are placed ahead of it or its representatives' own investment interest. All representatives will conduct business in an honest, ethical and fair manner. All representatives will comply with all federal and state securities laws at all times. Full disclosure of all material facts and potential conflicts of interest will be provided to clients prior to services being conducted. All representatives have a responsibility to avoid circumstances that might negatively affect or appear to affect the representatives' duty of complete loyalty to their clients. This section is only intended to provide you with a description of Geneos' Code of Ethics. If you wish to review Geneos' Code of Ethics in its entirety, a copy may be requested from your representative.

Geneos or its representatives may buy or sell securities or have an interest or position in a security for their personal account, which they also recommend to clients. Geneos is and shall continue to be in compliance with The Insider Trading and Securities Fraud Enforcement Act of 1988. As these situations may represent a potential conflict of interest, it is a policy of Geneos that no representative shall prefer their own account to that of the advisory client. Representatives may not trade the same security in their personal account on the same day as they trade it in a client's account unless the trades are executed in an average price account that allows all accounts to receive the same price, or if you receive a better price than your representative. Geneos maintains information about all securities holdings for it and its representatives, which is reviewed on a regular basis.

#### **REVIEW OF ACCOUNTS**

Account reviews and model reviews are performed on an ongoing basis. The portfolio strategist reviews their models regularly and adjusts them as necessary. Each representative is responsible for

reviewing their own client accounts and monitoring the portfolio to determine when changes are needed. Representatives' frequency of their review may be different for different clients, depending on the investment model that the client selected. Advisory accounts will be reviewed with the client upon their request. These reviews are performed to monitor for any activity or changes in the account and to monitor that accounts are being managed in accordance with each client's goals, objectives, and financial situation.

You receive statements from your account custodian monthly if there is activity in the account and quarterly if there is no activity in the account. Geneos or your representative may provide quarterly performance reporting. In lieu of separate trade confirmations, information from the confirmation will be reported by the Custodian at least quarterly via the Quarterly Confirmation Report. Upon request, at no additional charge, the Client can obtain information regarding any trade confirmation for the Account, and may request a duplicate paper or electronic copy of any trade confirmation. If the Client wishes to continue receiving separate trade confirmations, the Client will provide a written request to Geneos opting out of the Quarterly Confirmation Report.

#### **CLIENT REFERRALS AND OTHER COMPENSATION**

We may from time to time compensate affiliated and unaffiliated persons, called "solicitors" either directly or indirectly when they refer to us clients and prospects they believe would benefit from our investment advisory services. Often times these referrals will come from professionals (i.e. attorneys and accountants). In all cases these referral fee arrangements will be disclosed to the clients in accordance with section 206(4)-3 of the *Investment Advisors Act*. Compensation to the Solicitor is dependent on the client entering into an advisory agreement with Geneos for advisory services. Compensation to the Solicitor will be an agreed upon percentage of the advisory fee or a flat fee. Geneos' referral program is in compliance with federal regulations as set out in 17 CFR Sections 275.206(4)-3. The solicitation/referral fee is paid pursuant to a written agreement retained by Geneos and the Solicitor. The Solicitor will be required to provide the client with a copy of this brochure and the Solicitor's client disclosure document detailing the amount we will pay the Solicitor prior to or at the time of entering into any investment advisory contract with Geneos. Your advisory fee will not be increased as a result of compensation being shared with Solicitor.

Geneos offers an Insured Deposit Program ("IDP" or "Program") as our core account sweep vehicle with our custodian, Pershing, LLC. The IDP is the core account investment vehicle for Pershing LLC advisory accounts and is used to hold your cash balances while awaiting reinvestment. The cash balance in your Pershing, LLC advisory accounts will be deposited automatically or "swept" into interest-bearing FDIC-insured Program deposit accounts ("Deposit Accounts") at one or more FDIC-insured financial institutions (each a "Program Bank" or collectively, "Program Banks").

