



## **GeoWealth Management, LLC Wrap Fee Program Brochure**

CRD # 148222

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This wrap fee program brochure (the "Brochure") provides information about the qualifications and business practices of GeoWealth Management, LLC ("GeoWealth" or "Firm"). If you have any questions about the contents of this Brochure, please contact us at (312) 219-9160 or by email at [evan.lieberman@geowealth.com](mailto:evan.lieberman@geowealth.com). You may also visit our website at [www.geowealth.com](http://www.geowealth.com).

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

GeoWealth is a registered investment adviser. Registration of an Investment Adviser does not imply that GeoWealth or any of its principals or employees possess a particular level of skill or training in the investment advisory business or any other business.

Additional information about GeoWealth is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).



## Item 2 – Material Changes

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In April 2020, GeoWealth filed with the SEC its annual update of its Brochure (“Last Annual Update”). In March 2021, GeoWealth filed its annual updating amendment which contained the following material change:

Effective February 16, 2021, the Department of Labor required additional disclosures be made to clients when performing ERISA or IRA rollovers. Please see the ERISA subsection in Item 11 for the required disclosures.

GeoWealth has subsequently made an interim amendment to its March 2021 brochure in December 2021. This amendment contains the following material change:

Item 9 – Additional Information, sub-heading Best Execution, was amended to discuss GeoWealth’s relationship with Folio Investments, Inc. This relationship impacts GeoWealth’s brokerage practices and the order in which accounts may be executed. Please read Item 9 carefully for a more detailed explanation of the changes.

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## Item 4 – Services, Fees and Compensation

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GeoWealth Management, LLC (“GeoWealth”) is the sponsor of the GeoWealth Wrap Fee Program which is offered to current clients. The wrap program is designed to allow clients to pay a single fee that covers many costs associated with the maintenance of each client’s account. The single fee consists of investment advisory and portfolio management services as well as the fees related to the custody of securities such as trade execution, clearance, and settlement. These services are provided on a discretionary basis to clients.

The GeoWealth Wrap Fee does not cover internal fund fees or expenses (expense ratios and fund management fees), wire transfer fees and expenses, and margin fees and expenses.

Clients entering the GeoWealth Wrap Fee Program will enter into a separate written agreement with GeoWealth (GeoWealth Investor Information Booklet) that will detail the exact terms and conditions of the relationship between the client and GeoWealth and will also detail the services to be provided alongside the fees to be paid by client to GeoWealth.

GeoWealth will work with clients enrolled in the GeoWealth Wrap Fee Program to complete an investor profile questionnaire to obtain necessary information regarding the client’s financial condition, investment objectives, liquidity requirements, risk tolerance, time horizons, and any restrictions on investing. Along with client discussions, this process enables us to determine the portfolio best suited for the client’s investment objective and needs. Once the client’s investment portfolio has been designed and investments have been allocated, we will provide ongoing portfolio review and management services.

Throughout the course of a relationship with GeoWealth, financial circumstances for a client may change. These changes may include but are not limited to the following: change in risk tolerance, changes in liquidity needs, change in investment objective, change in time horizon. It is important for the client to communicate any of these changes to GeoWealth as they may dictate a change in their investment portfolio which will potentially require a change in their model or asset allocation.

GeoWealth will typically implement the GeoWealth Wrap Fee Program utilizing exchange-traded funds (ETFs).

The maximum fee charged to clients in the GeoWealth Wrap Fee Program is 2.50%. This fee is negotiable but will not exceed this maximum. The fee will be charged monthly in advance and will be automatically deducted from the client’s custodial account unless directed otherwise by the client. Note that the total GeoWealth Wrap Fee include two components, an advisory fee and a platform fee. The Advisory fee is a fixed fee and the platform fee is unique to the investment product selected. The mix of investment products selected may cause the wrap fee to vary.

