

# Account Agreements and Disclosures



# Transfer on Death Agreement



I wish to arrange for a non-probate transfer of my account assets at my death or the death of the last surviving joint owner of my account. I, therefore, authorize and request that AssetMark Trust Company ("AssetMark") create a Transfer on Death (TOD) registration for this custodial account, according to the following terms and conditions and those on the Beneficiary Designation section (together the "Transfer on Death ("TOD") Agreement").

I agree that I continue to be bound by my AssetMark Custody Agreement, including its arbitration provisions, and all other agreements applicable to my AssetMark custodial account and that this TOD Agreement supplements those agreements. A TOD registration is only allowed for accounts owned by one natural person or multiple natural persons holding the account as joint owners with the right to survivorship (not as tenants in common).

During my lifetime, I shall retain full ownership of the securities, moneys and other property held in my account. The registration of this account as a TOD account may be canceled or changed at any time by the sole owner or all then surviving owners without the consent of any beneficiary. The designation of a beneficiary has no effect on ownership until all owners' deaths. Any Beneficiary Designation is fully revocable by me, or all owners of a joint account, and no previously designated beneficiary shall have any claim on my account. A new Beneficiary Designation accepted by AssetMark will revoke any previous Beneficiary Designation for my account. Any Beneficiary Designation, beneficiary revocations or other instructions shall not be effective until and unless accepted by AssetMark and shall be subject to their then existing policies.

Upon receipt of notice of my death, acceptable to AssetMark, shall, without requiring any further instructions from any other person or entity, transfer all money, securities and other property from my account to separate new account(s) opened for the beneficiary(ies) who survive me. Acceptable notice of death shall be determined by AssetMark and will usually require a copy of a death certificate. Until division of the account after the death of all account owners, multiple beneficiaries surviving the death of all owners will hold their interests as tenants in common.

**The following paragraph applies if I do not specify "per stirpes" when designating beneficiaries.** I understand that unless I specify "per stirpes," the "per capita" method of beneficiary designation shall be used and a beneficiary's rights shall end with that beneficiary's death. My account shall pass to all the primary beneficiaries who survive me or the last surviving joint owner, in equal shares, unless I have designated other proportions. If any of the primary beneficiaries should predecease me or the last surviving joint owner, then my account shall pass only to the surviving primary beneficiaries with the deceased primary beneficiary's share being divided among the surviving primary beneficiaries in proportion to the percentages specified for the remaining primary beneficiaries. If none of the primary beneficiaries survive me or the last surviving joint owner, then my account shall pass to those designated as contingent beneficiaries who survive me or the last surviving joint owner, in equal shares, unless other proportions are designated. If I have named more than one primary or contingent beneficiary and specified percentages do not total 100%, the unallocated portion of my account will be shared equally among the beneficiaries. Only beneficiaries identified by name will share in the TOD account assets with a Beneficiary Designation that does not include per stirpes, and a predeceased beneficiary's estate shall have no claim to or interest in the TOD account.

**The following paragraph applies if I specify "per stirpes" when designating beneficiaries.** The term "per stirpes" (or "by branch") means that if any primary beneficiary dies before the account holder or the last surviving joint account owner, but has descendants, that beneficiary's share will be paid to such descendants (in the generation nearest the deceased beneficiary) equally. For example, if I designate my three children as beneficiaries per stirpes and, at the time of my death, one child, who has two living children (my grandchildren), has predeceased me, then each of my two living children will receive one third of the account assets and my two grandchildren of my deceased child will each receive one half of the one third share of the account (one sixth each). In this example, if I have a third grandchild with a living parent (my child), they will not receive any portion of my account but my child will receive what I have allocated to them as a beneficiary. If my deceased child has a living spouse (who is not designated as a beneficiary), that spouse will not receive any portion of the account but that deceased child's portion will be divided equally among his children (among those in the generation nearest him). For purposes of this TOD Account registration, the number of branches is determined by reference to my children, even if all have predeceased me, regardless of what state I may be a resident of or what state law may be applicable to my estate.

**The following paragraphs apply to all beneficiary designations.**

Upon my death, AssetMark is authorized, at their discretion, to look to the executor of my estate for information and instructions regarding the distribution of my TOD account. AssetMark may rely upon the instructions of my estate executor and shall not be liable for any payments made at their direction.

If no beneficiary survives me or the last surviving joint owner or if, in the case of a trust, corporation or other entity designated as a beneficiary, it has been terminated, dissolved or otherwise ceased to exist prior to my death or the death of the last surviving owner, then the proceeds of my account shall pass to my estate. If a beneficiary survives me or the last surviving joint owner, but is not alive at the time of the transfer of the TOD account assets, then the assets will become part of that beneficiary's estate. If it cannot be determined that a beneficiary has survived me or the last surviving joint owner by 120 hours, then the beneficiary will

be deemed not to have survived. If the laws of any state prevent AssetMark from making this Transfer on Death registration or the designated transfers to beneficiaries, then the proceeds of the TOD account shall pass to my estate or the estate of the last surviving joint owner, as applicable.

If any beneficiary is or becomes married to me or the last surviving joint owner, then the dissolution of that marriage shall have no effect on the designation of my ex-spouse as beneficiary, unless that Beneficiary Designation is revoked.

In the event that any beneficiary is a minor in the state of their residence or otherwise incompetent at the time of transfer of the TOD account assets, and AssetMark is notified of such fact, the assets for such minor/incompetent beneficiary shall be transferred to a custodial account or other fiduciary or guardianship account for the benefit of the beneficiary upon receipt of documents in a form satisfactory to AssetMark.

In the event that any securities or other property in my account cannot, for any reason, be partitioned and transferred to accounts for the beneficiaries, AssetMark shall, to the extent necessary, liquidate those securities or other property and transfer the proceeds of that sale.

In the event that, upon my death or the death of the last surviving joint owner, as applicable, the account reflects a debit balance, AssetMark may liquidate any securities, at its discretion, required to satisfy that debit and pay that debit prior to distribution of any money, securities or other property to any beneficiary.

AssetMark shall have the right to require execution of further documents by any beneficiary or the legal representative of any beneficiary prior to any distribution of the money, securities or other property in my account.

AssetMark Trust Company has no obligation: to locate Beneficiaries; to question or investigate the circumstances of my death as it is reported to them; to determine the age or any other facts about a beneficiary; to appoint, if applicable, a custodian or guardian for any minor beneficiary; to locate or notify any spouse(s), children or other heirs of mine upon my death; to verify the legality of any distribution or any or any part of this agreement under the probate, estate, inheritance, community property, transfer on death or other laws of any state, including the state where this transaction takes the state where this Agreement is made; or to determine which state's law is applicable to any place and transfer, payment, distribution or any term or provision of this Agreement.

I acknowledge that a transfer on death registration and certain beneficiary designations may involve certain legal and tax implications and that AssetMark does not provide and is not providing advice regarding these matters and I should consult my own tax, estate and legal counsel. I acknowledge that AssetMark is not responsible for my compliance with U.S. tax laws.

Transfer on Death registration may not be recognized in all states. I acknowledge that AssetMark is not making any representation as to the validity of this registration as a means of transferring the account assets, and that I should consult my own legal counsel. If this request that this account be registered as a TOD account is governed by the laws of a jurisdiction that does not have in effect a transfer on death law, any Beneficiary Designation should nevertheless be presumed valid and authorized as a matter of contract law.

If I am a non-U.S. individual establishing this account, I acknowledge and agree that AssetMark is not responsible for compliance with the laws of succession or forced heirship, if any, in my country or domicile and that the assets in this account shall be transferred in accordance with this Agreement and the laws of the State of New York, without giving effect to principles of conflict of laws and without giving effect to New York modifications of per stirpes distribution.

In connection with AssetMark Trust Company acting in compliance with this Agreement, I agree to indemnify and hold AssetMark and their affiliates, directors, officers, agents and employees, successors and assigns, harmless from any liability to any person or entity, including but not limited to the beneficiary(ies) and my estate, personal representatives, heirs, assigns, agents, children, descendants, successors, and spouse(s) and/or any other person, for any actions taken in opening and maintaining my account, registering my account as TOD, and making the distributions upon receipt of notice of my death.

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VERSION 5.07

# Client Services Agreement

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By executing the Account Application (“Application”), the Account Owner (or “Client”) agrees to the terms of this Client Services Agreement (“Agreement” or “CSA”) with the Financial Advisory Firm. Client agrees to retain the Financial Advisory Firm and its associated Financial Advisor, named in the Application, to provide investment advisory services to the “Account” Client is establishing. The Financial Advisory Firm and its associated Financial Advisor are together referred to as the “Advisor” in this Agreement. This Agreement may establish one or more investment accounts (each an “Account”), although the singular form will be used throughout this Agreement. In providing these services to Client, Advisor uses services offered by and through AssetMark, Inc. (“AssetMark” and the “AssetMark Platform”). Unless Advisor or Client selects AssetMark as a Discretionary Manager to the Account, AssetMark shall not provide personalized advisory services to Client or Account. This Agreement will be identified in the Application or other documentation as either a Discretionary CSA or Non-Discretionary CSA, depending upon the authorities Client grants Advisor. The terms of the Discretionary CSA and Non-Discretionary CSA are the same, except where expressly noted. The Agreement contains a binding arbitration provision and class action waiver in section 6.1. You may opt out of the arbitration provision by following the process detailed in section 6.1.9.

## 1. ADVISOR SERVICES TO CLIENT

### 1.1. Account Opening and Selection and Suitability of Advisory Services.

Based upon an analysis of information obtained from Client, Advisor shall advise Client regarding the selection of advisory services and determine that the services selected by Advisor and/or Client are suitable for the Client’s Account. Advisor shall initiate the steps necessary to open each Account and participate in the selection of a Custodian (to hold Account assets) from those available on the AssetMark Platform. (AssetMark does not recommend any particular advisory service or Custodian for the Account or determine if they are suitable for the Account or Client.) Advisor shall participate in the collection of any information as may be needed to establish the Account and exercise best efforts to ensure that information and forms submitted are true and accurate. Advisor shall provide Client with disclosures and documents received from AssetMark and, if applicable, any Discretionary Manager, in addition to those disclosures and documents which are required or appropriate for Advisor to provide Client. Advisor shall furnish continuous advice as to the investment of the Client’s Account and the suitability of the Strategy selected for Client’s Account. Advisor shall be available on an ongoing basis during normal business hours for consultation regarding the Account and Client’s financial situation and investment objectives. Advisor shall periodically, and at least annually, consult with Client regarding the Account and Client’s financial situation and investment objectives. On an ongoing basis, Advisor shall convey Client’s instructions and provide updated information and instructions to the selected Custodian, which may be submitted through AssetMark as a service provider to the Custodian.

### 1.2. Advisory Services – Solution Types and Strategies.

Advisor offers the following advisory services or “Solution Types” (or “Solutions”), which are further divided into “Strategies.” For a more complete description of these services, please consult the AssetMark Platform Disclosure Brochure.

**1.2.1. Model Portfolios** – If the Account is invested in a Strategy based upon a Model Portfolio, the Account will be allocated among securities and/or other investments based upon one or more Model Portfolios provided by “Portfolio Strategists”

available on the AssetMark Platform. The Portfolio Strategists are third-party advisers and may include AssetMark. For Accounts invested in a Model Portfolio Strategy, the Advisor shall further advise the Client with respect to the selection of a Risk/Return Profile for the Account, if applicable.

- 1.2.2. Individually Managed Accounts (“IMA”)** – If the Account is invested in an IMA Strategy, the Account shall be managed by a “Discretionary Manager” (also referred to as an “Investment Manager”). The Discretionary Managers are third-party advisers and may include AssetMark. If a Discretionary Manager is selected, Client also agrees to retain the designated Discretionary Manager to manage the Account and that Client’s agreement with Discretionary Manager is incorporated as a part of this Agreement.
- 1.2.3. Financial Advisor Custom Accounts** – If a Financial Advisor Custom Account is selected, the Advisor can customize the Account.
- 1.2.4. Advisor Managed Accounts** – If this Agreement is a Discretionary CSA, Financial Advisor Custom Accounts can include Accounts directly managed by the Advisor. The Advisor may directly manage the Account using tools available through the AssetMark Platform, such as the Advisor Managed Portfolios and Advisor as Strategist Programs or such other tools that may be offered by AssetMark. These Advisor-managed accounts may also include Accounts invested in alternative investments such as hedge funds, private equity funds, private placements, and other securities, single mutual funds or Exchange Traded Funds (“ETFs”) or other securities.
- 1.2.5. Administrative/Non-Managed Accounts** – Although options will vary depending upon the Custodian selected, the Client can usually establish an Account at their selected Custodian to hold “non-managed” assets, such as cash or cash alternative investments or securities transferred in-kind.

## 2. CLIENT OBLIGATIONS, ACKNOWLEDGEMENTS AND AUTHORIZATIONS

### 2.1. General Obligations, Acknowledgements and Authorizations

- 2.1.1. Information Regarding Investment Objectives** – Client shall provide the Advisor with information concerning the Client’s financial situation, investment objectives and any investment restrictions and inform Advisor of any changes to this information. This information shall be used to assist Advisor in determining the selection and suitability of the advisory services to be provided the Client’s Account. Client shall be responsible for the completeness and accuracy of the data and information furnished by the Client to the Advisor.
- 2.1.2. Custodian** – Client shall contract with a Custodian from those available on the AssetMark Platform to hold Account assets and to provide brokerage and related services. The Client’s account with the Custodian is governed by the Client’s agreement with the Custodian and not by this Agreement. The Client will receive confirmation of trades executed in their Account from the Custodian in the form agreed to with their Custodian.
- 2.1.3. Client Authorizations of Advisor** – The Client authorizes their Financial Advisor to: 1. submit the Application and other appropriate forms, instructions and deposits for the Account to AssetMark and/or their Custodian; 2. upon Client’s instructions

and subject to the Custodian's policies and procedures, give instructions to begin, change or terminate systematic withdrawals from the Account and to make withdrawals or transfer money, securities or property out of the Account, either in the name of the Client or otherwise; and 3. give AssetMark instructions regarding the Account, including, without limitation, those related to the selection of a Strategy and/or designation of a Discretionary Manager.

***If this is a Non-Discretionary CSA, add to the above paragraph:*** Client shall retain exclusive authority to select a Strategy and designate a Discretionary Manager for any Account, and the Advisor shall have no authority to direct the investment or reinvestment of assets in the Account, without express Client authorization, or to otherwise manage the Account on a discretionary basis.

**2.1.4. Advisor's Use of AssetMark Platform** – Client acknowledges and agrees that: 1. Advisor will use the AssetMark Platform in providing services to Client; 2. Advisor has contracted with AssetMark as a service provider to the Advisor (not the Client); 3. AssetMark shall not provide services, including personalized investment advisory services, to Client or Account, unless AssetMark is selected as a Discretionary Manager, in which case, AssetMark shall provide advisory services only with regard to the management of the account and shall provide no other advisory services, including no advice with regard to the selection of the Strategy; 4. Advisor will give AssetMark instructions regarding the Account, including, without limitation, those related to the selection of a Strategy and/or designation of a Discretionary Manager, and the Custodian's services; 5. AssetMark may rely on instructions from Advisor, however received, and shall have no duty to make any investigation or inquiry with respect to any instruction received from the Client, their Financial Advisor or Financial Advisory Firm; and 6. Advisor's services to Client may be limited by AssetMark policies, which, for example, may require a minimum account value to open or maintain an Account.

Client also acknowledges that AssetMark has financial relationships with, and may provide services to, their selected Custodian. AssetMark may be designated as the Client's "Investment Manager," "Advisor," "Account Representative" or other similar title at the Client's Custodian. Client acknowledges and agrees that any such designation at the Custodian is solely for the purpose of permitting AssetMark to fulfill its duties in the administration of the Platform and that AssetMark has no discretion or authority to act with respect to the Client's Account, except to the extent that AssetMark acts as a Discretionary Manager to the Account.

AssetMark may, with or without notice, use third party service providers ("Providers") to assist in providing information and materials to Advisor, and Advisor may provide this information and materials to Client. Providers may provide market information, including but not limited to, financial market data, quotes, news, analyst opinions and research reports as well ("Market Information"). AssetMark does not endorse or approve Market Information but makes it available to Advisor as a service and convenience. AssetMark and Providers do not: (i) guarantee the accuracy, timeliness, completeness or correct sequencing of Market Information; or (ii) warrant any results from your use or reliance on Market Information. Client agrees that neither AssetMark nor the Providers shall be liable to Advisor or Client in any way for the termination, interruption, delay, or inaccuracy of any Market Information.

Client shall not redistribute or facilitate the redistribution of Market Information, nor shall Client provide access to Market Information to anyone who is not authorized by AssetMark to receive Market Information. Client shall not use any Market Information, or derivatives thereof, in connection with the creation, management, offering and/or selling of any financial instrument or financial product that is based on, linked to, or otherwise uses any Market Information as a component thereof. Client consents and authorizes AssetMark to delegate the authorizations Client provides to AssetMark, to its Providers as AssetMark deems necessary or desirable to provide materials, information and/or Market Information. Client agrees that this paragraph inures to the benefit of such Providers and that such Providers are deemed to be third party beneficiaries of this paragraph.

**2.1.5. Client Information** – Client acknowledges that their information and information regarding the Account, including without limitation information regarding transactions and account activity, will be shared between their Advisor and Custodian and between service providers and vendors to these entities, including AssetMark, and agrees to such exchanges of information.

**2.1.6. Receipt of Disclosure Documents** – The Client hereby acknowledges receipt of, and their opportunity to review, this Agreement and the Platform Disclosure Brochure, the Form CRS and the privacy policies of Advisor, AssetMark and, if applicable, Discretionary Manager.

**2.1.7. Client Shall Review Statements** – Client will receive periodic account statements and may receive other confirmations and notifications from their Custodian, Advisor, Discretionary Manager, if applicable, or AssetMark. Client agrees to review all account statements, confirmations and notifications received from their Custodian, Advisor, Discretionary Manager and AssetMark and promptly notify their Advisor, Discretionary Manager, or Custodian, as appropriate, of any alleged errors within ten days, including without limitation whether investments recommended or made for an Account violate any Client instruction, objective or restriction for the Account. Custodian, Advisor, Discretionary Manager and AssetMark shall not be liable for any losses, including changes in market value, due to errors that remain unreported for more than ten days after receipt of mailed account statements, confirmations and notification or the electronic posting of such documents.

**2.1.8. Authority to Contract & ERISA Plans** – Client represents and warrants to have full power, authority and capacity to enter into this Agreement. If this Agreement is entered into by a trustee or other fiduciary, including but not limited to someone meeting the definition of "fiduciary" under the Employee Retirement Income Security Act of 1974 ("ERISA"), such trustee or fiduciary represents and warrants that the Client is permitted and authorized by the relevant governing instrument and law to enter into this Agreement with Advisor. Client further agrees to notify the Advisor in writing of any event which might affect this authority or the validity of this Agreement. If the Client is an ERISA plan, Client shall inform Advisor, and Client additionally represents and warrants that (a) its governing instruments provide that an "investment manager" as defined in ERISA may be appointed, and (b) the person executing and delivering this Agreement on behalf of the Client is a "named fiduciary" (as defined in ERISA) who has the power under the plan to appoint an investment manager.

**2.1.9. Strategies with AssetMark Advised Funds** – Some of the Strategies available on the AssetMark Platform have allocations to investment companies for which AssetMark serves as investment adviser and for which services AssetMark is compensated. Client approves of the inclusion of AssetMark advised funds in such a Strategy, if selected. If the Client has selected a Strategy in which Account assets are allocated to a fund advised by AssetMark, the Client acknowledges receipt of the fund prospectus, agrees that they have reviewed the fees and determined that they are reasonable and acknowledges that the Platform Fee charged the Account does not include any charge for investment management services.

## **2.2. Authorizations and Rights Regarding Accounts**

### **2.2.1. Model Portfolio Strategies**

#### ***If this is a Non-Discretionary CSA:***

If the Strategy selected for their Account is based on a Model Portfolio, the Client retains full authority to direct the investment of the Account; Advisor, AssetMark, any Custodian and any Portfolio Strategist shall not have any discretionary authority over any such Account. Client understands and agrees that the Account shall be invested consistent with the Model Portfolios provided by the Portfolio Strategist for the Strategy selected for the Account, and instructs, authorizes and directs that their Account be invested in accordance with the Model Portfolio applicable to their selected Strategy and with all adjustments and rebalancing of the applicable Model Portfolio, unless and until such Client changes the Strategy or terminates the Account. If, in connection with any adjustment or rebalancing of a Model Portfolio by a Portfolio Strategist, any trade in the Client's Account would result in an immaterial amount, the Client authorizes the omission of any such trade. Client and Advisor acknowledge and agree that Portfolio Strategist (including AssetMark, when AssetMark acts as Portfolio Strategist) is not acting as an investment adviser to, and does not have any duties or obligations with respect to, the Client.

#### ***If this is a Discretionary CSA, the above section 2.2.1 is replaced in its entirety to read as follows:***

If the Strategy selected for the Client's Account is based on a Model Portfolio, the Advisor shall direct the investment and reinvestment of Account assets. Advisor instructs, authorizes and directs that their Client's Account be invested in accordance with the Model Portfolio applicable to the Account's selected Strategy and with all adjustments and rebalancing of the applicable Model Portfolio, unless and until the Strategy for the Account is changed or the Account is terminated. If, in connection with any adjustment or rebalancing of a Model Portfolio by a Portfolio Strategist, any trade in the Client's Account would result in an immaterial amount, Advisor and Client authorize the omission of any such trade. Client and Advisor acknowledge and agree that Portfolio Strategist (including AssetMark, when AssetMark acts as Portfolio Strategist) is not acting as an investment adviser to, and does not have any duties or obligations with respect to, the Client.

**2.2.2. Individually Managed Accounts ("IMA") Strategies and, if a Discretionary CSA, Advisor Managed Accounts** – If an IMA and, if under a Discretionary CSA, an Advisor Managed Account Strategy is selected, the Account shall be managed by the Discretionary Manager designated for the selected Strategy or the Advisor, as applicable, and Client hereby appoints the Discretionary Manager or the Advisor to act as

Client's agent and attorney-in-fact to manage the Account on a fully discretionary basis. Client's grant of discretionary authority to the Discretionary Manager or Advisor includes: the authority, without first consulting the Client, to buy, sell, select, remove and replace securities and other investment Account and to determine the portion of assets in the Account that shall be allocated to each investment or asset class and to change such allocations; to select the broker-dealers or others with which transactions for the account will be effected; and to take any and all other actions on the Client's that is customary or appropriate for a discretionary investment adviser to perform.

**2.2.3. Liquidation of Transferred Assets** – Client acknowledges and agrees that, if they transfer securities to their Account, the securities will be sold so that the assets held in the Account are appropriate for the selected Strategy. For taxable accounts, such sales are expected to be taxable transactions. If the Account is invested in a Model Portfolio Strategy, the transferred securities shall be sold to the extent needed to so that the Account is invested consistent with the Model Portfolio. If the Account is invested in an IMA Strategy, the Discretionary Manager shall determine which securities are to be sold and when, but Client should expect that the securities will be sold consistent with the selected Strategy unless alternate arrangements have been made with the Discretionary Manager.

**2.2.4. Client Rights Regarding Securities** – Client has the right to withdraw securities from the Account, except as may be limited by the issuer of the security or Custodian. Client shall have the right to impose reasonable restrictions with respect to the management of the Account by a Discretionary Manager, including restricting investments in specific securities, provided that any such restrictions are subject to the approval of the applicable Discretionary Manager.

**2.2.5. Proxy Voting and Class Actions** – For all Accounts, Client has the right to receive prospectuses, proxy materials and other issuer-related shareholder materials concerning the securities held in their Account (the "Shareholder Materials") and shall be entitled to vote all proxies solicited with respect to securities held in each their Account; provided, however, that the delivery of Shareholder Materials and proxy voting rights shall be subject to the terms of the Client's agreement with their Custodian and the selected Custodian's policies and procedures.

In the instance of an Account invested in a Model Portfolio Strategy or an Administrative/Non-Managed Account, the Client's rights to receive Shareholder Materials and vote such proxies can be assigned or delegated to the Advisor, with the Advisor's prior approval, or such other party as the Client may determine in the Client's discretion, subject to the policies of the Custodian and the Advisor.

In the instance of an Individually Managed Account or an Advisor Managed Account, Client retains the right to receive Shareholder Materials and vote any voting securities and direct the voting of any proxies relating to the securities held in Client's IMA. However, in selecting the Discretionary Manager for the Account or Advisor Managed Account, as applicable, the Client directs the Discretionary Manager to receive all Shareholder Materials with respect to the securities held in the Client Account and to vote the proxies in their discretion, and the Client represents that, under applicable instruments or governing law, Client is authorized to make such direction. Such direction may be amended by the Client at any time by delivering written notice to the Advisor, and if applicable to a

Discretionary Manager, the Advisor shall promptly deliver any such notice through AssetMark to the Discretionary Manager. Client understands and agrees that the terms and conditions of the Client's election to receive Shareholder Materials and vote proxies, or to delegate to the Discretionary Manager the voting of proxies and receipt of Shareholder Materials, is subject to the terms and conditions imposed by the Custodian and each Discretionary Manager, including the Advisor, if applicable.

Neither Advisor, any Discretionary Manager, AssetMark nor any Portfolio Strategist shall advise or act for the Client with respect to any legal matters, including bankruptcies or class actions, with respect to securities held in the Account.

**2.2.6. Other Clients/Services** – Client acknowledges and agrees that the Advisor, the Discretionary Managers, the Portfolio Strategists and AssetMark and their affiliates may perform advisory or other services for various clients and others and take actions for other clients, other Strategies and for their own accounts that differ from those implemented in Client's Account and that these parties have no obligation to take similar actions with regard to the Strategies or Account. For example, a Discretionary Manager may purchase for Client's Account securities that they may sell for the account of another client.

Client also acknowledges and agrees that the Advisor, the Discretionary Managers, the Portfolio Strategists and AssetMark and their affiliates may provide similar services for others that may involve the purchases or sales of securities that may have adverse effects on the price or availability of securities for Client's Account. Client agrees that the Advisor, the Discretionary Managers, the Portfolio Strategists and AssetMark and their affiliates shall not be precluded, by reason of such possible adverse effects, from recommending, advising or effecting such purchases or sales for other accounts. Client acknowledges that the processes involved in executing trades for their Account may, and in some instances will likely, result in such trades being executed after similar trades have been executed for other accounts and that such trades for the Account may be at prices which vary from those executed for other accounts.

**2.2.7. Executing brokers** – With respect to a Model Portfolio Account which may include securities for which it may be impracticable to execute transactions in a single day in response to a Portfolio Strategist's adjustments or rebalancing of its Model Portfolio, Client, or Advisor, if a Discretionary CSA, hereby instructs, authorizes and directs that such Account be traded in accordance with instructions on timing and price levels given by AssetMark to the Custodian or an executing broker selected by AssetMark. Client, or Advisor, if a Discretionary CSA, retains authority over such purchases, investments, transfers, withdrawals and sales, as well as with respect to all other things necessary or incidental thereto, including effectuating tenders, exchanges, redemptions or other similar actions with respect to securities held in the Account.

### 3. FEES

**3.1. Financial Advisor and Platform Fees** – Client shall pay an annualized Account Fee, payable quarterly, composed of the Financial Advisor Fee and the Platform Fee.

The Financial Advisor Fee is paid to the Advisor for services to the Client and Account.

The Platform Fee provides compensation to AssetMark for maintaining the Platform and pays for the advisory, administrative, custodial and brokerage services provided the Account.

**3.2. Disclosures Regarding Fees** – The AssetMark Platform Disclosure Brochure contains additional information and disclosures regarding fees including: the calculation and assessment of the Account Fee; expenses inherent in certain investments, including, but not limited to, fees, such as Rule 12b-1 fees, applicable to certain mutual funds; separate fees, including execution and transfer fees, that may be charged by the Account's Custodian; other and indirect compensation; conflicts of interest; and the Platform Fee applicable to each Strategy. Client should review that document and direct any questions to Advisor. Client may terminate an Account at any time without penalty under this Agreement, but subject to any charges imposed by the Custodian.

**3.3. Authorization to Debit Fees** – Client hereby authorizes AssetMark, on behalf of the Advisor and the Discretionary Managers, to provide instructions to Client's Custodian to debit Fees payable pursuant to this Agreement from the Client's Account. Client and the Advisor agree that the Fees can be paid through the liquidation of any assets held in the Account and authorizes such transactions. Client may authorize Fees to be debited from a separate account held by the Client on the AssetMark Platform, if consistent with applicable law and AssetMark policy, by providing alternative fee payment instructions in form and content acceptable to the Advisor and AssetMark.

### 4. ACKNOWLEDGEMENT OF RISKS

**4.1. No Limitation on Legal Obligations** – Nothing in this Agreement shall in any way constitute a waiver or limitation of any rights Client has under federal or state securities laws (or ERISA, if Client is subject to ERISA), other applicable law, or excuse the breach of any fiduciary duty owed to Client.

**4.2. Acknowledgement of Risks** – Client acknowledges the risks inherent in any investment and acknowledges that their Account will fluctuate in value and may incur losses. Investment returns, particularly over shorter time horizons, are highly dependent on trends in various investment markets. Client understands that past performance is not predictive of future results and acknowledges that there is no guarantee that the objectives of the Account's Strategy will be met. Client should carefully consider whether their Account's Strategy is suitable for them and their financial situation.

**4.3. Not liable for Other Service Providers** – Client acknowledges that Advisor, the Discretionary Managers, AssetMark, the Custodian, the Portfolio Strategists, and their respective employees and agents, are not agents or employees of each other or of any of their affiliates, and that no such party shall be liable to the Client or any other such party for any act or omission of another such party or its employees on the basis of a principal's liability for the acts or omissions of its agent or on the basis of an employer's liability for the acts or omissions of its employee. Any such party shall be liable to the Client or any other such party only to the extent of that party's own negligence, bad faith, or violation of Federal or State securities laws or breach of any applicable term of this Agreement.

**4.4. Time needed for Transactions** – Client acknowledges and agrees that Advisor, Custodian, AssetMark, and any Discretionary Manager have policies and procedures regarding their services that may, for example, require that instructions regarding the Account must be in writing in a form acceptable to the service provider and shall not be effective until accepted by the service provider. Advisor,

Custodian, AssetMark and any Discretionary Manager shall not be liable for inaction on unaccepted or un-executable instructions and shall be entitled to rely upon previously accepted instructions until a new instruction is accepted.

Client acknowledges and agrees that a reasonable amount of time will be needed to process instructions, including but not limited to instructions to invest a new Account in its selected Strategy, change an Account's Strategy, liquidate Account assets or transfer Account assets, and that the Account assets will continue to be impacted by the market exposure of the previous investments until the requested change is complete. Client also acknowledges that Advisor, Custodian, AssetMark and any Discretionary Manager have discretion to implement certain transactions and Strategy model changes over multiple days, consistent with their trade allocation policies and their duty to treat all clients fairly and equitably, and Client agrees that Advisor, Custodian, AssetMark and any Discretionary Manager are not liable for changes in market value during these transactions and Strategy model changes. Client acknowledges that the time periods previously experienced for implementing changes or transactions may not always be available and should not be relied upon. The Account is not a brokerage account and requested changes may take two weeks or more depending on the request and/or Strategy. Advisor, AssetMark and any Discretionary Manager shall not be held liable for losses due to market value fluctuations during the time taken to implement requested changes or transactions.

**4.5. Liability** – To the maximum extent allowed by applicable law, and subject only to the limitations stated in section 4.1 and notwithstanding any other provision of this Agreement to the contrary, Client agrees to hold harmless the Advisor, any Discretionary Manager, AssetMark, Custodian and each of their affiliates and their members, partners, officers, directors, employees, employers, associates and agents from any and all claims, liabilities, losses, lost profit or loss of market value in the Client's account, costs, indebtedness or liabilities arising from the investment decisions made by the Advisor or the Discretionary Manager (collectively, the "Claims"). However, such limitation of liability shall not apply to any Claims against any such person to the extent that such Claims are finally judicially determined to have resulted from such person's negligence, bad faith, or violation of Federal or State securities laws by any such party, or the breach by such person of any applicable term of this Agreement. The term "judicially determined" is defined to include any final award in binding arbitration to the extent any of these enumerated causes of action are the basis for an award. Additionally, no such person shall be held harmless with respect to any such Claim that results from that person's breach of any fiduciary duty owed the Client. The provisions hereof shall not supersede or otherwise limit the effect of any provisions contained in any separate agreement between the Client and any other person. The losses referred to in this paragraph include, but are not limited to, losses due to market fluctuations that occur while new accounts, contributions, withdrawals, account adjustments are being processed, that result from trading or exchange limitations imposed by a mutual fund company, or delays in trading or rebalancing accounts that are caused by limitations imposed by mutual fund companies or the Custodian, by any third party causes over which the Advisor or the Discretionary Manager has no reasonable control, or an extraordinary event or circumstance beyond the control of the parties, such as a war, riot, crime, terrorism or threats of terrorism, civil disorder, labor strikes or disruptions, fire, disease or medical epidemics or outbreaks, and curtailment of transportation or communication facilities, systems failures, exchange closures, epidemic, sudden legal changes, or an event described by the legal term act of God. The limitation on liability provided in this paragraph shall survive the termination of this Agreement.

Subject only to the limitations stated in section 4.1 and notwithstanding any other provision of this Agreement to the contrary, the Client agrees to hold each Portfolio Strategist, its affiliates and their respective members, partners, officers, directors, agents and employees, harmless and no such party shall have any liability whatsoever, for any loss, damage, cost or expense suffered or incurred by the Client or for any trading losses or lost profits incurred by the Client, and in no event shall any Portfolio Strategist or any of its licensors be liable to the Client or any third party for any lost profits, loss of business, lost savings or other consequential, special, punitive, incidental, indirect or exemplary damages, even if it has been advised of the possibility of such damages. The limitation on liability provided in this paragraph shall survive the termination of this Agreement.

Client understands that, in advising the Client and otherwise performing services for the Client, the Advisor may use the asset allocation models and portfolio analyses formulated by Portfolio Strategists based on data, facts, and materials provided to Portfolio Strategists by third parties and that, though the Advisor and Portfolio Strategists believe such information to be correct, the Portfolio Strategists are not able to, and therefore do not, warrant that any of the asset allocation models or analyses will meet any of the Client's requirements or that they will be accurate or error free. The Portfolio Strategists also do not warrant or guarantee any uses, information, data or other results generated from the asset allocation models and analyses, or that use thereof will affect or improve investment performance. The Portfolio Strategists make no representation or warranty as to the potential investment profits or any other benefits that may be achieved by the Advisor's use of the Platform for the Client's account.

Neither the Advisor, any Discretionary Manager, any Portfolio Strategist, AssetMark nor any other party makes any warranty, express or implied, concerning the Platform, any information generated thereby or uses made thereof, any other methods used or materials consulted by the Advisor in connection with this Agreement, the services hereunder, or the Client's Account, including, but not limited to, any implied warranties of merchantability or fitness for a particular purpose or any warranties arising from usage of trade, course of dealing or course of performance.

## 5. ASSIGNMENT/TERMINATION

This Agreement may not be assigned (within the meaning of the Investment Advisers Act of 1940 ("Advisers Act")) by the Advisor or Discretionary Manager, if applicable, without the consent of the Client. If the Financial Advisory Firm is a partnership, the Financial Advisory Firm shall notify the Client of any change in the membership of its partnership within a reasonable period of time following the change.

This Agreement may be terminated by the Financial Advisory Firm or Client or Discretionary Manager, if any, upon written notice to the other(s).

Termination of the Agreement will not affect the liabilities or obligations of the parties arising from transactions initiated prior to termination. The termination of the relationship between the Financial Advisory Firm and its associated Financial Advisor, or between the Client and the individual Financial Advisor, will have no effect on this Agreement, which will remain in full force and effect with the Financial Advisory Firm unless and until it is terminated by the Financial Advisory Firm or the Client.

## 6. MISCELLANEOUS

**6.1. Arbitration Requirement.** This section limits the Client's rights in the event of a dispute with the Advisor and/or Discretionary Manager, if any, subject to the terms of the opt-out option set forth below. Any dispute involving the Client relating to this Agreement that cannot be settled shall be taken to arbitration as set forth in the paragraphs below. Although there are other forums for the Client to seek resolution of disputes that may arise between the Advisor and the Client relating to this Agreement, including those that provide a means to seek restitution and damages, unless the Client opts-out as provide below, the Client agrees to waive such rights to resort to such alternative forums and submits to mandatory arbitration in the event any such dispute cannot be settled, unless both the Client and the Advisor consent to such an alternative forum.

This Agreement contains a predispute binding agreement to arbitrate all disputes on an individual, non-class basis unless Client opts out as provided below. All individuals and entities bound by this Agreement agree that this Agreement affects interstate commerce, so that the Federal Arbitration Act and federal arbitration law apply, notwithstanding any choice of law provision in this Agreement or the custody agreement related to an Account. By entering into this Agreement, with its arbitration provision, the parties to this Agreement agree as follows:

- 6.1.1.** Unless the Client provides Advisor and AssetMark with an Arbitration Opt-Out Notice as detailed below, all parties to this Agreement are giving up the right to sue each other in court, including waiver of the right to a trial by jury or judge, except as provided by the rules of the designated arbitration forum in which a claim is to be filed, and except as set forth in section 6.1.8 below regarding claims tendered to small claims court, intellectual property claims, and certain claims for injunctive relief.
- 6.1.2.** Arbitration awards are generally final and binding; a party's ability to have a court review, reverse or modify an arbitration award is very limited.
- 6.1.3.** The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.
- 6.1.4.** An arbitrator does not have to explain the reason(s) for their award in the same manner as a court.
- 6.1.5.** An arbitrator may or may not be currently or formerly affiliated with the securities industry.
- 6.1.6.** The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court. The parties agree that applicable time limits for bringing any claim will be those that apply to the specific federal or state law claims brought by a party.
- 6.1.7.** The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into the Agreement.
- 6.1.8.** Unless the Client provides Advisor and AssetMark with an Arbitration Opt-Out Notice as detailed below, any controversy, claim or dispute arising out of, or relating to, this Agreement or the Account with AssetMark, the activities or relationships that involve, lead to, or result from this Agreement, including AssetMark's marketing activities, any current or former Discretionary Manager, any current or former service provider with regard to this Account, or any of their affiliates or any of the current or former officers, directors, agents and/or employees of these entities or persons or any actions, advice or services of any manner or type that were (or were to be) performed or provided by any of the above persons or entities, including but not limited to any controversy, claim or dispute arising out of or related to the breach, termination, enforcement, interpretation or validity or enforceability of this Agreement and the scope and applicability of this agreement to arbitrate or any aspect thereof (each, a "Dispute"), shall be resolved by arbitration before the Judicial Arbitration and Mediation Service ("JAMS"); provided that each party retains the right (i) to bring an individual action in small claims court (a "Small Claims Action"); (ii) to seek injunctive or other equitable relief in a court of competent jurisdiction to prevent the actual or threatened infringement, misappropriation or violation of a party's copyrights, trademarks, trade secrets, patents or other intellectual property rights (an "IP Protection Action"); and (iii) to bring an action seeking only injunctive relief.
- 6.1.9.** Client may opt out of the binding arbitration described in this section by sending Advisor and AssetMark written notice within thirty (30) days of executing the Application (such notice, an "Arbitration Opt-out Notice"). If the Client does not provide AssetMark with an Arbitration Opt-out Notice within the thirty (30) day period, the Client shall be deemed to have knowingly and intentionally waived its right to litigate any Dispute except with regard to a Small Claims Action, IP Protection Action, or to bring an action seeking only injunctive relief, as expressly set forth in (6.1.8) above.
- 6.1.10.** In the event that (i) a party brings an IP Protection Action; (ii) the Client timely provides AssetMark with an Arbitration Opt-out Notice; or (iii) this Arbitration Requirement section is found not to apply, the exclusive jurisdiction and venue of any Dispute shall be the state and federal courts located in the state in which the principal executive offices of the Financial Advisory Firm are located, and each of the parties hereto waives any objection to jurisdiction and venue in such courts. The parties further agree to waive their rights to a jury trial.
- 6.1.11.** The arbitration shall be administered by JAMS pursuant to the JAMS Comprehensive Arbitration Rules and Procedures. The JAMS rules are available at [www.jamsadr.com](http://www.jamsadr.com) or by calling 1-800-352-5267. In a Dispute involving \$10,000 or less, any hearing shall be telephonic unless the arbitrator finds good cause to hold an in-person hearing instead. If a hearing is warranted, arbitration shall be held at the JAMS office closest to the Client's address of record or such other location as the parties may agree. Arbitration shall proceed on an individual basis and shall be handled by a sole arbitrator, who shall be a retired judicial officer. If the parties are unable to agree upon an arbitrator within fourteen (14) days of delivery of the Demand for Arbitration, then JAMS shall appoint the arbitrator in accordance with the JAMS rules. The arbitrator shall be authorized to award any remedies, including injunctive relief, that would be available to a party in an individual lawsuit and that are not waivable under applicable law. Notwithstanding any language to the contrary in this Section 6.1.11, if a party seeks injunctive relief that would significantly impact other Clients as reasonably determined by either party, the parties agree that such arbitration shall proceed on an

individual basis but shall be handled by a panel of three (3) arbitrators. Each party shall select one arbitrator, and the two party-selected arbitrators shall select the third, who shall serve as chair of the arbitral panel. That chairperson shall be a retired judge with experience arbitrating or mediating disputes. In the event of disagreement as to whether the threshold for a three-arbitrator panel has been met, the sole arbitrator appointed in accordance with this Section shall make that determination. If the arbitrator determines a three-person panel is appropriate, the arbitrator may, if selected by either party or as the chair by the two party-selected arbitrators, participate in the arbitral panel. Except as may be required by law, neither a Party nor an arbitrator may disclose the existence, content, status or results of any arbitration hereunder without the prior written consent of the other parties in the arbitration.

**6.1.12. Class Action Waiver.** All disputes shall be adjudicated only on an individual basis and not in a class or representative action or as a member of a class, mass, consolidated or representative action, irrespective of the forum in which they are heard. Any claim asserted by a party shall not be joined, for any purpose, with the claim or claims of any other person or entity, unless all parties specifically agree to joinder of individual actions. If a court or arbitrator determines in an action between the parties that this waiver is unenforceable, the parties' agreement to arbitrate shall be void for purposes of that particular action. The parties do not consent to class arbitration. Unless consented to in writing by all parties, an award in arbitration shall determine the rights and obligations of such parties only, and only with respect to the Dispute(s) in arbitration, and shall not (a) determine the rights, obligations, or interests of anyone other than all parties to the arbitration, or resolve any Dispute of anyone other than any such party; nor (b) make an award for the benefit of, or against, anyone other than any such party. No administrator or arbitrator shall have the power or authority to waive, modify, or fail to enforce this specific paragraph, and any attempt to do so, whether by rule, policy, arbitration decision or otherwise, shall be invalid and unenforceable.

**6.1.13.** The arbitration shall be final and binding, and judgment on the award may be entered in any court having jurisdiction. The parties understand that by agreeing to arbitration, they are waiving all rights to seek remedies in court and waiving any procedural mechanisms that may be available in court. Nothing in this Agreement shall be read to eliminate or abridge any substantive legal right (as opposed to a procedural right, mechanism or forum) that the parties may have under federal or state law, including federal and state securities laws and ERISA.

**6.1.14.** An arbitrator may award on an individual basis any relief that would be available in a court, including declaratory or injunctive relief and attorneys' fees where provided for by statute or law, except that, unless prohibited by applicable law, the parties agree not to pursue any claim for punitive damages. In addition, for claims where less than \$75,000.00 is in dispute, if the arbitrator finds that the Client is the prevailing party in the arbitration, the Client shall be entitled to a recovery of attorneys' fees and costs. Except for claims determined to be frivolous, AssetMark agrees not to seek an award of attorneys' fees in arbitration of any individual claim where less than \$75,000.00 is in dispute, even if an award is otherwise available under applicable law.