You should be aware that the IDP generates financial benefits for Geneos which are a conflict of interest. We will receive a fee from Pershing, LLC in connection with the IDP equal to a percentage of all participants' average daily deposits at the Program Banks. Amounts will vary, but in no event will they be more than 3.50% on an annualized basis as applied across all Deposit Accounts and in no instance will your IAR receive a portion of this fee. The fees received from Pershing, LLC are negotiated and may change. Because of this fee we receive in connection with the IDP, we have an incentive to recommend the IDP over other sweep vehicles that do not generate this fee. At our discretion, we may reduce or raise the interest rate paid to clients. From time to time, if the rate paid changes, you will receive notification of any such change. In addition to our fee, other service providers with respect to

the Program will receive fees from each Program Bank (collectively, with the fees paid to us and/or a custodian, "Program Fees").

The Program Banks use Program Deposits to fund current and new lending for investment activities. The Program Banks earn net income from the difference between the interest they pay on Program Deposits and the fees paid to us and other service providers and the income they earn on loans, investments, and other assets. The Program Banks pay rates of interest on Program Deposits that could be lower than prevailing market interest rates that have been paid on accounts otherwise opened directly with the Program Bank. Program Banks do not have a duty to provide the highest rates available and may instead seek to pay a low rate. Lower rates will be more financially beneficial to Program Banks. There is no connection between bank rates of interest and the highest rates available in the market, including any money market mutual fund rates.

The IDP is not the only available core account sweep vehicle for Geneos advisory accounts with Pershing LLC as the custodian. If you opt out of this Program, we provide access to other core account investment vehicles, including money market funds, to hold cash balances waiting to be reinvested. If you do not wish to use the default core account sweep vehicle, you will need to indicate on the New Account Application the money market fund you would like to use, but you should be aware that money market funds are not FDIC insured. Geneos receives a financial benefit (revenue sharing from the money market provider) if cash is placed into a money market funds which presents a conflict of interest. Your investment advisor representative will not receive any portion of any revenue received by Geneos. Money market funds can lose value and have done so in the past. In addition, different core account investment vehicles can have different rates of return and different terms and conditions, such as FDIC (Federal Deposit Insurance Corporation) insurance or SIPC (Securities Investor Protection Corporation) protection. For more information please consult [www.FDIC.gov](http://www.FDIC.gov) or [www.SIPC.org](http://www.SIPC.org) respectively.

You are not obligated to use any of our managed accounts and can select a managed account at another investment advisor where similar programs may not exist. However, if you select another investment advisor, your account will not be managed by your representative and Geneos.

Some money managers may provide economic support through a revenue sharing agreement with Geneos and provide ongoing training and education to our representatives. Because of the support representatives may be more inclined to recommend managers or strategists who they form relationships with through the training over managers or strategists that they have not received training and education from.

From time to time, we may receive expense reimbursement for travel and/or marketing expenses from distributors of investment and/or insurance products. Travel expense reimbursements are typically a result of attendance at due diligence and/or investment training events hosted by product sponsors. Marketing expense reimbursements are typically the result of informal expense sharing arrangements in which product sponsors may underwrite costs incurred for marketing such as advertising, publishing and seminar expenses. Although receipt of these travel and marketing expense reimbursements are not predicated upon specific sales quotas, the product sponsor reimbursements are typically made by those sponsors for whom sales have been made or it is anticipated sales will be made. As a part of our and our representatives' fiduciary duty, we endeavor at all times to put your interests first. However, you should be aware that receiving additional compensation through nominal sales

awards, expense reimbursements, etc. creates a conflict of interest that may impact the judgment of our representatives when making advisory recommendations.

#### **FINANCIAL INFORMATION**

This item is not applicable to our brochure. We do not require or solicit prepayment of more than \$1,200 in fees per client, for a period of six months or more in advance. Therefore, we are not required to include a balance sheet for its most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, we have not been the subject of a bankruptcy petition at any time.



Wes Strobe  
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Centennial, CO 80112  
303-785-8470

# INVESTMENT ADVISOR REPRESENTATIVE BROCHURE SUPPLEMENT

This brochure supplement provides information about Wes Strobe that supplements the Geneos Wealth Management, Inc. Disclosure Brochure. You should have received a copy of that brochure. Please contact the Geneos Advisory Services Department if you did not receive Geneos Wealth Management, Inc.'s Disclosure Brochure or if you have any questions about the contents of this supplement.