Participating in the GeoWealth Wrap Fee Program may cost the client more or less than purchasing GeoWealth’s investment advisory services separately since the fee charged does not change based on the trading volume of each account. Therefore, during periods of lower trading volume, participating in the wrap program is less attractive than periods of higher trading volume.

## Item 5 – Account Requirements and Types of Clients

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GeoWealth generally requires a minimum account size of \$10,000. We reserve the right to negotiate fees or accept accounts below our stated minimums.

### **Types of Clients**

GeoWealth generally manages Wrap Fee Program accounts for the following client types:

- Individuals
- High net worth clients
- Trusts
- Foundations
- Retirement Plans

## Item 6 – Portfolio Manager Selection and Evaluation

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The portfolio management and research teams at GeoWealth employ a rigorous and comprehensive due diligence process for third-party product evaluation and selection. We offer our clients access to a select list of the industry's most respected money managers. Our initial and ongoing due diligence ensures that only highly vetted third-party money managers are offered. Additionally, GeoWealth offers our own proprietary model portfolios on our platform. Model portfolios are a collection of individual securities specifically chosen to achieve a particular investment objective.

### **Third-Party Manager Models**

Our due diligence process for third-party models focuses on both qualitative and quantitative factors to focus our offerings to only those money managers that provide us a high level of conviction and comfort. Our process uses the following steps: 1) surveying the industry 2) money manager analysis 3) in-person interviews 4) investment committee approval and 5) ongoing review.

#### *1) Surveying the Industry*

GeoWealth has an extensive network of investment advisors whom offer investment advisory services to a wide range of investors. We regularly meet with those investment advisors to understand what investment advisory products they need to effectively manage their client's assets. Additionally, our own investment professionals evaluate market trends and conditions to identify reputable money managers offering products that are complementary to our current model offerings. Based on that surveying process, we obtain narrow list of new potential third-party money managers. Additionally, through that surveying process, we obtain feedback about the products we currently offer and understand if they still meet the needs of investors and advisors.

#### *2) Money Manager Analysis*

The money manager analysis process focuses only on those money managers that have the requisite level of skill, reputation, and a robust and repeatable investment process. Additionally, they must offer securities and past return characteristics that are suitable enough to offer to our clients.

The analysis process starts with completing a highly detailed Due Diligence Questionnaire. Information obtained may include, but is not limited to, obtaining an understanding of their compliance function, investment personnel, proxy voting policies, insurance coverage, business continuity plans, investment process, and risk management process. Given the unique characteristics of each third-party money manager and our previous relationship with them, some or all of the due diligence topics of understanding may be substituted with other topics at our discretion.

### *3) Live Interviews*

Our investment professionals and members of senior management will typically meet with third-party money managers, company leadership, analysts, and other key professionals. This gives us the opportunity to understand more deeply who the key decision makers are and how decisions are made. It also allows us to obtain a more detailed understanding about investment offerings, policies, and procedures.

### *4) Investment Committee Approval*

The Investment Committee is made up of our key investment professionals and company leadership. Each member of the committee has the duty to raise any material concerns about the third-party money manager and any material risks are resolved to the investment committee's satisfaction. The decision to approve a third-party money manager requires a majority approval.

### *5) Ongoing Review*

We regularly monitor the investment performance of each third-party money manager chosen for client portfolios. We also monitor for negative regulatory information, personnel turnover, and material changes to their investment offerings, among other factors. If a manager fails to continue to meet our standards, we may choose to stop offering their products.

## **GeoWealth Proprietary Models**

GeoWealth offers its own proprietary models based off our own proprietary research methodology. Our models generally fall into the following categories: Strategic, Income Generation, Equity, and Equity and Income. The Strategic models select assets based on expected rates of return for each asset class. They are typically on a risk continuum from conservative (higher allocation to bonds) to aggressive (higher allocation to equities). The Income Generation models focus on selecting securities that pay interest or dividends. The Equity models select equity assets based on characteristics such as market capitalization and other characteristics. The Equity and Income models are a blend of the characteristics of both the Equity and Income Generation models.