**6.1.15.** For claims where less than \$75,000 is in dispute, AssetMark shall pay all arbitrator fees, unless the arbitrator(s) finds that either the substance of the Client's claim or the relief sought was frivolous or was brought for an improper purpose (as measured by the standards set forth in Federal Rule of Civil Procedure 11(b)). For claims where more than \$75,000 is in dispute, the payment of filing, administration and arbitrator fees shall be governed by the JAMS Comprehensive Arbitration Rules and Procedures.

**6.1.16.** Except as may be required by law, neither a party nor an arbitrator may disclose the existence, content, status or results of any arbitration hereunder without the prior written consent of the other parties in the arbitration.

**6.1.17.** This Arbitration Requirement section and agreement to arbitrate shall survive termination of this Agreement. With the exception of Section 6.1.12, "Class Action Waiver," if a court decides that any part of this Section 6.1 is invalid or unenforceable, then the remaining portions of this Section 6.1 shall nevertheless remain valid and in force. In the event that a court finds that all or any portion of Section 6.1.12, "Class Action Waiver" to be invalid or unenforceable, then the entirety of this Section 6.1 "Dispute Resolution By Binding Arbitration" shall be deemed void and any remaining Dispute must be litigated in court pursuant to Section 6.1.10.

**6.2. Choice of Law** – This Agreement shall be construed under the laws of the state in which the principal executive offices of the Financial Advisory Firm are located, a manner consistent with the Advisers Act and the rules and regulations thereunder.

**6.3. Validity of Provisions** – If any provision of this Agreement shall be held or made non-enforceable by a statute, rule, regulation, decision of a tribunal or otherwise, such provision shall be automatically reformed and construed so as to be valid, operative and enforceable to the maximum extent permitted by law or equity while most nearly preserving its original intent. The invalidity of any part of this Agreement shall not render invalid the remainder of this Agreement and, to that extent, the provision of this Agreement shall be deemed to be severable. Section and paragraph headings are for convenience only and are not of substantive effect.

**6.4. Third-Party Beneficiaries** – AssetMark, the Portfolio Strategists, the Discretionary Managers, and Providers are intended third party beneficiaries to this Agreement.

**6.5. Entire Agreement** – This Agreement represents the entire agreement between the parties with respect to the subject matter contained herein. This Agreement may not be changed orally, but only by an agreement in writing signed by the parties. Notwithstanding the foregoing, AssetMark may cause this Agreement to be amended by providing both the Client and the Advisor, and any Discretionary Manager then designated by the Client for an Account, with written notice of any amendment that AssetMark, in its sole discretion, deems necessary or desirable in the administration of the Platform and Account, and providing the Advisor and the Client, and any Discretionary Manager then designated by the Client for an Account, sufficient time in advance of the effective date of any such amendment for either such party to terminate this Agreement. If the parties continue the Account after the effective date stated in any such notice, the amendment shall be effective as set forth in the notice.

# Client Relationship Summary



Form CRS – Effective March 30, 2022

## ITEM 1 Introduction

AssetMark, Inc. (“AssetMark”) is registered with the U.S. Securities and Exchange Commission as an investment adviser. Brokerage and investment advisory services and fees differ, and it is important for you to understand the differences. Free and simple tools that allow you to research firms and financial professionals are available at [www.investor.gov/CRS](http://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

## ITEM 2 Relationship and Services

### What investment services and advice can you provide me?

**Description of Services:** AssetMark offers retail investors a broad range of investment advisory services through a wrap fee program designed to meet your investment needs while balancing your tolerance for risk.

AssetMark’s services are available to you through your financial advisor or financial professional (“financial professional”). Your financial professional is independent and is not an AssetMark employee. Your financial professional will work closely with you to examine your financial situation and financial goals, understand your risk tolerance and investment time horizon, help you select an appropriate investment strategy for your AssetMark account(s) and assist you with your AssetMark account(s).

**Monitoring:** AssetMark will monitor your account. Securities and other assets will be purchased and sold in the account consistent with your selected investment strategy.

**Investment Authority:** AssetMark offers you discretionary and non-discretionary advisory services. In a discretionary arrangement, you can grant AssetMark the authority to take certain actions on your behalf that are consistent with your investment strategy and without asking for your consent in advance, such as determining the securities or other assets to purchase or sell in the account, or replacing investment firms (other than your financial professional) that provide services. As a sponsor of the AssetMark Platform (used by your financial professional), AssetMark provides administrative services, such as account administration and internet-based software tools, to help your financial professional provide services to you.

**Account Minimums and Other Requirements:** Account minimums range from \$10,000 to \$1,000,000 depending on the investment strategy selected.

**Additional Information:** For more information on advisory services and relationships, visit our website at <https://www.assetmark.com/info/disclosure>, Form ADV Part 2A Appendix 1, Item 4.

### CONVERSATION STARTER – Ask your financial professional

Given my financial situation, should I choose an investment advisory service? Why or why not? How will you choose investments to recommend to me? What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?

## ITEM 3 Fees, Costs, Conflicts and Standard of Conduct

### What fees will I pay?

The fees you will pay are 1) a Platform Fee to AssetMark, 2) a Financial Advisory Fee to your financial professional’s firm. The Platform Fee is a “wrap fee” since it includes an advisory fee and most, but not all, costs and fees charged by your custodian and the broker-dealer and/or banks that have custody of and trade your assets and, therefore, is higher than a typical asset-based advisory fee. There are additional charges for certain activity on an account (such as custodian termination fees or fees for wires or returned checks) or depending on the strategy you select. For example, an account invested in alternative or fixed income investments will incur additional fees. Minimum account fees are applicable to certain strategies. The Platform Fee and Financial Advisory Fee are assessed quarterly in advance and are a percentage of the value of your account at the end of each quarter.

The more assets there are in your account, the more you will pay in fees, and both AssetMark and your financial professional, therefore, have an incentive to encourage you to increase the assets in your account. You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money on your investments over time. Please make sure you understand what fees and costs you are paying.

**Additional Information:** For more information on fees, cost and conflicts, visit our website at <https://www.assetmark.com/info/disclosure>, Form ADV Part 2A Appendix 1, Item 4.

ITEM 3 continues on the next page

<b>CONVERSATION STARTER</b> – Ask your financial professional	Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?
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**What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?**

**When AssetMark acts as your investment adviser**, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should review the AssetMark Form ADV Part 2A Appendix 1 and ask your financial professional about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means.

**Proprietary Strategies and Products:** The AssetMark Platform includes proprietary strategies and funds, meaning that they are managed by AssetMark. These proprietary strategies and funds create a conflict for us because we receive compensation if your assets are directed to these proprietary strategies or funds; they can be more profitable to us than strategies or products available from third-party firms. Proprietary strategies are managed by AssetMark through its AssetMark Investment Management division. Proprietary funds are GPS I, GPS II and the Savos Investments Trust Dynamic Hedging Fund.

**Custodial Relationships:** AssetMark supports custodial accounts at several custodians, including its affiliated custodian, AssetMark Trust Co. ("ATC"). AssetMark negotiates fees and services with these custodians, and this creates a conflict of interest in situations where AssetMark may pay custodians lower fees or spend less on the services it provides custodians. In particular, AssetMark and, therefore, its parent company earn greater revenues, although AssetMark provides additional services, on accounts custodied at ATC. For example, ATC receives revenue from the Insured Cash Deposit ("ICD") bank sweep program for cash held in client accounts, and ATC has the ability to affect the interest rate paid to clients in the ICD program. AssetMark addresses these conflicts by charging an identical Platform Fee to clients no matter what custodian the clients and their advisors choose, and because AssetMark has no discretion in choosing custodians and does not recommend custodians to clients.

**Mutual Fund Revenues:** Some mutual funds pay Rule 12b-1 fees and shareholder servicing fees, and some service providers to mutual funds make payments in return for shareholder, administrative and sub-transfer agent services provided to those mutual funds. These mutual fund revenues are paid to custodians, including to ATC, and can reduce the fees AssetMark otherwise would pay for custodial services. AssetMark, therefore, has a conflict of interest when selecting mutual funds that pay different levels of compensation to custodians, and between mutual fund share classes that provide different levels of payments to custodians. AssetMark addresses this conflict by taking the receipt of these fees into account when determining the Platform Fee and seeking to use institutional share classes with no 12b-1 fees, where available.

**Additional Information:** For more information on conflicts of interest, visit our website at <https://www.assetmark.com/info/disclosure>, Form ADV Part 2A Appendix 1, Item 4.

<b>CONVERSATION STARTER</b> – Ask your financial professional	How might your conflicts of interest affect me, and how will you address them?
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**How do your financial professionals make money?**

Your financial professional is not an AssetMark employee but is associated with a third-party firm. AssetMark's employees will not have a direct relationship with you. Therefore, AssetMark's financial professionals (employees) are not compensated for providing advisory services directly to you, including the selection of investment strategies. AssetMark makes money based on the Platform Fees you pay for the advisory services made available to you through your financial professional. It is important that you also understand the fees paid to your financial professional.

**ITEM 4 Disciplinary History**

**Do you or your financial professionals have legal or disciplinary history?**

Yes. For more information on AssetMark's disciplinary history, visit our website at <https://www.assetmark.com/info/disclosure>, Form ADV Part 2A Appendix 1, Item 9. You can also visit [www.investor.gov/CRS](http://www.investor.gov/CRS) for a free and simple search tool to learn more.

<b>CONVERSATION STARTER</b> – Ask your financial professional	As a financial professional, do you have any disciplinary history? For what type of conduct?
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**ITEM 5 Additional Information**

For more information about AssetMark and to request up-to-date information or a copy of the Relationship Summary, you can contact your financial professional, call AssetMark at 1-800-664-5345 or visit our website at [www.assetmark.com](http://www.assetmark.com).

<b>CONVERSATION STARTER</b> – Ask your financial professional	Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk if I have concerns about how this person is treating me?
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JULY 2022 (FOR USE WITH CSA VERSION 5.07)

# **AssetMark, Inc.** **Platform Disclosure Packet**

With Part 2B Brochure Supplements

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- PLATFORM DISCLOSURE BROCHURE
- PART 2Bs



No Action Is Required

**Important Notice about Savos Dynamic Hedging Fund**

The Savos Dynamic Hedging Fund is held in certain Savos strategies, and in the Savos Dynamic Hedging Feature (page 30-31).

In September 2022, AssetMark plans to liquidate and close the Savos Dynamic Hedging Fund. Proceeds from the Savos Dynamic Hedging Fund liquidation will be automatically invested according to the applicable strategy's target allocations, which may include the Savos US Risk Controlled Strategy. Similar to the Savos Dynamic Hedging Fund, the Savos US Risk Controlled Strategy uses a volatility-based quantitative approach that adjusts equity exposure, seeking to allow participation in equity markets most of the time and limit losses during extreme market downturns.

Accounts will remain accessible and available for transactions including contributions, withdrawals and strategy changes up to the close date.

Should you have any questions, we encourage you to talk to your financial advisor.

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**EFFECTIVE MARCH 30, 2022**

# **Platform 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**

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**AssetMark, Inc.**

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

This Disclosure Brochure provides information about the qualifications and business practices of AssetMark, Inc. (“AssetMark”). If you have any questions about the contents of this Brochure, please contact AssetMark using the information shown on the left. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. AssetMark is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training.

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

**ITEM 2 – MATERIAL CHANGES**

This section provides a summary of material changes that were made to this brochure since the last update. 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 may 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 may also request a copy by contacting us at:

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

There have been no material changes since the last Form ADV Part 2A Appendix 1 annual update in March 2022.

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## ITEM 4 – SERVICE, FEES AND COMPENSATION

### WRAP FEE PROGRAM – THE FINANCIAL ADVISORY FIRM AND THE CLIENT SERVICES AGREEMENT

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.

In order to participate in the Platform, the Client and the Financial Advisory Firm will enter into a Client Services Agreement (“CSA”) that outlines the services to be performed by the Financial Advisory Firm, the authority of the Financial Advisory Firm, the compensation payable by the Client, and other important provisions governing participation in the Platform. The Financial Advisory Firm evaluates the Client’s investment needs and objectives, consults with the Client concerning the Client’s participation in the Platform and is responsible for determining the suitability of various Solution Types (“Solution Types”) for the Client’s investment objectives and financial condition. The Financial Advisory Firm, through its Financial Advisor, not AssetMark, recommends the Strategy to the Client and monitors whether to recommend that the Client remain in the selected Strategy. Each of the Solution Types may be implemented with a number of options, including a range of Risk/Return Profiles (the “Risk/Return Profiles”) and Investment Approaches (the “Investment Approaches”), each described below, so that the Client can customize a strategy by which each of the Client’s accounts under the Platform will be managed or maintained. The specific Solution Type and the components of the strategy selected for the Client’s Account are referred to as the Client’s investment “Strategy.” A Client will establish one or more investment accounts (each an “Account”) through the Platform, and the Client’s Accounts are collectively referred to as the Client’s “Portfolio.”

### ASSETMARK, INC. & ITS OWNERSHIP STRUCTURE

AssetMark is an investment adviser registered with the U.S. Securities and Exchange Commission (“SEC”) 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, Hong Kong, and London stock exchanges. AssetMark Financial Holdings, Inc., is publicly listed on the New York Stock Exchange (ticker: AMK). AssetMark also has investment divisions known as AssetMark Due Diligence and AssetMark Investment Management (“AIM”). AIM manages Savos, Aris, and AssetMark Strategies.

If the Financial Advisor selects for the Client a Solution Type (or “Solutions,” described below) managed by AIM, 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 following registered investment companies (“Proprietary Funds”) available in certain Solution Types under the Platform:

- 1) GPS I, a series of sub-advised no-load mutual funds that include the GuideMark® Funds;
- 2) GPS II, a series of no-load mutual funds that include GuideMark Funds as well as GuidePath Fund of Funds; and

- 3) the Savos Investments Trust Dynamic Hedging Fund (“Savos DHF”), a registered investment company used by AIM to provide risk mitigation in some Solution Types.

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

AIM acts as the 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 through AssetMark, through AIM. Strategists are also permitted to use AssetMark proprietary investment options as part of a Strategy.

### DESCRIPTION OF PLATFORM SERVICES

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

To establish a Client’s Account on the Platform, the Financial Advisory Firm and Client will enter into a CSA. A Client will typically 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.

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## 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). Not all Risk/Return Profiles are available for all Solution Types, and some Strategies do not have a Risk/Return Profile.

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 APPROACHES

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

The following Investment Approaches are available:

### Core Markets

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

### Tactical Strategies

#### *Enhanced Return Focus*

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

#### *Limit Loss Focus*

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

### Diversifying Strategies

#### *Equity Alternatives*

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

#### *Bonds and Bond Alternatives*

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

The Core Markets and Tactical Strategies will be implemented with either a Capital Appreciation objective or a Multi-Asset Income objective. Capital Appreciation objective seeks to maximize total return within the risk selected by the Client. Multi-Asset Income objective seeks to deliver an enhanced level of current income from a range of asset categories. This objective seeks income generation as a primary objective; however, it also considers diversification and risk profile ranges as important components of portfolio construction. Multi-Asset Income strategies will take on risk in pursuit of their objectives as defined by the risk profile to which the objective is being managed.

## SOLUTION TYPES

AssetMark makes available two 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.

In either Solution Type, a Solution can be implemented with a number of options, including a range of Risk/Return Profiles (the "Risk/Return Profiles") and Investment Approaches (the "Investment Approaches"), each described above, so that the Client can customize a strategy by which each of the Client's Accounts under the Platform will be managed or maintained. The specific Solutions and the components of the strategy selected for the Client's Account are referred to as the Client's investment "Strategy."

Each of the Solution Types can be implemented with a number of features and alternatives, such as:

- a range of Risk/Return Profiles;
- selection of one or more Investment Approaches;
- a group of available Portfolio Strategists or Investment Managers;

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- a variety of account “Mandates”; 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 AIM, or Individual Mutual Funds as described below. 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 Investment Management Solution Types.

### ***Overlay Manager***

For an SMA Investment Solution, the Client, with the assistance of their Financial Advisor, shall select a model provided by a Portfolio Strategist that shall invest in a specified asset class 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 a specific asset class.

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; and (iv) 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 may specify the initial Portfolio Strategist for the Account and will be given notice of any change to that Portfolio Strategist. AssetMark may remove or replace the Portfolio Strategists on the Account in its discretion.

### ***Individual Mutual Funds***

A Client, with the assistance of their Financial Advisor, can also select from Individual Mutual Fund (“IMF”) Solution Types. The IMF Solution Type is intended to complement other Solution Types available on the AssetMark Platform, as part of the Client’s overall Portfolio. The IMF’s used in this advisory service can consist of Proprietary, or third-party funds and are available in all Investment Approaches. 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. 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 find prospectuses and consult with their Financial Advisor if they have further questions regarding these IMF Solution Types. The mutual funds selected for use can be no-transaction-fee (“NTF”) funds that

include other administrative service fees, sub-transfer agency fees and/or 12b-1 fees. These other fees are borne by Clients, even if lower-cost share classes of those mutual funds are available. Using NTF funds that include these other fees allows AssetMark to charge Clients a lower Platform Fee than would otherwise be possible. See the Fees & Investment Minimums table at the back of this Disclosure Brochure for Platform Fees charged.

### **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 or Trade Away Trades***

The Investment Manager has the authority to “step-out” or “trade away” 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 to you in your 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 Mutual Funds Managed by IMA Manager***

IMA Managers can include in the IMA Client accounts they manage mutual funds that they or an affiliate manage. In these situations, the IMA Manager typically receives fees from AssetMark for their management of the Client’s Account, and they or an affiliate typically receive investment adviser or other fees from the funds they or the

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affiliate manage. This is a conflict because it can create an incentive for the IMA Manager to select their own 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 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 from AssetMark.

### **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: <http://www.optionsclearing.com/components/docs/riskstoc.pdf>.

### **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 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 custom 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 AIM, and Proprietary Funds (defined below). 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. 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 based on the allocation to each sleeve.

### **Custom GPS Select**

GPS Select, as described in Exhibit B – AssetMark Investment Management Solution Types, can be customized within a specific range from the baseline to various Investment Approaches. The Client, with the advice of their Financial Advisor, not AssetMark, can select from various Investment Approaches from Portfolio Strategists and Investment Managers, including AIM, 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 investment Solution. The Financial Advisor is responsible for advising the Client on an ongoing basis whether or not to maintain or change the Investment Approach, the Portfolio Strategist and the Investment Manager for the duration of the account. AssetMark does not advise the Client about the Investment Approach, 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 Investment Management Solution Types for more detailed information regarding the selection of AIM 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 AIM 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 AIM, 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. AIM, in its discretion, will determine the implementation of the ACA. The Financial Advisory Firm can request that AIM recommends to the Financial Advisory Firm asset allocations or investment selections for the ACA, but AIM 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 Approaches or Risk Return Profiles described in this Disclosure Brochure for the GMS or PMP Accounts described in Exhibit B – AssetMark Investment Management 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.

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- *Savos Personal Portfolios – Custom* – A Savos Personal Portfolios - 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.

#### Advisor As Strategist Program and Advisor Managed Portfolios Program

A Financial Advisory Firm may participate in the Advisor as Strategist or Advisor Managed Portfolios program (“AAS” or “AMP” program). In these programs, a Discretionary Client Services Agreement is executed by the Client; the Client grants the Financial Advisory Firm discretionary authority to invest and reinvest Account assets and the Advisor manages the “Custom Account” for their client. The Financial Advisory Firm will be solely responsible for determining account assets and giving instructions for trades and rebalances. AssetMark does not provide any investment advice to Custom Accounts, does not have or exercise any discretionary authority with regard to Custom Accounts and does not supervise the Custom Accounts or the Financial Advisory Firm in its management of Custom Accounts.

The asset allocation classification of the Custom Accounts and any models used by the Financial Advisory Firm may not be consistent with the Investment Approaches or Risk Return Profiles described in this Disclosure Brochure for Platform Accounts. The Platform Fee schedules will be charged to the Client Account, unless otherwise negotiated between the Financial Advisory Firm and AssetMark. The Client will receive additional information regarding the Financial Advisory Firm’s management of the Custom Account through the Financial Advisory Firm’s disclosure brochure.

#### Alternative Investments Solutions

Alternative Investments are hedge funds, private equity funds, private placements and other securities that do not trade on securities exchanges or over-the-counter markets. iCapital Network, Inc. (“iCapital”) offers a platform that provides advisors and their qualified investors access to Alternative Investments. AssetMark has contracted with iCapital to provide your Financial Advisor with access to Alternative Investments. Your Financial Advisory Firm will need to contract with iCapital or an iCapital affiliate to gain access to the iCapital Platform. Your Financial Advisor will not have access to the full iCapital Platform through the Assetmark Platform but only those funds that have been approved by AssetMark’s Alternative Product Acceptance Committee.

AssetMark does not facilitate transfers, sales, withdrawals, or any other activity related to Alternative Investments. AssetMark, will not act in any capacity in any purchase or sale of Alternative Investments in Client Accounts. AssetMark does not assume responsibility for the Alternative Investments, including, but not limited to, the contents in documentation related to the Alternative Investments, the appropriateness or suitability of the Alternative Investments, restrictions on ownership, rights of transfer, financial statements, or the adequacy of disclosure or compliance with applicable laws, rules, and regulations. Any review performed by AssetMark will solely be for its benefit in determining its ability to provide access and services to select Alternative Investments.

AssetMark has no responsibility or duty to investigate, evaluate, or report any information that AssetMark may possess or may become aware of regarding any Alternative Investments. In the event that funds are wired or transferred to an issuer or sponsor of Alternative Investments, AssetMark will not have any responsibility or liability if

the issuer or sponsor involved does not provide the required receipt or confirmation of the Alternative Investment in a manner that would allow the security to be held in Client Accounts. AssetMark shall have no responsibility for monitoring non-publicly traded, alternative investments to assure compliance with its terms or disclosures, for taking any actions to collect on any amount owed to Client Accounts, or for otherwise enforcing any rights with respect to Alternative Investments held in Client Accounts. AssetMark is under no obligation to take any action should there be a default, bankruptcy, or other impairment associated with Alternative Investments.

Before you invest in an Alternative Investment, your Financial Advisor will review the Alternative Investment and determine that the Alternative Investment is appropriate and suitable for you. You will be provided disclosures through the iCapital Platform that will explain the risks in the Alternative Investment, including, for example, lack of liquidity. Alternative Investments are speculative and involve a substantial degree of risk, including the risk of complete loss. There can be no assurance that Alternative Investments will achieve its investment objective.

There is generally no public or secondary market for non-publicly traded, alternative investments, and the values reported on Account Statements received from the Custodian may not represent market values. It is unlikely that you would be able to sell your interests in the Alternatives Investments or realize the amounts shown on Client Account Statements. It is likely that the actual “resale” value of Alternative Investments may be substantially lower than what is on Account Statements. Values displayed on Account Statements are for convenience purposes only, may be out-of-date, and should not be relied upon as any indication of market value.

Although AssetMark may rely on the values provided by the issuers or sponsors of non-publicly traded, alternative investment securities, AssetMark does not verify or confirm such valuations and makes no representations that the values are reasonable, accurate, or reflect actual holdings. In the event third-party data sources provide valuation of your Alternative Investment, Client Account Statements may display the value provided by a third party or a value derived from the third-party data. Client Account statements may also report the value of Alternative Investments as “N/A” or “Not Available.”

There is a 0.25% flat Platform Fee for Alternative Investments. There is also a custody fee of \$100/year for each position payable to Fidelity Brokerage Services, the only Platform Custodian currently available to custody Alternative Investments. By maintaining an account at Fidelity for Alternative Investments, the Client commits to maintaining sufficient cash in the Account holding the Alternative Investments to pay the custody fees.

iCapital has agreed to compensate AssetMark for AssetMark’s administrative services in supporting access to iCapital’s Platform at the rate of 20% of the management and/or technological fees earned by iCapital. AssetMark services include the selection of funds to be made available to Financial Advisory Firms and their clients. Because iCapital’s compensation can differ between funds, the compensation paid AssetMark is expected to differ between funds, and this creates conflicts of interest for AssetMark. AssetMark addresses these conflicts through disclosures and criteria for fund selection.

### **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

**This must remain with the Client**

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 for their Administrative Cash account. This option, other cash management services from AssetMark Trust and the conflicts of interest involved in AssetMark affiliate AssetMark Trust offering these services are discussed in Item 9 of this Brochure.

### **Cash Accounts**

Certain custodians will offer cash management services, which are described in more detail in their custodial agreements. For more information about Cash Management Services at AssetMark Trust, refer to Item 9, Additional Information.

### **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 are comprised of: (i) closed-end mutual funds; (ii) open-end mutual funds; (iii) ETFs, alternatives, stocks, fixed income, bonds, options, preferred stocks; and (iv) treasury bonds, bills and notes, bank notes. The asset allocations created by Portfolio Strategists are comprised of: (i) open-end mutual funds; (ii) ETFs, which are baskets of securities, tracking a wide variety of market indexes, that are traded as individual securities on a national exchange, as well as actively managed ETFs; and (iii) individual securities. The Client Accounts managed by Investment or Discretionary Managers are also comprised of: (i) open-end mutual funds; (ii) ETFs; and (iii) individual securities. However, they can also hold 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/or 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. AssetMark will reallocate the Account to the cash target when the Account passes certain thresholds (under 1.5% or over 2.5% for most Investment Solutions).

From time to time, AssetMark will add or delete from the Platform:

- a) the mutual funds and ETFs available through the Platform;
- b) the Investment Managers available for the IMA Accounts;
- c) the Portfolio Strategists available on the Platform; and
- d) the 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 based on such analysis. AssetMark does not recommend specific Portfolio Strategists, Investment Managers or Investment Management Firms to Clients.

### **MUTUAL FUND SOLUTION TYPES**

For Clients selecting a Mutual Fund Account, their Account will be invested in retail NTF funds and/or mutual funds that generally do charge a sales load but where the sales charge has been waived. (Refer to Servicing Fees Received by AssetMark and Share Class Use below). Third-party and AssetMark Proprietary Funds are used. 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.

Additionally, for some, but not all Mutual Funds, the Client can select a Mandate and/or Investment Style for the Account. The Client can select among Mandates (Standard, Tax-Sensitive or Multi-Asset Income) and/or select one of the investment styles (Domestic, Global or Hedged), each described below. For GPS Fund Strategies, only the Standard Mandate is available.

#### **Mandates**

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

*Tax-Sensitive.* Tax-exempt fixed income investments are held within portfolios and in some cases tax-managed equity investments can also be held. For some 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.

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

#### **Investment Styles**

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

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

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

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

**This must remain with the Client**

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, in addition to, depending upon the Custodian chosen, a standard allocation to cash.

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 AssetMark 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 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 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.

AIM uses Proprietary Funds, including the Savos DHF, in various investment solutions. The Savos DHF is a proprietary registered investment company for which AssetMark serves as investment adviser. Information about the Proprietary Funds, including fees and expenses, are described in more detail in the prospectus for the fund. Certain mutual funds selected for Client Accounts include the Savos DHF from which AssetMark or its affiliates receive additional compensation. AssetMark receives management and other fees for its management of the Savos DHF, in addition to compensation for management of the Savos IMA. However, any net advisory fees received by AssetMark for its management of the Savos DHF will be rebated back to the Client's account.

#### **ETF SOLUTION TYPES**

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 ETFs managed by the Portfolio Strategist or an affiliate, by unaffiliated investment managers, 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.

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

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.

Additionally, for some, but not all, ETF Solution Types, the Client can select one of the Mandates for the Account, as described above.

#### **ASSETS UNDER MANAGEMENT**

As of December 31, 2021, the Advisor Model Platform had \$44.1 billion in assets under administration on the AssetMark Platform. This includes investments in proprietary mutual funds and Savos Solution Types, in which Savos is the discretionary manager.

#### **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.

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 in Section C and in the Fees & Investment Minimums schedule at the end of this Disclosure Brochure.

It is important that the Client understands all the fees applicable to their Account and 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 schedule located at the end of this Disclosure. The Fees & Investment Minimums schedule 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.

#### **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 advisory and other services provided the Client by the Financial Advisory Firm. These services, pursuant to the CSA, include obtaining information regarding the Client's financial situation and investment objectives, conducting an analysis to make a determination of the suitability of the services to be provided by AssetMark for the Client, providing the Client with AssetMark disclosure documents, assisting the Client with Account paperwork and being reasonably available for ongoing consultations with the Client regarding the Client's investment objectives.

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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 1.95% (195 basis points), or a rate 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 Account Strategies, acquired Global Financial Private Capital ("GFPC") Strategies, and Accounts custodied at Schwab with "Charles Schwab & Co.").

The Platform Fee provides compensation to AssetMark for maintaining the Platform and for arranging for advisory, administrative, custodial and brokerage services to the Account. The advisory services include the Model Portfolios provided by the Portfolio Strategists and the account management services provided by the Discretionary Managers.

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. 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 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 Minimums schedule are subject to approval. 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 agreement, any of which can be offered discounted fees.

## CUSTODIAL AND BROKERAGE SERVICES

The Platform Fee charged Client Accounts includes compensation for custodial and brokerage services. Pursuant to agreements that AssetMark has negotiated with AssetMark Trust (AssetMark's affiliated 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 are 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 programs. Information on participating Financial Advisory Firms is available 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 schedule located at the end of this Disclosure Brochure.**

## 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 payable to the Account's Discretionary Manager. These fees are payable on Account assets at the annual rates set out on the Fees & Investment Minimum fee schedule below.

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

The Client may be invested in an Account that no longer receives advisory services 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 their 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

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selected for the Strategy at a Platform Fee that is a reduction from that payable when the Strategy was active on the AssetMark Platform. The Account will continue to receive administrative and custodial services. Any Financial Advisor Fee previously payable 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. 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

Fees are payable quarterly, in advance. The quarterly Account Fee is calculated by multiplying the market value of all Account assets 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 Account 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 Account Fee shall be payable upon AssetMark's commencement of management of the Account 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, the Custodian will debit these fees from the Account. Additional fees, such as custodian termination fees, are due where applicable, pursuant to a separate agreement with the Custodian ("Custody Agreement"). Upon termination of the

Account, the amount of prepaid Account Fees to be refunded are calculated by multiplying the daily prepaid Account Fee during the final quarter by the number of days remaining in that quarter.

Account values are typically grouped for fee billing purposes. Account 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 the next quarterly billing cycle following the execution of the Investment Change instruction, typically the third to fifth business day following the end of a calendar quarter.

## SERVICING FEES RECEIVED BY ASSETMARK 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 Solutions. If a mutual fund is not available, the Portfolio Strategist works with AssetMark and the Custodian to make available the fund, 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 0.25% or less, 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, some institutional share classes can include administrative fees, shareholder servicing, and/or sub-transfer agent fees paid to the Custodian.

MUTUAL FUND SHARE CLASS CATEGORIES	SHARE CLASS NAMES	12B-1 FEES	ADMINISTRATIVE FEES, INCLUDING SHAREHOLDER SERVICES AND SUB-TRANSFER AGENT FEES
Retail Share Class	No-load, service shares (C shares), load-waived A shares, investor shares, or NTF funds	Yes; typically 0.25% paid by the Client	Yes
Mutual fund fees	Retail or Institutional	12b-1 fees are paid by Client	Administrative and Shareholder Services are paid by Adviser or Adviser's affiliate; sub-transfer agent fees are paid by Client
Institutional Share Class	Institutional shares	No	Yes
Proprietary Funds GuideMark and GuidePath Funds	Investor shares	No	Yes

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 any mutual fund investments on the Platform. Some Custodians have available Transaction Fee mutual funds (or share classes), which in some cases have lower ongoing costs for Clients, but AssetMark does not use Transaction Fee mutual funds or share classes on the Platform.

AssetMark's Platform Fee includes custody fees, so the Platform Fee schedule takes into consideration the fund share class used in the mutual fund investment solutions, and the costs for each mutual fund. This creates a conflict because AssetMark does not always use the lowest cost share class, and Retail shares generate more revenue. However, AssetMark addresses these conflicts in the pricing of the products, as described below.

- Generally, when Retail shares are used, where the cost of the mutual fund is higher, the AssetMark Platform Fee is generally lower and the fee paid by AssetMark to Custodians generally lower.
- When Institutional shares are used, where the cost of the mutual fund is lower, the AssetMark Platform Fee is generally higher, and the fee paid by AssetMark to Custodians is generally higher. Products that are based on asset-based pricing will utilize the lowest share class available across all Custodians.

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.

As mentioned above, AssetMark does not seek to minimize or eliminate 12b-1 fees, shareholder services and other fees by using mutual fund institutional or investor share classes, even if these share classes are available. In these instances, the Platform Fees charged are lower than they would otherwise be had institutional share classes been selected. 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 SAVOS STRATEGIES**

In the AIM 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 and in doing so, the Platform Fee is higher for these Solutions to pay for the administration and servicing of the Accounts that AssetMark performs, as compared to other Solutions that use mutual fund share classes that pay shareholder services fees, sub-transfer agency fees and/or 12b-1 fees. In striving for consistency across all custodial options on the Platform, the AIM 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. In some cases, the lowest share class may be the retail share class. When the Savos DHF is used in AIM's Solutions, AssetMark receives a Platform Fee from Client assets for its management as well as an additional fee through the Savos DHF for that portion of a Client's Account that is invested in that Fund, effectively receiving two fees, under two different management agreements, on the same assets. However, any net advisory fees received by AssetMark for its management of SDHF will be rebated back to the Client's account.

#### **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.

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 Advisor 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 provided by the fund to the Client.

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 could be less expensive than investment in the same securities 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 a Client redemption fees under certain circumstances.

The Platform Fee for related Accounts of any Client on the Platform is negotiable, as are Platform Fees paid by any 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.

## **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 Advisor Model Platform arrangements ("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 CSA.

## **FINANCIAL ADVISORY FIRM AND FINANCIAL ADVISOR PROGRAM**

Financial Advisory Firms receive fees for their services and compensation from AssetMark for their advisory services to Clients, as described above under Financial Advisor Fee. Therefore, they have a financial incentive to recommend the AssetMark's 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 Platform Fee and other compensation received by AssetMark, AssetMark enters into other fee arrangements with certain Financial Advisory Firms and/or Financial Advisors as described below. Such arrangements will not increase the Platform Fee payable 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 provide education and guidance in 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. This program creates a financial incentive for Financial Advisors to recommend that Clients invest assets through the AssetMark Platform.

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

Under AssetMark's formerly available Business Development Allowance program, certain Financial Advisors received a business

development allowance for reimbursement of qualified marketing and practice development expenses incurred by the Financial Advisor. These allowances were earned based upon initial assets introduced to the AssetMark Platform, if a specific asset minimum is met and/or if the asset minimum was met within the first 12 months of an Advisor's use of the Platform. Additionally, certain Financial Advisors earned quarterly allowances depending on the value of the assets on the AssetMark Platform held by Clients of the Financial Advisor. For the 2021 calendar year, participating Financial Advisors were reimbursed an average of \$3405.16. This program created a financial incentive for Financial Advisors to recommend that Clients invest assets through the AssetMark Platform.

### **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 for the communication of AssetMark's service capabilities to Financial Advisors and their Clients in various venues including participation in meetings, conferences and workshops. AssetMark also provides certain Financial Advisory Firms or its representatives with organizational consulting, education, training and marketing support.

### **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 may 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 may be subsidized by AssetMark.

### **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.

### 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 will not receive a monetary award 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.

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

Clients on the Platform include but are not limited to individuals, high-net-worth individuals, investment companies, pension and profit-sharing plans, corporations, partnerships, trusts, insurance companies, banks and other investment managers.

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

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.

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

## **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 wide range of investment options and philosophies to Clients and their Financial Advisors. In constructing their asset allocations, some, but not all of the Portfolio Strategists will utilize the Investment Approaches described earlier in this Disclosure

Brochure. Each of the Portfolio Strategists provides to AssetMark a range of investment allocations that will correspond to some or all of the six Risk/Return Profiles, ranging from most conservative to most aggressive, as discussed above under "RISK/RETURN PROFILES"

The Portfolio Strategists use technical and/or fundamental analysis techniques in formulating their Investment Approaches and some will incorporate strategies with specific income distribution objectives. 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. The Investment Approaches will be comprised of a combination of asset classes, represented by mutual funds, ETFs, or individual securities in Accounts, and these asset classes will include, but are not limited to the following:

- *U.S. Equities:* Large-Cap Growth, Large-Cap Value, Mid-Cap Growth, Mid-Cap Value, Small-Cap Growth, Small-Cap Value
- *International Equities:* Developed Markets, Emerging Markets
- *Fixed Income:* U.S. Core, High-Yield, Global, International, Emerging Markets
- *Other:* REITs, Commodities, Absolute Return Strategies, Hedging Strategies and other non-standard sectors including Alternatives
- *Cash.*

The objective is to provide Clients with a variety of asset allocation methods for accomplishing the Client's investment objectives. The Client and their Financial Advisor should review each Portfolio Strategist's investment style prior to selecting the Portfolio Strategist and Asset Allocation Approach for each Client Account on the Platform.

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.

The Portfolio Strategists provide allocations based upon the corresponding risk profile determined by the Client and the Advisor, by which AssetMark intends to invest the Account, unless circumstances indicate modified allocations or investments are appropriate. These allocation recommendations are implemented by AssetMark in Client Accounts when they are received from the Portfolio Strategists and will result in transactions in the impacted Accounts. Portfolio Strategists will guide AssetMark with instructions to rebalance portfolios (return back to policy mix) and/or reallocate (change the target mix), either periodically or as they deem appropriate over time, depending on their specific Investment Approach and investment process.

AssetMark Due Diligence oversees the ongoing monitoring of the Portfolio Strategists and presents their insights, including performance information, Strategist due diligence findings and other Strategist-related recommendations quarterly to the Due Diligence Investment Committee and for changes in status to the Investment Oversight

Committee (“IOC”) comprised of AssetMark senior management. AssetMark will from time to time add, remove or replace a Portfolio Strategist at its discretion.

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. 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 written descriptions of each of the Portfolio Strategists, including a brief history of each firm and an overview of the Portfolio Strategists’ key investment management personnel, which the Financial Advisor may share with the Client. The Client and Financial Advisory Firm may select more than one Portfolio Strategist and/or asset allocation for the Client’s Accounts, and, as noted above, the Client and Financial Advisory Firm are free to change Portfolio Strategists, asset allocations 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, a Client should contact their Financial Advisor or AssetMark’s Compliance department at the address on the front cover of this Brochure.

AssetMark negotiates agreements with each Portfolio Strategist separately and the terms of these agreements vary from firm to firm, which creates a potential incentive for AssetMark to favor one Portfolio Strategist over another based on how advantageous that firm’s agreement is for AssetMark. AssetMark makes available to the Financial Advisor and Client written descriptions of each of the Portfolio Strategists, including a brief history of each firm and an overview of the Portfolio Strategists’ key investment management personnel. For more information regarding specific Portfolio Strategists’ investment processes and philosophy, or to request a copy of a Portfolio Strategist’s Form ADV Part 2A Disclosures Brochure, a Client should 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. AssetMark negotiates agreements with each independent Investment Management Firm separately and the terms of these agreements vary from firm to firm, which creates a potential incentive for AssetMark to choose one independent Investment Management Firm over another based on how advantageous that firm’s agreement is for AssetMark.

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

All investment firms offered on AssetMark’s platform are reviewed by the Due Diligence Investment Committee and approved by the IOC before being offered to Financial Advisors. The Due Diligence team is dedicated only to investment manager due diligence and evaluation. Our policy is that at least two analysts are on every due diligence monitoring call and at least three analysts and the SVP Investment Strategies are involved in the due diligence search meetings.

## SELECTION AND DUE DILIGENCE PROCESS

Each investment manager completes a detailed annual 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. The team conducts an annual due diligence review with all investment managers, including onsite visits. 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.

Investment managers are also reviewed quarterly 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 new searches, all findings are reported to the Due Diligence Investment Committee in addition to

**This must remain with the Client**

being reviewed by the IOC. 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 ISG team is in immediate contact with the investment manager to fully understand the impact of the news. If a change in status is warranted, an interim investment committee 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.

*Investment Manager Firm Oversight and Replacement.* AssetMark generally employs the same approach in its ongoing oversight of the Investment Management Firms as it does for Portfolio Strategists. AssetMark engages in an ongoing review of Investment Management Firms' personnel, investment mandates, ownership and investment process. Detailed analysis of the portfolio is completed to assess portfolio construction and risk management. AssetMark Due Diligence oversees the ongoing monitoring of the Investment Management Firms who act as Discretionary Managers and present this performance information, due diligence findings, and recommendation quarterly at the Due Diligence Investment Committee and for changes in status to the IOC.

AssetMark can charge a one-time set up fee to a new Strategist or IMA Manager to defray the expenses of adding the Strategist or IMA Manager to the Platform. These expenses to AssetMark include the administrative, operational, legal and compliance, investment and marketing work involved in adding a new Strategist or IMA Manager. This practice creates a conflict of interest for AssetMark because it provides a financial incentive for AssetMark to favor Strategists and IMA Managers who agree to pay the fee in order to participate in the Platform.

## 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 AssetMark's Referral Model and meets the minimum investment amount for the specific strategy at AssetMark in the previous quarter. Performance for IMA Investment Solutions are 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 Investment Management Solution Types for more detailed information.

## INVESTMENT DISCRETION

If an IMA Strategy is selected for the Account by the Client and/or Financial Advisor, the Discretionary Manager accepts discretionary authority to manage the assets in the Client's Account. The Client grants the Discretionary Manager the authority to manage the assets in their Account on a fully discretionary basis. The grant of discretionary authority to the Discretionary Manager includes, but is not limited to the authority to:

- take any and all actions on the Client's behalf that the Discretionary Manager 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; and
- retain and replace, or not, any person providing services to the Discretionary Manager.

## REASONABLE RESTRICTIONS, PLEDGING AND WITHDRAWING SECURITIES

AssetMark allows reasonable investment limitations and restrictions when notified of such by the Financial Advisor or Client.

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.

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

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 a Discretionary 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, 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 AIM is the Discretionary Manager for IMAs held in custody at a third-party Custodian. The Client retains the right to vote proxies for Savos IMAs.

If shares of the Savos DHF or 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 may instruct us 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, TD Ameritrade, or Fidelity Brokerage Services, LLC, retains 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*

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

### *Voting Process and Material Conflicts for AssetMark's Proprietary Solutions*

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 may 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 have 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 may 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: Adviser Compliance**  
**1655 Grant Street, 10th Floor**  
**Concord, CA 94520**  
**advisercompliance@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

The Clients and their Financial Advisors may contact AssetMark to arrange for consultations regarding the management of their Accounts. Clients should refer to their Financial Advisors to discuss and assess their current financial situation, investment needs and future requirements in order to implement and monitor investment Portfolios designed to meet the Client's financial needs.

AssetMark makes available periodic reports to Financial Advisory Firms for use with their Clients. These written reports, the Quarterly Performance Report ("QPR"), generally contain a list of assets, investment results, and statistical data related to the Client's Account. We urge Clients to carefully review these reports and compare the statements that they receive from their custodian to the reports.

**This must remain with the Client**

**Management of the Client's Account**

The Financial Advisory Firm provides the specific advice to the Client concerning the Client's investment Strategy for each Account, including the Solution Type, the Portfolio Strategist(s), the particular Investment Approach or sub-strategy to be chosen for the Client, and the Client's appropriate Risk/Return Profile. The Financial Advisory Firm will also advise Clients in Individually Managed Accounts on the Investment Managers to be selected for the Client's Account. The Financial Advisory Firm and/or the client (depending upon the specific form of Client Services Agreement entered into between the Financial Advisory Firm and the Client) retains discretion to choose the Portfolio Strategist(s), the asset allocation(s) and the Investment Managers selected as the components of the Strategy for the Client's Accounts, and will have the opportunity periodically to change the Strategy or its components, including the Solution Type, the choice of Portfolio Strategist(s), the particular asset allocation(s) or sub strategies, the Risk/Return Profile, or the Investment Managers selected for the Accounts.