Additional information about Geneos and this Investment Advisor Representative is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Wes Strode, CFA

Born in 1976, Wes graduated from the University of Nebraska at Lincoln with a Bachelors of Science in 1999. He went on to receive his Master of Accounting and Financial Management from the Keller Graduate School of Management in 2011. From 1999 – 2005 Wes worked as an Account Manager with State Street Bank and Trust in Kansas City, MO. He then moved to Denver, CO and worked at Old Mutual Capital as a Senior Investment Analyst from 2005 – 2011. From 2011 – 2012 he was the Senior Portfolio Manager with Advised Assets Group, LLC. Since February 2012 he has been a Portfolio Manager for Portfolio Design Advisors, LLC and for Geneos Wealth Management, Inc.

### CFA®

Chartered Financial Analyst (CFA®) is a charter that is globally recognized graduate level curriculum that provides proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning. It also emphasizes the highest ethical and professional standards. To earn the CFA® charter the candidate must have four years of qualified investment work experience; and must become a member of CFA Institute (the global association of investment professionals that administers the CFA® charter), pledging to adhere to the CFA Institute Code of Ethics and Standards of Professional Conduct on an annual basis; the candidate must apply for membership to a local CFA member society; and must complete three exams, spending an average of 300 hours of study per exam.

## DISCIPLINARY INFORMATION

Wes Strode has no disciplinary information to disclose.

## OTHER BUSINESS ACTIVITIES

Wes Strode is also a registered representative of Geneos in its capacity as a broker-dealer. If you elect to have Wes Strode implement the advice provided as part of the financial planning or consulting services, this is done in his separate capacity as a registered representative of a broker-dealer. Wes Strode could receive fees for the advice and could also receive commissions, including 12(b)-1, annual marketing and distribution fees for implementing the recommendations in this separate capacity. It provides incentive to recommend investment products based on the compensation received, rather than on your needs. You are not obligated to implement the advice provided by Wes Strode or to implement transactions through us as a broker-dealer. You are free to select any broker-dealer or registered representative to implement the recommendations provided by Wes Strode.

Wes Strobe is also a Portfolio Manager with Portfolio Design Advisors, Inc., a Registered Investment Advisor. Both Geneos and Portfolio Design Advisors are commonly owned by GWM Holdings, Inc. and both offer similar programs marketed as the Axiom program.

## **ADDITIONAL COMPENSATION**

Wes Strobe's primary income is a salary from Geneos Wealth Management, Inc. for his employment as a Portfolio Manager for both Geneos and for Portfolio Design Advisors, Inc.

Geneos has established relationships with other, non-affiliated investment advisors through which we will act as a solicitor and Wes Strobe may refer you to the other investment advisors' management programs. When acting in this solicitor capacity, we receive a portion of the fee you pay to the other investment advisors.

When referring clients to third party money managers, Geneos receives a portion of the fees generated from the referral. Since each money manager has a separate agreement with Geneos, each agreement will have a different percentage of the fee paid to us. That fee is shared with your representative. This provides an incentive for representatives to recommend one money manager over another one.

Certain product sponsors may provide Wes Strobe with other economic benefits as a result of him recommending or selling the product sponsors' investment. The economic benefits he receives from product sponsors can include, but are not limited to, financial assistance or the sponsorship of conferences and educational sessions, marketing support, incentive awards, payment of travel expenses, and tools to assist him in providing various services to clients.

## **SUPERVISION**

Dean Rager is the Chief Compliance Officer of Geneos in its capacity as a registered investment advisor. He is responsible for developing, overseeing and enforcing the firm's compliance programs that have been established to monitor and supervise the activities and services provided by Geneos and its investment advisor representatives. He may be contacted at 303-785-8470 x121. Jen Pattavina is the Assistant Compliance Officer for Geneos in its capacity as a registered investment advisor. She assists Mr. Rager with development oversight and enforcement of the firm's compliance programs. She may be contacted at 303-785-8470 x148. Rose Lawrence is the Branch Manager for Wes Strobe. She is responsible for monitoring and supervising the activities and services provided by Wes Strobe in his capacity as an investment advisor representative and a registered representative. She may be contacted at 303-785-8470 x136.