Our proprietary investment analysis process uses a multi-factor approach to identify which securities meet the investment objectives of each model. We employ analysis techniques such as comparing the investment to the efficient frontier, performing a risk/return analysis, and evaluating the impact of expense ratios on performance, among other techniques.

## Item 7 – Client Information Provided to Portfolio Managers

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## Item 8 – Client Contact with Portfolio Managers

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## Item 9 – Additional Information

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GeoWealth does not have any disciplinary information to disclose in this section. Specifically, there were no criminal or civil actions, administrative enforcement proceedings, or self-regulatory organization enforcement proceedings to be disclosed.

### **Other Financial Industry Activities and Affiliations**

In December, 2018 JPMC Strategic Investments Group I Corporation, an affiliate of J.P. Morgan Asset Management, made a minority interest in GeoWealth. J.P. Morgan Asset Management, and its affiliated entities, may perform investment services, including rendering investment advice, to its own clients. Further, GeoWealth is licensed to offer certain ETF model portfolios created by third-party sponsors of ETFs, one of which is JP Morgan Asset Management. GeoWealth does not receive any compensation to offer J.P. Morgan ETF portfolios from J.P. Morgan.

As part of its own diligence, GeoWealth annually reviews ETFs for inclusion in its own model portfolios. J.P. Morgan, as well as many other ETF sponsors, receive placement in GeoWealth's asset allocation models based upon annual diligence. GeoWealth does not receive any compensation from J.P. Morgan (nor any asset manager) for ETF placement in GeoWealth models.

### **Participation or Interest in Client Transactions**

Certain employees of GeoWealth may own securities in their personal accounts that are also

recommended by GeoWealth. The Firm has established procedures intended to limit conflicts of interest in cases where GeoWealth or any of their employees buys or sells securities recommended by GeoWealth to our Clients. GeoWealth does not engage in principal trading and does not recommend securities to advisory clients it has a proprietary or ownership interest in.

### **Code of Ethics & Personal Trading**

Pursuant to Rule 204A-1 of the Advisers Act, GeoWealth has adopted both a Code of Ethics and an Employee Investment Policy that establish various procedures with respect to investment transactions in accounts in which our employees or related persons have a beneficial interest or accounts over which an employee has investment discretion.

GeoWealth recognizes and believes that (i) high ethical standards are essential for its success and to maintain the confidence of its Clients; (ii) its long-term business interests are best served by adherence to the principle that the interests of Clients come first; and (iii) it has a fiduciary duty to its Clients to act solely for the Client's benefit. All GeoWealth employees must put the Clients' interests before their own personal interests and must act honestly and fairly in all respects in dealings with Clients. All GeoWealth employees must also comply with all federal securities laws.

In general, employees (and members of their immediate households) must obtain written pre-approval from the CCO prior to executing a personal transaction in equity securities, ETFs, options and futures. The spirit of the Code of Ethics is to discourage frequent trading in employee personal accounts. In addition, employees must receive pre-approval from the CCO to acquire securities for their own account in an initial public offering. Employees must also obtain pre-approval from the CCO before engaging in any outside business activities or private placements.

All employees must provide to the CCO duplicate copies of brokerage statements (when available), for accounts over which the employee has discretion. These records are used to monitor compliance with the foregoing policies. Employees must also annually attest to the location of their holdings.

These policies apply to any personal transactions involving equity, debt, options, futures (or derivative products related to these securities). This policy does not apply to transactions involving government securities, open-end mutual funds, or other instruments which afford the investor no discretion over individual securities transactions.

GeoWealth strictly prohibits the misuse or inappropriate communication of inside information in connection with securities transactions. GeoWealth, as well as federal and state securities laws, also prohibit the practice of market manipulation (action intended to deceive or defraud investors by controlling or artificially affecting the price of securities).