Clients are provided with periodic custodial reports from a custodian and AssetMark provides the Financial Advisory Firms with QPR's for each of their Client's Accounts. The periodic custodial reports include a listing of all investments in the Client's account, their current valuation, and a listing of all transactions occurring during the period. The QPR's include information concerning the allocation of the assets in each Client Account among various asset classes and the investment performance of the Client's Account during the quarter and billing/fees.

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 and investment Strategy selected by the Client. AssetMark Due Diligence reviews those model recommendations provided by the Portfolio Strategists. AIM 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 AIM. AssetMark makes available QPR's and 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. Clients are urged to carefully review these reports and compare them to statements that they receive from their Custodian.

Clients can contact their Financial Advisors 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 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 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:

- AssetMark Brokerage, LLC
- AssetMark Retirement Services, Inc.
- AssetMark Trust Company

**AssetMark Brokerage, LLC**

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

**AssetMark Retirement Services, Inc.**

AssetMark Retirement Services, Inc. is a Pennsylvania corporation that provides recordkeeping and administrative services to retirement plans. AssetMark Retirement Services, Inc. is affiliated with AssetMark by common ownership.

**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. AssetMark Trust is affiliated with AssetMark by common ownership.

**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 the Client pays AssetMark Trust for custodial and brokerage services provided, pursuant to their Custody Agreement with AssetMark Trust, 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

**This must remain with the Client**

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, GuidePath Funds and Savos Investments Trust Dynamic Hedging Fund**

The GuidePath Fund of Funds is directly managed by AIM and is invested in shares of the GuideMark Funds, unaffiliated mutual funds and ETFs. AIM manages the GuidePath Funds based on research provided by current Portfolio Strategists in each of the Investment Approaches. AssetMark's Due Diligence team has ongoing oversight over the performance of the Sub-Advisers in the GuideMark and GuidePath Funds and the Portfolio Strategists on the Platform. Because of the conflict between AIM managing the GuidePath Funds, and thereby controlling the allocations to affiliated mutual funds, and potentially receiving the GuideMark Funds' profitability information as a participant in the Fund board meetings, AssetMark has created information barriers to shield AIM personnel from those discussions.

AssetMark serves as the investment adviser to the Savos DHF, a registered investment company used by AIM in risk mitigation strategies in some Solution Types. When the Savos DHF is used in an AssetMark Solution, AssetMark receives an advisory fee from Client assets for its management of a Solution Type as well as an additional fee through the Savos DHF for that portion of a Client's Account that is invested in that Fund, effectively receiving two fees, under two different management agreements, on the same assets. However, any net advisory fees received by AssetMark for its management of SDHF will be rebated back to the Client's account.

#### **AssetMark Brokerage, LLC**

AssetMark Brokerage receives a marketing support payment from an alternative investment Strategist on its Platform, Altegris. AssetMark and Altegris were under common ownership prior to 2014. At that time, as an affiliated proprietary Strategist, AssetMark offered Altegris' mutual fund strategies on its Platform with no Platform Fee. Currently, in lieu of a Platform Fee, Altegris directly pays AssetMark Brokerage for offering its investments on the Platform. The payment is paid on a quarterly basis and is based on the asset level of Altegris funds on the Platform. This payment creates a conflict of interest because it provides a financial incentive for AssetMark to favor Altegris Strategies.

#### **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 and an NTF fund is used, NTF funds pay Custodians Administrative Service Fees ("ASF") for services provided. This creates a conflict because AssetMark Trust is paid a portion of the ASF received, 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 significant custodial support services AssetMark Trust provides. Below are the types of fees AssetMark Trust receives:

- *12b-1s*: 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*: 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.
- Transaction-based fees on non-NTF mutual funds, or fixed-income transactions

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, based on the substantial services provided by AssetMark Trust to these respective service providers, and varies by mutual fund. These payments are used to offset the annual custody fees that are otherwise payable by IRA Clients and Clients with Accounts subject to the Employee Retirement Income Security Act of 1974 ("ERISA").

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

If Clients select AssetMark Trust as their Platform Custodian, they will be offered the following cash management services: a FDIC-Insured Cash Program; 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 Insured Cash Deposit Program, to which a portion of each advised Account will be allocated, these services are optional; Clients need not choose to use them. A disclosure document further discussing these cash management services will be provided to Clients who select AssetMark Trust as their Platform Custodian. 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 all Client Accounts invested in a Platform Strategy is placed in the Insured Cash Deposit Program. 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. In addition to the Cash Allocation, Client Account will also hold cash pending investment or distribution. These cash amounts will be invested in the ICD Program. Additionally, although not yet operational, in the future, amounts in 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.)

*Administrative Cash 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, in which the interest rates credited are expected to be higher than those credited ICD Program deposits. 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

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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 may 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.

*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 Account assets. 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, based on the interest rates paid by the Program Banks, less the Program Fees paid to AssetMark Trust by the Program Banks, which can be up to 4% on an annualized basis as applied to deposits 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; the greater the Program Fee AssetMark Trust receives, 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 rate 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 is a Section 403(b)(7) custodial account), AssetMark Trust 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.

#### **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. 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 negotiated.

*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. 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) may 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, Inc. AssetMark, Inc., 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, Inc., address this conflict by disclosing it.

### **AFFILIATE FEE INCOME DISCLOSURE**

#### GPS Fund Strategies and GPS Select

Client Accounts invested in these Strategies will receive allocations, determined by AssetMark, among mutual funds advised by AssetMark. AssetMark receives fees from the mutual funds in which these Accounts invest. The mutual fund fees differ between funds and the total fees collected will vary depending upon the profile selected by the Client and the fund allocation within each profile. If a Client elects the GPS Fund Strategies, the Client authorizes and instructs that the Account be invested pursuant to the selected profile, acknowledges that fund advisory and other fees collected by AssetMark will vary, and approves of the fee payments to AssetMark. The Client will be given prior notice if these allocations or mutual funds change resulting in fee payments and, unless the Client or the Financial Advisor gives notice to AssetMark, the Client consents to these changes.

If a Client selects GPS Select, 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. For Savos Solutions, AssetMark will credit the net advisory fee earned on the portion of the Accounts invested in a proprietary mutual fund.

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

The Financial Advisory Firm provides investment advisory services to the client. The following summary describes the Code of Ethics for AssetMark, as the Platform sponsor.

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. AssetMark's Code requires that all "Supervised Persons" (including officers and certain affiliated persons and employees of AssetMark) in carrying out the operations of AssetMark, adhere to certain standards of business conduct. Specifically, the Code requires that these persons: (i) comply with all applicable laws, rules and regulations; (ii) avoid any conflict of interest with regard to AssetMark and its Clients; (iii) avoid serving their personal interests ahead of the interests of AssetMark and its Clients; (iv) avoid taking inappropriate advantage of their position with AssetMark or benefiting personally from any investment decision made; (v) avoid misusing corporate assets; (vi) conduct all of their personal securities transactions in compliance with the Code; and (vii) maintain, as appropriate, the confidentiality of information regarding AssetMark's operations.

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

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

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

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

## **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-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, may 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 other individual equity securities. Although ETFs are priced intra-day in the same manner as other 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 Strategist's 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 typically 2%, is invested in what is generally referred to as the Custodian's cash "sweep" vehicle and will differ with the Custodian selected by the Client. At AssetMark Trust, it is usually AssetMark Trust's Insured Cash Deposit Program, but it can be a money market mutual fund or other short-term pooled investment vehicle, as determined by Custodian.

### **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 custody fee 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 QPR's 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.
- Pershing Advisor Solutions ("PAS"). One Pershing Plaza, Jersey City, NJ 07399.
- TD Ameritrade ("TDA"). 1005 North Ameritrade Place, Bellevue, NE 68005.
- Fidelity Brokerage Services, LLC ("Fidelity"). 200 Seaport Boulevard, Boston, MA 02210.

On an exception basis, AssetMark may 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 (formerly 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 may also send a Transaction Acknowledgement to the Client for all cash contributions, withdrawals and in-kind transfers as they occur. Although Clients usually waive receipt of individual transaction confirmations, a Client can elect, by written request to their Custodian, to receive a confirmation of each security transaction and such confirmations will thereafter be provided.

The Custodians will mail a letter of acknowledgement confirming the establishment of an Account and receipt of assets, 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 advisory, administrative, 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. 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 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

**This must remain with the Client**

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. 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, TDA or Fidelity, automatically rescind this waiver and elect to receive prospectuses, shareholder reports, proxies and other shareholder materials for Accounts invested in a Mutual Fund or Guided Portfolios, i.e., GPS Fund Strategies or GPS Select. The Client is entitled to receive materials related to a Proprietary Fund, or any other mutual fund 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>	Aris 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	AQR <sup>3</sup>		William Blair (HNW)
	Market Blend - US	Beaumont		Parametric - Custom
	MarketDimensions	BlackRock <sup>4,5</sup>	Fixed-Income	
	OBS DFA/EFS Portfolios	Capital Group (American Funds) <sup>4</sup>	Savos Fixed Income – Laddered Bonds	Parametric
	WealthBuilder	Brown Advisor <sup>4,5</sup>		Clark
	Aris AssetBuilder	Dorsey Wright		Nuveen
	Aris Personal Values	DoubleLine <sup>3</sup>		
	Aris Income Builder	Edge <sup>4</sup>		
	Savos Preservation	Fiera Capital <sup>4</sup>		
	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		
		Logan <sup>4</sup>		
		Model Capital		
	Neuberger Berman <sup>3,4</sup>			
	New Frontier			
	Nuveen <sup>5</sup>			
	PIMCO			
	Principal <sup>4</sup>			
	State Street			
	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				
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 INVESTMENT MANAGEMENT SOLUTION TYPES

Through AssetMark Investment Management (“AIM”), AssetMark also serves as the Portfolio Strategist and Investment Manager for the following proprietary Model and IMA Solution Types.

### MODEL PORTFOLIOS

#### Guided Portfolios

- GPS Fund Strategies
- GPS Select

#### Mutual Fund Solution Types

- Market Blend (GuideMark Funds)
- OBS/DFA
- Aris AssetBuilder
- Aris Personal Values
- Aris IncomeBuilder

#### 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 Approaches 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 to the Proprietary Funds. The Platform Fee for the GPS Fund Strategies is reduced from 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.

AIM starts with a baseline allocation across Core Markets, Tactical Strategies and Diversifying Strategies; however, these allocations will tilt over time based on their view of the risk environment. In times of heightened risk concentration, they will tilt more toward Diversifying Strategies—Equity Alternatives while, in times of lower risk concentration, they will maintain the baseline allocation. In times of heightened market

risk, they will tilt more towards Diversifying Strategies – Bonds & Bond Alternatives while in times of lower risk they will maintain the baseline allocation. 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. Strategies are allocated with a blended mix of Investment Approaches with an emphasis on growth of capital.

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

*Focused GPS Fund Strategies.* Focused GPS Fund Strategies provide a means for Clients to access pre-set strategies based primarily on the Client’s risk profile and their desire for focused exposure to one or more Investment Approach used to complement other Solution Types selected for the Client Portfolio. These include either a Core Markets investment approach, or a specific or combination of Tactical and Diversifying Strategies – Bond Alternatives Investment Approaches.

*Core Markets Focused.* Strategies seek to provide exposure to growth of capital markets and are generally allocated to Core Markets and Diversifying Strategies - Bonds and Bond Alternatives Investment Approaches in a blended mix.

*Tactical Focused.* Strategy seeks to provide flexible exposure to the equity market dependent on risk environment and is allocated solely to Tactical Strategies – Limit Loss Focus.

*Tactical-Low Volatility Focused.* Strategies seek to provide flexible exposure to the equity market alongside flexible bond exposures and are allocated to Tactical Strategies – Limit Loss Focus and Diversifying Strategies – Bonds and Bond Alternatives in a blended mix.

*Low Volatility Focused.* Strategy seeks to provide a low correlation to equities with low volatility experience and is allocated solely to Diversifying Strategies – Bonds and Bond Alternatives.

*Multi-Asset Income Focused.* Seeks to provide a blend of income and growth, and depending on the profile, strategies are allocated to Core Markets Investment Approaches, Tactical Strategies – Limit Loss Focus, or Diversifying Strategies – Bonds and Bond Alternatives. A core position in the GuidePath Multi-Asset Income Fund is held with complementary exposure to GuidePath 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 AIM Solutions and Proprietary Funds. AIM starts with a

**This must remain with the Client**

baseline allocation across Core Markets, Tactical Strategies and Diversifying Strategies; however, these allocations will tilt over time based on their view of the risk environment. In times of heightened risk concentration, they will tilt more toward Diversifying Strategies – Equity Alternatives while, in times of lower risk concentration, they will maintain the baseline allocation. In times of heightened market risk, they will tilt more towards Diversifying Strategies – Bonds & Bond Alternatives while in times of lower risk they maintain the baseline allocation.

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 does not use mutual funds or mutual fund share classes that do not pay shareholder servicing or sub-transfer agent fees, as a result of which it is necessary to pay transaction fees for every fund transaction. 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. When AssetMark uses institutional share class funds, the Platform Fee is higher than if retail share class funds are used. 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. In some cases, the lowest share class can be the retail share class. See Servicing Fees Received by AssetMark 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 within Core Markets, Tactical Strategies and Diversifying Strategies Investment Approaches. 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 within Core Markets, Tactical Strategies and Diversifying Strategies Investment Approaches.
- *Select Distribution.* Strategies seek a blend of income and growth of capital and are allocated with a blended mix to selected Strategist portfolios within Core Markets, Tactical Strategies and Diversifying Strategies Investment Approaches. Strategist selection will be focused toward Strategists managing to a multi-asset income mandate or where income is a large component of the Strategy. This Strategy is also designed to provide an enhanced level of income and to control portfolio volatility.

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

- *Select Low Volatility.* Strategy seeks to provide a low correlation to equities with low volatility experience and is allocated with a blended mix to selected Strategist portfolios representing the Diversifying Strategies – Bonds and Bond Alternatives Investment Approach. This focused investment Strategy targets low volatility with a low level of return.
- *Select Tactical.* Strategies seek to provide flexible exposure to the equity market alongside flexible bond exposures and are allocated with a blended mix to selected Strategist portfolios representing the Tactical Strategies – Limit Loss Focus and Diversifying Strategies – Bonds and Bond Alternatives Investment Approaches. This focused investment Strategy seeks to limit participation in extreme market downturns while generally participating in normal markets. Higher risk profiles will hold higher exposure to Tactical Strategies while lower risk profiles will hold higher exposures to Diversifying Strategies.
- *Select Multi-Asset Income.* Strategies seek to provide a blend of income and growth, and are allocated with a blended mix to selected Strategist portfolios representing the Multi-Asset Income Mandate spanning the Core Markets, Tactical Strategies and Diversifying Strategies Investment Approaches. 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 10 core asset classes in an effort to capture broad capital market returns while seeking to balance the pursuit of maximum total return against the control of risk in the portfolio. The Global model will take global exposures while the US model will 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. AIM 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. AIM 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 AIM, 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 AIM, Client consents to these changes. See Exhibit C for more information.

#### **Aris Asset Builder**

AIM 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 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.

#### **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.

#### **Aris Socially and Faith Based Screened Portfolios (Values Based Portfolios)**

At a Client's request, AIM 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 Aris 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, AIM 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. AIM 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**

AIM 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.

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The Strategies will be reviewed at least annually for reallocation. AIM 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, AIM will provide strategic investment allocations across Investment Approaches based on investment objectives, market outlook, risk profile and other preferences. AIM combines a Core Market globally focused portfolio of ETFs with three complementary third-party mutual funds that represent Tactical Strategies and Diversifying 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.

*Investment Objective:* Investors who are still working and seeking to build their wealth base. Strategies are allocated with a blended mix of Investment Approaches with an emphasis on growth of capital.

### **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
- Aris Custom High Net Worth

### Savos Preservation Strategy

For the - Savos Preservation Strategy, AIM provides discretionary investment management services to the Account, and the Client grants AIM 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 CSA.

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

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, AIM 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 utilized are registered investment companies for which AssetMark, either directly or through its AIM division, serves as investment adviser.

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

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

IMA Accounts are permitted to hold investments selected by AIM, and these investments can include, but are not limited to, some or all of the following types of securities: ETFs; closed-end mutual funds; open-end mutual funds; preferred stocks; Treasury bonds, bills and notes; and bank notes. The asset allocation decisions, and security selection decisions will be made solely by AIM at its discretion.

For IMA Accounts, AIM employs comprehensive analysis, including specific mathematical, technical and/or fundamental tools and risk-control criteria in the management of Client Accounts. The focus of AIM 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 AIM 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 AIM.

### GMS Accounts

Clients who select the GMS Account as their Solution Type must deposit at least \$25,000 into their Account, and if multiple deposits are made into such an Account, the Account will not be invested and will not be considered a "Discretionary Account" until the Account balance reaches the required minimum \$25,000. A Client's Account will be held by 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. AIM reserves the right, in its sole judgment, to accept certain investments below the standard minimum.

In a GMS Account, the Client authorizes AIM to provide discretionary investment management services to the Account. The Client grants AIM 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 CSA. AIM 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, AIM is permitted to use one or more proprietary mutual funds within the Strategy. The Strategy for each proprietary mutual fund is described in more detail in the prospectus for the fund. All

Proprietary Funds utilized are registered investment companies for which AssetMark serves as investment adviser.

AIM will adjust the holdings in a GMS Account on an ongoing basis. In some instances, AIM will sell or readjust GMS Account holdings to take advantage of certain opportunities to reduce taxes for the Client.

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

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

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

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

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

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

#### ***Mandates***

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

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

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

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

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

The Client grants AIM 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 CSA. AIM 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, AIM 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 utilized are registered investment company for which AssetMark serves as investment adviser.

Additionally, AIM 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 utilized are registered investment company for which AssetMark serves as investment adviser.

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

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

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

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

With the assistance of the Client's Financial Advisor, the Client selects a Risk/Return Profile for a PMP Account. Only Profiles numbered two (2) through six (6), that is Moderate, Moderate Growth, Growth and Maximum Growth, are available for a PMP Account. When selecting a Risk/Return Profile for a PMP Account, the Client, with the assistance of the Client's Financial Advisor, can select a risk management option from among investment-grade, high-yield and municipal fixed income strategies.

#### ***Mandates***

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

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

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

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

In the US Risk Controlled Strategy, the Client authorizes AIM to provide discretionary investment management services to the Account. The Client grants AIM 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. AIM retains the right to allocate across asset classes, which will include such recommended securities, in its own discretion. AIM 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. AIM will adjust the holdings in the US Risk Controlled Strategy based on a proprietary indicator. AIM will sell or readjust holdings where appropriate based on the indicator. During periods of heightened market volatility, AIM will have the ability to adjust the holdings to a non-equity alternative. During periods of low market volatility, AIM 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 follows the Tactical Investment Approach. Only Profile six (6), Maximum Growth, is available for a US Risk Controlled Strategy. The Account will be allocated to domestic securities.

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

The Client, with the assistance of the Financial Advisor, can request that AIM 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, AIM 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 social 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 AIM 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 AIM, 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. AIM, 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 AIM recommend to the Financial Advisory Firm asset allocations or investment selections for the ACA, but AIM 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 AIM.

#### **Savos Personal Portfolios**

Clients who select the Savos Personal Portfolios must deposit at least \$250,000 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 \$250,000. 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 \$250,000 minimum for investment. AIM reserves the right, in its sole judgment, to accept certain investments below the standard minimum.

In Savos Personal Portfolios, the Client authorizes AIM to provide discretionary investment management services to the Account. The Client grants AIM 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. AIM retains the right to allocate across asset classes, which will include such recommended securities, in its own discretion. AIM invests the Account in individual securities, mutual funds and ETFs.

Savos Personal Portfolios will invest in the Core Market Strategies through 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.

#### **Mandates**

The Client can choose from the following Mandates for a Savos Personal Portfolio.

*Growth and Growth Tax-Sensitive.* The Strategy is managed against the U.S. and international equity market securities (including emerging markets), and targets stocks selected to maximize exposure to equity style factors such as value, momentum, and quality.

*Dividend and Dividend Tax-Sensitive.* The Strategy 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.

AIM 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 twelve 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. AIM, in its discretion, will determine the implementation of the AIM Personal Portfolio - Custom. AIM 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.

#### Aris - Custom High Net Worth

The Aris Custom High Net Worth service is available through AIM. The minimum Account size for this Account is \$500,000. AIM uses a number of the Strategies and advisory services in providing discretionary investment management services to the Custom High Net Worth Account. AIM 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. AIM 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 AIM selects, retains and replaces in its discretion. For the fixed income portion of the Custom High Net Worth Account, AIM will use pooled vehicles or have a third-party Discretionary Manager manage with discretion that portion of the Client's Account. AIM will remove, add or replace the third-party Discretionary Manager in its discretion. The Client grants AIM 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 Aris 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 AIM to ensure that they are reasonable and will not unduly impair AIM's 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, AIM acts as Investment Manager for Client Accounts. The available Mandates for the Savos Fixed Income Accounts are as follows:

- *Laddered Bond Mandates.* These Strategies invest the Account in either U.S. Treasury, U.S. Agency or U.S. Treasury Inflation Protected bonds, with an intermediate effective duration, on a buy and hold basis.
- *Municipal, Duration-based and the High Income Mandates.* These standard Strategies invest the Account in closed-end funds, ETFs or mutual funds to obtain relevant exposure specific to desired asset categories.
- *Custom Fixed Income.* The Client, with the assistance of the Financial Advisor, can request that AIM deviate from standard allocations for the selected Fixed-Income Strategy. Such an Account is considered a Custom Fixed Income Strategy.
- *Advisor - Custom Accounts.* The Client can choose to participate in a program in which their Financial Advisor, in consultation with AIM, 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. AIM, in its discretion, will determine the implementation of the ACA. The Financial Advisory Firm can request that AIM recommend to the Financial Advisory Firm asset allocations or investment selections for the ACA, but AIM 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 AIM Fixed Income Platform Fee schedule will be charged to the Client Account, unless otherwise negotiated between the Financial Advisory Firm and AIM..

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

The Dynamic Hedging feature is offered within certain Solution Types managed by AIM. 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. AIM will implement the Dynamic Hedging feature by investing in any number of hedging, fixed income or other protective investment vehicles. At the current time, the Dynamic Hedging feature invests primarily in the Savos DHF.

#### Investment Objective

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

#### Risks

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

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

**This must remain with the Client**

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 AIM 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.

***Disclosure of Conflicts of Interest***

AssetMark receives management fees as the investment adviser to the Savos DHF. Such management fees are in addition to the fees AIM receives under the Investment Management Services Agreement for AIM investment Solutions. This creates a conflict because of the receipt of two fees. However, AssetMark addresses this conflict by reimbursing to the Client the portion of the advisory fee for the Savos DHF that is invested in the AIM investment Solution. See Servicing Fees Received by AssetMark and Share Class Use in Item 4, Service, Fees and Compensation.

**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 AssetMark proprietary institutional GuidePath mutual funds. GuidePath Funds do not charge a 12b-1 fee. There is no Platform Fee for the Guided Income Solutions. See Servicing Fees Received by AssetMark 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, including mutual funds advised by AssetMark; the fees paid these underlying funds are not included in the below-reported fees. The Client should refer to the funds' prospectuses and other shareholder materials for information, including fees, regarding the funds. 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 Service	0.60%

Since the amount that AssetMark is paid by each mutual fund varies, changes by AssetMark to the allocations of mutual funds in Client Accounts can change what AssetMark receives in fees from the funds. 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%

**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
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**GPS ACCUMULATION - NO ALTERNATIVE EXPOSURE**

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

**GPS DISTRIBUTION, NO ALTERNATIVE EXPOSURE**

2	0.57%
3	0.60%
4	0.60%

**GPS FOCUSED TACTICAL**

2	0.55%
3	0.56%
4	0.58%

GPS 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%
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**GPS FOCUSED TACTICAL**

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

2	0.55%
3	0.59%
4	0.56%

Mutual funds advised by AIM 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***

AIM 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 AIM and the investment options include allocations to mutual funds advised by AIM. 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 AIM, the Client will receive a Platform Fee credit that is at least as much as any additional compensation AssetMark might retain due to the allocations that AssetMark is permitted to make pursuant to the GPS Select investment guidelines.

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

The Accounts of Clients who select a GuideMark Market Blend Mutual Fund Strategy will be invested in mutual funds advised by AIM. 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.

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

MARKET BLEND STRATEGIES	MAX NET REVENUE
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#### 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 mutual funds advised by AssetMark.

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 JULY 2022

# 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%
<b>Minimum</b>	<b>\$10,000</b>	<b>\$25,000</b>	<b>\$25,000</b>

Guided Portfolios			
Guided Income Solutions	GPS Fund Strategies	Clark FITR	GPS Select
0%	0.25%	0.55%	0.65%
0%	0.15%	0.55%	0.65%
0%	0.10%	0.50%	0.60%
0%	0.10%	0.45%	0.55%
0%	0.10%	0.35%	0.45%
0%	0.10%	0.30%	0.40%
0%	0.10%	0.25%	0.35%
<b>\$50,000</b>	<b>\$10,000</b>	<b>\$250,000</b>	<b>\$50K-\$100K</b>
<b>\$250,000</b>	<b>\$250,000</b>		

Custom Individually Managed Accounts <sup>8</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%
<b>\$250K-\$750K</b>	<b>\$1M</b>	<b>\$500K-\$1M</b>	<b>\$1M</b>

Supplemental Fee	
AlphaSimplex, Aris AssetBuilder, BlackRock MAI, BlackRock RFI, DoubleLine, JP Morgan Global Flexible, State Street	0.10%
New Frontier	0.20%
Dorsey Wright	0.25%
Julex, WestEnd Advisors	0.50%
Beaumont	0.60%

Supplemental Fee	
Custom GPS Select	0.10%
Dorsey Wright, Savos US Risk Controlled	0.20%
Savos GMS, Savos PMP	0.30%
Julex, WestEnd Advisors	0.40%
Beaumont	0.40%

Supplemental Fee	
Custom	0.05%
William Blair	

Separately Managed Accounts (SMAs)	
SMAs	Fixed Income <sup>3</sup>
<\$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%
<b>Minimum</b>	<b>\$50K-\$100K</b>

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>
0.31%	0.20%	0.30%
0.31%	0.20%	0.30%
0.31%	0.20%	0.25%
0.26%	0.15%	0.20%
0.26%	0.15%	0.20%
0.26%	0.15%	0.20%
0.26%	0.15%	0.20%
<b>\$125K-\$250K</b>	<b>\$25,000</b>	<b>\$25K-\$250K</b>

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%
<b>\$25,000</b>	<b>\$25,000</b>	<b>\$25,000</b>	<b>\$250,000</b>

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%
<b>\$10,000</b>	<b>\$10,000</b>

Supplemental Manager Fee	
AllianceBernstein, BlackRock, Brown Advisory, Capital Group, Edge, Fiera, Franklin Templeton, Hartford, JP Morgan, Logan, Neuberger Berman	0.05%
Acadian, Principal	0.10%

Supplemental Manager Fee	
Active Fixed Income <sup>3</sup>	0.20%
Clark Capital (Tax and Tax-Free)	0.35%
Nuveen	

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.**

For financial advisor use with advisory clients.

Please see next page for important disclosures.

**INVESTMENT FIRMS BY CATEGORY**

Strategies	Proprietary ETF, MF <sup>5</sup>	Third-Party ETF, Institutional MF <sup>2</sup>	Guided Portfolios	Individually Managed Accounts <sup>8</sup>	Separately Managed Accounts (SMAs)	Individually Managed Accounts—Fixed Income <sup>3</sup>	Third-Party Laddered Fixed Income <sup>3</sup>	Proprietary Laddered Fixed Income <sup>3,5</sup>	Active Fixed Income <sup>3</sup>	Individual Mutual Funds
GuideMark <sup>1,6</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 Target Allocation ESG, BlackRock MAI, BlackRock RFI, BlackRock TA Multi- Manager with Alternatives, Beaumont, Dorsey Wright, DoubleLine, JP Morgan Absolute Return, JP Morgan Global Flexible, JP Morgan Global Standard, JP Morgan MAI, Julex, New Frontier, Nuveen ESG, PIMICO, State Street, WestEnd Advisors	Custom GPS Select All strategists (plus Clark Fixed Income Total Return and Savos UMA Strategies) in the Strategies table are available for Custom GPS Select	Custom Aris Custom High Net Worth, Clark Capital Personalized UMA, William Blair	Acadian, AllianceBernstein, BlackRock, Brown Advisory, Capital Group, Edge, Fiera Capital, Franklin Templeton, Hartford, JP Morgan, Logan, Neuberger Berman, Principal, William Blair	Parametric	Savos	Clark Capital Taxable Fixed Income, Nuveen, Savos	AQR, DoubleLine Shiller, Neuberger Berman	

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

<sup>2</sup> Annual Minimum Platform Fee: \$350 (this fee is waived on American Funds, and Multiple Strategy Accounts)

<sup>3</sup> Transaction-based fees, including trade away fees, may be applicable to the account. These fees are typically \$20 per trade.

<sup>4</sup> Custodial sweep or money market fund selected by AssetMark

<sup>5</sup> Proprietary solution types refer to those offered by AssetMark. AssetMark OBS models available to certain advisors.

<sup>6</sup> AssetMark is the investment adviser to the GuideMark<sup>®</sup> Funds

<sup>7</sup> This strategy contains GuideMark<sup>®</sup> mutual funds

<sup>8</sup> Custom and Fixed Income = Individually Managed Account

Multiple Strategy Account (MSA): The fees charged for an MSA account is 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 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>TM</sup>, LLC, member FINRA, an affiliate of AssetMark, Inc. AssetMark and third-party strategists are separate and unaffiliated companies.  
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 20901 | C22-18656 | 06/2022 | 03/31/2024

For financial advisor use with advisory clients.

# Brochure Supplement

Zoë Brunson, Senior Vice President, Investment Strategies

## ITEM 1 - COVER PAGE

Zoë Brunson  
1655 Grant Street, 10th Floor, Concord, CA 94520, 800-664-5345

This Brochure Supplement provides information about Zoë Brunson and supplements the AssetMark Disclosure Brochure. You should have received a copy of that Brochure. Please call 800-664-5345 if you did not receive the Disclosure Brochure or if you have any questions about the contents of this supplement.

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

## ITEM 2 - EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Zoë Brunson, CFA  
Born 1972

### Educational Background

#### Degree/Major/Year/Institution:

- Bachelor's Degree in Business Information Technology, 1994, Kingston University, Kingston-upon-Thames, UK

### Recent Work Experience

Ms. Brunson has been with AssetMark since 2007.

#### Employment Dates:

- 2007 to present

#### Positions Held In last Five years:

- Director, Investment Strategy Model Management & Fund Selection, Standard & Poor's Investment Advisory Services LLC, 1998 – 2007

## Professional Designations, Securities and Insurance Licenses

Ms. Brunson holds the following designations and/or licenses. A description of the minimum requirements for each designation is provided for your reference.

Chartered Financial Analyst (CFA) – Qualification as a CFA® charter holder requires 1) A bachelor's degree from an accredited institution or equivalent education or work experience, 2) Successful completion of all three exam levels of the CFA program, 3) 48 months of acceptable professional work experience in the investment decision-making process, 4) Fulfillment of local society requirements, which vary by society, and 5) Entry into a Member's Agreement, a Professional Conduct Statement and any additional documentation requested by CFA Institute.

Series 3 – Registered Commodity Representative – This requires passing a 120 multiple choice question examination within 2 hours and 30 minutes testing time. This examination qualifies the individual to act as an Associated Person, a Commodity Trading Advisor, Commodity Pool Operator, Introducing Broker, or futures Commission Merchant.

## ITEM 3 - DISCIPLINARY INFORMATION

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice.

Ms. Brunson does not have any information applicable to this Item.

## ITEM 4 - OTHER BUSINESS ACTIVITIES

N/A

## ITEM 5 - ADDITIONAL COMPENSATION

N/A

## ITEM 6 - SUPERVISION

Ms. Brunson reports to David McNatt, Head of Investments. Mr. McNatt can be reached at 925-521-2225. Ms. Brunson's activities are also monitored by Assetmark's compliance personnel and supervisory structure.

# Brochure Supplement

Davin A. Gibbins, Investments & Deputy Chief Investments Officer

## ITEM 1 - COVER PAGE

Davin A. Gibbins

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

This Brochure Supplement provides information about Davin A. Gibbins and supplements the AssetMark Disclosure Brochure for Aris Retirement Services. You should have received a copy of that Brochure. Please call 800-664-5345 if you did not receive the AssetMark Aris Retirement Services Disclosure Brochure or if you have any questions about the contents of this supplement.

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

## ITEM 2 - EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Davin A. Gibbins, CFA  
Born 1964

### Educational Background

Degree/Major/Year/Institution:

- BS, University of Toronto, 1986
- MSC, University of Toronto, 1987

### Recent Work Experience

Mr. Gibbins has been with Aris since 2001.

Employment Dates:

- 2001 to present

Positions Held In last Five years:

- Chief Investment Officer, Aris, a division of AssetMark, Inc., 2001 to 2018.
- Senior Vice President - Investments, 2018 to 2021
- Senior Vice President - Investments & Deputy Chief Investments Officer 2021 to Present.

## Professional Designations, Securities and Insurance Licenses

Mr. Gibbins earned his Chartered Financial Analyst designation in 1999 and his Chartered Alternative Investment Analyst designation in 2003. A description of the minimum requirements for this designation is provided below.

Chartered Financial Analyst (CFA) – Qualification as a CFA® charter holder requires 1) A bachelor's degree from an accredited institution or equivalent education or work experience, 2) Successful completion of all three exam levels of the CFA program, 3) 48 months of acceptable professional work experience in the investment decision-making process, 4) Fulfillment of local society requirements, which vary by society, and 5) Entry into a Member's Agreement, a Professional Conduct Statement and any additional documentation requested by CFA Institute.

Chartered Alternative Investment Analyst (CAIA) – Qualification as a CAIA® charter holder requires 1) A bachelor's degree from an accredited institution or equivalent education or work experience, 2) Successful completion of both Level I and Level II exams, 3) More than one year of qualifying work experience, 4) Maintain annual membership dues and abide by the membership agreement.

## ITEM 3 - DISCIPLINARY INFORMATION

There are no reportable legal or disciplinary events for the supervised person.

## ITEM 4 - OTHER BUSINESS ACTIVITIES

The supervised person is not actively engaged in any investment-related business or occupation other than as described herein.

## ITEM 5 - ADDITIONAL COMPENSATION

N/A

## ITEM 6 - SUPERVISION

Davin A. Gibbins reports to Christian Chan, Chief Investments Officer. Mr. Chan can be reached at 925-521-2693. Mr. Gibbins' activities are also monitored by Assetmark's compliance personnel and supervisory structure.

# Brochure Supplement

Christian Chan, Senior Vice President, Chief Investments Officer

## ITEM 1 - COVER PAGE

Christian Chan, CFA®  
1655 Grant Street, 10th Floor, Concord, CA 94520, 800-664-5345

This Brochure Supplement provides information about Christian Chan and supplements the AssetMark Disclosure Brochure. You should have received a copy of that Brochure. Please call 800-664-5345 if you did not receive the AssetMark Disclosure Brochure or if you have any questions about the contents of this supplement.

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

## ITEM 2 - EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Christian Chan, CFA  
Born 1974

### Educational Background

Degree/Major/Year/Institution:

- BA English, University of California, 1999

### Recent Work Experience

Mr. Chan has been with AssetMark since 2022.

Employment Dates:

- 2022 to present

Positions Held In last Five years:

- Chief Investment Officer of AssetMark, Inc., 2022 to present.
- Head of US Portfolio Management, Multi-Asset Solutions Allspring Global Investments – 2002 to 2022

## Professional Designations, Securities and Insurance Licenses

Mr. Chan earned his Chartered Financial Analyst designation in 2000. A description of the minimum requirements for this designation is provided below.

Chartered Financial Analyst (CFA) – Qualification as a CFA® charter holder requires 1) A bachelor's degree from an accredited institution or equivalent education or work experience, 2) Successful completion of all three exam levels of the CFA program, 3) 48 months of acceptable professional work experience in the investment decision-making process, 4) Fulfillment of local society requirements, which vary by society, and 5) Entry into a Member's Agreement, a Professional Conduct Statement and any additional documentation requested by CFA Institute.

## ITEM 3 - DISCIPLINARY INFORMATION

There are no reportable legal or disciplinary events for the supervised person.

## ITEM 4 - OTHER BUSINESS ACTIVITIES

The supervised person is not actively engaged in any investment-related business or occupation other than as described herein.

## ITEM 5 - ADDITIONAL COMPENSATION

N/A

## ITEM 6 - SUPERVISION

Christian Chan reports to David McNatt, Head of Investments. Mr. McNatt can be reached at 925-521-2225. Mr. Chan's activities are also monitored by Assetmark's compliance personnel and supervisory structure.

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# Custody Agreement

AssetMark Trust Company

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**AssetMark Trust Company**

3200 N. Central Ave.  
7th Floor  
Phoenix, AZ 85012-2425  
800-664-5345

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## TERMS OF AGREEMENT

By executing the AssetMark Trust Company Account Application ("Account Application"), you (the "Client") agree to retain AssetMark Trust Company ("AssetMark Trust") to provide custodial, brokerage and related services on the following terms:

PLEASE NOTE THIS AGREEMENT CONTAINS A BINDING ARBITRATION PROVISION AND CLASS ACTION WAIVER. SEE SECTION 27 FOR DETAILS. IF THE CLIENT DOES NOT WISH TO BE SUBJECT TO ARBITRATION, THE CLIENT MAY OPT OUT OF THE ARBITRATION PROVISION BY FOLLOWING THE INSTRUCTIONS SET FORTH IN SECTION 27(d) WITHIN THE SPECIFIED TIME FRAME.

### 1. ACCEPTANCE OF APPLICATION, ESTABLISHMENT OF ACCOUNT

This Custody Agreement ("Agreement"), including its Exhibits, shall be effective upon AssetMark Trust's acceptance of the Client's Account Application. Upon AssetMark Trust's receipt of the Client's assets, in a form acceptable to AssetMark Trust, AssetMark Trust shall establish, in the name of the Client, one or more custodial accounts (each an "Account") for the safekeeping of the Client's assets. This Agreement may apply to more than one Account, but the singular form will be used in this Agreement.

The Client represents and warrants that the source of all funds to be contributed to the Account by Client have been obtained by legitimate and lawful means and do not represent the proceeds of any unlawful activity.

### 2. AGREEMENT DESIGNED FOR USE WITH ASSETMARK PLATFORM

This Agreement is designed for use with persons who have retained an investment adviser to provide investment advice with regard to Account assets. This Agreement may only be used by persons who: 1. have contracted with a Financial Advisory Firm for investment advice pursuant to a Client Services Agreement ("CSA") in connection with a Platform sponsored by AssetMark, Inc. ("AssetMark"); or 2. upon a referral from a Financial Advisory Firm, have retained AssetMark, Inc. ("AssetMark") to provide discretionary investment advice pursuant to an Investment Management Services Agreement ("IMSA") (CSA and IMSA are, collectively, "Client Advisory Agreements").

The individual associated with the Financial Advisory Firm is referred to as the Client's "Financial Advisor." Pursuant to either a CSA or IMSA, the Client may authorize investment managers to manage Account assets, and these managers are referred to as "Discretionary Managers."

### 3. TYPES OF CUSTODIAL ACCOUNTS

This Agreement is designed for a Client whose Financial Advisor uses the AssetMark Platform. Client's Account may be invested in one of the "Strategies" or advisory services available through the AssetMark Platform. These advised accounts include those based on Model Portfolios and those managed by a Discretionary Manager, including Advisor as Strategist and Advisor Manager Portfolio Accounts. Accounts subject to this Agreement may also include Administrative Accounts and No Strategist or Terminated Strategist Accounts. A "Funding Account," used to receive assets transferred in kind, to be sold and/or transferred to an advised account or administrative account, is also subject to this Agreement.

### *Administrative/Non-Managed Accounts*

AssetMark Trust may also hold in custody assets in an "Administrative" or "Non-Managed" Account. Neither AssetMark Trust, nor AssetMark, nor any Discretionary Manager will manage or shall be responsible for giving any advice to an Administrative Account. Any Financial Advisor Fee payable pursuant to a Client Advisory Agreement shall be payable on an Administrative Account unless AssetMark receives instructions not to charge the Financial Advisor Fee.

Administrative Accounts may include a Cash Account, a General Securities Account and a No Strategist or Terminated Strategist Account.

**Cash Account** - If an Administrative Cash Account is selected, Client cash will be deposited with third party, FDIC-insured bank(s) as part of AssetMark Trust's FDIC-Insured Cash Program. The FDIC-Insured Cash Program includes an "Insured Cash Deposit (or "ICD") Program" and a "High Yield Cash Program." If you select an Administrative Cash account, all of your account will be deposited in the ICD Program unless your deposit qualifies for, and you select, the High Yield Cash Program, in which the interest rates credited are expected to be higher than those credited ICD Program deposits. There is no custody fee for Administrative Cash Accounts. See AssetMark Trust's FDIC-Insured Cash Program disclosures for more information.

**General Securities Account** - In the General Securities Account, the Client may transfer to the Account those equity or fixed income securities acceptable to AssetMark Trust. No securities can be purchased in this Account. The Client will be responsible for directing the sale of investments in the Account. If assets are to be held in a General Securities Account, AssetMark Trust must receive and accept, executable written instructions, prior to AssetMark Trust's receipt of the securities. Upon proper written request, AssetMark Trust will arrange for sale of General Securities Account assets, which may be through a sub-custodian or other agent. Such requests shall be processed in a reasonable time and the sale of General Securities Account assets will be at the market price available at time of sale. AssetMark Trust will not accept limit orders on the sale of General Securities Account assets. Separate fees will not be charged for these transactions unless notice is given to Client. AssetMark Trust is authorized to take any actions it deems appropriate to carry out an instruction. Instructions regarding General Securities Account assets must be executable within the normal operations of AssetMark Trust.

**No Strategist or Terminated Strategist Accounts** - AssetMark Trust may also hold in custody assets that no longer receive advisory services pursuant to a Client Advisory Agreement because the advisory services or "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 and usually are charged a Platform Fee that is a reduction from that payable when the Strategy was active on the AssetMark Platform.

### 4. ASSETMARK TRUST CAN RELY UPON INSTRUCTIONS

The Client authorizes AssetMark Trust to accept instructions from the Financial Advisor, the Financial Advisory Firm, any Discretionary Manager and AssetMark. Such instructions can include, but are not limited to, instructions:

- To contribute or transfer assets to the Account;
- To invest Account assets and execute transactions in the Account;
- To pay directly from the Account any fees related to this Agreement, a CSA or an IMSA;

**This must remain with the Client**

- To distribute or transfer assets from the Account; and
- To take any actions incidental to the foregoing.

AssetMark Trust's acceptance of these instructions shall be subject to its policies and procedures. AssetMark Trust can rely on these instructions, whether transmitted in writing, electronically, orally or otherwise, and shall have no duty to make any investigation or inquiry with respect to any instruction received from the Financial Advisor, the Financial Advisory Firm, any Discretionary Manager or AssetMark.

## 5. ACCOUNT STATEMENTS

AssetMark Trust shall periodically, but not less than quarterly, provide the Client with an Account Statement listing the Account's assets, transactions and valuations. AssetMark Trust may also provide access to Account information by electronic or web-based access or by other means.