# axiom

Integrated Advisor Solutions



Paul Knipping  
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## INVESTMENT ADVISOR REPRESENTATIVE BROCHURE SUPPLEMENT

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## EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Paul Knipping, CFA

Born in 1985, Paul studied finance at the University of Colorado at Denver, School of Business. His background includes experience at several top financial firms with a focus on trading and investment analysis, beginning in 2006 with Charles Schwab as a Client Service Associate. Later that year he moved to Merrill Lynch as an Investment Associate. From 2008-2009 he was a Junior Equity Trader in the SMA group at Oppenheimer Funds. From 2009-2012 Paul worked as a Variable Annuity Analyst, contributing to AUV calculation methodology, before moving to the Fiduciary Services Team creating 15(c) reports for mutual fund companies at Lipper. From 2012-2013 Paul worked as an Investment Banking Analyst at SDR Ventures, a Denver based investment bank where he focused on buy-side and sell-side transactions, as well as debt and equity capital raises. Since August of 2013 he has been a Portfolio Analyst for Portfolio Design Advisors, Inc. and for Geneos Wealth Management, Inc.

### CFA®

Chartered Financial Analyst (CFA®) is a charter that is globally recognized graduate level curriculum that provides proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning. It also emphasizes the highest ethical and professional standards. To earn the CFA® charter the candidate must have four years of qualified investment work experience; and must become a member of CFA Institute (the global association of investment professionals that administers the CFA® charter), pledging to adhere to the CFA Institute Code of Ethics and Standards of Professional Conduct on an annual basis; the candidate must apply for membership to a local CFA member society; and must complete three exams, spending an average of 300 hours of study per exam.

## DISCIPLINARY INFORMATION

Paul Knipping has no disciplinary information to disclose.

## OTHER BUSINESS ACTIVITIES

Paul Knipping is also a Portfolio Analyst with Portfolio Design Advisors, Inc., a Registered Investment Advisor. Both Geneos and Portfolio Design Advisors are commonly owned by GWM Holdings, Inc. and both offer similar programs marketed as the Axiom program.

## ADDITIONAL COMPENSATION

Paul Knipping's primary income is a salary from Geneos Wealth Management, Inc. for his employment as a Portfolio Analyst for both Geneos and for Portfolio Design Advisors, Inc.

Geneos has established relationships with other, non-affiliated investment advisors through which we will act as a solicitor and Paul Knipping may refer you to the other investment advisors' management programs. When acting in this solicitor capacity, we receive a portion of the fee you pay to the other investment advisors.

When referring clients to third party money managers, Geneos receives a portion of the fees generated from the referral. Since each money manager has a separate agreement with Geneos, each agreement will have a different percentage of the fee paid to us. That fee is shared with your representative. This provides an incentive for representatives to recommend one money manager over another one.

Certain product sponsors may provide Paul Knipping with other economic benefits as a result of him recommending or selling the product sponsors' investment. The economic benefits he receives from product sponsors can include, but are not limited to, financial assistance or the sponsorship of conferences and educational sessions, marketing support, incentive awards, payment of travel expenses, and tools to assist him in providing various services to clients.

## **SUPERVISION**

Dean Rager is the Chief Compliance Officer of Geneos in its capacity as a registered investment advisor. He is responsible for developing, overseeing and enforcing the firm's compliance programs that have been established to monitor and supervise the activities and services provided by Geneos and its investment advisor representatives. He may be contacted at 303-785-8470 x121. Jen Pattavina is the Assistant Compliance Officer for Geneos in its capacity as a registered investment advisor. She assists Mr. Rager with development oversight and enforcement of the firm's compliance programs. She may be contacted at 303-785-8470 x148. Rose Lawrence is the Branch Manager for Paul Knipping. She is responsible for monitoring and supervising the activities and services provided by Paul Knipping in his capacity as an investment advisor representative and a registered representative. She may be contacted at 303-785-8470 x136.



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# INVESTMENT ADVISOR REPRESENTATIVE BROCHURE SUPPLEMENT

This brochure supplement provides information about Dean Rager that supplements the Geneos Wealth Management, Inc. Disclosure Brochure. You should have received a copy of that brochure. Please contact the Geneos Advisory Services Department if you did not receive

Geneos Wealth Management, Inc.'s Disclosure Brochure or if you have any questions about the contents of this supplement.