In special situations, GeoWealth may create an information barrier or a "Chinese Wall" procedure that restricts the disclosure of confidential information to those who have a genuine "need to know" the information. The Firm has also adopted communications guidelines designed to assist personnel in understanding their duties and responsibilities regarding the receipt and the communication of financial and other sensitive information.

GeoWealth restricts the giving and receiving of gifts, limiting participation in and sponsoring of entertainment events, and requiring the reporting of gifts and entertainment to the CCO subject to



certain exceptions. GeoWealth also has a policy that governs political contributions to certain officials and political parties. This policy is designed, among other things, to address the requirements of Rule 206(4)-5 under the Advisers Act.

Our Code of Ethics and Employee Investment Policy are available upon request by any Client or prospective client.

### **Review of Accounts**

All Client accounts managed under the GeoWealth Wrap Program are regularly reviewed to ensure conformity with Client objectives and guidelines communicated to GeoWealth. Additionally, when each account is rebalanced, they are reviewed to ensure they meet their investment objectives. Reviews are performed by members of GeoWealth's trading operations team whose compliance with SEC rules and regulations is ultimately overseen by the CCO.

Generally, clients will receive detailed account reports from GeoWealth or each client's investment advisor on a monthly basis via electronic delivery. These reports are supplemental to the statements provided by each client's qualified custodian. A standard client reporting package includes a performance summary, holdings summary, and a fee summary. Each client's investment advisor has the ability to change which reports are provided based on the unique needs of the client and/or advisor.

### **Client Referrals and Other Compensation**

GeoWealth may enter into an agreement to compensate certain individuals and/or firms for referring clients to GeoWealth. These professionals generally include Certified Public Accountants, registered financial advisors, and attorneys (collectively, "Solicitors"). Solicitors for GeoWealth comply with the requirements of the jurisdiction in which they operate. Clients referred to GeoWealth by a Solicitor shall receive a copy of this brochure along with the Solicitor's disclosure statement at the time of the referral. The Solicitor that referred the client to GeoWealth will receive a percentage of the advisory fee for as long as you remain a client of GeoWealth or until such time as GeoWealth's agreement with the Solicitor expires. You will not pay additional fees because of this referral arrangement. Referral fees paid to a Solicitor are contingent upon your entering into an advisory agreement with GeoWealth. Therefore, a Solicitor has a financial incentive to recommend our firm to you for advisory services. This creates a conflict of interest; however, you are not obligated to retain our firm for advisory services. Comparable services and/or lower fees may be available through other firms. Solicitors that refer business to more than one investment adviser may have a financial incentive to recommend advisers with more favorable compensation arrangements.

### **ERISA**

When we provide investment advice to Clients regarding their retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with our Clients' interests, so we operate under a special rule that requires us to act in our clients' best interest and not put our interest ahead of yours. Under this special rule, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

### **Best Execution**

GeoWealth typically executes trades with Folio Investments, Inc. (“Folio”) for accounts that are custodied at Folio. Whenever possible, GeoWealth will transmit trades directly to Folio’s brokerage desk using electronic FIX trading connectivity in accordance with our broker rotation program. However, in instances where FIX trading connectivity is not available or is not prudent given the circumstances surrounding the trade, GeoWealth may use Folio’s own proprietary order management system. When using their order management system, trades are aggregated at Folio and executed at the close of specific order aggregation windows. Trades executed at Folio through their order management system will not utilize our broker rotation program. Clients should understand that trades executed at Folio are executed using Folio’s own trade execution procedures and always begin trading at specific times that Folio determines. Clients should also understand that GeoWealth’s broker rotation program generally targets trade execution at specific times also and those times may consistently be either before or after Folio’s execution times. This may cause accounts that are held in custody at Folio, and traded using Folio’s proprietary order management system, to either consistently trade before or after those that are held in custody at other custodians. Wherever possible, GeoWealth will seek to trade accounts held in custody at Folio in the same blocks as other GeoWealth accounts.