## 6. CONFIRMATION OF TRANSACTIONS

The Client acknowledges that they may elect to receive trade-by-trade transaction confirmations immediately upon completion of securities transactions. The Client hereby agrees that trade-by-trade transaction confirmation will not be provided pursuant to this Agreement and acknowledges and agrees that information regarding securities transactions will instead be reported in the Account Statements provided to the Client. The Client may, at any time, upon written request to AssetMark Trust, elect to receive trade-by-trade transaction confirmations for all transactions since the date of their most recent Account Statement, as well as for all subsequent transactions.

## 7. ACCOUNT INFORMATION TO AUTHORIZED PERSONS

The Client shall provide AssetMark Trust all information, and any changes to that information, required or appropriate to open and maintain the Account and provide the services contemplated by this Agreement. The Client authorizes AssetMark Trust to provide Account information (including, but not limited to, Account activity and assets) to the Financial Advisor, the Financial Advisory Firm, any Discretionary Manager and AssetMark. Client and Account information may also be provided to vendors that provide services to AssetMark Trust and/or clients, consistent with AssetMark Trust's Privacy Policy.

## 8. SHAREHOLDER MATERIALS

Unless AssetMark Trust notifies the Client otherwise, AssetMark Trust shall forward shareholder materials, including prospectuses, shareholder reports and proxies (collectively "Shareholder Materials") received to either the Client or the designated Discretionary Manager consistent with the Client's CSA or IMSA, and any elections made thereunder, as applicable, and consistent with Exhibit B, Agreement Regarding Securities Lending, of this Agreement, including section 5 of Exhibit B regarding Voting Rights with Respect to Loaned Securities. AssetMark Trust shall not be responsible or liable for any action or inaction by Client with regard to Shareholder Materials.

## 9. CLASS ACTIONS – EFFECTIVE SEPTEMBER 10, 2021

AssetMark Trust shall not advise or act for the Client 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. Unless AssetMark Trust provides notice to the contrary, AssetMark Trust shall provide, through a third-party service provider, "Class Action Services" (described below). Client shall be deemed to have consented to receipt of Class Action Services unless they notify AssetMark Trust in writing that they opt out of the services.

Unless Client opts out of receipt of Class Action Services, Client authorizes AssetMark Trust to act as Client's agent and to contract with a service provider, for and on behalf of Client: to provide asset recovery services covering global class action and collective action lawsuits and regulatory disgorgement; to research class actions for which Client may be eligible, based on the trade data provided by AssetMark Trust; to submit applicable claim information, such as proof of claim and required documentation, to claims administrators or other relevant parties; to collect and receive money on behalf of Client; and to pay such moneys to Client in such manner as may be determined, subject to deduction of fees for the service.

Unless Client opts out of receipt of Class Action Services, Client represents and warrants that: Client is authorized to seek recovery with respect to the class action relating to the purchase, sale or holding of securities or financial products in Client's Account; Client owns or owned all of the securities or financial products in Client's Account subject to the class action; Client has not assigned their rights in connection with that ownership; and Client is entitled to collect any recovery in connection with those securities or financial products. If Client does not opt out of the Class Action Services, Client understands and agrees that, by authorizing the Service Provider to seek recovery in a class action on Client's behalf, Client waives or releases any rights Client has to pursue direct claims, agrees not pursue direct claims with respect to the securities or financial products purchased, sold or held in your Account and subject to the class action, and acknowledges and agrees that they will be bound by, and subject to, the terms of all forms and releases that may be entered into for settlements in which a claim is filed on Client's behalf.

Unless Client opts out of Class Action Services, Client agrees that AssetMark Trust and services provider(s) providing Class Action Services, their affiliates and their officers, directors, shareholders, agents and employees, and their agents, vendors and service providers shall not be liable for any losses, damages or expenses resulting from any action or inaction by the above parties in connection with any class action lawsuits or regulatory disgorgements.

Client acknowledges and agrees that, unless Client opts out of receipt of Class Action Services, the services provider shall be paid and compensated for providing the Class Action Services by receiving 20% of the assets it receives on Client's behalf and such other fees as shall be disclosed to Client.

The Class Action Services service provider cannot and shall not provide legal, tax, financial or other professional advice to Client, which Client confirms and acknowledges. Client shall seek and obtain its own legal, financial, accounting and other professional advice as Client shall see fit. Client's rights regarding class action may be affected if the security is subject to securities lending or a fee for holds arrangements; see Exhibit B.

## 10. ELECTRONIC DELIVERY OF MATERIALS

AssetMark Trust may offer to provide materials, including Shareholder Materials and requested trade-by-trade transaction confirmations, through electronic delivery, including through web access. The Client acknowledges that some materials may be available only electronically or only in hardcopy, and that, for those communications available in both formats, an additional fee may be charged for delivery of paper. If the Client elects to receive materials electronically, the Administrative Expense Fee may be waived.

## 11. BROKERAGE

It is anticipated that the Discretionary Manager or Client, consistent with Platform services, as applicable, will direct most, if not all, transactions to Fidelity Brokerage Services LLC and/or National Financial Services LLC ("Fidelity"), or other broker-dealers contracted by AssetMark Trust, because these contracted brokers are compensated pursuant to agreements with AssetMark Trust and generally do not charge transaction-based commissions for their execution services. However, trade execution is in the discretion of the applicable Discretionary Manager and, if the Discretionary Manager determines that better execution may be available at another broker, the Discretionary Manager is authorized to direct the trade outside the broker(s) contracted with AssetMark Trust and, in such an instance, the Account may incur a commission or trading costs in addition to the fees specified in this Agreement. These transactions are often referred to as "trade-away" or "stepped-out" transactions and should be expected for fixed income security transactions. A Discretionary Manager may also determine to step-out an equity security transaction. See section 12 regarding trade-away fees. Fidelity's role in any trade-away transaction is limited to acting as custodian and settlement agent in settling the transactions. Fidelity will have no obligation to select, monitor or supervise executing brokers. Trade-away transactions must comply with any applicable rules, regulations and Fidelity's policies and procedures.

Although AssetMark Trust anticipates that transactions in mutual fund shares will be effected through Fidelity, trades may be effected through the National Securities Clearing Corporation ("NSCC") or such clearing resources as AssetMark Trust deems appropriate.

Purchase and/or sale transactions from multiple clients may be combined into a single brokerage order. This aggregation process could be considered to result in a cross transaction among affected Client accounts.

## 12. FEES

This Agreement is designed for a Client whose Financial Advisor uses the AssetMark Platform. There is no overall, general custodial account fee for an Account invested in a Platform Strategy because such an Account is charged the Platform Fee applicable to the chosen Strategy pursuant to the applicable Client Advisory Agreement, and the Platform Fee includes compensation for custodial and brokerage services. However, other, specific fees may be charged an Account. These are described below.

Note: Separate, general custodial account fees do apply to a limited number of legacy accounts and accounts invested in Strategies with limited offering.

### *Fees applicable to Individually Managed Accounts ("IMAs")*

Additional fees applicable to Individually Managed Accounts ("IMAs") and Accounts managed by Discretionary Managers are as follows:

**Alternative Investments** - If an IMA includes an Alternative Investment, in addition to the Platform Fee due to AssetMark, an additional quarterly fee of \$50 shall be due and debited from the Account at the beginning of the following calendar quarter in payment of the Custodial Account Fee for the Alternative Investment for the upcoming calendar quarter. No \$50 fee is charged upon investment in an Alternative Investment during a calendar quarter, and no portion of the \$50 fee is prorated or refunded for partial calendar quarter investments.

**Trade-Away Transaction Fee** - If a Discretionary Manager of an IMA determines to "step out" or "trade away" a trade, AssetMark Trust assesses a fee of \$20.00 per trade. This transaction fee would be in

addition to any commission or trading costs as discussed in Section 11, Brokerage. If an account is invested in fixed income investments, e.g., a Parametric bond ladder IMA, the Client should expect this \$20 fee on each security transaction.

### *Administrative Expense Fee*

The Account can be assessed an Administrative Expense Fee of \$25 per year. AssetMark Trust currently waives this fee but reserves the right to assess it at any time.

### *Account Termination Fee*

Upon termination of all of Client's Accounts established pursuant to this Agreement a \$95 Account Termination Fee will be charged.

This fee will not be assessed on withdrawals from or changes to the Account or if the Client terminates the Account within five days of opening the Account.

### *Fees for Additional Services*

AssetMark Trust may charge a fee for delivery of paper communications, such as Shareholder Materials and transactional confirmations, if electronic delivery is available and not elected by Client. AssetMark Trust may also charge additional fees for special services, such as historical document retrieval, overnight delivery, wiring funds or non-standard services.

### *Inherent Investment and Transaction Expenses*

The Client should expect and agrees that fees, expenses, costs and taxes inherent in securities transactions or holding an investment shall be passed through to the Account. These fees are due to assessments by third-parties or fees or taxes required by law in connection with the security transaction or the holding of the asset. These fees are separate from, and in addition to, other fees assessed the Account, and are subject to change without notice. Below are examples of such costs that the Account shall bear.

Pooled investment funds, such as mutual funds and exchange-traded funds, pay expenses incurred by the fund, such as management fees, 12b-1 fees and administrative service fees, as well as transaction costs (such as commissions and markups or markdowns) incurred directly by the funds. If invested in such funds, the Account will indirectly pay its share of the fees and expenses paid by these funds, in addition to any fees paid to AssetMark Trust or as part of the Platform. Additionally, some funds may assess short-term redemption fees that will be paid directly by the Account. Some mutual funds share some expenses paid by the fund, such as 12b-1 fees and administrative service fees, with AssetMark Trust.

In connection with sales of equity securities and equity-related options, the Account may also incur fees referred to as "Regulatory Transaction Fees" (sometimes referred to as "Section 31 Fees"). These fees are paid to brokerage firms that effect security transactions in your account. These brokerage firms use these amounts to offset the fees they owe to self-regulatory organizations ("SROs") and U.S. national securities exchanges to cover the transaction fees the SROs and exchanges must pay to the U.S. Securities and Exchange Commission ("SEC"). These fees are designed to recover the costs Incurred by the government, including the SEC, for supervising and regulating the securities markets and securities professionals. Because these fees may vary, and these variations not immediately known, the Client agrees that AssetMark Trust shall have the right to determine, in its sole discretion, the amount to assess the Account, that the assessment may differ or exceed the actual amount of the fee, and that AssetMark Trust may retain any such excess for its benefit.

**This must remain with the Client**

The Account may also incur expenses related to the custody of foreign securities, including fees from paying agents of the issuers of foreign securities, such as American Depository Receipts (e.g., "ADR Fees"). ADR Fees may appear as a separate fee on the Account Statement.

Certain jurisdictions or securities exchanges or markets may impose financial transaction taxes or fees. The Account will incur such fees in connection with transacting in such assets. For example, France levies a securities transaction fee on stock purchases of some publicly traded French companies; this fee shall be passed through to the Account.

#### ***IRA and ERISA Account Fee***

AssetMark Trust or its affiliates may receive fees for advisory, administrative or other services from mutual funds, or their service providers, whose shares may be held by the Account, from banks, including Program Banks in AssetMark Trust's FDIC-Insured Cash Program, that may hold deposits of Account assets or from other financial services providers. In the case of IRA and ERISA accounts, such "service fee" income will offset an "IRA & ERISA Account Fee" otherwise chargeable to the Account by AssetMark Trust for the additional custodial and other services provided by AssetMark Trust to IRA and ERISA accounts.

The IRA & ERISA Account Fee is payable quarterly, in advance, for the upcoming calendar quarter, at the annual rate of 0.50%, based on the Account's value (including mutual fund shares) on the last business day of the preceding calendar quarter. The IRA & ERISA Account Fee is in addition to the other fees described in this Agreement. No portion of the fee is charged upon receipt of assets to an Account, and no portion of the fee is prorated or refunded.

At this time, AssetMark Trust intends to waive any portion of this IRA & ERISA Account Fee not offset by the service fee income received by AssetMark Trust or an affiliate. Additionally, the Account will receive a credit to the extent that such service fee income received by AssetMark Trust or an affiliate exceeds the IRA & ERISA Account Fee chargeable to the Account.

### **13. PAYMENTS TO ASSETMARK TRUST FROM THIRD PARTIES; ASSIGNMENT TO ASSETMARK TRUST**

#### ***Payments to AssetMark Trust from Third Parties***

AssetMark Trust and its affiliates receive 12b-1 fees, revenue sharing payments or administrative service fees from sub-custodian Fidelity, from mutual funds whose shares are held by the Account or service providers to these funds, from banks that hold deposits of Account assets, and from other financial services providers.

#### ***Assignment to AssetMark Trust***

From time to time, AssetMark Trust will hold amounts that are not in a Client's account. Examples include, but may not be limited to, amounts that represent checks issued by AssetMark Trust that have not been cashed, amounts awaiting trade settlement for a Client account, and tax withholding amounts deducted from distributions but not yet received by the U.S. Internal Revenue Service or another tax authority. These amounts may generate interest, dividends or credits against bank service fees for the benefit of AssetMark Trust. For the sake of clarity, in consideration of the Client's use of AssetMark Trust services, the Client hereby irrevocably transfers and assigns to AssetMark Trust any ownership right that they may have in any interest, dividends or credits that accrue on such amounts, but nothing herein grants AssetMark Trust any ownership right to any other funds or assets AssetMark Trust holds on the Client's behalf.

### **14. DEDUCTIONS FROM ACCOUNT TO PAY FEES AND PENALTIES**

Unless other arrangements are made, fees payable pursuant to this Agreement and pursuant to the applicable Client Advisory Agreement shall be paid through deduction by AssetMark Trust of amounts directly from the Account, and Client authorizes AssetMark Trust to debit fees from the Account. Without notice to or verification from the Client, AssetMark Trust may rely on, and may pay fees out of the Account, in accordance with any statement from the Financial Advisor, Financial Advisory Firm, applicable Discretionary Manager and AssetMark, to cover fees and expenses, and AssetMark Trust is authorized to liquidate Account assets in order to pay such fees.

#### ***Cashiering and Administrative Service Fees***

Unless other arrangements are made, fees incurred resulting from non-sufficient funds or returned checks or wires shall be deducted directly from the Account.

#### ***Fines and Penalties***

If AssetMark Trust is assessed any fee, fine, penalty or interest by any governmental authority or regulator due to the action or inaction of Client, including but not limited to Client not providing proper identifying information or Taxpayer Identification Number, AssetMark Trust shall have the right to assess the Client's Account for all amounts owed.

### **15. LIENS ON ACCOUNT**

The Client agrees that all fees, debts and other obligations owed to AssetMark Trust, the Financial Advisor, Financial Advisory Firm, any Discretionary Manager and AssetMark by the Client, including, without limitation, with regard to other custodial accounts maintained by AssetMark Trust, shall be secured by a lien on all assets now or hereafter held or maintained in the Account and in any other present or future account of Client at AssetMark Trust, whether held individually or jointly with others or registered as a trust, IRA or retirement or pension plan of which the Client is the beneficiary, owner or participant.

### **16. CHECKS**

Checks for deposit to the Account should be made payable to AssetMark Trust Company. Client acknowledges that funds deposited by check may not be available for withdrawal for up to 10 business days to provide for proper check clearance. If a check does not clear in a timely manner, Client will be held liable for any trading losses in Account.

### **17. ACKNOWLEDGEMENT OF RISKS OF INVESTMENTS AND OF TAX CONSEQUENCES**

The Client acknowledges the risks inherent in any investment, that the Account will fluctuate in value and may incur losses and that transactions in Account assets may have tax consequences for the Client.

### **18. SECURITIES LENDING AND FEE FOR HOLDS ARRANGEMENTS**

Securities lending and fee for holds arrangements shall be subject to the provisions set forth in Exhibit B to this Agreement.

### **19. LIMITATIONS ON ROLE AND LIABILITY OF ASSETMARK TRUST; INDEMNIFICATION BY CLIENT**

- (a) The Client acknowledges and agrees that AssetMark Trust has no duty to supervise or monitor the investment of, or any transactions in, Account assets or the actions of the Client, the Financial Advisor, the Financial Advisory Firm, any Discretionary Manager or AssetMark. AssetMark Trust does not give investment, legal, tax or accounting

advice and makes no recommendations concerning the investment of Account assets, the selection or retention of the Financial Advisor, the Financial Advisory Firm, any Discretionary Manager or AssetMark. The Client shall be responsible for the risks associated with the investment of the Account assets and for any tax liability incurred in connection with transactions involving Account assets. An Account may include an Alternative Investment. Alternative Investments generally are not publicly traded and lack a liquid market. The Client acknowledges that the value of an Alternative Investment may be difficult to ascertain and that any value reflected on an Account Statement is for informational purposes only and may not be the current value and may be significantly different than the actual market or the liquidation value of such Alternative Investment. The Client should obtain from the issuer of an Alternative Investment any applicable disclosure documents.

- (b) The Client acknowledges that a reasonable amount of time must be allowed for all account activity and transactions, including without limitation, time needed: (i) to establish the Account, including but not limited to receiving assets from a third-party; (ii) to purchase, sell and/or redeem Account assets or to change the investment objectives or the Strategy of the Account; (iii) to make changes related to the Account, including, but not limited to, address and beneficiary designations; and (iv) to liquidate and settle assets and/or transfer assets from and/or terminate the Account, and that AssetMark Trust shall not be liable for any losses, including, but not limited to, those due to market value fluctuations, tax consequences, or other consequential damages during the time taken for these processes and transactions. This is not a brokerage account and transactions may not be initiated within one or two business days of receipt of the instructions. The Client may not rely upon the time taken for previous changes or transactions.
- (c) The Client agrees to review all Account Statements, any trade confirmations and other notices and confirmations of information and promptly notify AssetMark Trust of any errors within 10 days, including without limitation whether investments recommended or made for an Account violate any Client instruction, objective or restriction for the Account. AssetMark Trust shall not be liable for any errors or losses that remain unreported for more than 10 days after receipt of mailed information or posting of electronic information.
- (d) AssetMark Trust shall not be liable for, and the Client shall indemnify AssetMark Trust, its service providers, and their affiliates and their officers, directors, shareholders, agents and employees against, any losses, damages or expenses resulting from any action or inaction by such parties or by any third party, except for losses resulting from such parties' gross negligence, reckless disregard, willful misconduct or bad faith. The limitations on AssetMark Trust's liability and the indemnification responsibilities of the Client shall apply, but not be limited to: (i) any losses in Account value and any tax implications with regard to Account assets; (ii) any action or inaction by AssetMark Trust taken in reliance upon any notice or instruction from the Client, the Financial Advisor, the Financial Advisory Firm, any Discretionary Manager or AssetMark, or AssetMark Trust's refusal, on advice of counsel, to act in accordance with such a notice or instruction; (iii) any action or inaction of the Client, the Financial Advisor, the Financial Advisory Firm, any Discretionary Manager or AssetMark, including, but not limited to, those resulting from transmittal or non-transmittal of information by AssetMark Trust; and (iv) AssetMark Trust's failure to execute unclear, poorly worded, or unexecutable instructions or other instructions given after previous instructions are underway. Under no circumstances shall AssetMark Trust be liable for indirect, consequential, special or incidental damages, including, but not limited to, loss of profits, gains, appreciation, revenue or opportunity.

- (e) The Client's indemnification obligation pursuant to this Agreement shall also include the responsibility to reimburse AssetMark Trust for all attorneys' fees and costs incurred by AssetMark Trust in connection with any of the following: (i) responding to threatened claims by any party, including claims by the Client related to acts of AssetMark Trust in the administration of the Account; (ii) defending (whether successfully or not and including on appeal) against asserted claims by any third party, and against unsuccessful claims by the Client, related to actions of AssetMark Trust in the administration of the Account; and (iii) prosecuting (including on appeal) a successful claim or counterclaim against the Client seeking payment under this indemnification obligation.

## 20. ENTIRE AND BINDING AGREEMENT

This Agreement, including its Exhibits, and its Account Application and any supplemental forms, as such may be amended, shall constitute the entire understanding between the Client and AssetMark Trust regarding AssetMark Trust's services to the Account, except that, for an Individual Retirement Account ("IRA") or a Roth Individual Retirement Account ("Roth IRA") Account established pursuant to a AssetMark Trust IRA Custodial Agreement or Roth IRA Custodial Agreement, the applicable AssetMark Trust IRA or Roth IRA Custodial Agreement shall supplement this Agreement, and that certain forms and accompanying language, such as beneficiary designation forms, provided by AssetMark Trust may also supplement this Agreement.

Client represents and warrants to have full power, authority and capacity to enter this Agreement. If this Agreement is entered into by a trustee or other fiduciary, including but not limited to someone meeting the definition of "fiduciary" under the Employee Retirement Income Security Act of 1974 ("ERISA"), such trustee or fiduciary represents and warrants that Client is permitted and authorized to enter this Agreement. Client represents that this Agreement, including those portions applicable to Securities Lending and Fee for Holds Arrangements, constitutes a legal, valid, and binding obligation enforceable against them and that their performance of their obligations under this Agreement shall at all times comply with all applicable laws and regulations.

## 21. MODIFICATION OF AGREEMENT AND INSTRUCTIONS

This Agreement may only be amended in writing. AssetMark Trust may amend this agreement, including the fees payable under it, by giving the Client written notice of any amendment a sufficient time in advance of the effective date of such amendment to permit the Client to provide notice of termination of this Agreement.

Any instruction, form, beneficiary designation or change request received by AssetMark Trust shall be effective only upon acceptance by AssetMark Trust, which may be conditioned on compliance with AssetMark Trust's policies, procedures or safeguards or those of a third party. Until its acceptance of a new instruction, form, designation or change, AssetMark Trust shall be entitled to rely on previously accepted instructions or designations and shall not be liable for inaction on unaccepted or unexecutable instructions. AssetMark Trust's records shall be conclusive as to accepted instructions, forms, designations and change requests. Client acknowledges that, upon termination of an Account, not all assets may be transferrable in kind and that, in such a situation, AssetMark Trust's policies are generally to liquidate such investments and transfer cash.

## 22. NOTICES

Any notice or instruction to AssetMark Trust must be in writing and delivered to AssetMark Trust Company at P.O. Box 40018, Lynchburg, VA 24506-4018 or such other address provided by AssetMark Trust. Communications and notices to Client shall be delivered to the Client's U.S. postal and/or electronic mail, as appropriate, address of record as contained in AssetMark Trust records.

## 23. GOVERNING LAW

This Agreement shall be governed by the laws of the State of Arizona, as applied to contracts entered into and completely performed in New York.

## 24. NO AGENCY CREATED

The Financial Advisor, the Financial Advisory Firm, and any Discretionary Manager or Model Provider, and their respective employees and agents, are not agents of AssetMark Trust, and AssetMark Trust shall be liable to Client or any other party for any act or omission of another such party or its employees on the basis of a principal's liability for the acts or omissions of its agent or on the basis of an employer's liability for the acts or omissions of its employee.

## 25. ASSIGNMENT AND SUCCESSORS

AssetMark Trust may assign its rights and duties under this Agreement to any person or entity upon 30 days prior written notice to the Client. The terms and conditions of this Agreement shall be binding upon the heirs, executors, administrators, successors, assigns, and personal representatives of the Client and inure to the benefit of the Custodian and its successors and assigns.

## 26. TERMINATION

The Client may terminate the Account at any time by giving written notice to AssetMark Trust. If there is more than one Client, any one Client, acting alone, shall have authority to terminate the Account. AssetMark Trust may terminate the Account and distribute Account assets to the Client at any time without cause or reason. Upon any termination, Client shall remain liable for any unpaid fees, debts, or other obligations incurred in connection with the Account.

## 27. DISPUTE RESOLUTION BY BINDING ARBITRATION

**PLEASE READ THIS "DISPUTE RESOLUTION BY BINDING ARBITRATION" PROVISION VERY CAREFULLY. IT LIMITS CLIENT'S RIGHTS IN THE EVENT OF A DISPUTE BETWEEN CLIENT AND ASSETMARK TRUST, SUBJECT TO THE TERMS AND OPT-OUT OPTION SET FORTH BELOW.**

**(a) Scope of Arbitration Provision.** Any and all past, present or future controversy, claim or dispute arising out of, or relating to, this Agreement or the Account with AssetMark Trust, the activities or relationships that involve, lead to, or result from this Agreement, including any AssetMark Trust affiliate, or any of the current or former officers, directors, agents and/or employees of these entities or persons or any actions or services of any manner or type that were (or were to be) performed or provided by any of the above persons or entities, including but not limited to any controversy, claim or dispute arising out of or related to the breach, termination, enforcement, interpretation or validity or enforceability of this Agreement and the scope and applicability of this agreement to arbitrate or any aspect thereof (each, a "Dispute"), shall be resolved by arbitration before the Judicial Arbitration and

Mediation Service ("JAMS"); unless the Client (i) opts out as provided in Section 27(d) below; or (ii) the Dispute is subject to an exception to this agreement to arbitrate set forth in Section 27(i).

- (b) Informal Dispute Resolution.** AssetMark Trust wants to address Client concerns without the need for a formal legal dispute. Before filing a claim against AssetMark Trust, the Client agrees to try to resolve the Dispute informally by contacting AssetMark Trust. Similarly, AssetMark Trust will undertake reasonable efforts to contact the Client (if AssetMark Trust has contact information for Client) to resolve any claim AssetMark Trust may possess informally before taking any formal action. If a Dispute is not resolved within 30 days after the email noting the Dispute is sent, the Client or AssetMark Trust may initiate an arbitration proceeding as described below.
- (c) The Client and AssetMark Trust Both Agree To Arbitrate.** By agreeing to this Agreement, the Client and AssetMark Trust each and both agree to resolve any Disputes through final and binding arbitration as discussed herein, except as set forth under Section 27(i) "Exceptions to Agreement To Arbitrate" below.
- (d) Opt-Out of Agreement to Arbitrate.** The Client may opt out of the binding arbitration described in this section by sending AssetMark Trust written notice within thirty (30) days following the date the Client first agrees to this Agreement (such notice, an "Arbitration Opt-out Notice"). If the Client does not provide AssetMark Trust with an Arbitration Opt-out Notice within the thirty (30) day period, the Client will be deemed to have knowingly and intentionally waived its right to litigate any Dispute except with regard to the exceptions set forth below.
- (e) Judicial Forum for Disputes.** Except as otherwise required by applicable law, in the event that this "Dispute Resolution by Binding Arbitration" section is found not to apply, the exclusive jurisdiction and venue of any Dispute (other than small claims actions) will be the state and federal courts located in Maricopa County, Arizona, and each of the parties hereto waives any objection to jurisdiction and venue in such courts. The Client and AssetMark Trust both further agree to waive their rights to a jury trial.
- (f) Arbitration Procedure.** The arbitration shall be administered by JAMS pursuant to the JAMS Comprehensive Arbitration Rules and Procedures. The JAMS rules are available at [www.jamsadr.com](http://www.jamsadr.com) or by calling 1-800-352-5267. In a Dispute involving \$10,000 or less, any hearing will be telephonic unless the arbitrator finds good cause to hold an in-person hearing instead. If a hearing is warranted, arbitration will be held at the JAMS office closest to the Client's address of record or such other location as the parties may agree. Arbitration will proceed on an individual basis and will be handled by a sole arbitrator. The single arbitrator shall be a retired judicial officer. If the parties are unable to agree upon an arbitrator within fourteen (14) days of delivery of the Demand for Arbitration, then JAMS will appoint the arbitrator in accordance with the JAMS rules. The arbitrator shall be authorized to award any remedies, including injunctive relief, that would be available to the Client in an individual lawsuit and that are not waivable under applicable law. Notwithstanding any language to the contrary in this Section 27, if a party seeks injunctive relief that would significantly impact other Clients as reasonably determined by either party, the parties agree that such arbitration will proceed on an individual basis but will be

handled by a panel of three (3) arbitrators. Each party shall select one arbitrator, and the two party-selected arbitrators shall select the third, who shall serve as chair of the arbitral panel. That chairperson shall be a retired judge with experience arbitrating or mediating disputes. In the event of disagreement as to whether the threshold for a three-arbitrator panel has been met, the sole arbitrator appointed in accordance with this Section shall make that determination. If the arbitrator determines a three-person panel is appropriate, the arbitrator may – if selected by either party or as the chair by the two party-selected arbitrators – participate in the arbitral panel. Except as may be required by law, neither a party nor an arbitrator may disclose the existence, content, status or results of any arbitration hereunder without the prior written consent of the other parties in the arbitration.

**(g) CLASS ACTION WAIVER. ALL DISPUTES WILL BE ADJUDICATED ONLY ON AN INDIVIDUAL BASIS AND NOT IN A CLASS OR REPRESENTATIVE ACTION OR AS A MEMBER OF A CLASS, MASS, CONSOLIDATED OR REPRESENTATIVE ACTION, IRRESPECTIVE OF THE FORUM IN WHICH THEY ARE HEARD. ANY CLAIM ASSERTED BY A PARTY SHALL NOT BE JOINED, FOR ANY PURPOSE, WITH THE CLAIM OR CLAIMS OF ANY OTHER PERSON OR ENTITY, UNLESS ALL PARTIES SPECIFICALLY AGREE TO JOINDER OF INDIVIDUAL ACTIONS. IF A COURT OR ARBITRATOR DETERMINES IN AN ACTION BETWEEN THE PARTIES THAT THIS WAIVER IS UNENFORCEABLE, THE PARTIES' AGREEMENT TO ARBITRATE WILL BE VOID FOR PURPOSES OF THAT PARTICULAR ACTION. THE PARTIES DO NOT CONSENT TO CLASS ARBITRATION.**

**(h) Arbitration Shall be Final; Parties Retain Substantive Rights. The arbitration shall be final and binding, and judgment on the award may be entered in any court having jurisdiction. Nothing in this Agreement will be read to eliminate or abridge any substantive legal right (as opposed to a procedural right, mechanism or forum) that the parties may have under federal or state law, including federal and state securities laws and ERISA.**

**(i) Exceptions to Agreement to Arbitrate. Notwithstanding the Client and AssetMark Trust's agreement to arbitrate Disputes, the Client and AssetMark Trust retain the following rights: the Client and AssetMark Trust retain the right (i) to bring an individual action in small claims court; and (ii) to seek injunctive or other equitable relief in a court of competent jurisdiction to prevent the actual or threatened infringement, misappropriation or violation of a party's copyrights, trademarks, trade secrets, patents or other intellectual property rights.**

**(j) Fees. For claims where less than \$10,000.00 is in dispute, if the arbitrator finds that the Client is the prevailing party in the arbitration, the Client will be entitled to a recovery of attorneys' fees and costs. Except for claims determined to be frivolous, AssetMark Trust agrees not to seek an award of attorneys' fees in arbitration of any individual claim where less than \$10,000.00 is in dispute, even if an award is otherwise available under applicable law. For claims where less than \$10,000 is in dispute, AssetMark Trust will pay all filing, administrator, and arbitrator fees, unless the arbitrator(s) finds that either the substance of your claim or the relief sought was frivolous or was brought for an improper purpose (as measured by the standards set forth in Federal Rule of Civil Procedure 11(b)). For claims where more than \$10,000 is**

**in dispute, the payment of filing, administration and arbitrator fees will be governed by the JAMS Comprehensive Arbitration Rules and Procedures.**

**(k) This section 27 shall survive termination of this Agreement. With the exception of Section 27(g) "CLASS ACTION AND COLLECTIVE ARBITRATION WAIVER," if a court decides that any part of this Section 27 is invalid or unenforceable, then the remaining portions of this Section 27 shall nevertheless remain valid and in force. In the event that a court finds that all or any portion of Section 27(g) "CLASS ACTION AND COLLECTIVE ARBITRATION WAIVER" to be invalid or unenforceable, then the entirety of this Section 27 "Dispute Resolution By Binding Arbitration" shall be deemed void and any remaining Dispute must be litigated in court pursuant to Section 27(e).**

#### **EXHIBIT A – ERISA AND IRA SUPPLEMENT TO ASSETMARK TRUST CUSTODY AGREEMENT**

This Supplement to the AssetMark Trust Custody Agreement shall apply to Clients for which AssetMark Trust holds in custody any portion of the assets: 1. of a plan, and related trust, governed by the Employee Retirement Income Security Act of 1974 ("ERISA"), (collectively, the "Plan") for the Trustees of the Plan (the "Trustees") or 2. of an Individual Retirement Account (an "IRA").

The term "Client" in this Supplement shall include the Plan Trustee(s). If the "named fiduciary" (as defined in ERISA) of the Plan, who is authorized to contract with AssetMark Trust, is referred to by a term other than "Trustee," then all references to "Trustee" and "Client" herein shall include such fiduciary and "Trustee" shall not refer to AssetMark Trust. In the instance of an IRA, "Client" shall include the individual in whose name the IRA is established, and for purposes of this Exhibit A, "Trustee" shall not refer to AssetMark Trust.

In the event of any inconsistency or conflict between this Supplement and any other terms or provisions of the AssetMark Trust Custody Agreement, then this Supplement shall control.

1. The Client and/or their Financial Advisor shall notify AssetMark Trust if the Client is subject to ERISA.
2. The Client hereby represents and warrants having full power, authority and capacity to execute the AssetMark Trust Custody Agreement (the "Agreement"). If the Agreement is entered into by a Trustee or other fiduciary, including but not limited to someone meeting the definition of "fiduciary" under ERISA, or an employee benefit plan subject to ERISA, such Trustee or other fiduciary represents and warrants that the Client's contracting for AssetMark Trust's services is permitted by the relevant governing instrument of such Plan, and that the Client is duly authorized to enter into this Agreement. The Client agrees to furnish such documents or certifications to AssetMark Trust as required under ERISA or as AssetMark Trust reasonably requests. The Client further agrees to advise AssetMark Trust of any event or circumstance that might affect this authority or the validity of this Agreement. The Client additionally represents and warrants that (i) its governing instrument provides that an "investment manager" (as defined in Section 3(38) of ERISA) may be appointed and (ii) the person executing and delivering this Agreement on behalf of the Client is a "named fiduciary" as defined under ERISA who has the power under the Plan to appoint an investment manager and contract with a custodian.

3. While the parties do not acknowledge whether or not such bonding requirements apply to AssetMark, for any Plan assets, the Client agrees to obtain and maintain, for the period of this Agreement, the bond required for fiduciaries by Section 412 under ERISA and to include AssetMark Trust among those covered by such bond.
4. The Client has read, fully understands and agrees to be bound by the terms and conditions of the Agreement currently in effect and as may be amended from time to time.
5. The Trustees acknowledge that they are responsible for the diversification of the Plan's investments and AssetMark does not have any such responsibility.
6. The Client hereby acknowledges and agrees to a separate custody fee for ERISA Plans and IRAs (the "IRA & ERISA Account Fee"). The IRA & ERISA Account Fee pays for extensive custodial and related services provided by AssetMark Trust to such IRA and ERISA accounts. The annual rate of this fee 0.50% and is discussed in the IRA & ERISA Account Fee section of the AssetMark Trust Custody Agreement. The IRA & ERISA Account Fee is offset by fees and income that AssetMark Trust and/or its affiliates, including AssetMark, Inc., may receive from Fidelity or other service providers, such as advisers, fund principal underwriters or administrators, in which Account assets are invested, including funds managed by AssetMark or a AssetMark affiliate, from banks, including Program Banks in AssetMark Trust's FDIC-Insured Cash Program, that may hold deposits of Account assets or from other institutions holding Account deposits, investments or assets or from their services providers. At this time, the AssetMark Trust intends to waive any portion of the IRA & ERISA Account Fee not offset by this income. The Account will receive a credit to the extent that this income paid to AssetMark Trust and its affiliates exceeds the IRA & ERISA Account Fee.

## **EXHIBIT B – AGREEMENT REGARDING SECURITIES LENDING AND FEE FOR HOLDS ARRANGEMENTS**

The Client agrees as follows with respect to securities held in the Account in connection with Securities Lending and Fee for Holds Arrangements.

### **1. DEFINITIONS**

The following definitions apply to the provisions of the Agreement regarding the Client's participation in Securities Lending and Fee for Holds Arrangements:

*Available Securities* means those securities held by AssetMark Trust for Client that may be used in the securities lending or fee for holds programs. Available Securities shall include all Account securities held by AssetMark Trust, except those securities that are specifically identified by written notice, acceptable to AssetMark Trust, as not being Available Securities. Available Securities shall not include those Account securities subject to a lien by a third party pursuant to an agreement (usually called a "control agreement") to which AssetMark Trust has agreed. In the absence of such written notification, AssetMark Trust shall have no responsibility for determining whether any Account securities should be excluded from the definition of Available Securities and excluded from the securities lending program.

*Borrower* means any of the entities to which Available Securities may be loaned under a Securities Loan Agreement.

*Collateral* means collateral delivered by a Borrower to secure its obligations under a Securities Loan Agreement.

*Loan* means a loan of Available Securities to a Borrower.

*Loaned Security* shall mean any "security" which is delivered as a Loan under a Securities Loan Agreement; provided that, if any new or different security shall be exchanged for any Loaned Security by recapitalization, merger, consolidation, or other corporate action, such new or different security shall, effective upon such exchange, be deemed to become a Loaned Security in substitution for the former Loaned Security for which such exchange was made.

*Market Value* of a security means the market value of such security (including, in the case of a Loaned Security that is a debt security, the accrued interest on such security) as determined by the independent pricing service designated by AssetMark Trust, or such other independent sources as may be selected by AssetMark Trust on a reasonable basis.

*Replacement Securities* means securities of the same issuer, class and denomination as Loaned Securities.

*Securities Loan Agreement* means the agreement between a Borrower and AssetMark Trust (on behalf of Client) that governs Loans.

### **2. APPOINTMENT OF ASSETMARK TRUST AS AGENT FOR SECURITIES LENDING AND FEE FOR HOLDS ARRANGEMENTS**

The Client hereby appoints and authorizes AssetMark Trust, its affiliates or subsidiaries, as its agent to lend Available Securities to Borrowers in accordance with the terms of this Agreement and its provisions regarding securities lending. AssetMark Trust shall have the responsibility and authority to do, or cause to be done, all acts that AssetMark Trust shall determine to be desirable, necessary, or appropriate to implement and administer this securities lending program. Client agrees that AssetMark Trust is acting as a fully disclosed agent and not as principal in connection with the securities lending program. AssetMark Trust may take action as agent of Client on an undisclosed or a disclosed basis. AssetMark Trust is also hereby authorized to request a third party to undertake certain custodial functions in connection with holding of the Collateral provided by a Borrower pursuant to the terms hereof. In connection therewith, AssetMark Trust may instruct said third party to establish and maintain a Borrower's account and a AssetMark Trust account wherein all Collateral, including cash, shall be maintained by said third party in accordance with the terms of a form of custodial arrangement which shall also be consistent with the terms hereof. The fee from the Borrower shall be allocated between AssetMark Trust and Account with the Account being credited with 75% of the fee when received and AssetMark Trust retaining 25% of the fee.

The Client also authorizes AssetMark Trust, its affiliates or subsidiaries, as its agent, to enter into "fee for holds arrangements" with respect to certain Available Securities. AssetMark Trust will, in return for a fee from the Borrower, hold and reserve certain Available Securities and to refrain from lending such Available Securities to any third party without the Borrower's permission, provided, however, that the fee for holds arrangements shall not restrict or otherwise affect Client's ownership rights with regard to the Available Securities. The fee from the Borrower shall be allocated between AssetMark Trust and Client's Account with the Account being credited with 75% of the fee when received and AssetMark Trust retaining 25% of the fee.

AssetMark Trust has discretion in choosing counterparties for securities lending and fee for holds arrangements, and can consider issues such as creditworthiness, operational experience and reputation in addition to price when choosing such counterparties. AssetMark Trust does not represent that it will receive the highest rates or fees available in the market when it makes such arrangements.

### 3. SECURITIES LOAN ARRANGEMENTS

Client authorizes AssetMark Trust to enter into one or more Securities Loan Agreements with such Borrowers as may be selected by AssetMark Trust. AssetMark Trust may, subject to the terms of this Agreement and its provisions regarding Securities Lending and Fee for Holds Arrangements and applicable law, borrow the Available Securities for its own account or loan it to an affiliate and it or its affiliate may have, as a result, a material interest with respect to that transaction. Any such transaction shall be an "arm's length" transaction and shall be made otherwise in compliance with applicable law. Each Securities Loan Agreement shall have such terms and conditions as AssetMark Trust may negotiate with the Borrower. Certain terms of individual Loans, including rebate fees to be paid to the Borrower for the use of cash Collateral, shall be negotiated at the time a Loan is made and renegotiated from time to time as AssetMark Trust deems appropriate in AssetMark Trust's sole discretion.

### 4. LOANS OF AVAILABLE SECURITIES

AssetMark Trust shall be responsible for determining whether any Loans shall be made and shall have the authority to terminate any Loan in its discretion, at any time and without prior notice to the Client.

Client acknowledges that AssetMark Trust administers securities lending programs for other Clients of AssetMark Trust. AssetMark Trust shall allocate securities lending opportunities among its Clients, using reasonable and equitable methods established by AssetMark Trust from time to time. AssetMark Trust does not represent or warrant that any amount or percentage of the Client's Available Securities will in fact be loaned to Borrowers. The Client agrees that it shall have no claim against AssetMark Trust and AssetMark Trust shall have no liability based on or relating to loans made for other Clients, or loan opportunities refused hereunder, whether or not AssetMark Trust has made fewer or more loans for any other Client, and whether or not any loan for another Client, or the opportunity refused, could have resulted in loans made under this Agreement and its provisions regarding Securities Lending and Fee for Holds Arrangements.

The Client also acknowledges that, under the applicable Securities Loan Agreements, the Borrowers will not be required to return Loaned Securities immediately upon receipt of notice from AssetMark Trust terminating the applicable Loan, but instead will be required to return such Loaned Securities within such period of time following such notice as is specified in the applicable Securities Loan Agreement and in no event later than the end of the customary settlement period. Upon receiving a notice from Client that Available Securities which have been loaned to a Borrower should no longer be considered Available Securities, AssetMark Trust shall use its reasonable efforts to notify promptly thereafter the Borrower which has borrowed such securities that the Loan of such Available Securities is terminated and that such Available Securities are to be returned within the time specified by the applicable Securities Loan Agreement and in no event later than the end of the customary settlement period.

### 5. DISTRIBUTIONS ON AND VOTING RIGHTS WITH RESPECT TO LOANED SECURITIES

Client represents and warrants that it is the beneficial owner of all Available Securities, free and clear of all liens, claims, security interests and encumbrances, and that it is entitled to receive all distributions made by the issuer with respect to Loaned Securities. Except as may be provided in the Securities Loan Agreements, all interest, dividends, class action recoveries and other distributions paid with respect to Loaned Securities shall be credited to Client's Account on the payable date and any non-cash distribution on Loaned Securities, which is in the nature of a stock split or a stock dividend, shall be added to the

Loan (and shall be considered to constitute Loaned Securities) as of the date such non-cash distribution is received by the Borrower. Client acknowledges that they will not be entitled to participate in any dividend reinvestment program, and that neither they nor their Investment Manager will be able to vote Available Securities that are on loan as of the applicable record date for such Available Securities.

Client also acknowledges that payments of distributions from Borrower to are in substitution for the interest or dividend accrued or paid in respect of Loaned Securities and that the tax and accounting treatment of such payments differs from the tax and accounting treatment of such interest or dividend. Reports of substitute interest and dividends as well as other distributions will be provided to Client by AssetMark Trust.

### 6. COLLATERAL TO SECURE OBLIGATIONS OF BORROWERS

(a) **Receipt of Collateral.** Client hereby authorizes AssetMark Trust, or a third party, to receive and hold Collateral from Borrowers to secure the obligations of Borrowers with respect to any Loan of Available Securities. All investments of cash Collateral shall be for the Account and at the risk of Client. Concurrently with, or prior to the delivery of, the Loaned Securities to the Borrower, AssetMark Trust shall receive from the Borrower Collateral in a form acceptable to AssetMark Trust.