Additional information about Geneos and this Investment Advisor Representative is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE**

Dean Rager

Born in 1958, Dean holds the Series 7, 24 and 66 licenses. He completed a Bachelor of Science degree in Business Administration and Human Resource Management and received a Master of Science in Computer Information Systems from the University of Phoenix. Prior to joining Geneos, he served as Chief Information Officer for ING Advisors Network where he oversaw its technological infrastructure. As a past president of a 500 rep broker dealer, he was responsible for the day-to-day and financial operations of the firm. Dean has been with Geneos Wealth Management, Inc. since 2004 as the Senior Vice President. Along with the daily responsibility for Geneos' technology solutions, Dean also has oversight for the firm's OSJs and home office registered personnel. As the Chief Compliance Officer of the Geneos Registered Investment Advisor he is responsible for the oversight of the Geneos advisory programs. Dean has been involved with a commonly owned Registered Investment Advisor, Portfolio Design Advisors, Inc. since 2009, officially taking over responsibilities as President in 2014.

## **DISCIPLINARY INFORMATION**

Dean Rager has no disciplinary information to disclose.

## **OTHER BUSINESS ACTIVITIES**

Dean Rager is also a registered representative of Geneos in its capacity as a broker-dealer. If you elect to have Dean Rager implement the advice provided as part of the financial planning or consulting services, this is done in his separate capacity as a registered representative of a broker-dealer. Dean Rager could receive fees for the advice and could also receive commissions, including 12(b)-1, annual marketing and distribution fees for implementing the recommendations in this separate capacity. It provides incentive to recommend investment products based on the compensation received, rather than on your needs. You are not obligated to implement the advice provided by Dean Rager.

Dean Rager is also an independently licensed insurance agent. If you elect to purchase insurance products through Dean Rager in this separate capacity, he earns commissions. Dean Rager could receive fees for the advice and also receive commissions for implementing insurance transactions. You are not obligated to implement the advice provided by Dean Rager or to implement transactions through him in his separate capacity as an insurance agent.

Dean Rager is also the President of Portfolio Design Advisors, Inc., a Registered Investment Advisor. He is also the President of Gentech, LLC, a technology company providing services to Geneos, Portfolio Design Advisors and other broker-dealers and registered investment advisors. Geneos, Gentech and Portfolio Design Advisors are commonly owned by GWM Holdings, Inc. Geneos and Portfolio Design Advisors both offer similar programs marketed as the Axiom program.

## ADDITIONAL COMPENSATION

Dean Rager's primary income is a salary from Geneos Wealth Management, Inc. for his employment as the Senior Vice President for Geneos, as the President of Gentech, and as the President for Portfolio Design Advisors, Inc.

Geneos has established relationships with other, non-affiliated investment advisors through which we will act as a solicitor and Dean Rager may refer you to the other investment advisors' management programs. When acting in this solicitor capacity, we receive a portion of the fee you pay to the other investment advisors.

When referring clients to third party money managers, Geneos receives a portion of the fees generated from the referral. Since each money manager has a separate agreement with Geneos, each agreement will have a different percentage of the fee paid to us. That fee is shared with your representative. This provides an incentive for representatives to recommend one money manager over another one.

Certain product sponsors may provide Dean Rager with other economic benefits as a result of him recommending or selling the product sponsors' investment. The economic benefits he receives from product sponsors can include, but are not limited to, financial assistance or the sponsorship of conferences and educational sessions, marketing support, incentive awards, payment of travel expenses, and tools to assist him in providing various services to clients.

## SUPERVISION

Dean Rager is the Chief Compliance Officer of Geneos in its capacity as a registered investment advisor. He is responsible for developing, overseeing and enforcing the firm's compliance programs that have been established to monitor and supervise the activities and services provided by Geneos and its investment advisor representatives. He may be contacted at 303-785-8470 x121. Jen Pattavina is the Assistant Compliance Officer for Geneos in its capacity as a registered investment advisor. She assists Mr. Rager with development oversight and enforcement of the firm's compliance programs. She may be contacted at 303-785-8470 x148. Rose Lawrence is the Branch Manager for Dean Rager. She is responsible for monitoring and supervising the activities and services provided by Dean Rager in his capacity as an investment advisor representative and a registered representative. She may be contacted at 303-785-8470 x136.