The initial Collateral received shall (1) in the case of Loaned Securities denominated in United States Dollars or whose primary trading market is located in the United States or sovereign debt issued by foreign governments, have a value of 102% of the Market Value of the Loaned Securities, plus accrued interest, if any, on debt securities or (2) in the case of Loaned Securities which are not denominated in United States Dollars or whose primary trading market is not located in the United States, have a value of 105% of the Market Value of the Loaned Securities, plus accrued interest, if any, on debt securities or (3) have such other higher value as may be applicable in the jurisdiction in which such Loaned Securities are customarily traded.

(b) **Marking to Market.** AssetMark Trust shall value all Loaned Securities on a daily basis in accordance with its customary practice. To the extent any additional Collateral is required, AssetMark Trust shall credit such additional Collateral to AssetMark Trust's Securities Lending Collateral account for the benefit of Client on the day such Collateral is received from the Borrower.

(c) **Return of Collateral.** The Collateral shall be returned to Borrower at the termination of the Loan upon the return of the Loaned Securities by Borrower to AssetMark Trust in accordance with the applicable Securities Loan Agreement.

(d) **Limitations.** AssetMark Trust shall exercise reasonable care, skill, diligence and prudence in the investment of Collateral. Subject to the foregoing limits and standard of care, AssetMark Trust does not assume any market or investment risk of loss with respect to the investment of cash Collateral. If the value of the cash Collateral so invested is insufficient to return any and all other amounts due to such Borrower pursuant to the Securities Loan Agreement, Account shall be responsible for such shortfall.

### 7. INVESTMENT OF CASH COLLATERAL AND COMPENSATION

To the extent that a Loan is secured by cash Collateral, such cash Collateral, including money received with respect to the investment of the same, or upon the maturity, sale, or liquidation of any such investments, shall be invested by AssetMark Trust as agent for the Client. The Client acknowledges and agrees that AssetMark Trust is acting as agent on the Client's behalf in connection with the investment of cash received as Collateral and that neither AssetMark Trust nor any

of its affiliates acts as investment adviser to the Client with respect to the investment of the Collateral. The Client understands that the Client bears the risk of investment loss, including any decline in value of the Collateral investments.

In the event the net income generated by any investment made pursuant to the above paragraph does not equal or exceed the amount due the Borrower (the rebate fee for the use of cash Collateral) in accordance with the agreement between Borrower and AssetMark Trust, the rebate fee shall be renegotiated or the Loan(s) shall be terminated and the Loaned Securities recalled by AssetMark Trust.

To the extent that a Loan is secured by non-cash Collateral, the Borrower shall be required to pay a loan premium, the amount of which shall be negotiated by AssetMark Trust. Such loan premium shall be allocated between AssetMark Trust and Client's Account with the Account being credited with 75% of the fee when received and AssetMark Trust retaining 25% of the fee.

Client hereby agrees that it shall reimburse AssetMark Trust for any and all funds advanced by AssetMark Trust on behalf of Client as a consequence of Client's obligations hereunder, including Client's obligation to return cash Collateral to the Borrower and to pay any fees due the Borrower.

## 8. RECORDKEEPING AND REPORTS

AssetMark Trust will establish and maintain such records as are reasonably necessary to account for Loans that are made and the income derived there from. AssetMark Trust will provide Client with a statement describing the Loans made, and the income derived from the Loans, during the period covered by such statement.

## 9. LIMITATIONS ON ASSETMARK TRUST'S LIABILITY AND STANDARD OF CARE

The limitations on AssetMark Trust's liability and the indemnification obligations of the Client Owner set forth in the provisions of this Agreement Regarding Securities Lending and Fee for Holds Arrangements are in addition to, and are intended to supplement, the limitations on AssetMark Trust's liability and the indemnification obligations of the Client otherwise set forth in the Client's AssetMark Trust Custody Agreement.

Subject to the requirements of applicable law, AssetMark Trust shall not be liable for and Account Owner shall indemnify AssetMark Trust, its affiliates and their officers, directors, shareholders, agents and employees against, any losses, damages or expenses resulting from any action or inaction by AssetMark Trust or by any third party, except for losses resulting from AssetMark Trust's gross negligence, reckless disregard, willful misconduct or bad faith. The Client agrees to reimburse and hold AssetMark Trust harmless from and against any liability, loss and expense, including counsel and attorneys' fees, expenses and court costs, arising from or in connection with: (i) any breach of any representation, covenant or agreement of the Client contained in the provisions of this Agreement Regarding Securities Lending and Fee for Holds Arrangements or any Loan; (ii) claims of any third parties, including any Borrower; (iii) all taxes and other governmental charges; and (iv) any out-of-pocket or incidental expenses. AssetMark Trust may, upon notice and with proper supporting documentation, charge any amounts to which it is entitled hereunder against the Client's Account. Without limiting the generality of the foregoing, the Client agrees: (i) that AssetMark Trust shall not be responsible for any statements, representations or warranties which any Borrower makes in connection with any securities loans hereunder, or for the performance by any Borrower of the terms of a Loan, or any agreement related thereto, and shall not be required to

ascertain or inquire as to the performance or observance of, or a default under the terms of, a Loan or any agreement related thereto; (ii) that AssetMark Trust shall be fully protected in acting in accordance with the oral or written instructions of any person reasonably believed by AssetMark Trust to be authorized to execute this Agreement on behalf of Client (an "Authorized Person"); (iii) that in the event of a default by a Borrower under a Loan, AssetMark Trust shall be fully protected in acting in its sole discretion in a manner it deems appropriate; (iv) that AssetMark Trust shall not be under any duty or obligation to take action to effect payment by a Borrower of any amounts owed by the Borrower pursuant to the Loan Agreement, provided AssetMark Trust timely advises the Client of the non-payment by the Borrower of any such amount; and (v) that the records of AssetMark Trust shall be presumed to reflect accurately any oral instructions given by an Authorized Person or a person reasonably believed by AssetMark Trust to be an Authorized Person.

The Client acknowledges that, in the event that their participation in securities lending generates income for the Client, AssetMark Trust may be required to withhold tax or may claim such tax as is appropriate in accordance with applicable law.

AssetMark Trust, in determining the Market Value of Securities, including without limitation, Collateral, may rely upon any recognized pricing service and shall not be liable for any errors made by such service.

## 10. INDEMNIFICATION BY ASSETMARK TRUST

- (a) If at the time of a default by a Borrower with respect to a Loan (within the meaning of the applicable Securities Loan Agreement), some or all of the Loaned Securities under such Loan have not been returned by the Borrower, and subject to the terms of this Agreement, AssetMark Trust shall indemnify the Client against the failure of the Borrower as follows. AssetMark Trust shall purchase a number of Replacement Securities equal to the number of such unreturned Loaned Securities, to the extent that such Replacement Securities are available on the open market. Such Replacement Securities shall be purchased by applying the proceeds of the Collateral with respect to such Loan to the purchase of such Replacement Securities. Subject to the Client's obligations hereunder, if and to the extent that such proceeds are insufficient or the Collateral is unavailable, the purchase of such Replacement Securities shall be made at AssetMark Trust's expense.
- (b) If AssetMark Trust is unable to purchase Replacement Securities pursuant to the above provisions (in paragraph (a)), AssetMark Trust shall credit the Client's Account an amount equal to the Market Value of the unreturned Loaned Securities for which Replacement Securities are not so purchased, determined as of (i) the last day the Collateral continues to be successfully marked to market by the Borrower against the unreturned Loaned Securities; or (ii) the next business day following the day referred to in (i) above, if higher.
- (c) In addition to making the purchases or credits required above (by paragraphs (a) and (b)), AssetMark Trust shall credit to Client's Account the value of all distributions on the Loaned Securities (not otherwise credited to Client's Account(s) with AssetMark Trust), for record dates which occur before the date that AssetMark Trust purchases Replacement Securities pursuant to the above provisions (in paragraph (a)) or credits Client's account pursuant to the above provisions (in paragraph (b)).
- (d) Any credits required under the above provisions (in paragraphs (b) and (c)) shall be made by application of the proceeds of the Collateral, if any, that remains after the purchase of Replacement Securities as provided above (pursuant to paragraph (a)), if and to the extent that the Collateral is unavailable or the value of the proceeds of the remaining Collateral is less than the value of the

**This must remain with the Client**

sum of the credits required to be made as provided above (under paragraphs (b) and (c)), such credits shall be made at AssetMark Trust's expense.

- (e) If after application of the above provision (in paragraphs (a) through (d)), additional Collateral remains or any previously unavailable Collateral becomes available or any additional amounts owed by the Borrower with respect to such Loan are received from the Borrower, AssetMark Trust shall apply the proceeds of such Collateral or such additional amounts first to reimburse itself for any amounts expended by AssetMark Trust pursuant to the above provisions (in paragraphs (a) through (d) above), and then to credit to the Client's Account all other amounts owed by the Borrower to the Client with respect to such Loan under the applicable Securities Loan Agreement.
- (f) In the event that AssetMark Trust is required to make any payment and/or incur any loss or expense under this Section, AssetMark Trust shall, to the extent of such payment, loss, or expense, be subrogated to, and succeed to, all of the rights of the Client against the Borrower under the applicable Securities Loan Agreement.
- (g) These provisions shall not apply to losses attributable to war, riot, revolution, acts of government or other causes beyond the reasonable control or apprehension of AssetMark Trust.
- (h) Client acknowledges that notwithstanding these provisions, securities lending involves a risk of loss, and Client represents that it is able and willing to bear that risk of loss.

#### **11. CONTINUING AGREEMENT AND TERMINATION OF PROVISIONS OF AGREEMENT REGARDING SECURITIES LENDING AND FEE FOR HOLDS ARRANGEMENTS**

It is the intention of the parties hereto that the provisions of Exhibit B of this Agreement, regarding Securities Lending and Fee for Holds Arrangements, shall constitute a continuing agreement in every respect and shall apply to each and every Loan, whether now existing or hereafter made. The Client and AssetMark Trust may each at any time terminate this portion of the Agreement Regarding Securities Lending and Fee for Holds Arrangements, upon five (5) business days' written notice to the other to that effect. The only effects of any such termination of this portion of the Agreement Regarding Securities Lending and Fee for Holds Arrangements, will be that (a) following such termination, no further Loans shall be made hereunder by AssetMark Trust on behalf of the Client, and (b) AssetMark Trust shall, within a reasonable time after termination of this Agreement, terminate any and all outstanding Loans. The provisions hereof shall continue in full force and effect in all other respects until all Loans have been terminated and all obligations satisfied as herein provided. AssetMark Trust does not assume any market or investment risk of loss associated with the Client's change in cash Collateral investment vehicles or termination of, or change in, its participation in this securities lending program and the corresponding liquidation of cash Collateral investments.

#### **12. SECURITIES INVESTORS PROTECTION ACT OF 1970 NOTICE**

THE CLIENT IS HEREBY ADVISED AND ACKNOWLEDGES THAT THE PROVISIONS OF THE SECURITIES INVESTOR PROTECTION ACT OF 1970 MAY NOT PROTECT THE CLIENT WITH RESPECT TO THE LOAN OF SECURITIES HEREUNDER AND THAT, THEREFORE, THE COLLATERAL DELIVERED TO ASSETMARK TRUST MAY CONSTITUTE THE ONLY SOURCE OF SATISFACTION OF THE BROKER'S OR DEALER'S OBLIGATION IN THE EVENT THE BROKER OR DEALER FAILS TO RETURN THE SECURITIES.

# AssetMark Trust Company Disclosures Regarding Services

You (the "Client") have selected AssetMark Trust Company ("AssetMark Trust") to act as your Custodian and hold in safekeeping your investments in one or more custodial accounts. This pamphlet discusses the following additional services available through AssetMark Trust: 1. Class Action Services; and 2. Cash Management Services, which include (i) an FDIC-Insured Cash Program, (ii) Securities-Backed Lines of Credit, and (iii) 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 Insured Cash Deposit Program, to which a portion of your advised account ("Account") will be allocated, these services are optional; you need not choose to use them, but they are available to AssetMark Trust custodial Clients who choose to use them. Please read this disclosure to better understand the features and costs of these services.

## Class Action Services Disclosure and Agreement

A securities class action is a lawsuit brought on behalf of a group of investors (known as the class), who have allegedly suffered an economic loss in a particular security or financial product as a result of violation of law. If you owned the security at the time of the alleged violation, you likely have the right to participate in the action as a member of the class and share in any proceeds from the action.

Pursuant to the Client Advisory Agreement and Custody Agreement applicable to your AssetMark Trust Account, none of your Financial Advisor, AssetMark, Inc., AssetMark Trust Company or 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. Pursuant to your Custody Agreement Trust, unless you opt out, you have authorized 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.

Pursuant to your Custody Agreement with AssetMark Trust, unless you notify AssetMark Trust in writing that you opt out of the Class Action Services, you authorize AssetMark Trust to authorize Broadridge to provide the following Class Action Services, for you and on your behalf: to provide asset recovery services covering global class action and collective action lawsuits and regulatory disgorgement; to research class actions for which Client may be eligible, based on the trade data provided by AssetMark Trust; to submit applicable claim information, such as proof of claim and required documentation, to claims administrators or other relevant parties; to collect and receive money on behalf of Client; and to pay such moneys to Client in such a manner as may be determined, subject to deduction of fees for the service. If you want to opt out of these services, connect with your Financial Advisor or write AssetMark Trust directly at P.O. Box 40018, Lynchburg, VA 24506-4018 or 1023 Commerce Street, Suite D, Lynchburg, VA 24504, for overnight delivery.

AssetMark Trust will send trade data on AssetMark Trust custodial accounts and Broadridge will research class action cases for which AssetMark Trust clients may be eligible. Therefore, if you opt out of the Class Action Services, Broadridge will still send you a notice of each class action that their research indicates you are eligible for, but Broadridge will take no further action. If you opt out of the Class Action Services and you want to join the class, you must make all filings yourself. If you decide to pursue your own legal action, you must do that yourself. Broadridge cannot and shall not provide you legal, tax, financial or other professional advice. You must seek your own legal, financial, accounting, and other professional advice.

**IMPORTANT:** Broadridge is paid for its Class Action Services by receiving 20% of the assets it receives on your behalf. For example, if, when acting on your behalf, Broadridge receives \$100 as a result of a class action, you will receive only \$80; Broadridge will retain \$20 as payment for its services to you. If you do not want Broadridge to be paid from class action proceeds that you are entitled to, you must give written notice to AssetMark Trust that you want to opt out of the Class Action Services.

The anticipated procedure for paying you proceeds (minus fees) from class actions is as follows. Broadridge will collect all payments from a claims administrator (which shall not include any payment in an amount that is less than that which the Court has determined as de minimis). The net proceeds that you are owed (that is, minus compensation to Broadridge) will be placed in your AssetMark Trust Account, even if that Account is now invested in a Strategy (or advisory service) different than the one that held the security related to the class action.

AssetMark Trust will give Broadridge the trade data regarding the securities and financial products held in your Account only while you are a client. AssetMark will not act as your agent regarding Class Action Services if you are no longer an AssetMark Trust client. However, proceeds for class action filings made while you were an AssetMark Trust client may not be paid until after you have terminated your AssetMark Trust Account. In such an instance, AssetMark Trust anticipates sending a check to your last address of record. Uncashed checks will escheat to the appropriate state after the passage of the required period of time. You agree that, should any amount paid to you on a class action need to be returned, in full or in part, to a claims administrator due to an error on the part of Broadridge or another

party, such amount may be deducted from your Account and paid to the party owed or you will pay back the amount incorrectly paid you. These procedures may change. AssetMark will tell you of changes, but it may not be with prior notice.

Broadridge will research class actions and collective action lawsuits and regulatory disgorgements worldwide based upon the trade data that AssetMark Trust provides it, but neither Broadridge nor AssetMark Trust make any representation or warranty that all class actions and disgorgements to which you may be entitled will be identified and/or appropriately applied for, and you accept that risk if you receive Class Action Services from Broadridge. You agree that AssetMark Trust and Broadridge, their affiliates and their officers, directors, shareholders, agents and employees, and their agents, vendors and service providers shall not be liable for any losses, damages or expenses resulting from any action or inaction by AssetMark Trust or Broadridge or the above parties in connection with any class action lawsuits or regulatory disgorgements. You agree that AssetMark Trust shall not be liable for any action or inaction by Broadridge or its agents or service providers. If you do not agree to these limitations of liability, you must opt out of Class Action Services.

AssetMark Trust Conflicts of Interest – 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) may 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, Inc. AssetMark, Inc., 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, Inc., address this conflict by disclosing it.

## Cash Management Services Disclosures

AssetMark Trust's Cash Management Services include: 1. an FDIC-Insured Cash Program; 2. Securities-Backed Lines of Credit; and 3. 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 Insured Cash Deposit Program, to which a portion of your advised Account (invested in a Strategy) will be allocated, these services are optional; you need not choose to use them, but they are available as an option to AssetMark Trust custodial clients.

## FDIC-Insured Cash Program Disclosure and Agreement

You have selected AssetMark Trust to act as your Custodian and hold in safekeeping your investments in one or more custodial accounts. Depending on your selections, a portion or all of your Account will be deposited in one or more deposit accounts at one or more banks insured by the Federal Deposit Insurance Corporation (the "FDIC") as part of AssetMark Trust's "FDIC-Insured Cash Program." Deposits in the FDIC-Insured Cash Program are deposited through a network of individual "Program Banks." These deposits are eligible for FDIC insurance up to the maximum amount permitted by the FDIC, currently \$250,000 for all deposits held in the same ownership category at each Program Bank. AssetMark Trust's FDIC-Insured Cash Program includes an "Insured Cash Deposit Program" ("ICD Program"), and a "High Yield Cash Program" ("HYC Program"). If your Account is invested in an investment "Strategy," a portion of your Account will be placed in the ICD Program. If you select an Administrative Cash Account, all of your Administrative Cash Account will be placed in the ICD Program, unless the amount of your deposit qualifies for, and you elect, the HYC Program.

This Disclosure Statement tells you more about AssetMark Trust's FDIC-Insured Cash Program. PLEASE CAREFULLY READ THE TERMS AND CONDITIONS OF THIS DISCLOSURE STATEMENT. YOU UNDERSTAND AND AGREE THAT BY CONTINUING TO MAINTAIN YOUR ACCOUNT AT ASSETMARK TRUST, YOU ACCEPT AND ARE LEGALLY BOUND BY THE PROVISIONS OF THIS DISCLOSURE STATEMENT AND CONSENT TO ANY CONFLICTS OF INTEREST OF ASSETMARK TRUST DISCLOSED HEREIN.

You may have more than one Account with deposits placed in AssetMark Trust's FDIC-Insured Cash Program, but the singular form is used in this Disclosure. Capitalized terms not defined in this Disclosure have the same meaning as in your Custody Agreement with AssetMark Trust.

1. **ICD Program as part of an Account invested in a Strategy** - AssetMark Trust acts as Custodian for persons who have retained a third-party investment adviser ("Financial Advisor") to provide advice with regard to their Account assets. Your Account will be invested consistent with the investment Strategy you select with your Financial Advisor. A portion of all Client Accounts invested in Strategies on the AssetMark Platform are required, pursuant to their investment guidelines, to maintain an allocation to cash that is placed in the ICD Program (the "Cash Allocation"). For most Accounts, the target Cash Allocation is 2%, and the Account's Cash Allocation will be rebalanced quarterly if the allocation falls below 1.5% or is more than 2.5% of total Account assets. In addition to the Cash Allocation, your Account may also hold cash pending investment or distribution. These cash amounts will be deposited in Program Banks through the ICD Program. Additionally, although not currently operational, AssetMark Trust plans to deposit amounts in Funding Accounts in the ICD Program. A Funding Account is used to receive cash and assets transferred in kind before sale or transfer to an Account. If your Account is an Internal Revenue Code Section 403(b)(7) custodial account required to be invested solely in regulated investment company stock, cash will be invested in shares of money market mutual fund(s). However, unless an exception is

made by AssetMark Trust, if your Account is not a 403(b)(7) account, the Cash Allocation and cash pending investment or distribution will only be deposited in Program Banks through the ICD Program and will not be invested in money market mutual funds. In addition to the Cash Allocation and cash pending investment or distribution, your Account may also hold cash or a cash alternative investment because of an investment decision, and that investment decision will determine the type of cash investment, e.g., deposited in Program Banks through the ICD Program or an investment in a money market mutual fund, a fixed-income instrument or other investment. Deposits in the ICD Program may be referred to as "Custodial Sweep" on your Account statements.

If your AssetMark Trust Account is invested in a Strategy, it is charged a Platform Fee by AssetMark, Inc., which is used by AssetMark, Inc. to pay for the investment advisory, administrative, custodial, and brokerage services received by the Account. The Platform Fee is assessed on 100% of the value of Account assets upon initial investment and, thereafter, at the end of each calendar quarter, even though the Cash Allocation, and 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, which 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, is also assessed on 100% of the value of Account assets. In some low interest-rate environments, your Financial Advisor Fee plus Platform Fee can exceed the amount of interest paid on your Cash Allocation. For additional conflicts relating to AssetMark Trust, see the Program Fees and Conflicts of Interest section below.

- 2. FDIC-Insured Cash Program for Administrative Cash Accounts -** AssetMark Trust may also hold in custody assets that do not receive advisory services in an "Administrative Account." If you select "Cash" for your Administrative Account, all of the Administrative Cash Account will be deposited in the FDIC-Insured Cash Program. Clients whose cash deposits meet and maintain certain minimum balance requirements can select AssetMark Trust's HYC Program, in which the interest rates credited are expected to be higher than those credited ICD Program deposits. If you do not select the HYC Program, your cash will be deposited in the ICD Program. Cash amounts in a dollar cost averaging program will be invested in the ICD Program (not the HYC Program). Deposits in Administrative Cash Accounts may be referred to as "Custodial Sweep" on your Account statements.

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 HYC Program, then those assets can be aggregated with assets in your other Accounts with AssetMark for "householding" purposes, which aggregation should result in larger aggregate balances that may reduce the rate(s) of the Platform Fee(s) applicable to your other Account(s). If you have selected a tiered Financial Advisor Fee, this householding or aggregation of balances may also reduce the rate of your Financial Advisor Fee. Deposits in the HYC Program, however, will not be aggregated with other AssetMark Client Account assets for fee householding purposes.

- 3. How AssetMark Trust's FDIC-Insured Program Works -** Cash in AssetMark Trust's FDIC-Insured Cash Program is placed into deposit accounts (the "Deposit Accounts") at Program Banks that are unaffiliated with AssetMark Trust. Your deposits are transmitted to the Program Banks through intermediary FDIC-insured depository institutions ("Intermediary Banks"), including the Settlement Bank (defined in Section 7). AssetMark Trust, and in certain cases the Intermediary Banks, engage a third-party service provider ("Program Administrator") to provide administrative services in connection with the FDIC-Insured Cash Program. You understand and agree that in certain economic and financial conditions, Program Banks will not pay interest on deposits. Currently (as discussed more fully in Section 4 below), the FDIC-Insured Cash Program provides up to \$2.5 million cumulative FDIC insurance coverage for deposits held at a network of Program Banks. AssetMark Trust will act as your agent in establishing and maintaining Deposit Account(s) at certain Program Banks and the Intermediary Banks in coordination with the Program Administrator, which will act as AssetMark Trust's agent in establishing and maintaining Deposit Accounts at other Program Banks in a network sponsored by the Program Administrator. All deposits are held on an omnibus basis in Deposit Accounts at Program Banks, with records of the beneficial ownership of the amounts in each Deposit Account maintained by AssetMark Trust and/or the Program Administrator in a manner intended to comply with applicable FDIC regulations governing "pass-through" deposit insurance. Under such FDIC regulations, FDIC deposit insurance coverage is deemed to "pass-through" to the beneficial owners of the deposits held in Deposit Accounts subject to limitations on FDIC insurance.

- 4. FDIC Insurance -** Cash in the Deposit Accounts is eligible for insurance by the FDIC in the case of the failure of a Program Bank, subject to certain terms and conditions, including limits set by applicable law and FDIC regulations. The amount of FDIC insurance your deposit is eligible for depends on the ownership category in which your Account holds the FDIC-Insured Cash Program deposit, and the applicable FDIC insurance limit will be applied to all deposits (including FDIC-Insured Cash Program deposits and deposits outside the FDIC-Insured Cash Program) that you hold in the same ownership category at the same Program Bank (e.g., deposits in AssetMark Trust's FDIC-Insured Cash Program as well as deposits at a Program Bank outside the FDIC-Insured Cash Program). Deposits held in different ownership categories, as provided in FDIC rules, are insured separately. Single ownership accounts and the primary owner's share of joint accounts currently are each insured up to \$250,000. For joint accounts, the primary owner for purposes of FDIC insurance record keeping purposes is the co-owner whose social security number is used by AssetMark Trust on that account for tax reporting purposes. For retirement accounts, such as Individual Retirement Accounts ("IRAs"), the FDIC insurance limit is currently \$250,000 and is applied separately from the limit applied to amounts held by the IRA owner in their non-IRA accounts. Special rules apply to insurance of trust deposits. These limits are subject to change.

Because your funds in the FDIC-Insured Cash Program can be maintained on deposit at multiple Program Banks, and because the AssetMark Trust FDIC-Insured Cash Program allows deposits at up to ten Program Banks, you currently have the benefit of FDIC deposit insurance coverage under the FDIC-Insured Cash Program of up to \$2.5 million per ownership category. (This cumulative amount of \$2.5 million per ownership category can be reduced if you elect to not allow a specific Program Bank to receive your deposits, as provided below, or in certain economic situations; see section 10 regarding "capacity" for further explanation.)

Deposits made by you in the same ownership category with a Program Bank outside of the FDIC-Insured Cash Program that also holds your funds in a Deposit Account (for example, a checking or savings account or a certificate of deposit) should be expected to count toward the FDIC limit if held in the same ownership category and will reduce coverage at a Program Bank under the FDIC-Insured Cash Program. **You are responsible for monitoring your balances held at all Program Banks, both in and outside of the FDIC-Insured Cash Program to determine what deposit insurance coverage is available to you, or alternatively, in the event your overall balance with a Program Bank exceeds FDIC insurance limitations, you should ensure you understand and accept the risks associated with having uninsured cash deposited with a Program Bank. AssetMark Trust, its affiliates, the Program Administrator and their respective service providers do not monitor balances held outside AssetMark Trust's FDIC-Insured Cash Program and are not responsible for any insured or uninsured portion of deposits through the Assetmark Trust FDIC-Insured Program or other deposits.** If you do not want a particular Program Bank to receive your funds through AssetMark Trust's FDIC-Insured Cash Program, you should inform your Financial Advisor and once AssetMark Trust and/or the Program Administrator have had a reasonable opportunity to act on your instruction, that Program Bank will not receive any of your deposits through the FDIC Cash Program. Please be aware that opting out of one or more Program Banks may reduce the aggregate FDIC deposit insurance you are eligible for under the FDIC-Insured Cash Program. This is not intended to be a complete and accurate summary of FDIC deposit insurance requirements applicable to different types of deposit accounts; more information about FDIC insurance is available at [www.fdic.gov](http://www.fdic.gov) or by phone at 877.275.3342 (or 800.925.4618 for TDD).

5. **Program Banks** - A list of Program Banks is available through your Financial Advisor and is posted at [www.assetmark.com/cash](http://www.assetmark.com/cash) where changes to the list of Program Banks will also be posted. You should consult this site for the most up-to-date information about Program Bank eligibility for your Account deposits. If you do not take any action in response to an addition to or deletion from the list of Program Banks, you are deemed to consent to the change. Because you are responsible for monitoring the total amount of your deposits at each Program Bank in order to determine available FDIC insurance coverage, you should periodically review the current list of Program Banks to determine if a change in Program Banks has an impact on FDIC coverage for your deposits.
6. **Deposits** - The cash balances in your AssetMark Trust Account that participates in the FDIC-Insured Cash Program will be deposited into one or more Deposit Accounts maintained at Program Banks. Once your cash has been deposited at a Program Bank, it is referred to as your "Program Deposit." Each Deposit Account constitutes an obligation of the Program Bank to you and is not, directly or indirectly, an obligation of AssetMark Trust or its affiliates. Nor does AssetMark Trust or any of its affiliates guarantee the financial condition of any Program Bank. You will not have a direct relationship with any Program Bank through the FDIC-Insured Cash Program. Through the FDIC-Insured Cash Program you cannot place deposits directly with Program Banks into the Deposit Accounts established by AssetMark Trust on your behalf. Information about the Deposit Accounts and your Program Deposits is available to you from AssetMark Trust, not the Program Banks. No evidence of ownership of your Program Deposits, such as a passbook or certificate, will be issued to you. Your AssetMark Trust Account statement will report your end-of-month cash balance in the Program Bank(s). No separate trade confirmations or bank statements of Program Accounts will be provided to you.

The allocation of deposits among Program Banks is determined according to a proprietary allocation method, developed and managed by the Program Administrator, and designed, among other things, to seek to maximize potential FDIC insurance coverage for your Program Deposits. Available cash in your Account will be deposited into a Deposit Account at a Program Bank until the balance of your Deposit Account at that Program Bank reaches a maximum deposit amount that is less than the statutory maximum amount of FDIC insurance coverage (currently \$250,000 for each account owned in the same right and capacity or ownership category). The FDIC-Insured Cash Program will then deposit additional funds at the next eligible Program Bank on the list up to the same coverage limit. Once your aggregate Deposit Account deposits in the FDIC-Insured Cash Program reach the Program maximum of \$2.5 million (or a lesser amount as described in Section 4 above) for a particular ownership category, additional amounts will be deposited with a designated Program Bank (the "Excess Bank"). An "Excess Bank" is a bank that will accept deposits above the maximum deposit insurance amount. The FDIC-Insured Cash Program does not provide for FDIC insurance on Excess Bank deposits that exceed the statutory maximum amount of FDIC insurance coverage. You cannot select which of the Program Banks receive such excess deposits of your funds. If you choose to opt out of a bank participating in the FDIC-Insured Cash Program, that bank can still serve as an Excess Bank for your funds; you cannot block Excess Bank deposits.

7. **Intermediary Banks, including Settlement Bank** – All deposits to the Deposit Accounts with the Program Banks will initially be settled through a deposit account (the "Settlement Account") at one Intermediary Bank (the "Settlement Bank," currently, JPMorgan Chase Bank, N.A.). In certain situations, your deposits will then flow through another deposit account at another Intermediary Bank prior to being placed into a Deposit Account. The Settlement Account and each deposit account at an Intermediary Bank are collectively referred to as "Intermediary Accounts." Although your cash will be temporarily held in Intermediary Accounts, it is generally anticipated that there will not be any funds on deposit in Intermediary Accounts overnight. Nevertheless, in the event of the failure of an Intermediary Bank, there could be a circumstance in which your Account has a deposit with an Intermediary Bank at the time it is closed. In such case, your Account funds that are in the Intermediary Account at that time will be eligible for FDIC insurance up to the statutory maximum applicable deposit insurance amount only for each separately covered ownership category. The cumulative FDIC-Insured Cash Program coverage of \$2.5 million is available once funds are allocated among the Program Banks may not be available when funds are on deposit with an Intermediary Bank. When you withdraw funds, your deposits move in the reverse.
8. **Withdrawals** - If you need the cash in your Program Deposit, you can instruct AssetMark Trust, as your agent, to withdraw funds from your Program Deposits. While funds will generally be available on the next business day, Federal banking regulations require Program Banks to reserve the right to require written notice seven days before permitting transfers or withdrawals from the Deposit Accounts, although the Program Banks may in fact not require this notice. If Program Bank(s) do require the seven days written notice, this could delay your receipt of your cash in your Program Deposit and could also delay any investment of that cash. No withdrawal requests will be accepted directly from you by the Program Banks.
9. **Interest Rates** - Each Program Bank will pay interest on your Program Deposits at a rate determined by AssetMark Trust, which is subject to change from time to time. Your Program Deposit will

earn interest determined by AssetMark Trust for those clients in the general ICD Program or the HYC Program, whichever is applicable, regardless of the Program Bank(s) to which your Program Deposits are allocated. Interest accrues daily and is payable monthly. Interest paid by the Program Banks will be credited to your Program Deposit. You understand and agree that in certain economic and financial conditions, Program Banks will not pay a sufficient rate and may even pay negative interest, i.e., when the bank charges interest and deposit balance decreases. The interest rates paid to AssetMark Trust clients on their Program Deposits will vary over time. Your interest rate can also be based on the total balances of your Program Deposits and the current interest rate environment, in accordance with a balance-based tiered formula. Interest rates can also vary based on type of account. Program Banks that hold your funds will also pay fees to the Program Administrator and AssetMark Trust for their respective services in connection with the FDIC-Insured Cash Program, as described in Section 11 below.

The current interest rate schedule payable on your Program Deposits is available through your Financial Advisor and on [www.assetmark.com/cash](http://www.assetmark.com/cash).

Over any given period, the interest rates on the Program Deposits may not be the same as interest rates available outside of AssetMark Trust's FDIC-Insured Cash Program and can be lower. In addition, Program Deposits invested through AssetMark Trust's FDIC-Insured Cash Program typically will earn less interest - and in some market conditions, much less interest - than they would if deposited directly with a Program Bank or if invested in alternatives that are otherwise available to you in the market (but generally not available to you through AssetMark Trust), such as money market funds and other investments which are not FDIC insured. Program Banks do not have a duty to offer the highest rates available or rates that are comparable to money market mutual funds. By contrast, a money market mutual fund has a fiduciary duty to seek the highest return possible consistent with its investment objectives. You cannot instruct AssetMark Trust to purchase money market mutual fund shares for your Account. Unless an exception is made or you hold a Section 403(b)(7) custodial account, AssetMark Trust will invest the Cash Allocation and cash pending investment or distribution in Accounts invested in Strategies and Administrative Cash Accounts only in the FDIC-Insured Cash Program and will not invest such cash in money market mutual funds.

If you desire, as part of an investment strategy or otherwise, to maintain a cash position in your Account for other than a short period of time and/or are seeking the highest yields currently available in the market for your cash balances, please contact your Financial Advisor to discuss investment options that may be available outside of the FDIC-Insured Cash Program that may be better suited to your goals. You should compare the terms, interest rates, required minimum amounts and other features of the FDIC-Insured Cash Program with other accounts and alternative investments.

**10. Capacity of Program Banks** – The ability to place amounts in the FDIC-Insured Cash Program depends on the willingness of Program Banks to accept deposits. In certain, unusual economic or financial conditions, the Program Banks may not be willing or able to accept deposit of amounts intended for the FDIC-Insured Cash Program. In such an instance, AssetMark Trust will implement alternatives procedures, expected to include, but not be limited to, depositing amounts in non-interest paying or even negative interest paying deposit accounts and reducing the maximum cumulative amount (of

\$2.5 million, assuming you have not opted to exclude any Program Bank from receiving your Program Deposits as described on Section 4 above) of FDIC insurance per ownership category. If the cumulative amount of FDIC insurance is reduced, the disclosure on [www.assetmark.com/cash](http://www.assetmark.com/cash) will be updated.

**11. Program Fees and Conflicts of Interest** - Your participation in the FDIC-Insured Cash Program results in financial benefits for AssetMark Trust and its affiliates and for the Program Banks 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"), which may be up to 4% on an annualized basis as applied to deposits across all Deposit Accounts. Additionally, the Program Administrator is paid fees by: (1) AssetMark Trust on a portion of the FDIC-Insured Cash Program balances; and (2) Program Banks on the remaining portion of FDIC-Insured Cash Program balances. The amount of the Program Fee paid to AssetMark Trust and the fees paid to the Program Administrator reduce the interest paid to you by the Program Banks on your 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; the greater the Program Fee AssetMark Trust receives, the lower the interest paid by Program Banks to AssetMark Trust 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 AssetMark Trust Clients and the amount of interest paid by Program Banks to AssetMark Trust Clients. The Program Fees paid by each Program Bank, which affects the interest rates paid by the Program Banks 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 Program Fees. No part of the Program Fee is paid to your Financial Advisor.

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 your Program Deposit earns 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 may 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 your cash is invested in a money market mutual fund (because, for example, you hold a Section 403(b)(7) custodial account), AssetMark Trust 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. 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.

If your AssetMark Trust Account is invested in a Strategy, it is charged a Platform Fee by AssetMark, Inc., on 100% of the value of account assets at the end of each calendar quarter, including the Cash Allocation and cash pending investment or distribution portions of the Account invested in the ICD Program. From Platform Fees AssetMark, Inc., pays AssetMark Trust for custodial services; the amount is negotiated between the companies and differs for different types of accounts and Strategies. AssetMark Trust expects to always receive a Program Fee on deposits in the ICD Program. It is anticipated that, when looked at jointly, AssetMark Trust and AssetMark, Inc. 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.

As discussed in section 7, your funds will be swept through a Settlement Account at the Settlement Bank before being deposited at Program Banks. AssetMark Trust currently uses JPMorgan Chase Bank, N.A. for the Settlement Bank and also maintains a number of other deposit accounts at JPMorgan Chase. JPMorgan Chase charges AssetMark Trust for the banking services it provides but reduces these charges based upon the amount of deposits maintained by AssetMark Trust at JPMorgan Chase Bank. Since cash is held only temporarily in the Settlement Account, such cash does not contribute to the credits that reduce the banking fees AssetMark Trust owes JPMorgan Chase Bank. However, if certain, unusual economic or financial conditions exist, the Program Banks may not be willing or able to accept deposit of amounts intended for the Program (see section 10). If Program Banks reject deposits, AssetMark Trust anticipates that the rejected deposits will be held, at least initially and perhaps until the unusual economic condition resolves, by JPMorgan Chase Bank. Such an increase in deposits at JPMorgan Chase Bank would increase the credits earned and, in turn, reduce the banking fees otherwise owed JPMorgan Chase Bank by AssetMark Trust (including, but not limited to, fees on deposits rejected by the Program Banks). None of the other Intermediary Banks has a similar arrangement in place whereby AssetMark Trust could potentially benefit from deposits remaining at such banks instead of entering the Program on a same-day basis.

**IRA & ERISA Account Fee** - In the case of an IRA or an employee benefit plan account that is subject to the Employee Retirement Income Security Act of 1974 ("ERISA") that is invested in an AssetMark Strategy or is subject to an Investment Management Services Agreement with AssetMark, the Program Fee earned by AssetMark Trust in connection with the FDIC-Insured Cash Program and the service fee income earned by AssetMark Trust with regard to money market mutual funds will offset an "IRA & ERISA Account Fee" otherwise chargeable to the Account by AssetMark Trust. The IRA & ERISA Account Fee is charged for the additional custodial and other services provided by AssetMark Trust to IRA and ERISA accounts. The IRA & ERISA Account Fee is payable quarterly, in advance, for the upcoming calendar quarter, at the annual rate of 0.50%, based on the Account's value (including mutual fund shares) on the last business day of the preceding calendar quarter. The IRA & ERISA Account Fee is in addition to other fees payable by the Account. No portion of the fee is charged upon receipt of assets to an Account, and no portion of the fee is prorated or refunded. At this time, AssetMark Trust intends to waive any portion of this IRA & ERISA Account Fee not offset by

the Program Fees received by AssetMark Trust through the FDIC-Insured Cash Program, the service fees earned from money market mutual funds by AssetMark Trust or an affiliate, and any other fee income received by AssetMark Trust or an affiliate from the investments of the Account. Additionally, the Account will receive a credit to the extent that the aggregate amount of such service fee income received by AssetMark Trust or an affiliate exceeds the IRA & ERISA Account Fee chargeable to the Account. Since AssetMark Trust receives the Program Fee, which may be a maximum of 4%, on only a portion of IRA and ERISA account assets, and the IRA & ERISA Account Fee is calculated on all Account assets, the Program Fee is likely to be less than the IRA & ERISA Account Fee.

**12. Information and Changes Regarding the Terms of the FDIC-Insured Cash Program** - Information regarding the FDIC-Insured Cash Program will be posted at [www.assetmark.com/cash](http://www.assetmark.com/cash), and you should consult this site for the most up-to-date information about the FDIC-Insured Cash Program. Generally, you will also receive notification in advance of important changes to the FDIC-Insured Cash Program. That notification may direct you to your Financial Advisor or to the web address listed above for specific information on the change. Changes may include changes to the list of Program Banks, to the interest rates payable by Program Banks on your Program Deposits, to the Program Fees received by AssetMark Trust for the services provided in connection with the FDIC-Insured Cash Program, any fees paid by AssetMark Trust directly to the Program Administrator, and to the maximum amount of FDIC insurance coverage for your deposits. You should direct any questions you may have about any changes or proposed changes to your Financial Advisor. Note that, while AssetMark Trust will endeavor to provide advance notice of changes, AssetMark Trust may be unable to do so in some cases, in which case AssetMark Trust will provide you with notice of the changes as soon as reasonably practicable. It is your obligation to monitor your Account(s), your FDIC coverage and your FDIC insurance eligibility. If you do not agree to any changes, you should contact your Financial Advisor to discuss transferring your Account to another provider. If you do not take any action in response to a change, you are deemed to consent to the change to the FDIC-Insured Cash Program.

**13. Closing Accounts** - AssetMark Trust or a Program Bank, in its sole discretion, may close Deposit Accounts at any time. If a Deposit Account is closed, you may be able to establish a direct depository relationship with the Program Bank, subject to its rules with respect to maintaining deposit accounts. Establishing a deposit account in your name at a Program Bank will separate your deposit account from your AssetMark Trust custodial Account. Your non-FDIC-Insured Cash Program deposit account balance will not be reflected in your AssetMark Trust Account statement, and AssetMark Trust and its affiliates will have no further responsibility concerning your deposit account. If you do not establish a direct depository relationship with a Program Bank when a Deposit Account is closed, your Program Deposit will be transferred to your AssetMark Trust custodial Account. If you close your AssetMark Trust custodial Account, your Program Deposit Accounts will also be closed and the funds distributed to you according to the conditions of your Custody Agreement. Upon your termination of all your Accounts with AssetMark Trust, pursuant to your Custody Agreement, an Account Termination Fee will be charged.

**14. No SIPC Protection on FDIC-Insured Cash Program Deposits and Administrative Service Fees** - AssetMark Trust generally uses sub-custodians, including National Financial Services Corp.

(whose affiliated broker-dealer, Fidelity Brokerage Services, LLC, ("Fidelity") provides brokerage and clearing services for Client Accounts), for securities, including mutual fund shares. Fidelity is a member of Securities Investor Protection Corporation ("SIPC") and maintains reasonable levels of excess SIPC coverage for the protection of cash and securities, including shares of money market mutual funds, held on behalf of AssetMark Trust's Clients. SIPC coverage protects against the loss (e.g., theft) of the securities, not against a decline in their market value. Fidelity will not provide sub-custodial services for assets in the FDIC-Insured Cash Program, and your Program Deposit is not eligible for SIPC coverage. For further information about SIPC protection, visit the SIPC website at [www.sipc.org](http://www.sipc.org).

**15. Tax Reporting** - For most non-retirement Accounts, interest earned from your Program Deposit will be taxed as ordinary income in the year it is received, and a Form 1099 will be sent to you by AssetMark Trust each year showing the amount of interest income you have earned on deposits in your Deposit Accounts. This information is not legal or tax advice.

**16. AssetMark Trust Custody Agreement** - This Disclosure Statement supplements the terms of your existing Custody Agreement with AssetMark Trust. If any provision of the Custody Agreement conflicts with provisions of this Disclosure Statement, the Custody Agreement shall govern.

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

You have selected AssetMark Trust to act as your Custodian and hold in safekeeping your investments in one or more custodial accounts. You may use the holdings in your non-retirement AssetMark Trust custodial account(s) as collateral for a loan. Such loans are usually referred to as Securities-Backed Lines of Credit ("SBLOC"). This disclosure is for informational purposes only, is not a solicitation, and should not be considered to be investment, legal or tax advice. If you take a loan from a lender using the assets in your AssetMark Trust custodial account as collateral, you acknowledge these disclosures and consent to them, including the conflicts they create for AssetMark, Inc., and including the compensation received by AssetMark Trust.

IF YOU APPLY FOR AN SBLOC, YOU AGREE TO CAREFULLY READ, UNDERSTAND AND ACCEPT THE TERMS AND CONDITIONS OF THIS DISCLOSURE STATEMENT. YOU UNDERSTAND THAT BY APPLYING FOR A LINE OF CREDIT, YOU ACCEPT AND ARE LEGALLY BOUND BY THE PROVISIONS OF THIS DISCLOSURE STATEMENT, IN ADDITION TO THE AGREEMENTS AND DOCUMENTS PROVIDED BY THE LENDER, AND YOU CONSENT TO ANY CONFLICTS OF INTEREST OF ASSETMARK TRUST DISCLOSED HEREIN.

**Suitability:** Using your custodial account at AssetMark Trust as collateral for a loan may not be suitable for you and your financial goals. 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 (you) may be required to pay down the loan and/or pledge additional securities. Please consider these risks and whether a securities-backed loan is appropriate before you proceed; carefully read the securities-backed line of credit application for further details. You should consider these issues and discuss your financial position

and objectives and whether using your investments as collateral for a loan is appropriate with your Financial Advisor.

There are two general ways to apply for loan using the assets in your non-retirement AssetMark Trust custodial account(s) as collateral:

1. Apply for a loan through a lender available through AssetMark Trust Company's Cash Advantage Lending<sup>SM</sup> service; or
2. Apply for a loan from the lending institution of your choice.

### ASSETMARK TRUST COMPANY'S CASH ADVANTAGE LENDING<sup>SM</sup> SERVICE

AssetMark Trust has established relationships with two separate lenders to which you 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 Trust's arrangements with these lenders are designed to streamline the loan application process and provide the lenders access to information about the accounts that you are using as collateral for the loans. AssetMark Trust is not affiliated with either Supernova or Bancorp, and each is responsible for their own services.

AssetMark Trust receives compensation from these lenders based on outstanding loan balances. See further disclosure below.

#### *The Process:*

**Application:** AssetMark Trust has arrangements and has established secured-systems links with Supernova and Bancorp that are designed to reduce the time and effort needed to apply for a line of credit. Both lenders have web-based application processes designed to be more efficient than paper applications. In the instance of the Supernova application, depending upon the state you live in (and its privacy laws), your Financial Advisor can have your loan application auto-populated with information that AssetMark Trust maintains so that your Financial Advisor need not type in information you or they have already supplied to AssetMark Trust.

**Loan Agreement with Lender:** Each lender has its own loan application and will make all decisions regarding the approval or rejection of specific loan applications. AssetMark Trust does not make those decisions. Additionally, each lender may suspend or cancel a loan pursuant to the terms of the loan agreement, in addition to the control agreement.

**Control Agreement:** When lenders offer an SBLOC to a borrower (you), the lender, the custodian of your investment assets (AssetMark Trust) and the borrower (you), will sign a tri-party "control agreement." The terms of the control agreement provide, among other things, that the custodian (AssetMark Trust) will not allow the borrower (you) to withdraw from your AssetMark Trust account the investments that are pledged as security without getting prior approval from the lender. To facilitate the service, AssetMark Trust has established a standard control agreement with each of Supernova and Bancorp, so that your SBLOC application process will not be slowed down by negotiating individual control agreements. If a lender suspends or cancels a loan pursuant to the terms of the loan agreement, the control agreement will also be suspended or cancelled in accordance with the terms of the control agreement.

**Lender's Access to your Information:** The lender you choose will want to know about the investments in your AssetMark Trust Account that you are using as collateral for your loan. In accordance with your consent, AssetMark Trust has established (different) systems links

with both Supernova and Bancorp to provide each with daily information regarding the investments you are using for collateral for your loan. If you choose a lender in AssetMark Trust's Cash Advantage Lending<sup>SM</sup> service, you will not need to set up the lender to receive duplicates of your account statements; AssetMark Trust will automatically send the lender information about the account(s) you have pledged as collateral. If you do not consent to such information sharing, you may not participate in AssetMark Trust's Cash Advantage Lending<sup>SM</sup> service.

***Interest Rates, Compensation to AssetMark Trust and Conflicts of Interest:***

In addition to considering whether it is suitable for you to pledge your investments as collateral for a loan, it is important that you consider the interest rate you will pay for a loan. The interest rates charged for different lines of credit will differ. The rates may differ not only because of market and interest rate conditions, but also due to the size of the line of credit, with larger lines for credit usually paying lower interest rates. The interest rate you pay for a line of credit is typically negotiable. AssetMark Trust has discretion to reduce its compensation in order to reduce the interest rate charged a loan, especially if competitive factors argue for a rate reduction. 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.

Rates will also differ between lenders. AssetMark Trust has tried to negotiate with both Supernova and Bancorp so that you will be offered a competitive interest rate for your loan, but you should compare the offered rate with other available rates and know that how much AssetMark Trust is paid affects the interest rate you will pay on your loan.

**Supernova Rate and compensation to AssetMark:** The agreement between AssetMark Trust and Supernova provides for minimum and maximum interest rates that Supernova can charge AssetMark Trust clients on the unpaid principal balance of their loans. These rates can change since they are determined by reference an average interest rate calculated by a third party (e.g., a LIBOR or SOFR rate) and by other factors. Within this minimum and maximum range, AssetMark Trust is able to determine the compensation payable to it, which is an annualized fee calculated using the daily unpaid principal balance of each loan. The interest rate you pay for a loan may be negotiable.

The agreement between AssetMark Trust and Supernova specifies the compensation that Supernova will pay AssetMark Trust. The maximum fee that AssetMark Trust can be paid is at the annualized rate of 4.45% on the outstanding balance of loans. AssetMark Trust is compensated for the expenses it incurred establishing the service and systems links to Supernova and for its ongoing services to Supernova and maintenance of the service. The interest rate that you will pay for a Supernova loan is, in part, determined by AssetMark Trust. That is because AssetMark Trust can determine, within parameters, the amount of the "Company Fee" that it is paid. It is a conflict of interest for AssetMark Trust to be able to determine its own compensation; AssetMark Trust addresses this conflict by this disclosure and by obtaining your consent to our compensation through this disclosure. If you take a loan from Supernova, you agree to this compensation to AssetMark Trust.

**Bancorp Rate and compensation to AssetMark:** The agreement between AssetMark Trust and Bancorp provides for the interest rates that Bancorp can charge AssetMark Trust clients on their loans. These rates can change since they are determined by reference an average interest rate calculated by a third party (e.g., the Wall Street Prime Rate) and by other factors, such as the amount of the loan commitment. The interest rate you pay for a loan may be negotiable.

The agreement between AssetMark Trust and Bancorp specifies the compensation that Bancorp will pay AssetMark Trust, with compensation to AssetMark Trust at reduced rates for larger loans. The agreement between AssetMark Trust and Bancorp also provides for custom pricing, where the interest rate charged Clients can be reduced and so will the amount of Bancorp's payment of compensation to AssetMark Trust. AssetMark Trust may decide to reduce its compensation in order to reduce the interest rate charged a loan, especially if competitive factors argue for a rate reduction. AssetMark Trust is compensated for the expenses it incurred establishing and maintaining the service and systems links to Bancorp and for its ongoing services to Bancorp and maintenance of the service. It is a conflict of interest for AssetMark Trust to be able to determine its own compensation; AssetMark Trust addresses that conflict by this disclosure and by obtaining your consent to our compensation through this disclosure. If you take a loan from Bancorp, you agree to this compensation to AssetMark Trust.

AssetMark Trust does not have the authority to encourage you 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 you a loan. AssetMark Trust benefits if you take a loan because, as discussed above, the lenders in the Cash Advantage Lending<sup>SM</sup> service pay AssetMark Trust compensation based on outstanding loan balances, and AssetMark Trust has discretion in setting the amount of compensation it receives in connection with loans.

**APPLYING FOR A LINE OF CREDIT FROM THE LENDING INSTITUTION OF YOUR CHOICE**

You can also apply for a loan from the lending institution of your choice. The process will be similar to that with the lenders in AssetMark Trust's Cash Advantage Lending<sup>SM</sup> service, i.e., application and loan and control agreements, except that, since a standard process and agreements will not have been worked out with your lender, you should expect the process to take longer. AssetMark Trust has a standard control agreement to be used with third-party lenders that your Financial Advisor can obtain for you. We urge you to use the standard AssetMark Trust control agreement so that negotiations with you bank on the terms of the tri-party agreement will not be needed and the process delayed. The issues we often see in control agreements from third-party lenders is that they do not allow for trading in your account or deduction of fees. AssetMark does not charge additional fees when you use a third-party lender of your choice, although if a number of duplicate account statements are requested, fees may apply.

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

You have selected AssetMark Trust to act as your Custodian and hold in safekeeping your investments in one or more custodial accounts. You may choose to open a deposit (checking) account at The Bancorp Bank, the FDIC-insured bank that offers online banking services and debit cards through AssetMark Trust's Cash Advantage<sup>SM</sup> service. If you do open a deposit account at Bancorp, your Bancorp deposit account and AssetMark non-retirement custodial account will be linked, so that amounts can be automatically transferred between accounts based upon the minimum and maximum targets set for balances in your Bancorp checking account.

IF YOU APPLY FOR A DEPOSIT ACCOUNT AT THE BANCORP BANK, YOU AGREE TO CAREFULLY READ, UNDERSTAND AND ACCEPT THE TERMS AND CONDITIONS OF THIS DISCLOSURE STATEMENT AND THE DISCLOSURES AND AGREEMENTS PROVIDED BY THE BANCORP BANK. YOU UNDERSTAND THAT BY APPLYING FOR AND MAINTAINING A DEPOSIT ACCOUNT AT BANCORP, YOU ACCEPT AND ARE LEGALLY BOUND BY THE PROVISIONS OF THIS DISCLOSURE STATEMENT, IN ADDITION TO THE VARIOUS SEPARATE AGREEMENTS AND DOCUMENTS PROVIDED BY BANCORP, AND CONSENT TO ANY CONFLICTS OF INTEREST OF ASSETMARK TRUST DISCLOSED HEREIN. YOU ACKNOWLEDGE AND AGREE THAT THE BANCORP BANK AND ITS AGENTS AND SERVICE PROVIDERS ARE NOT AGENTS OR EMPLOYEES OF ASSETMARK TRUST AND THAT ASSETMARK TRUST SHALL NOT BE LIABLE FOR ANY ACTION OR INACTION OF BANCORP OR ITS AGENTS, SERVICES PROVIDERS OR AFFILIATES.

Compensation to AssetMark Trust: AssetMark Trust benefits financially if Clients open accounts at Bancorp because Bancorp pays AssetMark Trust compensation based on the average monthly collected balances in Clients' deposit accounts. AssetMark is paid at the rate of 0.30% per annum (30 basis points times the average monthly collected balance in each account) for interest-bearing depository accounts and at the rate of 0.80% per annum (80 basis points times the average monthly collected balance in each account) for Non-interest-bearing depository accounts. AssetMark Trust is compensated for the expenses it incurs establishing and maintaining the service and systems links to Bancorp and for its ongoing services to Bancorp and maintenance of the service shall govern.

**AssetMark Trust Company**

3200 N. Central Ave.  
7th Floor  
Phoenix, AZ 85012-2425

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**ASSETMARK TRUST COMPANY**

# **IRA and Roth IRA Trust Agreements and Disclosure Statements**

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**AssetMark Trust Company**

3200 N. Central Ave.  
7th Floor  
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**ASSETMARK TRUST COMPANY IRA TRUST AGREEMENT****FORM 5305 UNDER SECTION 408(A) OF THE INTERNAL REVENUE CODE**

- The Grantor, the Account Holder whose name appears on the attached Application, is establishing a traditional Individual Retirement Account under section 408(a) to provide for his or her retirement and for the support of his or her beneficiaries after death.
- The Trustee, Custodian AssetMark Trust Company, named on the attached Application, has given the Grantor the disclosure statement required under Regulations Section 1.408-6.
- The Grantor has assigned to the Trust Account the sum indicated on the Application.
- The Grantor and the Trustee make the following agreement.

**ARTICLE I**

Except in the case of a rollover contribution described in Section 402(c), 403(a)(4), 403(b)(8), 408(d)(3), or 457(e)(16), an employee contribution to a simplified employee pension plan as described in section 408(k), or a recharacterized contribution described in section 408A(d)(6), the Trustee will accept only cash contributions up to \$3,000 per year for tax years 2002 through 2004. That contribution limit is increased to \$4,000 for tax years 2005 through 2007 and \$5,000 for 2008 and thereafter. For individuals who have reached the age of 50 before the close of the taxable year, the contribution limit is increased to \$3,500 per year for tax years 2002 through 2004, \$4,500 for 2005, \$5,000 for 2006 and 2007, and \$6,000 for 2008 and thereafter. For tax years after 2008, the above limits will be increased to reflect a cost-of-living adjustment, if any.

**ARTICLE II**

The Grantor's interest in the balance in the Trust Account is non forfeitable.

**ARTICLE III**

1. No part of the Trust Account funds may be invested in life insurance contracts, nor may the assets of the Trust Account be commingled with other property except in a common trust fund or common investment fund (within the meaning of Section 408(a)(5)).
2. No part of the Trust Account funds may be invested in collectibles (within the meaning of Section 408(m)) except as otherwise permitted by Section 408(m)(3) which provides an exception for certain gold, silver, and platinum coins, coins issued under the laws of any state, and certain bullion.

**ARTICLE IV**

1. Notwithstanding any provision of this agreement to the contrary, the distribution of the Grantor's interest in the Trust Account shall be made in accordance with the following requirements and shall otherwise comply with Section 408(a)(6) and the regulations thereunder, the provisions of which are herein incorporated by reference.
2. The Grantor's entire interest in the Trust Account must be, or begin to be, distributed not later than the Grantor's required beginning date, April 1 following the calendar year in which the Grantor reaches age 72 (70½ if the Grantor reached 70½ before January 1, 2020). By that date, the Grantor may elect, in a manner acceptable to the Trustee, to have the balance in the Trust Account distributed in:

- (a) A single sum or

(b) Payments over a period not longer than the life of the Grantor or the joint lives of the Grantor and his or her designated beneficiary.

3. This paragraph applies if the Grantor died before January 1, 2020. If the Grantor dies before his or her entire interest is distributed to him or her, the remaining interest will be distributed as follows:

(a) If the Grantor dies on or after the required beginning date and:

(i) the designated beneficiary is the Grantor's surviving spouse, the remaining interest will be distributed over the surviving spouse's life expectancy as determined each year until such spouse's death, or over the period in paragraph (a)(iii) below if longer. Any interest remaining after the spouse's death will be distributed over such spouse's remaining life expectancy as determined in the year of the spouse's death and reduced by 1 for each subsequent year, or, if distributions are being made over the period in paragraph (a)(iii) below, over such period.

(ii) the designated beneficiary is not the Grantor's surviving spouse, the remaining interest will be distributed over the beneficiary's remaining life expectancy as determined in the year following the death of the Grantor and reduced by 1 for each subsequent year, or over the period in paragraph (a)(iii) below if longer.

(iii) there is no designated beneficiary, the remaining interest will be distributed over the remaining life expectancy of the Grantor as determined in the year of the Grantor's death and reduced by 1 for each subsequent year.

(b) if the Grantor dies before the required beginning date, the remaining interest will be distributed in accordance with (i) below or, if elected or there is no designated beneficiary, in accordance with (ii) below:

(i) The remaining interest will be distributed in accordance with paragraphs (a)(i) and (a)(ii) above (but not over the period in paragraph (a)(iii), even if longer), starting by the end of the calendar year following the year of the Grantor's death. If, however, the designated beneficiary is the Grantor's surviving spouse, then this distribution is not required to begin before the end of the calendar year in which the Grantor would have reached age 70½. But, in such case, if the Grantor's surviving spouse dies before distributions are required to begin, then the remaining interest will be distributed in accordance with (a)(ii) above (but not over the period in paragraph (a)(iii), even if longer), over such spouse's designated beneficiary's life expectancy, or in accordance with (ii) below if there is no such designated beneficiary.

(ii) The remaining interest will be distributed by the end of the calendar year containing the fifth anniversary of the Grantor's death.

4. This paragraph applies if the Grantor died after January 1, 2020. If the Grantor dies on or after January 1, 2020, most non-spouse designated beneficiaries will be required to take their post-death distributions within ten years of the Grantor's death unless the Grantor has an eligible designated beneficiary or no designated beneficiary for purposes of determining the distribution period. This requirement applies to beneficiaries regardless of whether the Grantor dies before, on, or after his or her required beginning date. "Eligible designated beneficiaries" include surviving spouses, disabled and chronically ill individuals, individuals who are ten or less years younger than the deceased individual, and children who have not reached the age of majority. If the Grantor's

eligible designated beneficiary is the Grantor's minor child, life expectancy payments continue until the child reaches the age of majority. Once the age of majority is reached, the beneficiary will have 10 years to deplete the account.

5. If the Grantor dies before his or her entire interest has been distributed and if the designated beneficiary is not the Grantor's surviving spouse, no additional contributions may be accepted in the account.
6. The minimum amount that must be distributed each year, beginning with the year containing the Grantor's required beginning date, is known as the "required minimum distribution" and is determined as follows:
  - (a) The required minimum distribution under paragraph 2(b) for any year, beginning with the year the Grantor reaches the required beginning date is the Grantor's account value at the close of business on December 31 of the preceding year divided by the distribution period in the uniform lifetime table in Regulations section 1.401(a)(9)-9 for distribution calendar years beginning on or after January 1, 2022 (the uniform lifetime table under former Regulations section 1.401(a)(9)-9 applies to distribution calendar years prior to January 1, 2022). However, if the Grantor's sole designated beneficiary is his or her surviving spouse who is more than 10 years younger than the Grantor, the required minimum distribution for a year shall not be more than the Grantor's account value at the close of business on December 31 of the preceding year divided by the number in the joint and last survivor table in Regulations section 1.409(a)(9)-9 for distribution calendar years beginning on or after January 1, 2022 (the joint and last survivor table under former Regulations section 1.401(a)(9)-9 applies to distribution calendar years prior to January 1, 2022). The required minimum distribution for a year under this paragraph (a) is determined using the Grantor's (or, if applicable, the Grantor and spouse's) attained age (or ages) in the year.
  - (b) The required minimum distribution under paragraphs 3(a) and 3(b)(i) for a year, beginning with the year following the year of the Grantor's death (or the year the Grantor would have reached the required beginning date, if applicable under paragraph 3(b)(i)) is the account value at the close of business on December 31 of the preceding year divided by the life expectancy (in the single life table in Regulations section 1.401(a)(9)-9 for distribution calendar years beginning on or after January 1, 2022 (the single life table under former Regulations section 1.401(a)(9)-9 applies to distribution calendar years prior to January 1, 2022)) of the individual specified in such paragraphs 3(a) and 3(b)(i).
  - (c) The required minimum distribution for the year the Grantor reaches the required beginning date can be made as late as April 1 of the following year. The required minimum distribution for any other year must be made by the end of such year.
7. The owner of two or more traditional IRAs may satisfy the minimum distribution requirements described above by taking from one traditional IRA the amount required to satisfy the requirement for another in accordance with the regulations under section 408(a)(6).

#### ARTICLE V

1. The Grantor agrees to provide the Trustee with information necessary for the Trustee to prepare any reports required under Section 408(l) and Regulations Sections 1.408-5 and 1.408-6.
2. The Trustee agrees to submit reports to the Internal Revenue Service and the Grantor as prescribed by the Internal Revenue Service.

#### ARTICLE VI

Notwithstanding any other articles which may be added or incorporated, the provisions of Articles I through III and this sentence will be controlling. Any additional articles that are not consistent with section 408(a) and related regulations will be invalid.

#### ARTICLE VII

This Agreement will be amended from time to time to comply with the provisions of the IRC and related regulations. Other amendments may be made with the consent of the persons whose signatures appear on the application.

#### ARTICLE VIII

##### 1. *IRA Trust Agreement supplements AssetMark Trust Company Custody Agreement*

This IRA Trust Agreement (the "Agreement") supplements and is supplemented by the AssetMark Trust Company Custody Agreement, and the terms of the AssetMark Trust Company Custody Agreement shall also apply to this IRA Trust Account, to the extent they do not conflict with the terms of this IRA Trust Agreement.

##### 2. *Definitions and section references:*

The words "you" and "your" mean the "Grantor." The "Grantor" is referred to as the "Account Owner" in the AssetMark Trust Company Trust Account Agreement. The words "we," "us," and "our" mean the Trustee, AssetMark Trust Company, which is referred to as AssetMark Trust Company in the AssetMark Trust Company Trust Account Agreement. "Trust Account" is the Individual Retirement Accounts or IRA, established by this Agreement. "IRC" means the Internal Revenue Code of 1986, as amended. Other capitalized terms not defined in this IRA Trust Agreement shall be given their meanings as set forth in the Custody Agreement. Section references are to the IRC unless otherwise noted.

##### 3. *Contributions made by deposit of tax refund*

In addition to the contribution types referenced in Article I, we will also accept the deposit of federal income tax refunds, as provided in Section 830 of the Pension Protection Act of 2006, as the equivalent of cash contributions to your IRA.

##### 4. *Increase In contribution limits*

For 2022, the contribution limits stated in Article I are increased as follows: The contribution limit is increased to \$6000. However, for individuals who have reached the age of 50 before the close of the calendar year, the contribution limit is increased to \$7000.

##### 5. *Investment of amounts in the IRA*

- (a) You shall have exclusive responsibility for the investment of your IRA.
- (b) Trustee AssetMark Trust Company ("AssetMark Trust") shall have no responsibility for the investment of your IRA. Trustee AssetMark Trust shall have no discretion to direct any investment in your IRA. AssetMark Trust assumes no responsibility for rendering investment advice with respect to your IRA, nor will AssetMark Trust offer any opinion or judgment to you on matters concerning the advisability or suitability of any investment or proposed investment for your IRA.

(c) You may delegate your investment responsibility for your IRA to another party acceptable to us, such as to an advisor pursuant to a Client Advisory Agreement available on the AssetMark Platform. To the extent that the assets of the IRA are subject to an investment advisory arrangement, such as a Client Advisory Agreement, the terms of that arrangement or Client Advisory Agreement shall apply to the investment of those assets. Trustee has no responsibility to review or question, nor shall we be responsible for, the directions of an investment adviser to the IRA. To the extent that there exist assets in the IRA that are not subject to an investment advisory arrangement, you shall remain exclusively responsible for the investment of those assets.

## 6. *Beneficiaries*

If you die before you receive all of the amounts in your IRA, payments from your IRA shall be made to your beneficiaries. You may designate one or more person(s) or entity as beneficiary of your IRA. This designation can only be made on a form acceptable by us and it shall only be effective when it is filed with and accepted by us during your lifetime. Each beneficiary designation accepted by us shall cancel any previous designation. The designation of a beneficiary shall have no effect until your death. The consent of a beneficiary shall not be required for you to revoke a beneficiary designation. If you do not designate a beneficiary or if in the case of a trust or other entity designated as a beneficiary, it has been dissolved or otherwise ceased to exist prior to your death, then your estate shall be your beneficiary.

If the beneficiary payment election described in Article IV, Section 3(b), if applicable, of this Agreement is not made by December 31 of the year following the year of your death, then the payment described in Section 3(b)(ii) shall be deemed elected. If your designated beneficiary is your spouse, however, then distributions over your spouse's life expectancy need not commence until December 31 of the year you would have attained your required beginning date, if later. The following paragraph applies if you do not specify "per stirpes" when designating beneficiaries: Unless you specify "per stirpes," the "per capita" method of beneficiary designation shall be used and a beneficiary's rights shall end with that beneficiary's death. Your IRA shall pass to all the primary beneficiaries who survive you, in equal shares, unless you have designated other proportions. If any of the primary beneficiaries should predecease you, then your IRA shall pass only to the surviving primary beneficiaries with the deceased primary beneficiary's share being divided among the surviving primary beneficiaries in proportion to the percentages specified for the remaining primary beneficiaries. If none of the primary beneficiaries survive you, then your IRA shall pass to those designated as contingent beneficiaries who survive you, in equal shares, unless other proportions are designated. If you have named more than one primary or contingent beneficiary and specified percentages do not total 100%, the unallocated portion of your IRA account shall be shared equally among the beneficiaries. Only beneficiaries identified by name shall share in the IRA assets with a beneficiary designation that does not include per stirpes, and a predeceased beneficiary's estate shall have no claim to or interest in the IRA.

The following paragraph applies if you specify "per stirpes" when designating beneficiaries: The term "per stirpes" (or "by branch") means that if any primary beneficiary dies before you, but has descendants, that beneficiary's share will be paid to such descendants (in the generation nearest the deceased beneficiary) equally. For example, if you designate your three children as beneficiaries per stirpes (with equal shares) and, at the time of your death, one child, who has two living children (your grandchildren),

has predeceased you, then each of your two living children will receive one third of the IRA assets and your two grandchildren of your deceased child will each receive one half of the one third share of the IRA (one sixth each). In this example, if you have a third grandchild with a living parent (your child), they will not receive any portion of your IRA but your child will receive what you have allocated to him or her as a beneficiary. If your deceased child has a living spouse (who is not designated as a beneficiary), that spouse will not receive any portion of your IRA but that deceased child's portion will be divided equally among his or her children (among those in the generation nearest your child). For purposes of this per stirpes beneficiary designation, the number of branches is determined by reference to your children, even if all have predeceased you, regardless of what state you may be a resident of or what state law may be applicable to your estate.

The following paragraphs apply to all beneficiary designations.

Upon your death, AssetMark is authorized, at its discretion, to look to the executor of your estate for information and instructions regarding the distribution of your IRA. AssetMark may rely upon the instructions of your estate executor and shall not be liable for any payments made at such executor's direction.

If a beneficiary survives you, but is not alive at the time of the transfer of the IRA assets, then the assets will become part of that beneficiary's estate. If it cannot be determined that a beneficiary has survived you by 120 hours, then the beneficiary will be deemed not to have survived.

If any beneficiary is or becomes married to you, then a dissolution of that marriage shall have no effect on any designation of that former spouse as beneficiary, unless that beneficiary designation is revoked. The former spouse will not be treated as a spouse for purposes of the application of the required minimum distribution rules upon your death.

In the event that any securities or other property in your IRA account cannot, for any reason, be partitioned and transferred to accounts for the beneficiaries, AssetMark shall, to the extent necessary, liquidate those securities or other property and transfer the proceeds of that sale.

AssetMark Trust has no obligation: (i) to locate beneficiaries; (ii) to question or investigate the circumstances of your death as it is reported to it; (iii) to determine the age or any other facts about a beneficiary; (iv) to appoint, if applicable, a custodian or guardian for any minor beneficiary; (v) to locate or notify any spouse(s), children or other heirs upon your death; (vi) to verify the legality of any distribution or any part of this Agreement under the probate, estate, inheritance, community property, transfer on death or other laws of any state, including the state where this Agreement is made; or (vii) to determine which state's law is applicable to any place and transfer, payment, distribution or any term or provision of this Agreement.

In connection with AssetMark Trust acting in compliance with this Agreement and your beneficiary designation, you agree to indemnify and hold AssetMark, its affiliates, directors, officers, agents and employees, and their successors and assigns, harmless from any liability to any person or entity, including but not limited to the beneficiary(ies) and your estate, personal representatives, heirs, assigns, agents, children, descendants, successors, and spouse(s) and/or any other person, for any actions taken in opening and maintaining your IRA and making the distributions upon receipt of notice of your death.

## 7. Termination

Either Party may terminate this Agreement at any time by giving written notice to the other. AssetMark Trust can resign as Trustee at any time effective 30 days after written notice of our resignation is mailed to you. Upon receipt of that notice, you shall make arrangements to transfer your IRA to another financial organization or accept payment of the balance of your IRA. If you do not complete a transfer of your IRA within 30 days from the date we mail the notice to you, we have the right to transfer your IRA assets to a successor IRA custodian or trustee that we choose in our sole discretion or we may pay the balance in your IRA to you in a single sum. AssetMark Trust shall not be liable for any actions or failure to act on your part or on the part of any successor custodian or trustee nor for any tax consequences you may incur that result from the transfer or distribution of your assets pursuant to this Section. If this agreement is terminated, we may hold back from your IRA a reasonable amount of money that we believe is necessary to cover any one or more of the following:

- any fees, expenses or taxes chargeable against your IRA;
- any penalties or additional taxes associated with the early withdrawal of any savings instrument or other investment in your IRA.

If our organization is merged with another organization (or comes under the control of any Federal or State agency), or if our entire organization (or any portion that holds your IRA) is bought by another organization, that organization (or agency) shall automatically become the Trustee or Custodian of your IRA, but only if it is the type of organization authorized to serve as an IRA trustee or custodian.

## 8. Effectiveness and amendments

Your IRA is established after you have executed the application and AssetMark Trust has accepted the account. This account must be created in the United States for the exclusive benefit of you and your beneficiaries. Contributions to an IRA account for a non-working spouse must be made to a separate IRA account established by the non-working spouse.

We have the right to amend this Agreement at any time. Any amendment we make to comply with the IRC and related regulations does not require your consent. You will be deemed to have consented to any other amendment unless, within 30 days from the date we mail the amendment, you notify us in writing that you do not consent.

## 9. Withdrawals

All requests for withdrawals shall be in writing on a form provided by or acceptable to us. The method of distribution must be specified in writing. The tax identification number of the recipient must be provided to us before we are obligated to make a distribution. Any withdrawals shall be subject to all applicable tax and other laws and regulations including a possible 10% early withdrawal tax and tax withholding requirements.

## 10. Required minimum distributions

We will not be liable for any penalties or taxes related to your failure to take a required minimum distribution.

## 11. Transfers from other plans

We can receive amounts transferred to this IRA from the custodian or trustee of another IRA. In addition, we can accept direct rollovers of eligible distributions from employer plans as permitted by the IRC. We reserve the right not to accept any transfer or direct rollover

## 12. Liquidation of assets

We have the right to liquidate assets in your IRA if necessary to make distributions or to pay fees, expenses or taxes properly chargeable against your IRA. If you fail to tell us which assets to liquidate, we will decide at our complete and sole discretion and you agree not to hold us liable for any adverse consequences that result from our decision.

## 13. Restrictions on the IRA

Neither you nor any beneficiary may sell, transfer or pledge any interest in your IRA in any manner whatsoever, except as provided by law or this Agreement. The assets in your IRA shall not be responsible for debts, contracts or torts of any person entitled to distributions by law or this Agreement.

## 14. Governing law, severability

This Agreement is subject to all applicable federal and state laws and regulations. If it is necessary to apply any governing law to interpret and administer this Agreement, the law of the State of New York, as applied to contracts entered into and completely performed in New York, shall govern. If any part of this Agreement is held to be illegal or invalid, the remaining parts shall not be affected. Neither your nor our failure to enforce at any time or for any period of time any of the provisions of this Agreement shall be construed as a waiver of such provisions, or your right or our right thereafter to enforce each and every such provision.

## ASSETMARK TRUST COMPANY IRA DISCLOSURE STATEMENT

### RIGHT TO REVOKE YOUR IRA

If you receive this Disclosure Statement at the time you establish your IRA, you have the right to revoke your IRA within seven (7) days of its establishment. If revoked, you are entitled to a full return of the contribution you made to your IRA. The amount returned to you would not include an adjustment for such items as sales commissions, administrative expenses, or fluctuation in market value. You may make this revocation only by mailing or delivering a written notice to AssetMark Trust at the address listed on the attached Application.

If you send your notice by first class mail, your revocation will be deemed mailed as of the date of the postmark.

If you have any questions about the procedure for revoking your IRA, please call AssetMark Trust at the telephone number listed on the attached Application.

### REQUIREMENTS OF AN IRA

#### A. Eligibility

If you have taxable compensation, you may make a contribution to your IRA, subject to certain limitations described in this Disclosure Statement.

**B. Cash contributions**

Your contribution must be in cash, unless it is a rollover contribution. You may direct the Internal Revenue Service to deposit all or a portion of any federal income tax refund you would otherwise receive in your IRA. We will treat any such deposit as a cash contribution subject to the IRA rules, including rules on timing and deductibility of contributions, described below.

**C. Carryback contributions**

A contribution is deemed to have been made on the last day of the preceding taxable year if you make a contribution by the deadline for filing your federal income tax return (not including extensions), and you designate that contribution as a contribution for the preceding taxable year. For example, if you are a calendar year taxpayer and you make your IRA contribution on or before your tax filing deadline (generally April 15), your contribution is considered to have been made for the previous tax year if you designated it as such.

**D. Maximum contribution**

The total amount you may contribute to an IRA for any taxable year cannot exceed the lesser of 100 percent of your taxable compensation or \$6000 (\$7000 if you will turn age 50 or older during the calendar year) for 2022 with possible cost-of-living adjustments after 2022. If you also maintain a Roth IRA, the maximum contribution to your traditional IRAs [i.e., IRAs subject to IRC Sections 408(a) or 408(b)] is reduced by any contributions you make to your Roth IRA. Your total contribution to all traditional IRAs and Roth IRAs cannot exceed the lesser of the applicable limit mentioned previously or 100 percent of your taxable compensation.

**E. Compensation**

Compensation includes wages, salaries, tips, professional fees, bonuses, and other amounts received for providing personal services. It also includes commissions, net earnings from self-employment, taxable alimony and separate maintenance payments for any divorce or separation instrument executed on or before December 31, 2018, and any amount which is included in gross income and paid in pursuit of graduate or postdoctoral study.

**F. Nontaxable Combat Pay**

If you were a member of the U.S. Armed Forces, compensation includes any nontaxable combat pay you received. This amount should be reported in box 12 of your Form W-2 with code Q.

**G. Rollover contributions**

You may make rollover or direct transfer contributions to your IRA without regard to any of the contribution limits described in this Disclosure Statement. See "Portability of IRA Assets" for more information.

**H. Kay Bailey Hutchison Spousal IRA contributions**

For 2022, if you file a joint return and your taxable compensation is less than that of your spouse, the most that can be contributed for the year to your IRA is the lesser of the following two amounts:

1. \$6,000 (\$7,000 if you will turn age 50 or older during the calendar year), or

2. The total compensation includible in the gross income of both you and your spouse for the year, reduced by the following two amounts.

- (a) Your spouse's IRA contribution for the year to a traditional IRA.
- (b) Any contributions for the year to a Roth IRA on behalf of your spouse.

This means that the total combined contributions that can be made for the year to your IRA and your spouse's IRA can be as much as \$12,000 (\$13,000 if only one of you will turn age 50 or older during the calendar year or \$14,000 if both of you will turn age 50 or older during the calendar year).

**Example** - Kristin, a full-time student with no taxable compensation, marries Carl during the year. Neither was age 50 by the end of 2022. For the year, Carl has taxable compensation of \$30,000. He plans to contribute (and deduct) \$5,500 to a traditional IRA. If he and Kristin file a joint return, each can contribute \$5,500 to a traditional IRA. This is because Kristin, who has no compensation, can add Carl's compensation, reduced by the amount of his IRA contribution, (\$30,000 – \$5,500 = \$24,500) to her own compensation (-0) to figure her maximum contribution to a traditional IRA. In her case, \$5,500 is her contribution limit, because \$5,500 is less than \$24,500 (her compensation for purposes of figuring her contribution limit).

**I. Non-forfeiture**

Your interest in your IRA is non forfeitable.

**J. Eligible**

The custodian of your IRA must be a bank, savings and loan association, credit union, or a person approved by the Secretary of the Treasury. AssetMark Trust is treated as a bank for purposes of this rule.

**K. Commingling assets**

The assets of your IRA cannot be commingled with other property except in a common trust fund or common investment fund.

**L. Life Insurance**

No portion of your IRA may be invested in life insurance contracts.

**M. Collectibles**

You may not invest the assets of your IRA in collectibles (within the meaning of IRC Section 408(m)). A collectible is defined as any work of art, rug or antique, metal or gem, stamp or coin, alcoholic beverage, or any other tangible personal property specified by the Internal Revenue Service. Specially minted United States platinum, gold, and silver bullion coins, palladium bullion and certain state-issued coins are permissible IRA investments.

**N. Required minimum distribution calculations**

You are required to take minimum distributions from your IRA at a certain time in accordance with Treasury Regulations Sections 1.408-8. Failure to take required minimum distributions from your IRA may subject you to an Excess Accumulation penalty, described later in this Disclosure Statement under Federal Tax Penalties. Below is a summary of the IRA distribution rules.

1. You are required to take a minimum distribution from your IRA for the year in which you reach age 72 (70½ if you attained 70½ before January 1, 2020) and each year thereafter. You must take your first payout by your required beginning date, April 1 of the year following the year you attain age 72 (or 70½ if applicable). The minimum distribution for any taxable year is equal to the amount obtained by dividing the account balance at the end of the prior year by the applicable divisor.
2. The applicable divisor is generally determined using the Uniform Lifetime Table. The table assumes a beneficiary exactly 10 years younger than you regardless of who is the named beneficiary.  
If your spouse is your sole beneficiary and is more than 10 years younger than you, the required minimum distribution may be calculated using the actual joint life expectancy of you and your spouse from the Joint Life and Last Survivor Expectancy Table, rather than the life expectancy divisor from the Uniform Lifetime Table.  
We reserve the right to make no payment until you give us a proper payout request.
3. This paragraph is effective for deaths occurring before January 1, 2020. Your designated beneficiary is determined based on the beneficiary(ies) designated as of the date of your death and who remains your beneficiary(ies) as of September 30 of the year following the year of your death. If you die
  - (a) On or after your required beginning date, distributions must be made to your beneficiary or beneficiaries over the longer of the single life expectancy of your designated beneficiary or beneficiaries, or your remaining life expectancy. If there is no designated beneficiary as of September 30 of the year following the year of death, the required minimum distribution is based on the life expectancy corresponding to your age as of the birthday in your year of death, and reduced by one for each subsequent year.
  - (b) Before your required beginning date, the entire amount remaining in your account will, at the election of your beneficiary or beneficiaries, either
    - (i) Be distributed by December 31 of the year containing the fifth anniversary of your death, or
    - (ii) Be distributed in equal or substantially equal payments over the life or life expectancy of your designated beneficiary or beneficiaries.
4. This paragraph is effective for deaths occurring on or after January 1, 2020. Your designated beneficiary is determined based on the beneficiary(ies) designated as of the date of your death and who remains your beneficiary(ies) as of September 30 of the year following the year of your death. If you die before distribution of your entire interest, and you have a designated beneficiary:
  - (a) Subject to the exception for an eligible designated beneficiary in paragraph (b), the entire interest will be distributed by the end of the calendar year containing the tenth anniversary of your death.
  - (b) If any portion of your interest is payable to an eligible designated beneficiary, such portion will be distributed (in accordance with the regulations) –(I) over the life of such eligible designated beneficiary, or over a period not extending beyond the life expectancy of such eligible designated beneficiary, starting no later than the end of the calendar year following the calendar year of your death (or the end of the calendar year in which you would have attained age 72, if later and the eligible designated beneficiary is the surviving spouse of the individual), or (II) by the end of the calendar year containing the tenth anniversary of your death. An eligible designated beneficiary includes your surviving spouse, disabled and chronically ill individuals, individuals who are ten or less years younger than the deceased individual, and children who have not reached the age of majority. If your eligible designated beneficiary is your minor child, life expectancy payments continue until the child reaches the age of majority. Once the age of majority is reached, the beneficiary will have 10 years to deplete the account.
5. A spouse who is the sole designated beneficiary of your entire IRA may elect to redesignate your IRA as his or her own. Alternatively, the sole spouse beneficiary will be deemed to elect to treat your IRA as his or her own by either (1) making contributions to your IRA or (2) failing to timely remove a required minimum distribution from your IRA. Regardless of whether or not your spouse is the sole beneficiary of your IRA, a spouse beneficiary may roll over his or her share of the assets to his or her own IRA.
6. A Qualified Charitable Distribution, described below, will count towards satisfying applicable minimum required distributions.
7. These transactions are often complex. If you have any questions regarding required minimum distributions, please see a competent tax advisor.

Your beneficiary or beneficiaries must elect either option (i) or (ii) by December 31 of the year following the year of your death. If no election is made, distribution will be made in accordance with (i). In the case of distributions under (ii), distributions must commence by December 31 of the year following the death. If your spouse is the beneficiary, distributions need not commence until December 31 of the year you would have attained age 70½, if later. If a beneficiary(ies) other than an individual or qualified trust as defined by the Regulations is named, you will be treated as having no designated beneficiary(ies) of your IRA for purposes of determining the distribution period. If there is no designated beneficiary of your IRA, the entire IRA must be distributed by December 31 of the year containing the fifth anniversary of your death.

## INCOME TAX CONSEQUENCES OF ESTABLISHING AN IRA

### A. IRA deductibility calculations

If you have taxable compensation, you may make an IRA contribution of the lesser of 100 percent of compensation or \$6000 (\$7000 if you will turn age 50 or older during the calendar year) for 2022 with possible cost-of-living adjustments after 2022. However, the amount of the contribution for which you may take a tax deduction will depend upon whether you (or, in some cases, your spouse) are an active participant in an employer-maintained retirement plan. If you (and your spouse, if married) are not an active participant, your IRA contribution will be totally deductible. If you are an active participant (or are married to an active participant), the deductibility of your contribution will depend on your modified adjusted gross

income (MAGI) for the tax year for which the contribution was made and your federal tax filing status. MAGI is determined on your tax return using your adjusted gross income but disregarding any deductible IRA contribution.

*Definition of Active Participant.* Generally, you will be an active participant if you are covered by one or more of the following employer-maintained retirement plans:

1. a qualified pension, profit sharing, 401(k), or stock bonus plan;
2. a qualified annuity plan of an employer;
3. a simplified employee pension (SEP) plan;
4. a retirement plan established by the Federal government,
5. a State, or a political subdivision (except certain unfunded deferred compensation plans under IRC Section 457);
6. a tax sheltered annuity for employees of certain tax-exempt organizations or public schools;
7. a plan meeting the requirements of IRC Section 501(c)(18);
8. a qualified plan for self-employed individuals (H.R. 10 or Keogh Plan); and
9. a SIMPLE IRA plan or a SIMPLE 401(k) plan.

If you do not know whether your employer maintains one of these plans or whether you are an active participant in it, check with your employer and your tax advisor. Also, the Form W-2 (Wage and Tax Statement) that you receive at the end of the year from your employer will indicate whether you are an active participant. If you are an active participant and are single, the deductible amount of your contribution is determined as follows: (1) take the Phase-out Maximum for the applicable year (specified below) and subtract your MAGI, (2) divide this total by the difference between the Phase-out Maximum and Phase-out Minimum (the maximum and minimum phase-out limits, as specified below), (3) multiply this number by the maximum allowable contribution for the applicable year, including catch-up contributions if you are 50 or older during the calendar year.

In the following table, for each filing type (Married Filing Joint Return or Single Filer) the left entry in the column is the Phase-Out Minimum and the right entry is the Phase-Out Maximum.

2012-2022 IRA DEDUCTIBILITY THRESHOLD LEVELS FOR ACTIVE PARTICIPANTS		
TAX YEAR	MARRIED FILING A JOINT RETURN	SINGLE FILER
2012	\$92,000-\$112,000	\$58,000-\$68,000
2013	\$95,000-\$115,000	\$59,000-\$69,000
2014	\$96,000-\$116,000	\$60,000-\$70,000
2015	\$98,000-\$118,000	\$61,000-\$71,000
2016	\$98,000-\$118,000	\$61,000-\$71,000
2017	\$99,000-\$119,000	\$62,000-\$72,000
2018	\$101,000-\$121,000	\$63,000-\$73,000
2019	\$103,000-\$123,000	\$64,000-\$74,000
2020	\$104,000-\$124,000	\$65,000-\$75,000
2021	\$105,000-\$125,000	\$66,000-\$76,000
2022	\$109,000-\$129,000	\$68,000-\$78,000

The resulting figure will be the maximum IRA deduction you may take. You must round the resulting number to the next highest \$10 if the number is not a multiple of 10. For example, if you are active participant and age 30 with MAGI of \$69,770 in 2022, your maximum deductible contribution is \$4,940 (the 2022 Phase-out Maximum of \$78,000 minus your MAGI of \$69,770, divided by the difference between the maximum and minimum phase-out limits of \$10,000 and multiplied by the contribution limit of \$6,000.)

If you are an active participant, are married and you file a joint tax return, the deductible amount of your contributions is determined as follows: (1) take the Phase-out Maximum for the applicable year (specified above) and subtract your MAGI, (2) divide this total by the difference between the phase-out maximum and minimum, (3) multiply this number by the maximum allowable contribution for the applicable year, including catch-up contributions if you will turn age 50 or older during the calendar year. The resulting figure will be the maximum IRA deduction you may take. For example, if you are an active participant, married filing jointly and age 30 with MAGI of \$110,000 in 2022, your maximum deductible contribution is \$5,700 (the 2022 Phase-out Maximum of \$129,000 minus your MAGI of \$110,000, divided by the difference between the maximum and minimum phase-out limits of \$20,000 and multiplied by the contribution limit of \$6,000.) You must round the resulting number to the next highest \$10 if the number is not a multiple of 10.

If you are married filing jointly and are not an active participant in an employer-maintained retirement plan, but are married to someone who is an active participant, your maximum deductible contribution is determined by taking: (1) \$214,000 for 2022 (\$208,000 for 2021) minus your MAGI; (2) divide this total by \$10,000; (3) multiply this number by the maximum allowable contribution for the applicable year, including catch-up contributions if you will turn age 50 or older during the calendar year. The resulting figure will be the maximum IRA deduction you may take.

If you are married filing jointly and are not an active participant in an employer-maintained retirement plan, but are married to someone who is an active participant and your MAGI is \$214,000 or more for 2022 (\$208,000 or more for 2022) you cannot take a deduction.

If you are an active participant, are married and you file a separate income tax return, your MAGI phase-out range is generally \$0 - \$10,000. However, if you lived apart from your spouse for the entire tax year, you are treated as a single filer.

Note that the Phase-out Maximums and Phase-out Minimums stated above may be increased by a possible cost-of-living increase annually.

#### B. *Tax-deferred earnings*

The investment earnings of your IRA are not subject to federal income tax until distributions are made (or, in certain circumstances, when distributions are deemed to be made).

#### C. *Nondeductible contributions*

You may make nondeductible contributions to your IRA to the extent that deductible contributions are not allowed. The sum of your deductible and nondeductible IRA contributions cannot exceed your contribution limit (the lesser of the contribution limits previously described or 100 percent of compensation). You may elect to treat deductible IRA contributions as nondeductible contributions.

Although your deduction for IRA contributions may be reduced or eliminated, contributions can be made to your IRA of up to the

general limit or, if it applies, the spousal IRA limit. The difference between your total permitted contributions and your IRA deduction, if any, is your nondeductible contribution.

If you make nondeductible contributions for a particular tax year, you must report the amount of the nondeductible contribution on your federal income tax return (using IRS Form 8606). If you overstate the amount of designated nondeductible contributions for any taxable year, you are subject to a \$100 penalty unless reasonable cause for an overstatement can be shown.

#### D. Taxation of distributions

The taxation of IRA distributions depends on whether or not you have ever made nondeductible IRA contributions. If you have only made deductible contributions, any IRA distribution will be fully included in income.

If you have ever made nondeductible contributions to any IRA, the following formula must be used to determine the amount of any IRA distribution excluded from income:  $(\text{Aggregate Nondeductible Contributions}) \times (\text{Amount Withdrawn}) / (\text{Aggregate IRA Balance}) = \text{Amount Excluded From Income}$

NOTE: Aggregate nondeductible contributions include all nondeductible contributions made by you through the end of the year of the distribution (which have not previously been withdrawn and excluded from income). Also note that aggregate IRA balance includes the total balance of all of your IRAs as of the end of the year of distribution and any distributions occurring during the year.

#### E. Qualified Charitable Distributions

The provision that excludes up to \$100,000 per taxpayer per year of qualified charitable distributions (QCD) from income has been extended permanently. A QCD is generally a nontaxable distribution made directly by the trustee of your IRA to qualified charitable organization. Contributions to supporting organizations and donor-advised funds do not qualify for this tax treatment. (QCDs can also be made in certain limited circumstances directly from a SIMPLE IRA or SEP IRA to which no employer contributions are being made for the applicable year.) You must be at least age 70½ when the distribution was made to be eligible for the exclusion. Also, you must have the same type of acknowledgement of your contribution that you would need to claim a deduction for a charitable contribution. See Records To Keep in Publication 526, Charitable Contributions. The maximum annual exclusion for QCDs is \$100,000 per taxpayer. Any QCD in excess of the \$100,000 exclusion limit is included in income as any other distribution. If you file a joint return, your spouse can also have a QCD and exclude up to \$100,000. The amount of the QCD is limited to the amount of the distribution that would otherwise be included in income. If your IRA includes nondeductible contributions, the distribution is first considered to be paid out of otherwise taxable income.

A QCD will count towards your required minimum distribution.

You cannot claim a charitable contribution deduction for any QCD not included in your income.

*Ordinary income.* Distributions from traditional IRAs that you include in income are taxed as ordinary income.

*No special treatment.* In figuring your tax, you cannot use the 10-year tax option or capital gain treatment that applies to lump-sum distributions from qualified retirement plans for participants born before January 2, 1936.

#### F. Portability of IRA assets

Your IRA may be directly transferred to another IRA of yours. A transfer of a traditional IRA to a Roth IRA is considered a conversion discussed in item 5 below. Your IRA may be rolled over to an IRA of yours, may receive rollover contributions, and may be converted to a Roth IRA, provided that all of the applicable rollover and conversion rules are followed. Rollover is a term used to describe a tax-free movement of cash or other property to your IRA from another IRA, or from your employer's qualified plan, tax-sheltered annuity plans (section 403(b)) plans, or governmental 457(b) deferred compensation plan. SIMPLE IRA funds may not be rolled to your IRA during the first two years you participate in your employer's SIMPLE IRA plan. Required minimum distributions are not eligible for rollover. The rollover rules are generally summarized below. These transactions are often complex. If you have any questions regarding a rollover, please see a competent tax advisor.

1. *Traditional IRA to traditional IRA rollovers.* Funds distributed from your IRA may be rolled over to any IRA of yours if the requirements of IRC section 408(d)(3) are met. A proper IRA to IRA rollover is completed if all or part of the distribution is rolled over not later than 60 days after the distribution is received. You may not have completed another IRA to IRA rollover from any IRA (including a SIMPLE IRA) or Roth IRA during the 12 months preceding the date you receive the distribution.
2. *SIMPLE IRA to traditional IRA rollovers.* Funds may be distributed from your SIMPLE IRA and rolled over to your IRA without IRS penalty, provided two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer. As with traditional IRA to traditional IRA rollovers, the requirements of IRC section 408(d)(3) must be met. A proper SIMPLE IRA to IRA rollover is completed if all or part of the distribution is rolled over not later than 60 days after the distribution is received. You may not have completed another SIMPLE IRA to IRA or SIMPLE IRA to SIMPLE IRA rollover from any IRA (including a SIMPLE IRA) or Roth IRA during the 12 months preceding the date you receive the distribution.
3. *Employer-sponsored retirement plans to IRA rollovers.* You may roll over directly or indirectly, any eligible rollover distribution. An eligible rollover distribution is defined generally as any distribution from a qualified plan, tax-sheltered annuity (section 403(b)) plan, or governmental 457(b) deferred compensation plan (other than distributions to non-spouse beneficiaries) unless it is part of certain series of substantially equal periodic payments, a required minimum distribution, a hardship distribution, or other similar distributions designated by the IRS. A direct transfer from a deceased employee's qualified pension, profit-sharing or stock bonus plan, annuity plan, tax-sheltered annuity (section 403(b)) plan, or governmental deferred compensation (section 457) plan to an IRA set up to receive the distribution on your behalf can be treated as an eligible rollover distribution if you are the designated beneficiary of the plan and not the employee's spouse. The IRA is treated as an inherited IRA.

If you elect to receive your rollover distribution prior to placing it in an IRA, thereby conducting an indirect rollover, your plan administrator will generally be required to withhold 20 percent of your distribution as a prepayment of income taxes. When completing the rollover, you may make up the amount withheld, out of pocket, and rollover the full amount distributed from your qualified plan balance, if you so choose. To qualify as a rollover, your eligible rollover distribution must be rolled

over to your IRA not later than 60 days after you receive it. Alternatively, you may claim the withheld amount as income and pay the applicable income tax and, if you are under age 59½, the 10 percent early distribution tax (unless an exception to the additional tax applies).

As an alternative to the indirect rollover, your employer generally must give you the option of directly rolling your qualified plan balance over to an IRA. If you elect the direct rollover option, your eligible rollover distribution will be paid directly to the IRA (or other qualified plan) that you designate. The direct rollover option must generally also be made available to your beneficiary after your death. The 20 percent tax withholding requirements do not apply to direct rollovers.

4. *Traditional IRA to employer-sponsored retirement plans.* You may generally roll over tax-free, directly or indirectly, a distribution from an IRA to an employer's qualified plan, tax-sheltered annuity (section 403(b)) plan, or governmental 457(b) deferred compensation plan, but only to the extent it would be includible in gross income if it were not rolled over. Eligible retirement plans are permitted, but not required, to accept such rollovers. The IRA does not have to be maintained as a conduit IRA in order to be eligible to roll over to an employer-sponsored retirement plan.
5. *Traditional IRA to Roth IRA rollovers.* You are eligible to roll over (or convert) all or any portion of your existing traditional IRA(s) into your Roth IRA(s). The amount of the rollover from your traditional IRA to your Roth IRA shall be treated as a distribution for income tax purposes and is includible in your gross income (except for any nondeductible contributions). Although the rollover amount is generally included in income, the 10 percent early distribution tax shall not apply to rollovers or conversions from a traditional IRA to a Roth IRA regardless of whether you qualify for any exceptions to the 10 percent tax. In addition, rollovers from traditional IRAs to Roth IRAs (conversions) are not subject to the one-rollover-per-year limitation.
6. *Qualified health savings account (HSA) funding distribution.* If you are covered by a high deductible health plan (HDHP), you may be able to make a nontaxable HSA funding distribution from your IRA (other than a SEP or SIMPLE IRA) that would otherwise be included in income up to the HSA contribution limit.
7. *Recharacterizations.* You may be able to treat a contribution made to one type of IRA as having been made to a different type of IRA. This is called recharacterizing the contribution.
 

To recharacterize a contribution, you generally must have the contribution transferred from the first IRA (the one to which it was made) to the second IRA in a trustee-to-trustee transfer. If the transfer is made by the due date (including extensions) for your tax return for the year during which the contribution was made, you can elect to treat the contribution as having been originally made to the second IRA instead of to the first IRA. If you recharacterized your contribution, you must do all three of the following:

  - Include in the transfer any net income allocable to the contribution. If there was a loss, the net income you transfer must be a negative amount.
  - Report the recharacterization on your tax return for the year during which the contribution was made.
  - Treat the contribution as having been made to the second IRA on the date that it was actually made to the first IRA.

Beginning in 2018, you cannot recharacterize a traditional IRA to a Roth IRA conversion.

*No deduction allowed.* You cannot deduct the contribution to the first IRA. Any net income you transfer with the recharacterized contribution is treated as earned in the second IRA. The contribution will not be treated as having been made to the second IRA to the extent any deduction was allowed for the contribution to the first IRA.

8. *Written election.* At the time you make a proper rollover to an IRA, you must designate to the Trustee/Custodian, in writing, your election to classify that contribution as a rollover. Once made, the rollover election is irrevocable.

## LIMITATIONS AND RESTRICTIONS

### A. *SEP plans*

Under a Simplified Employee Pension (SEP) Plan that meets the requirements of IRC Section 408(k), your employer may make contributions to your IRA. Your employer is required to provide you with information which describes the terms of your employer's SEP Plan.

### B. *Deduction of rollovers and transfers*

A deduction is not allowed for rollover or transfer contributions.

### C. *Gift tax*

Transfers of your IRA assets to a named beneficiary made during your life and at your request or because of your failure to instruct otherwise, may be subject to federal gift tax under IRC Section 2501.

### D. *No special tax treatment*

Capital gains treatment and the favorable five or ten year forward averaging tax authorized by IRC Section 402 do not apply to IRA distributions.

### E. *Income tax withholding*

Any withdrawal from your IRA, except a direct transfer, is subject to federal income tax withholding. You may, however, elect not to have tax withholding apply to your IRA withdrawal. If tax withholding is applied to your withdrawal, not less than 10 percent of the amount withdrawn must be withheld.

### F. *Prohibited transactions*

If you or your beneficiary engage in a prohibited transaction with your IRA, as described in IRC Section 4975, your IRA will lose its tax-exempt status and you must include the value of your account in your gross income for that taxable year. The following transactions are a nonexclusive list of examples of transactions that can be prohibited transactions with your IRA: (1) taking a loan from your IRA; (2) buying property for personal reasons; or (3) receiving certain bonuses or premiums because of your IRA.

### G. *Pledging*

If you pledge any portion of your IRA as collateral for a loan, the amount so pledged will be treated as a distribution and will be included in your gross income for that year. The pledge is a prohibited transaction that will cause your IRA to lose its tax-exempt status.

## ADDITIONAL FEDERAL TAXES

### A. Excess contribution excise tax

An excise tax of six percent is imposed upon any excess contribution you make to your IRA for a year that is not withdrawn by the date your return for the year is due (including extensions). This tax will apply each year in which an excess remains in your IRA. An excess contribution is any contribution amount that exceeds the maximum annual contribution, explained above, excluding proper rollover contributions and direct transfer amounts.

Rules for withdrawing excess contributions are discussed under Early Distribution Tax Exceptions below.

### B. Excess accumulation excise tax

A 50% excise tax is imposed if distributions are less than the required minimum distribution for the year. The IRS may abate or waive the excise tax if you establish that it was made due to reasonable error, and you have taken, or are taking, steps to remedy the insufficient distribution.

### C. Early distribution tax

If you are under age 59½ and receive an IRA distribution, an additional tax of 10 percent will apply unless you qualify for any exception listed below. This additional tax will apply only to the portion of a distribution that is includible in your income.

### D. Early distribution tax exceptions

*Death.* Payments are made to your beneficiary (or to your estate) after your death.

*Disability.* You are disabled (unable to do any substantial gainful activity due to a physical or mental condition expected to result in your death or be of long, continued, and indefinite duration.)

*Substantially equal payments.* The distributions are part of a series of substantially equal payments over your life (or your life expectancy) or over the lives (or the joint life expectancies) of you and your beneficiary. You must use an IRS-approved distribution method and you must take at least one distribution annually for this exception to apply. The "required minimum distribution" method is described in Publication 590. Note that this method calculates the exact amount required to be distributed, not the minimum amount. Other IRS-approved methods are described in Revenue Ruling 2002-62 in Internal Revenue Bulletin 2002-42. These methods are complex and generally require professional assistance to implement.

Substantially equal payments must generally continue until at least 5 years after the date of the first payment or until you reach age 59½, whichever is later. If a change from an approved distribution method is made before the end of the appropriate period, any payments you receive before you reach age 59½ will be subject to the 10% additional tax. This is true even if the change is made after you reach age 59½. The payments will not be subject to the 10% additional tax if another exception applies or if the change is made because of your death or disability.

If you are receiving a series of substantially equal periodic payments, you can make a one-time switch to the required minimum distribution method at any time without incurring the additional tax. Once a change is made, you must follow the required minimum distribution method in all subsequent years.

*Levy.* The distribution is due to the IRS levy under IRC Sec. 6331.

*Health insurance.* Distribution taken by an IRA holder who received federal or state unemployment compensation for 12 consecutive weeks and who is using the distribution(s) to pay for health insurance is not subject to the 10% early distribution tax. The distribution must be taken in the year that the unemployment was received or in the year following. In addition, the distribution cannot be taken more than 60 days after the IRA holder is reemployed.

*Medical expenses.* Distributions used for unreimbursed deductible medical expenses are not subject to the 10% early distribution tax.

*Higher education expenses.* Under this exception to the 10 percent early distribution tax, an IRA holder may take distributions from his or her IRA to the extent that such distributions do not exceed the qualified higher education expenses of the taxpayer for the taxable year. (IRC Sec. 72(t)(2)(E)). Generally, tax-free distributions may be taken to pay for the qualified higher education expenses of the IRA holder, the IRA holder's spouse, and any child or grandchild of the taxpayer or the taxpayer's spouse at an eligible education institution.

Higher education expenses include tuition, books, fees, supplies and equipment applied to education at an eligible educational institution.

*First-time home purchase expenses.* Distributions from IRAs to pay for qualified first-time home purchase expenses may be taken without incurring the 10 percent early distribution tax (IRC Sec. 72(t)(2)(F)). A qualified first-time home purchase expense distribution is defined as any distribution received by an individual to the extent that the distribution is used by the IRA holder before the close of the 120th day after the day on which the distribution is received. The distribution may be taken to pay the qualified acquisition costs with respect to a principal residence of a first-time homebuyer who is the IRA holder, the IRA holder's spouse, or the IRA holder's child, grandchild or ancestor of the IRA holder or his or her spouse. The aggregate amount of IRA distributions taken by an IRA holder that may be treated as qualified first-time home purchase expenses cannot exceed a lifetime limit of \$10,000. Under IRC Sec. 72(t)(8)(D)(i), a first-time homebuyer is defined as an individual (and, if married, the individual's spouse) that had no present ownership interest in a principal residence during the two-year period ending on the date of acquisition of the principal residence.

*Birth or adoption of child.* Effective January 1, 2020, up to \$5,000 can be withdrawn tax free within one year of the birth or adoption of a child.

*Qualified reservist distributions.* A qualified reservist distribution is not subject to the additional tax on early distributions.

*Qualified disaster distributions.* Under special laws and conforming relief granted by the Internal Revenue Service, you may be eligible for favorable tax treatment on certain IRA transactions if you sustain an economic loss or are otherwise affected by certain federally declared disasters. Favorable tax treatment may include relief from the 10% early distribution tax, the option to include a distribution in your gross income ratably over multiple years, and the ability to roll over distributions without regard to rollover restrictions. Additional information regarding qualified disaster distributions may be found in Publication 590-A and Publication 590-B.

*Qualified coronavirus-related distributions.* Qualified coronavirus-distributions made in 2020 will be taxed ratably over a three-year period, unless you elected otherwise, and you will have three years from the day after the date you received the qualified coronavirus-related distribution to make a repayment to an eligible retirement plan.

*Return of excess contributions.* Distributions from IRAs that timely return to you excess contributions, as defined above, are not subject to the early distribution tax. Note that the earnings on the returned excess contributions will be subject to the 10% additional tax unless another exception applies. The return of excess contributions and related earnings for a tax year is timely if made before the due date of your federal income tax return (plus filing extensions) for that year. If you have filed your tax return on time, a special rule allows you up to 6 months from the original due date (usually April 15) to withdraw the excess contributions, without penalty.

#### E. Reporting additional taxes.

You must file Form 5329 with the Internal Revenue Service to report and remit any penalties or excise taxes.

#### OTHER

##### A. IRS plan approval

The form of the initial agreement used to establish this IRA has been approved by the Internal Revenue Service. The Internal Revenue Service approval is a determination only as to form. It is not an endorsement of the plan in operation or of the investments offered.

##### B. Additional information

You may obtain further information on IRAs from the Internal Revenue Service. In particular, you may wish to obtain IRS Publication 590-A, Contributions to Individual Retirement Arrangements and IRS Publication 590-B, Distributions from Individual Retirement Arrangements. All references made to Tables and Schedules in Publication 590-A and Publication 590-B in this Disclosure Statement are to the 2021 Publication 590-A edition and 2020 Publication 590-B edition.

### ASSETMARK TRUST COMPANY ROTH IRA TRUST AGREEMENT

#### FORM 5305-R UNDER SECTION 408A OF THE INTERNAL REVENUE CODE

- The Grantor, the Account Holder whose name appears on the attached Application, is establishing a Roth Individual Retirement Account under Section 408A to provide for his or her retirement and for the support of his or her beneficiaries after death.
- The Trustee, Custodian AssetMark Trust Company, named on the attached Application has given the Grantor the disclosure statement required under Regulations Section 1.408-6.
- The Grantor has assigned to the Trust Account the sum indicated on the Application.
- The Grantor and the Trustee make the following agreement.

#### ARTICLE I

Except in the case of a rollover contribution described in Section 408A(e), a recharacterized contribution described in Section 408A(d) (6), or an IRA Conversion Contribution, the Trustee will accept only cash contributions up to \$3,000 per year for tax years 2002 through 2004. That contribution limit is increased to \$4,000 for tax years 2005 through 2007 and \$5,000 for 2008 and thereafter. For individuals who have reached the age of 50 before the close of the tax year, the contribution limit is increased to \$3,500 per year for tax years 2002

through 2004, \$4,500 for 2005, \$5,000 for 2006 and 2007, and \$6,000 for 2008 and thereafter. For tax years after 2008, the above limits will be increased to reflect a cost-of-living adjustment, if any.

#### ARTICLE II

1. The annual contribution limit described in Article I is gradually reduced to \$0 for higher income levels. For a single grantor, the annual contribution is phased out between modified adjusted gross income (MAGI) of \$129,000 and \$144,000; for a married grantor filing jointly, between MAGI of \$204,000 and \$214,000; and for a married grantor filing separately, between MAGI of \$0 and \$10,000. In the case of a conversion, the Trustee will not accept IRA Conversion Contributions in a tax year if the Grantor's MAGI for the tax year the funds were distributed from the other IRA exceeds \$100,000 or if the Grantor is married and files a separate return. Modified adjusted gross income is defined in section 408A(c)(3) and does not include IRA Conversion Contributions.
2. In the case of a joint return, the MAGI limits in the preceding paragraph apply to the combined MAGI.

#### ARTICLE III

The Grantor's interest in the balance in the Trust Account is non forfeitable.

#### ARTICLE IV

1. No part of the Trust Account funds may be invested in life insurance contracts, nor may the assets of the Trust Account be commingled with other property except in a common trust fund or common investment fund (within the meaning of section 408(a)(5)).
2. No part of the Trust Account funds may be invested in collectibles (within the meaning of section 408(m)) except as otherwise permitted by section 408(m)(3), which provides an exception for certain gold, silver, and platinum coins, coins issued under the laws of any state, and certain bullion.

#### ARTICLE V

1. This paragraph applies if the Grantor died before January 1, 2020. If the Grantor dies before his or her entire interest is distributed to him or her and the Grantor's surviving spouse is not the designated beneficiary, the remaining interest will be distributed in accordance with (a) below or, if elected or there is no designated beneficiary, in accordance with (b) below:
  - (a) The remaining interest will be distributed, starting by the end of the calendar year following the year of the Grantor's death, over the designated beneficiary's remaining life expectancy as determined in the year following the death of the Grantor.
  - (b) The remaining interest will be distributed by the end of the calendar year containing the fifth anniversary of the Grantor's death.
  - (c) The minimum amount that must be distributed each year under paragraph 1(a) above is the account value at the close of business on December 31 of the preceding year divided by the life expectancy (in the single life table in Regulations section 1.401(a)(9)-9 for distribution calendar years beginning on or after January 1, 2022 (the single life table under former Regulations section 1.401(a)(9)-9 applies to distribution calendar years prior to January 1, 2022)) of the designated beneficiary using the attained age of the beneficiary in the year following the year of the Grantor's death and subtracting 1 from the divisor for each subsequent year.

2. If the Grantor dies on or after January 1, 2020, most non-spouse designated beneficiaries will be required to take their post-death distributions within ten years of the Grantor's death. Certain exceptions apply to "eligible designated beneficiaries" which include your surviving spouse, disabled and chronically ill individuals, individuals who are ten or less years younger than the deceased individual, and children who have not reached the age of majority. If the Grantor's eligible designated beneficiary is the Grantor's minor child, life expectancy payments continue until the child reaches the age of majority. Once the age of majority is reached, the beneficiary will have 10 years to deplete the account.
3. If the Grantor's surviving spouse is the designated beneficiary, such spouse will then be treated as the Grantor.

#### ARTICLE VI

1. The Grantor agrees to provide the Trustee with all information necessary to prepare any reports required by Sections 408(i) and 408A(d)(3)(E), Regulations Sections 1.408-5 and 1.408-6, or other guidance published by the Internal Revenue Service (IRS).
2. The Trustee agrees to submit to the IRS and Grantor the reports prescribed by the IRS.

#### ARTICLE VII

Notwithstanding any other articles that may be added or incorporated, the provisions of Articles I through IV and this sentence will be controlling. Any additional articles inconsistent with section 408A, the related regulations, and other published guidance will be invalid.

#### ARTICLE VIII

This Agreement will be amended as necessary to comply with the provisions of the IRC, the related regulations, and other published guidance. Other amendments may be made with the consent of the persons whose signatures appear on the application.

#### ARTICLE IX

##### 1. *Roth IRA Trust Agreement supplements AssetMark Trust Company Custody Agreement*

This Roth IRA Trust Agreement supplements and is supplemented by the AssetMark Trust Company Custody Agreement, and the terms of the AssetMark Trust Company Custody Agreement shall also apply to this Roth IRA Trust Account, to the extent they do not conflict with the terms of this Roth IRA Trust Agreement.

##### 2. *Definitions and section references*

The words "you" and "your" mean the "Grantor." The "Grantor" is referred to as the "Account Holder" in the AssetMark Trust Company Account Application. The words "we," "us," and "our" mean the Trustee, Custodian AssetMark Trust Company. "Trust Account" is the Roth Individual Retirement Account, or Roth IRA, established by this agreement. IRA Conversion Contributions are amounts rolled over, transferred, or considered transferred from a non-Roth IRA to a Roth IRA. A non-Roth IRA is an individual retirement account or annuity described in section 408(a) or 408(b), other than a Roth IRA. "IRC" means the Internal Revenue Code of 1986, as amended. Other capitalized terms not defined in this IRA Trust Agreement shall be given their meanings as set forth in the Custody Agreement. Section references are to the IRC unless otherwise noted.

##### 3. *Contributions made by deposit of tax refunds*

In addition to the contribution types referenced in Article 1, we will accept the deposit of federal income tax refunds, as provided in Section 830 of the Pension Protection Act of 2006, as the equivalent of cash contributions to your Roth IRA.

##### 4. *Increase in contribution limits*

For 2022, the contribution limits stated in Article I are increased as follows: The contribution limit is increased to \$6000. For individuals who have reached the age of 50 before the close of the calendar year, the contribution limit is increased to \$7000.

##### 5. *Investment of amounts in your Roth IRA*

- (a) You shall have exclusive responsibility for the investment of your Roth IRA.
- (b) Trustee AssetMark Trust shall have no responsibility for the investment of your Roth IRA. Trustee AssetMark Trust shall have no discretion to direct any investment in your Roth IRA. AssetMark Trust assumes no responsibility for rendering investment advice with respect to your Roth IRA, nor will AssetMark Trust offer any opinion or judgment to you on matters concerning the advisability or suitability of any investment or proposed investment for your Roth IRA.
- (c) You may delegate your investment responsibility for your Roth IRA to another party acceptable to us, such as to an advisor pursuant to a Client Advisory Agreement available on the AssetMark Platform. To the extent that the assets of your Roth IRA are subject to an investment advisory arrangement, such as a Client Advisory Agreement, the terms of that arrangement or Client Advisory Agreement shall apply to the investment of those assets. Trustee AssetMark Trust has no responsibility to review or question, nor shall AssetMark Trust be responsible for, the directions of an investment adviser to your Roth IRA. To the extent that there exist assets in your Roth IRA that are not subject to an investment advisory arrangement, you shall remain exclusively responsible for the investment of those assets.

##### 6. *Beneficiaries*

If you die before you receive all of the amounts in your Roth IRA, payments from your Roth IRA shall be made to your beneficiaries. You may designate one or more person(s) or entity as beneficiary of your Roth IRA. This designation can only be made on a form acceptable to us, and it shall only be effective when it is filed with and accepted by us during your lifetime. Each beneficiary designation accepted by us shall cancel any previous designation. The designation of a beneficiary shall have no effect until your death. The consent of a beneficiary shall not be required for you to revoke a beneficiary designation. If you do not designate a beneficiary, or if in the case of a trust or other entity designated as a beneficiary, it has been dissolved or otherwise ceased to exist prior to your death, then your estate shall be your beneficiary.

If the beneficiary payment election described in Article V, Section 1, if applicable, of this Agreement is not made by December 31 of the year following the year of your death, however, then the payment described in Section 1(b) shall be deemed elected (that is the remaining interest shall be distributed by the end of the calendar year containing the fifth anniversary of your death). If your designated beneficiary is your spouse, however, then distributions over your spouse's life expectancy need not commence until December 31 of the year you would have attained age 72 (or 70½ if you attained 70½ before January 1, 2020), if later. Notwithstanding Article V, Section

1(b), instead of assuming the IRA, a surviving spouse may elect to take the distributions as a non-spouse beneficiary.

The following paragraph applies if you do not specify “per stirpes” when designating beneficiaries: Unless you specify “per stirpes,” the “per capita” method of beneficiary designation shall be used and a beneficiary’s rights shall end with that beneficiary’s death. Your Roth IRA shall pass to all the primary beneficiaries who survive you, in equal shares, unless you have designated other proportions. If any of the primary beneficiaries should predecease you, then your Roth IRA shall pass only to the surviving primary beneficiaries with the deceased primary beneficiary’s share being divided among the surviving primary beneficiaries in proportion to the percentages specified for the remaining primary beneficiaries. If none of the primary beneficiaries survive you, then your Roth IRA shall pass to those designated as contingent beneficiaries who survive you, in equal shares, unless other proportions are designated. If you have named more than one primary or contingent beneficiary and specified percentages do not total 100%, the unallocated portion of your Roth IRA account shall be shared equally among the beneficiaries. Only beneficiaries identified by name shall share in the Roth IRA assets with a Beneficiary Designation that does not include per stirpes, and a predeceased beneficiary’s estate shall have no claim to or interest in the Roth IRA.

The following paragraph applies if you specify “per stirpes” when designating beneficiaries: The term “per stirpes” (or “by branch”) means that if any primary beneficiary dies before you, but has descendants, that beneficiary’s share will be paid to such descendants (in the generation nearest the deceased beneficiary) equally. For example, if you designate your three children as beneficiaries per stirpes (with equal shares) and, at the time of your death, one child, who has two living children (your grandchildren), has predeceased you, then each of your two living children will receive one third of the Roth IRA assets and your two grandchildren of your deceased child will each receive one half of the one third share of the Roth IRA (one sixth each). In this example, if you have a third grandchild with a living parent (your child), they will not receive any portion of your account but your child will receive what you have allocated to him or her as a beneficiary. If your deceased child has a living spouse (who is not designated as a beneficiary), that spouse will not receive any portion of your Roth IRA but that deceased child’s portion will be divided equally among his or her children (among those in the generation nearest your child). For purposes of this per stirpes beneficiary designation, the number of branches is determined by reference to your children, even if all have predeceased you, regardless of what state you may be a resident of or what state law may be applicable to your estate.

The following paragraphs apply to all beneficiary designations.

Upon your death, AssetMark is authorized, at its discretion, to look to the executor of your estate for information and instructions regarding the distribution of your Roth IRA. AssetMark may rely upon the instructions of your estate executor and shall not be liable for any payments made at their direction.

If a beneficiary survives you, but is not alive at the time of the transfer of the IRA assets, then the assets will become part of that beneficiary’s estate. If it cannot be determined that a beneficiary has survived you by 120 hours, then the beneficiary will be deemed not to have survived.

If any beneficiary is or becomes married to you, then a dissolution of that marriage shall have no effect on any designation of that former spouse as beneficiary, unless that beneficiary designation is revoked. The former spouse will not be treated as a spouse for

purposes of the application of the required minimum distribution rules upon your death.

In the event that any securities or other property in your Roth IRA cannot, for any reason, be partitioned and transferred to accounts for the beneficiaries, AssetMark shall, to the extent necessary, liquidate those securities or other property and transfer the proceeds of that sale.

AssetMark Trust has no obligation: (i) to locate beneficiaries; (ii) to question or investigate the circumstances of your death as it is reported to it; (iii) to determine the age or any other facts about a beneficiary; (iv) to appoint, if applicable, a custodian or guardian for any minor beneficiary; (v) to locate or notify any spouse(s), children or other heirs upon your death; (vi) to verify the legality of any distribution or any part of this Agreement under the probate, estate, inheritance, community property, transfer on death or other laws of any state, including the state where this Agreement is made; or (vii) to determine which state’s law is applicable to any place and transfer, payment, distribution or any term or provision of this Agreement.

In connection with AssetMark Trust acting in compliance with this Agreement and your beneficiary designation, you agree to indemnify and hold AssetMark, its affiliates, directors, officers, agents and employees, and their successors and assigns, harmless from any liability to any person or entity, including but not limited to the beneficiary(ies) and your estate, personal representatives, heirs, assigns, agents, children, descendants, successors, and spouse(s) and/or any other person, for any actions taken in opening and maintaining your Roth IRA and making the distributions upon receipt of notice of your death.

## 7. Termination

Either Party may terminate this Agreement at any time by giving written notice to the other. AssetMark Trust can resign as Trustee at any time effective 30 days after written notice of our resignation is mailed to you. Upon receipt of that notice, you shall make arrangements to transfer your Roth IRA to another financial organization or accept payment of the balance of your Roth IRA. If you do not complete a transfer of your Roth IRA within 30 days from the date we mail the notice to you, AssetMark Trust has the right to transfer your Roth IRA assets to a successor Roth IRA custodian or trustee that we choose in our sole discretion or we may pay the balance in your Roth IRA to you in a single sum. We shall not be liable for any actions or failure to act on your part or on the part of any successor custodian or trustee nor for any tax consequences you may incur that result from the transfer or distribution of your assets pursuant to this Section.

If this agreement is terminated, we may hold back from your Roth IRA a reasonable amount of money that we believe is necessary to cover any one or more of the following:

- any fees, expenses or taxes chargeable against your Roth IRA;
- any penalties or additional taxes associated with the early withdrawal of any savings instrument or other investment in your IRA.

If our organization is merged with another organization (or comes under the control of any Federal or State agency), or if our entire organization (or any portion that holds your Roth IRA) is bought by another organization, that organization (or agency) shall automatically become the Trustee or Custodian of your Roth IRA, but only if it is the type of organization authorized to serve as a Roth IRA trustee or custodian.

## 8. Amendments and effectiveness

Your Roth IRA is established after you have executed the application and AssetMark Trust has accepted the account. This account must be created in the United States for the exclusive benefit of you and your beneficiaries. We have the right to amend this agreement at any time. Any amendment we make to comply with the IRC and related regulations does not require your consent. You will be deemed to have consented to any other amendment unless, within 30 days from the date we mail the amendment, you notify us in writing that you do not consent.

## 9. Withdrawals

All requests for withdrawals shall be in writing on a form provided by or acceptable to us. The method of distribution must be specified in writing. The tax identification number of the recipient must be provided to us before we are obligated to make a distribution.

Any withdrawals shall be subject to all applicable tax and other laws and regulations including a possible 10% early withdrawal tax and tax withholding requirements.

## 10. Transfers from other plans

We can receive amounts transferred to this Roth IRA from the custodian or trustee of another Roth IRA. We reserve the right not to accept any transfer.

## 11. Liquidation of assets

We have the right to liquidate assets in your Roth IRA if necessary to make distributions or to pay fees, expenses or taxes properly chargeable against your Roth IRA. If you fail to tell us which assets to liquidate, we will decide at our complete and sole discretion and you agree not to hold us liable for any adverse consequences that result from our decision.

## 12. Restrictions on the Roth IRA

Neither you nor any beneficiary may sell, transfer or pledge any interest in your Roth IRA in any manner whatsoever, except as provided by law or this agreement.

The assets in your Roth IRA shall not be responsible for debts, contracts or torts of any person entitled to distributions by law or this agreement.

## 13. Governing law; severability

This Agreement is subject to all applicable federal and state laws and regulations. If it is necessary to apply any state law to interpret and administer this agreement, the law of the State of New York, as applied to contracts entered into and completely performed in New York, shall govern.

If any part of this agreement is held to be illegal or invalid, the remaining parts shall not be affected. Neither your nor our failure to enforce at any time or for any period of time any of the provisions of this agreement shall be construed as a waiver of such provisions, or your right or our right thereafter to enforce each and every such provision.

## ASSETMARK TRUST COMPANY ROTH IRA DISCLOSURE STATEMENT

### RIGHT TO REVOKE YOUR ROTH IRA

If you receive this Disclosure Statement at the time you establish your Roth IRA, you have the right to revoke your Roth IRA within seven (7) days of its establishment. If revoked, you are entitled to a full return of the contribution you made to your Roth IRA. The amount returned to you would not include an adjustment for such items as sales commissions, administrative expenses, or fluctuation in market value. You may make this revocation only by mailing or delivering a written notice to AssetMark Trust at the address listed on the attached Application.

If you send your notice by first class mail, your revocation will be deemed mailed as of the date of the postmark.

If you have any questions about the procedure for revoking your Roth IRA, please call AssetMark Trust at the telephone number listed on the attached Application.

### REQUIREMENTS OF A ROTH IRA

#### A. Cash contributions

Your contribution must be in cash, unless it is a rollover contribution, including a conversion. The Pension Protection Act of 2006 authorizes you to direct the Internal Revenue Service to deposit all or a portion of any federal income tax refund you would otherwise receive in your Roth IRA. We will treat any such deposit as a cash contribution subject to the Roth IRA rules, including rules on timing of contributions, described below.

*Carryback contributions.* A contribution is deemed to have been made on the last day of the preceding taxable year if you make a contribution by the deadline for filing your federal income tax return (not including extensions), and you designate that contribution as a contribution for the preceding taxable year. For example, if you are a calendar year taxpayer and you make your Roth IRA contribution on or before your tax-filing deadline (generally April 15), your contribution is considered to have been made for the previous tax year if you designated it as such.

*Conversion methods.* You can convert amounts from a traditional IRA (i.e., an IRA subject to IRC Sections 408(a) or 408(b)) to a Roth IRA in any of the following three ways:

- *Rollover.* You can receive a distribution from a traditional IRA and roll it over (contribute it) to a Roth IRA within 60 days after the distribution.
- *Trustee-to-trustee transfer.* You can direct the trustee of the traditional IRA to transfer an amount from the traditional IRA to the trustee of the Roth IRA.
- *Same trustee transfer.* If the trustee of the traditional IRA also maintains the Roth IRA, you can direct the trustee to transfer an amount from the traditional IRA to the Roth IRA. Conversions made with the same trustee can be made by redesignating the traditional IRA as a Roth IRA, rather than opening a new account.

*Failed Conversions.* You cannot convert and reconvert an amount during the same tax year. If you reconvert during this period, it will be a failed conversion. Beginning In 2018, you cannot recharacterize a conversion to a Roth IRA.

**B. Maximum contributions**

The total amount you may contribute to a Roth IRA for any taxable year cannot exceed the lesser of 100 percent of your taxable compensation up to \$6,000 or \$7,000 if you will turn age 50 or older during 2022, with possible cost-of-living adjustments after 2022. If you also maintain a traditional IRA the maximum contribution to your Roth IRAs is reduced by any contributions you make to your traditional IRA during the year. Your total contribution to all traditional IRAs and Roth IRAs cannot exceed the lesser of the applicable limit mentioned previously or 100 percent of your taxable compensation.

However, if your modified AGI is above a certain amount, your maximum contribution may be reduced. Generally, you can contribute to a Roth IRA if you have taxable compensation and your modified AGI is less than:

**For 2022 –**

- \$214,000 for married filing jointly or qualifying widow(er);
- \$10,000 for married filing separately and you lived with your spouse at any time during the year; and
- \$144,000 for single, head of household, or married filing separately and you did not live with your spouse at any time during the year.

**For 2021 –**

- \$208,000 for married filing jointly or qualifying widow(er);
- \$10,000 for married filing separately and you lived with your spouse at any time during the year; and
- \$140,000 for single, head of household, or married filing separately and you did not live with your spouse at any time during the year.

**For 2020 –**

- \$206,000 for married filing jointly or qualifying widow(er);
- \$10,000 for married filing separately and you lived with your spouse at any time during the year; and
- \$139,000 for single, head of household, or married filing separately and you did not live with your spouse at any time during the year.

*Modified AGI.* Your Modified AGI for Roth IRA purposes is your adjusted gross income (AGI) as shown on your federal income tax return modified as follows:

1. Subtract conversion income. This is any income resulting from the conversion of an IRA (other than a Roth IRA) to a Roth IRA. Conversions are discussed below.
2. Add the following deductions and exclusions:
  - (a) Traditional IRA deduction
  - (b) Student loan interest deduction
  - (c) Foreign earned income exclusion and/or housing exclusion
  - (d) Foreign housing deduction
  - (e) Excludable qualified bond interest shown on IRS Form 8815, and
  - (f) Excluded employer-provided adoption benefits shown on IRS Form 8839.

You can use Worksheet 2-1 Modified Adjusted Gross Income for Roth IRA Purposes in IRS Publication 590-A to figure your modified AGI.

*Compensation.* Compensation includes wages, salaries, tips, professional fees, bonuses, and other amounts received for providing personal services. It also includes commissions, net earnings from self-employment, taxable alimony and separate maintenance payments for any divorce or separation instrument executed on or before December 31, 2018, and any amount which is included in gross income and paid in pursuit of graduate or postdoctoral study. If you were a member of the U.S. Armed Forces, compensation includes any nontaxable combat pay you received.

*Contribution limit reduced.* If your modified AGI is above a certain amount, your contribution limit is gradually reduced. If the amount you can contribute must be reduced, figure your reduced contribution limit as follows:

1. Start with your modified AGI.
2. Subtract from the amount in (1):
  - (a) \$204,000 for 2022 if filing a joint return or qualifying widow(er),
  - (b) \$0- if married filing a separate return, and you lived with your spouse at any time during the year, or
  - (c) \$129,000 for 2022 for all other individuals.
3. Divide the result in (2) by \$15,000 (\$10,000 if filing a joint return, qualifying widow(er), or married filing a separate return and you lived with your spouse at any time during the year),
4. Multiply your maximum contribution limit (before reduction by this adjustment and before reduction for any contributions to traditional IRAs) by the result in (3).
5. Subtract the result in (4) from the maximum contribution limit before this reduction. The result is your reduced contribution limit.

You can use Worksheet 2-2 Determining Your Reduced Roth IRA Contribution Limit in Publication 590-A to figure the reduction.

*Example.* You are a 45-year old, single individual with taxable compensation of \$128,000. You want to make the maximum allowable contribution to your Roth IRA for 2022. Your modified AGI for 2022 is \$128,000. You have not contributed to any traditional IRA, so the maximum contribution limit before the modified AGI reduction is \$6,000. Using the steps described earlier, you figure your reduced Roth IRA contribution of \$5,600.

*Spousal Roth IRA contributions.* If you file a joint return and your taxable compensation is less than that of your spouse, the most that can be contributed for the year to your Roth IRA is the greater of following two amounts:

1. For 2022, \$6,000 (\$7,000 if you will turn age 50 or older during the calendar year) or
2. The total compensation includible in the gross income of both you and your spouse for the year, reduced by the following two amounts.
  - (a) Your spouse's IRA contribution for the year to a Roth IRA.
  - (b) Any contributions for the year to a traditional IRA on behalf of your spouse.

This means that for 2022 the total combined contributions that can be made for the year to your Roth IRA and your spouse's Roth IRA can be as much as \$12,000 (\$13,000 if only one of you will turn age 50 or older during the calendar year or \$14,000 if both of you will turn age 50 or older during the calendar year).

*Example.* Kristin, a full-time student with no taxable compensation, marries Carl during the year. Neither was age 50 by the end of 2022. For the year, Carl has taxable compensation of \$50,000. He plans to contribute \$6,000 to a Roth IRA. If he and Kristin file a joint return, each can contribute \$6,000 to a Roth IRA. This is because Kristin, who has no compensation, can add Carl's compensation, reduced by the amount of his IRA contribution, (\$50,000 – \$6,000 = \$44,000) to her own compensation (-0-) to figure her maximum contribution to a Roth IRA. In her case, \$6,000 is her contribution limit, because \$6,000 is less than \$44,000 (her compensation for purposes of figuring her contribution limit).

### C. *Non-Forfeitability*

Your interest in your Roth IRA is nonforfeitable.

### D. *Eligible custodians*

The custodian of your Roth IRA must be a bank, savings and loan association, credit union, or a person approved by the Secretary of the Treasury. AssetMark Trust is treated as a bank for purposes of this rule. To be a Roth IRA, the account must be designated as a Roth IRA when it is set up.

### E. *Commingling assets*

The assets of your Roth IRA cannot be commingled with other property except in a common trust fund or common investment fund.

### F. *Life insurance*

No portion of your Roth IRA may be invested in life insurance contracts.

### G. *Collectibles*

You may not invest the assets of your Roth IRA in collectibles (within the meaning of IRC Section 408(m)). A collectible is defined as any work of art, rug or antique, metal or gem, stamp or coin, alcoholic beverage, or any other tangible personal property specified by the Internal Revenue Service. Specially minted United States platinum, gold, and silver bullion coins, palladium bullion and certain state-issued coins are permissible Roth IRA investments.

### H. *Required minimum distributions calculations*

You are not required to take minimum distributions from your Roth IRA during your lifetime. Below is a summary of the Roth IRA distribution rules applicable to your beneficiary(ies) under Treasury Regulations Section 1.408-8 after your death.

1. Your designated beneficiary is determined based on the beneficiary(ies) designated as of the date of your death and who remains your beneficiary(ies) as of September 30 of the year following the year of your death.
2. This paragraph applies to deaths occurring before January 1, 2020. If you die, the entire amount remaining in your account will, at the election of your beneficiary or beneficiaries, either
  - (i) Be distributed by December 31 of the year containing the fifth anniversary of your death, or

- (ii) Be distributed in equal or substantially equal payments over the life or life expectancy of your designated beneficiary or beneficiaries.

Your beneficiary or beneficiaries must elect either option (i) or (ii) by December 31 of the year following the year of your death. If no election is made, distributions will be made in accordance with (i). In the case of distributions under (ii), distributions must commence by December 31 of the year following the death. If your spouse is the beneficiary, distributions need not commence until December 31 of the year you would have attained age 70½, if later. If a beneficiary(ies) other than an individual or qualified trust as defined by the Regulations is named, you will be treated as having no designated beneficiary(ies) of your Roth IRA for purposes of determining the distribution period. If there is no designated beneficiary of your Roth IRA, the entire Roth IRA must be distributed by December 31 of the year containing the fifth anniversary of your death.

3. This paragraph is effective for deaths occurring on or after January 1, 2020. Your designated beneficiary is determined based on the beneficiary(ies) designated as of the date of your death and who remains your beneficiary(ies) as of September 30 of the year following the year of your death. If you die before distribution of your entire interest, and you have a designated beneficiary:
  - (a) Subject to the exception for an eligible designated beneficiary in paragraph (b), the entire interest will be distributed by the end of the calendar year containing the tenth anniversary of your death.
  - (b) If any portion of your interest is payable to an eligible designated beneficiary, such portion will be distributed (in accordance with regulations) –(I) over the life of such eligible designated beneficiary, or over a period not extending beyond the life expectancy of such eligible designated beneficiary, starting no later than the end of the calendar year following the calendar year of your death (or the end of the calendar year in which you would have attained age 72, if later and the eligible designated beneficiary is the surviving spouse of the individual), or (II) by the end of the calendar year containing the tenth anniversary of your death. An eligible designated beneficiary includes your surviving spouse, disabled and chronically ill individuals, individuals who are ten or less years younger than the deceased individual, and children who have not reached the age of majority. If your eligible designated beneficiary is your minor child, life expectancy payments continue until the child reaches the age of majority. Once the age of majority is reached, the beneficiary will have 10 years to deplete the account.
4. A spouse who is the sole designated beneficiary of your entire Roth IRA may elect to redesignate your Roth IRA as his or her own. Alternatively, the sole spouse beneficiary will be deemed to elect to treat your Roth IRA as his or her own by either (1) making contributions to your Roth IRA or (2) failing to timely remove a required minimum distribution from your Roth IRA. Regardless of whether or not your spouse is the sole beneficiary of your Roth IRA, a spouse beneficiary may roll over his or her share of the assets to his or her own Roth IRA.
5. These transactions are often complex. If you have any questions regarding required minimum distributions, please see a competent tax advisor.

## INCOMETAX CONSEQUENCES OF ESTABLISHING A ROTH IRA

### A. Tax-deferred earnings

The investment earnings of your Roth IRA are not subject to federal income tax unless and until taxable distributions are made (or, in certain circumstances, when taxable distributions are deemed to be made).

### B. Nondeductible contributions

All contributions to your Roth IRA are nondeductible.

### C. Taxation of distributions

You do not include in your gross income qualified distributions or distributions that are a return of your regular contributions from your Roth IRA(s). You also do not include distributions from your Roth IRA that you roll over tax free into another Roth IRA. You may have to include part of other distributions in your income. You report Roth IRA distributions that are not qualified distributions on IRS Form 8606, attached to your federal income tax return.

*What are qualified distributions?* A qualified distribution is any payment or distribution from your Roth IRA that meets the following requirements:

1. It is made after the 5-year period beginning with the first taxable year for which a contribution was made to a Roth IRA set up for your benefit, and
2. The payment or distribution is:
  - (a) Made on or after the date you reach age 59½,
  - (b) Made because you are disabled,
  - (c) Made to a beneficiary or to your estate after your death, or
3. One that meets the requirements listed under first-time home purchase expenses under early distribution penalty additional tax exceptions below (up to a \$10,000 lifetime limit).

Publication 590-B summarizes these rules in a flowchart, Figure 2-1, Is the Distribution from Your Roth IRA a Qualified Distribution?

*Ordering rules for distributions.* If you receive a distribution from your Roth IRA that is not a qualified distribution, part of it may be taxable. There is a set order in which contributions (including conversion contributions and rollover contributions from qualified retirement plans) and earnings are considered to be distributed from your Roth IRA. For these purposes, disregard the withdrawal of excess contributions and earnings on them (discussed later). The distributions are ordered as follows:

1. Regular contributions
2. Conversion and rollover contributions, on a first-in-first-out basis (generally, total conversions and rollovers from the earliest year first). See Aggregation (grouping and adding) rules, later. Take these conversion and rollover contributions into account as follows:
  - (a) Taxable portion (the amount required to be included in gross income because of conversion or rollover) first, and then the
  - (b) Non-taxable portion:
3. Earnings on contributions.

Disregard rollover contributions from other Roth IRAs for this purpose.

*Aggregation (grouping and adding) rules.* Determine the taxable amounts distributed (withdrawn), distributions, and contributions by grouping and adding them together as follows:

- Add all distributions from all your Roth IRAs during the year together.
- Add all regular contributions made for the year (including contributions made after the close of the year, but before the due date of your return) together. Add this total to the total undistributed regular contributions made in prior years.
- Add all conversion and rollover contributions made during the year together. For purposes of the ordering rules, in the case of any conversion or rollover in which the conversion or rollover distribution is made in 2020 and the conversion or rollover contribution is made in 2021, treat the conversion or rollover contribution as contributed before any other conversion or rollover contributions.

Add any recharacterized contributions that end up in a Roth IRA to the appropriate contribution group for the year that the original contribution would have been taken into account if it had been made directly to the Roth IRA.

Disregard any recharacterized contribution that ends up in an IRA other than a Roth IRA for the purpose of grouping (aggregating) both contributions and distributions. Also disregard any amount withdrawn to correct an excess contribution (including the earnings withdrawn) for this purpose.

*Example.* On October 15, 2016, Justin converted all \$80,000 in his traditional IRA to his Roth IRA. His Forms 8606 from prior years show that \$20,000 of the amount converted is his basis. Justin included \$60,000 (\$80,000 – \$20,000) in his gross income. On February 23, 2020, Justin made a regular contribution of \$5,500 to a Roth IRA. On November 8, 2020, at age 60, Justin took a \$7,000 distribution from his Roth IRA. The first \$5,500 of the distribution is a return of Justin's regular contribution and is not includible in his income. The next \$1,500 of the distribution is not includible in income because it was included previously.

*Distributions to beneficiaries.* Generally, the entire interest in the Roth IRA must be distributed by the end of the fifth calendar year after the year of the owner's death if the Roth IRA owner dies before January 1, 2020.

If the Roth IRA owner dies on or after January 1, 2020, most non-spouse designated beneficiaries will be required to take their post-death distributions within ten years of the Roth IRA owner's death. Certain exceptions apply to "eligible designated beneficiaries" which include your surviving spouse, disabled and chronically ill individuals, individuals who are ten or less years younger than the deceased individual, and children who have not reached the age of majority. Distributions from another Roth IRA cannot be substituted for these distributions unless the other Roth IRA was inherited from the same decedent.

If the sole beneficiary is the spouse, he or she can either delay distributions until the decedent would have reached age 72 (70½ if the decedent reached 70½ before January 1, 2020) or treat the Roth IRA as his or her own.

*Combining with other Roth IRAs.* A beneficiary can combine an inherited Roth IRA with another Roth IRA maintained by the beneficiary only if the beneficiary either:

- Inherited the other Roth IRA from the same decedent, or
- Was the spouse of the decedent and the sole beneficiary of the Roth IRA and elects to treat it as his or her own Roth IRA.

*Distributions that are not qualified distributions.* If a distribution to a beneficiary is not a qualified distribution, it is generally includible in the beneficiary's gross income in the same manner as it would have been included in the owner's income had it been distributed to the IRA owner when he or she was alive.

If the owner of a Roth IRA dies before the end of:

- The 5-year period beginning with the first taxable year for which a contribution was made to a Roth IRA set up for the owner's benefit, or
- The 5-year period starting with the year of a conversion contribution from a traditional IRA or a rollover from a qualified retirement plan to a Roth IRA, each type of contribution is divided among multiple beneficiaries according to the pro-rata share of each. See Ordering Rules for Distributions, above.

*Example.* When Ms. Hibbard died in 2020, her Roth IRA contained regular contributions of \$4,000, a conversion contribution of \$10,000 that was made in 2016, and earnings of \$2,000. No distributions had been made from her IRA. She had no basis in the conversion contribution in 2016.

When she established her Roth IRA, she named each of her 4 children as equal beneficiaries. Each child will receive one-fourth of each type of contribution and one-fourth of the earnings. An immediate distribution of \$4,000 to each child will be treated as \$1,000 from regular contributions, \$2,500 from conversion contributions, and \$500 from earnings.

In this case, because the distributions are made before the end of the applicable 5-year period for a qualified distribution, each beneficiary includes \$500 in income for 2020. The 10% additional tax on early distributions does not apply because the distribution was made to the beneficiaries as a result of the death of the IRA owner.

#### D. Portability of your Roth IRA assets

Your Roth IRA may be directly transferred to another Roth IRA of yours, your Roth IRA may be rolled over to a Roth IRA of yours and may receive rollover contributions, provided that all of the applicable rollover rules are followed. Rollover is a term used to describe a tax-free movement of cash or other property to your Roth IRA from another Roth IRA, or in a conversion, from a traditional IRA or SIMPLE IRA. SIMPLE IRA funds may not be rolled to your Roth IRA in a conversion during the first two years you participate in your employer's SIMPLE IRA plan. The rollover rules are generally summarized below. These transactions are often complex. If you have any questions regarding a rollover, please see a competent tax advisor.

1. *Roth IRA to Roth IRA rollovers.* Funds distributed from your Roth IRA may be rolled over to any Roth IRA of yours if the requirements of IRC section 408(d)(3) are met. A proper Roth IRA to Roth IRA rollover is completed if all or part of the distribution is rolled over not later than 60 days after the

distribution is received. You may not have completed another IRA or Roth IRA rollover from any IRA (including a SIMPLE IRA) or Roth IRA during the 12 months preceding the date you receive the distribution. Further you may roll the same dollars or assets only once every 12 months.

2. *Traditional IRA to Roth IRA rollovers.* You are eligible to roll over (or convert) all or any portion of your existing traditional IRA(s) into your Roth IRA(s). The amount of the rollover from your traditional IRA to your Roth IRA will be treated as a distribution for income tax purposes and is includible in your gross income (except for any nondeductible contributions). Although the rollover amount is generally included in income, the 10 percent early distribution tax will not apply to rollovers or conversions from a traditional IRA to a Roth IRA regardless of whether you qualify for any exceptions to the 10 percent additional tax.
3. *SIMPLE IRA to Roth IRA rollovers.* Funds may be distributed from your SIMPLE IRA and rolled over to your Roth IRA in a conversion tax-free, provided two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer. A proper SIMPLE IRA to Roth IRA rollover is completed if all or part of the distribution is rolled over not later than 60 days after the distribution is received. You may not have completed another IRA or Roth rollover from any IRA (including a SIMPLE IRA) or Roth IRA during the 12 months preceding the date you receive the distribution. Further, you may roll over the same dollars or assets only once every 12 months.
4. *Employer-sponsored retirement plans to Roth IRA rollovers.* You can rollover amounts from the following employer-sponsored plans into a Roth IRA.
  - A qualified pension, profit-sharing or stock bonus plan (including a 401(k) plan),
  - An annuity plan,
  - A tax-sheltered annuity plan (section 403(b) plan),
  - A deferred compensation plan of a state or local government (section 457 plan).

Any amount rolled over is subject to the same rules for converting a traditional IRA into a Roth IRA. See Traditional IRA to Roth IRA rollovers earlier in this document. Also, the rollover contribution must meet the rollover requirements that apply to the specific type of retirement plan.

5. *Designated Roth account to Roth IRA.* You may roll over, directly or indirectly, a distribution from a Designated Roth Account to a Roth IRA. A Designated Roth Account is an account established in a qualified plan, such as a 401(k) or 403(b) plan, to hold nondeductible elected deferrals made pursuant to a qualified Roth contribution program.
6. *Roth IRA to employer sponsored retirement plans.* You may not roll over any distribution from a Roth IRA to an employer's qualified retirement plan, tax-sheltered annuity, or 457(b) deferred compensation plan.
7. *Written election.* At the time you make a proper rollover to a Roth IRA, you must designate to the Trustee/Custodian, in writing, your election to treat that contribution as a rollover. Once made, the rollover election is irrevocable.

## LIMITATIONS AND RESTRICTIONS

### A. *Special tax treatment*

Capital gains treatment and the favorable five or ten year forward averaging tax authorized by IRC Section 402 do not apply to taxable Roth IRA distributions.

### B. *Income tax treatment*

Any taxable withdrawal from your Roth IRA is subject to federal income tax withholding. You may, however, elect not to have withholding apply to your Roth IRA withdrawal. If withholding is applied to your withdrawal, not less than 10 percent of the amount withdrawn must be withheld.

### C. *Prohibited transactions*

If you or your beneficiary engage in a prohibited transaction with your Roth IRA, as described in IRC Section 4975, your Roth IRA will lose its tax-exempt status and you must include the value of your account in your gross income for that taxable year. The following transactions are a non exclusive list of examples of transactions that can be prohibited transactions with your Roth IRA: (1) taking a loan from your Roth IRA; (2) buying property for personal reasons; or (3) receiving certain bonuses or premiums because of your Roth IRA.

### D. *Pledging*

If you pledge any portion of your Roth IRA as collateral for a loan, the amount so pledged will be treated as a distribution and will be included in your gross income for that year.

## ADDITIONAL FEDERAL TAXES

### A. *Excess contribution excise tax*

An excise tax of six percent is imposed upon any excess contribution you make to your Roth IRA for a year that is not withdrawn by the date your return for the year is due (including extensions). This tax will apply each year in which an excess remains in your Roth IRA. An excess contribution is any contribution amount which exceeds the maximum contribution, explained above, excluding proper rollover contributions (including properly converted) and direct transfer amounts. Rules for withdrawing excess contributions are discussed under Early Distribution Tax Exceptions below.

### B. *Early distribution tax*

If you receive a distribution that is not a qualified distribution, you may have to pay the 10% additional tax on early distributions that you include in your gross income as explained in the following paragraphs.

*Distributions of conversion and certain rollover contributions within 5-year period.* If, within the 5-year period starting with the first day of your tax year in which you convert an amount from a traditional IRA to a Roth IRA or roll over an amount from a qualified retirement plan to a Roth IRA, you take a distribution from a Roth IRA, you may have to pay the 10% additional tax on early distributions. You generally must pay the 10% additional tax on any amount attributable to the part of the amount converted or rolled over (the conversion or rollover contribution) that you had to include in income. A separate 5-year period applies to each conversion and rollover. See Ordering Rules for Distributions, above, to determine

the amount, if any, of the distribution that is attributable to the part of the conversion or rollover contribution that you had to include in gross income.

The 5-year period used for determining whether the 10% early distribution tax applies to a distribution from a conversion contribution is separately determined for each conversion, and is not necessarily the same as the 5-year period used for determining whether a distribution is a qualified distribution.

*Example.* If a calendar year taxpayer makes a conversion contribution on February 25, 2022, and makes a regular contribution for 2021 on the same date, the 5-year period for the conversion begins January 1, 2022, while the 5-year period for the regular contribution begins on January 1, 2021.

Unless one of the exceptions listed later applies, you must pay the additional tax on the portion of the distribution attributable to the part of the conversion or rollover contribution that you had to include in income because of the conversion or rollover.

You must pay the 10% additional tax in the year of the distribution, even if you had included the conversion or rollover contribution in an earlier year. You also must pay the additional tax on any portion of the distribution attributable to earnings on contributions.

*Other early distributions.* Unless one of the exceptions listed below applies, you must pay the 10% additional tax on the taxable part of any distributions that are not qualified distributions.

### C. *Early distribution tax exceptions*

*You have reached age 59½.* Keep in mind, however, that the distribution may not be a qualified distribution if it has not been at least 5 years from the beginning of the year in which you first set up and contributed to a Roth IRA.

*Death.* Payments are made to your beneficiary (or to your estate) after your death.

*Disability.* You are disabled (unable to do any substantial gainful activity due to a physical or mental condition expected to result in your death or be of long, continued, and indefinite duration).

*Substantially equal payments.* The distributions are part of a series of substantially equal payments over your life (or your life expectancy) or over the lives (or the joint life expectancies) of you and your beneficiary. You must use an IRS-approved distribution method and you must take at least one distribution annually for this exception to apply. The "required minimum distribution" method is described in Publication 590. Note that this method calculates the exact amount required to be distributed, not the minimum amount. Other IRS-approved methods are described in Revenue Ruling 2002-62 in Internal Revenue Bulletin 2002-42. These methods are complex and generally require professional assistance to implement.

Substantially equal payments must generally continue until at least 5 years after the date of the first payment or until you reach age 59½, whichever is later. If a change from an approved distribution method is made before the end of the appropriate period, any payments you receive before you reach age 59½ will be subject to the 10% additional tax. This is true even if the change is made after you reach age 59½. The payments will not be subject to the 10% additional tax if another exception applies or if the change is made because of your death or disability.

If you are receiving a series of substantially equal periodic payments, you can make a one-time switch to the required minimum distribution method at any time without incurring the additional tax. Once a change is made, you must follow the required minimum distribution method in all subsequent years.

*Levy.* The distribution is due to the IRS levy under IRC Sec. 6331.

*Health insurance.* Distribution taken by an Roth IRA holder who received federal or state unemployment compensation for 12 consecutive weeks and who is using the distribution(s) to pay for health insurance is not subject to the 10% early distribution tax. The distribution must be taken in the year that the unemployment was received or in the year following. In addition, the distribution cannot be taken more than 60 days after the Roth IRA holder is reemployed.

*Medical expenses.* Distributions used for unreimbursed deductible medical expenses are not subject to the 10% early distribution tax.

*Higher education expenses.* Under this exception to the 10 percent early distribution tax, a Roth IRA holder may take distributions from his or her Roth IRA to the extent that such distributions do not exceed the qualified higher education expenses for the taxable year. (IRC Sec. 72(t)(2)(E)). Generally, these distributions may be taken to pay for the qualified higher education expenses of the Roth IRA holder, the Roth IRA holder's spouse, and any child or grandchild of the taxpayer or the taxpayer's spouse at an eligible education institution.

Higher education expenses are defined as tuition, books, fees, supplies and equipment applied to education at an eligible educational institution.

*First-time home purchase expenses.* Distributions from Roth IRAs to pay for qualified first-time home purchase expenses may be taken without incurring the 10 percent additional tax (IRC Sec. 72(t)(2)(F)). A qualified first-time home purchase expense distribution is defined as any distribution received by an individual to the extent that the distribution is used by the Roth IRA holder before the close of the 120th day after the day on which the distribution is received. The distribution may be taken to pay the qualified acquisition costs with respect to a principal residence of a first-time home buyer who is the Roth IRA holder, the Roth IRA holder's spouse, or the Roth IRA holder's child, grandchild or ancestor of the Roth IRA holder or his or her spouse.

The aggregate amount of Roth IRA distributions taken by an Roth IRA holder that may be treated as qualified first-time home purchase expenses cannot exceed a lifetime limit of \$10,000.

Under IRC Sec. 72(t)(8)(D)(i), a first-time home buyer is defined as an individual (and, if married, the individual's spouse) that had no present ownership interest in a principal residence during the two-year period ending on the date of acquisition of the principal residence.

*Birth or adoption of child.* Effective January 1, 2020, up to \$5,000 can be withdrawn without application of the 10% early distribution tax within one year of the birth or adoption of a child.

*Qualified reservist distributions.* A qualified reservist distribution is not subject to the additional tax on early distributions.

*Qualified disaster distributions.* Under special laws and conforming relief granted by the Internal Revenue Service, you may be eligible for favorable tax treatment on certain Roth IRA transactions if you sustain an economic loss or are otherwise affected by certain federally declared disasters. Favorable tax treatment may include relief from the 10% early distribution tax, the option to include a distribution in your gross income ratably over multiple years, and the ability to roll over distributions without regard to rollover restrictions. Additional information regarding qualified disaster distributions may be found in Publication 590-A and Publication 590-B.

*Qualified coronavirus-related distributions.* Qualified coronavirus-distributions made in 2020 will be taxed ratably over a three-year period, unless you elected otherwise, and you will have three years from the day after the date you received the qualified coronavirus-related distribution to make a repayment to an eligible retirement plan.

*Return of excess contributions.* Distributions from Roth IRAs that timely return to you excess contributions, as defined above, are not subject to the 10% early distribution tax. Note that the earnings on the returned excess contributions will be subject to the 10% additional tax unless another exception applies. The return of excess contributions and related earnings for a tax year is timely if made before the due date of your federal income tax return (plus filing extensions) for that year. If you have filed your tax return on time, a special rule allows you up to 6 months from the original due date (usually April 15) to withdraw the excess contributions, without penalty.

#### **D. Additional tax reporting**

You must file Form 5329 with the Internal Revenue Service to report and remit any penalties or excise taxes.

#### **OTHER**

##### **A. IRS plan approval**

The initial Agreement used to establish this Roth IRA has been approved by the Internal Revenue Service. The Internal Revenue Service approval is a determination only as to form. It is not an endorsement of the plan in operation or of the investments offered.

##### **B. Additional information**

You may obtain further information on Roth IRAs from your District Office of the Internal Revenue Service. In particular, you may wish to obtain IRS Publication 590-A, Contributions to Individual Retirement Arrangements and IRS Publication 590-B, Distributions from Individual Retirement Arrangements. All references made to Tables and Schedules in Publication 590-A and Publication 590-B in this Disclosure Statement are to the 2021 Publication 590-A edition and 2020 Publication 590-B edition.

# Privacy Policy

For AssetMark, Inc., AssetMark Trust Company, AssetMark Retirement Services, Inc. and AssetMark Brokerage, LLC. (together "AssetMark").

Rev. 3/2022

FACTS	What does AssetMark do with your personal information?	
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.	
What?	<p>The types of personal information we collect, and share depend on the products or services you have with us. This information can include:</p> <ul style="list-style-type: none"> <li>Social Security number and credit history</li> <li>Income and account balances</li> <li>Transaction history and investment experience</li> </ul> <p>When you are no longer our customer, we continue to share your information as described in this notice.</p>	
How?	All financial companies need to share customers' personal information to run their every-day business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons we choose to share; and whether you can limit this sharing.	
Reasons we can share your personal information	Do we share?	Can you limit this sharing?
<b>For our everyday business purposes</b> — such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus.	Yes	No
<b>For our marketing purposes</b> — to offer our products and services to you.	Yes	No
<b>For joint marketing with other financial companies.</b>	Yes	No
<b>For our affiliates' everyday business purposes</b> — information about your transactions and experiences.	Yes	No
<b>For our affiliates' everyday business purposes</b> — information about your creditworthiness.	No	We don't share
<b>For our affiliates to market to you.</b>	No	We don't share
<b>For non-affiliates to market to you.</b>	No	We don't share
<b>Questions?</b> Toll Free: (800) 664-5345		

<b>Who We Are</b>	
Who is providing this notice?	AssetMark, Inc., AssetMark Trust Company, AssetMark Retirement Services, Inc., and AssetMark Brokerage, LLC.
<b>What We Do</b>	
How do AssetMark, Inc., AssetMark Trust Company, AssetMark Retirement Services, Inc., and AssetMark Brokerage, LLC protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How do AssetMark, Inc., AssetMark Trust Company, AssetMark Retirement Services, Inc., and AssetMark Brokerage, LLC collect my personal information?	<p>We collect your personal information, for example, when you:</p> <ul style="list-style-type: none"> <li>• Direct us to buy or sell securities</li> <li>• Enter into an investment advisory contract</li> <li>• Open an account or seek advice about your investments</li> </ul> <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only:</p> <ul style="list-style-type: none"> <li>• Sharing for affiliates' everyday business purposes- information about your creditworthiness</li> <li>• Affiliates from using your information to market to you</li> <li>• Sharing for non-affiliates to market to you.</li> </ul> <p>State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law.</p>
<b>Definitions</b>	
<b>Affiliates</b>	<p>Companies related by common ownership or control. They can be financial and non-financial companies.</p> <ul style="list-style-type: none"> <li>• <i>Our affiliates include companies that use the name AssetMark, along with other financial companies listed under the heading "AssetMark Legal Entities."</i></li> </ul>
<b>Non-affiliates</b>	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>• <i>We do not share with non-affiliates so they can market to you.</i></li> </ul>
<b>Joint Marketing</b>	<p>A formal agreement between non-affiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> <li>• <i>Our joint marketing partners include other financial institutions.</i></li> </ul>

### Other Important Information

**California.** We will share your personal information for joint marketing purposes unless you opt out of that sharing. For instructions on how to opt out, please see our separate notice to you entitled "Important Privacy Choices for Consumers." California residents have additional rights over personal information that we collect for purposes other than providing financial products and services to you. For an explanation of the rights available to California residents, please see our "California Privacy Policy."

**For Nevada residents only.** We are providing you this additional notice under state law. You may be placed on our internal Do Not Call List by calling us at (800) 664-5345. Nevada law requires we provide the following contact information: Bureau of Consumer Protection, Office of the Nevada Attorney General, 555 E. Washington St., Suite 3900, Las Vegas, NV 89101; Phone number: (702) 486-3132; email: [aginfo@ag.nv.gov](mailto:aginfo@ag.nv.gov). AssetMark, Inc., 1655 Grant Street, 10th Floor, Concord, CA 94520-2445. Tel: (800) 664-5345

**North Dakota:** We will not share your personal information with non-affiliates for joint marketing purposes without your authorization.

**Vermont.** If you are a Vermont resident, we will automatically limit sharing of your information for joint marketing purposes. We will not disclose information about your creditworthiness to our affiliates and will not disclose your personal information, financial information, credit report, or health information to nonaffiliated third parties to market to you, other than as permitted by Vermont law, unless you authorize us to make those disclosures.

**"AssetMark Legal Entities."** AssetMark, Inc., AssetMark Trust Company, AssetMark Retirement Services, Inc., AssetMark Brokerage, LLC, and Voyant, Inc.

#### AssetMark, Inc.

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

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# California Privacy Policy

For AssetMark, Inc., AssetMark Trust Company, AssetMark Retirement Services, Inc.  
and AssetMark Brokerage, LLC

Rev. 3/2022

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## Information for California Residents

AssetMark, Inc., AssetMark Trust Company, AssetMark Retirement Services, Inc. and AssetMark Brokerage, LLC (collectively, "AssetMark," also referred to as "we" and "us") collect personal information ("PI") for a variety of reasons, as detailed in this Policy.

As a California resident, you have additional rights over the PI that we collect about you that is not already protected by existing federal privacy laws. This is your "California Personal Information." This California Privacy Policy describes the PI, including the California Personal Information, that AssetMark collects about you, the rights you may have with respect to the California Personal Information, and how you can exercise those rights.

## Right to Know

You have the right to request that we disclose what California Personal Information we collect, use, disclose and sell.

**PLEASE NOTE:** AssetMark does not sell your personal information.

The following table lists the categories of PI we may have collected about you in the last 12 months and other important information. Some of this PI may be deemed California Personal Information, to which you have additional rights.

CATEGORIES OF PI COLLECTED IN THE PAST 12 MONTHS	CATEGORIES OF SOURCES FROM WHICH WE COLLECT PI	BUSINESS OR COMMERCIAL PURPOSE FOR COLLECTING THE PI	PI DISCLOSED FOR A BUSINESS PURPOSE?	CATEGORIES OF THIRD PARTIES TO WHOM WE DISCLOSE PI FOR A BUSINESS PURPOSE
<p>Identifiers, such as your name, address, Internet Protocol (IP) address, unique personal identifier (device identifier), e-mail address, account name, social security number, driver's license number, passport number, membership number(s), telephone number(s) and signature.</p>	<ul style="list-style-type: none"> <li>From you, when you open an account with us, visit our website, request information, or join our mailing list.</li> <li>From your financial advisor when you open an account on the AssetMark platform.</li> <li>From third parties, such as credit bureaus, affiliates, and other companies.</li> </ul>	<ul style="list-style-type: none"> <li>To maintain and service your accounts and to provide financial products and services to you.</li> <li>To comply with legal requirements.</li> <li>To respond to your requests and provide service.</li> <li>To market financial products and services to you.</li> <li>To detect fraud and security incidents and analyze activity on our website.</li> </ul>	<p>Yes</p>	<ul style="list-style-type: none"> <li>Service providers with whom we have contracts to provide services to us, such as effecting transactions on your behalf; maintaining and servicing your accounts; marketing our products and services; managing our client relationships; analyzing activity on our website; maintaining the security, confidentiality and integrity of our systems and detecting fraud.</li> <li>Financial institutions with whom we have a written agreement to jointly market financial products and services to our clients.</li> </ul>
<p>Additional personal information such as age, citizenship, marital status, medical condition, physical or mental disability, gender.</p>	<ul style="list-style-type: none"> <li>From you, when you open and maintain accounts with us, and provide this information to us.</li> <li>From your financial advisor when you open an account on the AssetMark platform.</li> <li>From third parties, such as credit bureaus, affiliates, and other companies.</li> </ul>	<ul style="list-style-type: none"> <li>To maintain and service your accounts and provide financial products and services to you.</li> <li>To respond to your requests and provide service.</li> <li>To market financial products and services to you.</li> </ul>	<p>Yes</p>	<ul style="list-style-type: none"> <li>Service providers.</li> <li>Financial institutions with whom we have a written agreement to jointly market financial products and services to our clients.</li> </ul>

This must remain with the Client.

CATEGORIES OF PI COLLECTED IN THE PAST 12 MONTHS	CATEGORIES OF SOURCES FROM WHICH WE COLLECT PI	BUSINESS OR COMMERCIAL PURPOSE FOR COLLECTING THE PI	PI DISCLOSED FOR A BUSINESS PURPOSE?	CATEGORIES OF THIRD PARTIES TO WHOM WE DISCLOSE PI FOR A BUSINESS PURPOSE
Financial information such as information about your assets and liabilities that you hold with other financial institutions.	<ul style="list-style-type: none"> <li>From you, when you open and maintain accounts with us, or when you utilize third party financial planning tools offered through AssetMark and provide this information to us.</li> <li>From third parties, such as financial advisors, other financial services firms, and other companies.</li> </ul>	<ul style="list-style-type: none"> <li>To provide financial products and services to you.</li> <li>To market financial products and services to you.</li> </ul>	Yes	<ul style="list-style-type: none"> <li>Service providers.</li> <li>Financial institutions with whom we have a written agreement to jointly market financial products and services to our clients.</li> </ul>
Commercial information, such as products or services purchased or considered.	<ul style="list-style-type: none"> <li>From you, when you open and maintain accounts with us, provide information to us, seek financial advice or buy or sell securities.</li> <li>From your financial advisor when you open an account on the AssetMark platform.</li> <li>From third parties, such as credit bureaus, affiliates, and other companies.</li> </ul>	<ul style="list-style-type: none"> <li>To maintain and service your accounts and provide financial products and services to you.</li> <li>To respond to your requests and provide service.</li> <li>To market financial products and services to you.</li> </ul>	Yes	<ul style="list-style-type: none"> <li>Service providers.</li> <li>Financial institutions with whom we have a written agreement to jointly market financial products and services to our clients.</li> </ul>
Internet or other electronic network activity, such as your interaction with our websites and, if applicable, your interactions with your account(s).	<ul style="list-style-type: none"> <li>From you, when you visit our website(s) and when you log into your account(s).</li> <li>From our service providers who monitor our websites and electronic account activity.</li> </ul>	<ul style="list-style-type: none"> <li>To provide financial products and services to you.</li> <li>To maintain and service your account(s).</li> <li>To respond to your requests and provide service</li> <li>To detect fraud and security incidents and analyze activity on our websites.</li> <li>To improve our website.</li> <li>To market financial products and services to you.</li> </ul>	Yes	<ul style="list-style-type: none"> <li>Service providers.</li> </ul>

CATEGORIES OF PI COLLECTED IN THE PAST 12 MONTHS	CATEGORIES OF SOURCES FROM WHICH WE COLLECT PI	BUSINESS OR COMMERCIAL PURPOSE FOR COLLECTING THE PI	PI DISCLOSED FOR A BUSINESS PURPOSE?	CATEGORIES OF THIRD PARTIES TO WHOM WE DISCLOSE PI FOR A BUSINESS PURPOSE
<p>Audio, electronic and visual information, such as voice recordings when you call us on a recorded line, or your photograph if you visit a location with security cameras.</p>	<ul style="list-style-type: none"> <li>From you, such as when you call us on a recorded line, or when you visit a location with security cameras.</li> <li>From our service providers who assist us with customer service and security.</li> </ul>	<ul style="list-style-type: none"> <li>To provide financial products and services to you.</li> <li>To provide customer service and maintain accounts.</li> <li>To detect fraud and security incidents, and to prosecute those responsible.</li> <li>To maintain the security of our premises.</li> </ul>	Yes	<ul style="list-style-type: none"> <li>Service providers.</li> </ul>
<p>Professional or employment-related data, such as your work history and income.</p>	<ul style="list-style-type: none"> <li>From you, when you open and maintain accounts with us, and when you provide this information to us.</li> <li>From your financial advisor when you open an account on the AssetMark platform.</li> <li>From third parties, such as credit bureaus, affiliates, and other companies.</li> </ul>	<ul style="list-style-type: none"> <li>To provide financial products and services to you.</li> <li>To maintain and service your account(s).</li> <li>To market financial products and services to you.</li> </ul>	Yes	<ul style="list-style-type: none"> <li>Service providers.</li> <li>Financial institutions with whom we have a written agreement to jointly market financial products and services to our clients.</li> </ul>
<p>Inferences drawn from any of the information that we collect about you to create a profile about you and your preferences.</p>	<ul style="list-style-type: none"> <li>From you, when you open and maintain accounts with us, provide information to us, visit our website, sign up for our newsletters or respond to our surveys.</li> <li>From third parties, such as credit bureaus, affiliates, and other companies.</li> </ul>	<ul style="list-style-type: none"> <li>To provide financial products and services to you.</li> <li>To maintain and service your account(s).</li> <li>To market financial products and services to you.</li> </ul>	Yes	<ul style="list-style-type: none"> <li>Service providers.</li> </ul>

## Right to Request Deletion of California Personal Information

You have the right to request that we delete California Personal Information that we have collected from you.

### Instructions for Submitting a Request to Know or a Request to Delete

You may submit a request to know or delete California Personal Information by calling (833) 620-0416 (toll free), or by completing the [interactive web form](#).

Before we can grant your request to know or delete California Personal Information, we are required to verify your identity. Our verification process depends on whether you maintain a password-protected account with us, and what type of request you are making.

If you maintain a password-protected account with us:

- We will verify your identity through our existing authentication practices for your account. We also will require you to re-authenticate yourself before we will disclose or delete your California Personal Information. If we suspect fraudulent or malicious activity on or from your password-protected account, we may use additional procedures to verify your identity.

If you do not maintain a password-protected account with us:

- If you submit a request to know categories of California Personal Information that we have collected about you, we will match at least two pieces of personal information provided by you with personal information maintained by us, which we have determined are reliable for the purpose of verifying your identity. In some instances, there is no reasonable method by which we can verify the identity of the consumer to the degree required. This is the case, for example, if you visit our website but do not log into your account. In that circumstance, we collect your IP address and may also collect a unique identifier for your device, but we do not associate this information with any named actual person or account.
- If you submit a request to know specific pieces of California Personal Information that we have collected about you, we will match at least three pieces of personal information provided by you with personal information maintained by us, together with a signed declaration under penalty of perjury from you stating that you are the individual whose personal information is the subject of the request.
- If you submit a request to delete California Personal Information, the manner in which we will verify your identity will depend on the sensitivity of the California Personal Information and the risk of harm to the individual by its unauthorized deletion. If the California Personal Information is not sensitive, we will match at least two pieces of personal information provided by you with personal information maintained by us, which we have determined are reliable. If the California Personal Information is sensitive, we will match at least three pieces of personal information provided by you with personal information maintained by us, together with a signed declaration under penalty of perjury that you are the consumer whose California Personal Information is the subject of the request.

**You may designate an authorized agent to submit a request on your behalf.** You have the right to authorize another person to submit a request to know your personal information or to delete your personal information. To have another person submit a request on your behalf, you or they may call us at (833) 620-0416 (toll free) or complete the [interactive web form](#). You will need to provide us with written permission authorizing the other person to submit a request to know or delete on your behalf. We will give you instructions on how to send the written authorization to us. We will still verify your identity and will verify that you have given your authority to another person.

## Right to Opt-Out of the Sale of Your PI

Where a business sells your PI, you have the right to opt-out of the sale of that information. **PLEASE NOTE:** AssetMark has not sold and does not sell your PI. **Additionally,** AssetMark does not have actual knowledge that it sells the personal information of minors under 16 years of age.

## Right to Non-Discrimination for the Exercise of a Consumer's Privacy Right

You have the right not to receive discriminatory treatment from us because you have exercised your privacy rights. This means that you have the right not to be denied goods or services, or charged different prices, just because you have exercised your privacy rights.

## Contact for More Information

If you have questions or concerns about our privacy policies and practices, you may call us at (833) 620-0416 (toll free) or email us at [CCPACompliance@assetmark.com](mailto:CCPACompliance@assetmark.com)

**AssetMark, Inc.**

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

You are receiving this Privacy Policy because you are a client of AssetMark, Inc. and/or AssetMark Trust Company.

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# California Notice at Collection of Personal Information



Clients, Prospective Clients & Website Visitors

Rev. 3/2022

We want you to understand the categories of personal information we collect and the purposes for which the information will be used. **We do not sell your personal information.** If you would like to learn more about our privacy practices, please visit our privacy page at <https://www.assetmark.com/california-privacy-policy>.

In this Notice at Collection, “we,” “us,” and “our” refer to AssetMark, Inc., AssetMark Trust Company, AssetMark Retirement Services, Inc. and AssetMark Brokerage, LLC (collectively, “AssetMark”). “You” refers to you, an individual.

CATEGORIES OF PERSONAL INFORMATION WE COLLECT	PURPOSE FOR WHICH THE PERSONAL INFORMATION WILL BE USED
<p>Identifiers, such as name, address, Internet Protocol (IP) address, unique personal identifier (device identifier), e-mail address, account name, social security number, driver’s license number, passport number, telephone number(s) and signature.</p>	<ul style="list-style-type: none"> <li>• To maintain and service your accounts and to provide financial products and services to you.</li> <li>• To maintain and service your accounts and to provide financial products and services to you.</li> <li>• To comply with legal requirements.</li> <li>• To respond to your requests and provide service.</li> <li>• To market financial products and services to you.</li> <li>• To detect fraud and security incidents and analyze activity on our website.</li> </ul>
<p>Additional personal information such as age, citizenship, marital status, medical condition, physical or mental disability, and gender.</p>	<ul style="list-style-type: none"> <li>• To maintain and service your accounts and provide financial products and services to you.</li> <li>• To respond to your requests and provide service.</li> <li>• To market financial products and services to you.</li> </ul>
<p>Financial information such as information about your assets and liabilities that you hold with other financial institutions.</p>	<ul style="list-style-type: none"> <li>• To provide financial products and services to you.</li> <li>• To market financial products and services to you.</li> </ul>
<p>Commercial information, such as products or services purchased or considered.</p>	<ul style="list-style-type: none"> <li>• To maintain and service your accounts and provide financial products and services to you.</li> <li>• To respond to your requests and provide service.</li> <li>• To market financial products and services to you.</li> </ul>

CATEGORIES OF PERSONAL INFORMATION WE COLLECT	PURPOSE FOR WHICH THE PERSONAL INFORMATION WILL BE USED
Internet or other electronic network activity, such as your interaction with our website and, if applicable, your interactions with your account(s).	<ul style="list-style-type: none"> <li>• To provide financial products and services to you.</li> <li>• To maintain and service your account(s).</li> <li>• To respond to your requests and provide service.</li> <li>• To detect fraud and security incidents and analyze activity on our websites.</li> <li>• To improve our website.</li> <li>• To market financial products and services to you.</li> </ul>
Audio, electronic and visual information, such as voice recordings when you call us on a recorded line, or your photograph if you visit a location with security cameras.	<ul style="list-style-type: none"> <li>• To provide financial products and services to you.</li> <li>• To provide customer service and maintain accounts.</li> <li>• To detect fraud and security incidents, and to prosecute those responsible.</li> <li>• To maintain the security of our premises.</li> </ul>
Professional or employment-related data, such as your work history and income.	<ul style="list-style-type: none"> <li>• To provide financial products and services to you.</li> <li>• To maintain and service your account(s).</li> <li>• To market financial products and services to you.</li> </ul>
Inferences drawn from any of the information that we collect about you to create a profile about you and your preferences.	<ul style="list-style-type: none"> <li>• To provide financial products and services to you.</li> <li>• To maintain and service your account(s).</li> <li>• To market financial products and services to you.</li> </ul>

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