



## WrapManager Investor Kit

Bringing You The  
Power of Diversity





Dear Investor,

Thank you for your interest in WrapManager. We'd like to start by introducing ourselves:  
We are the money manager people.

At WrapManager, you will enjoy a close relationship with our dedicated wealth strategists, while benefiting from the guidance of what we believe are some of the most experienced and talented money managers in the United States. In our opinion, it's the best of both worlds.

When it comes to managing your money, WrapManager is with you every step of the way. We do the research and show you the results. First, we seek the money managers that have expertise in investment selection. Then we recommend specific money managers based on your stated needs. Finally, we work with you to build and manage a portfolio that is designed to help meet your life-long financial goals.

WrapManager's wealth management services are available for one all-inclusive fee, which is debited quarterly. Our fee covers the management costs, including the management fee for each money manager selected for your portfolio.

Please read through WrapManager's investor kit to learn more about our 360 Degree Wealth Management services. I personally invite you to experience our company and explore the "Power of Diversity" by requesting a complementary outline that shows you the money managers selected for you.

Sincerely,

A handwritten signature in blue ink that reads "Gabriel F. Burczyk".

Gabriel F. Burczyk  
Chief Executive Officer

## Investor Kit Contents

The WrapManager investor kit includes the following information sheets:

- **The Power Of Diversity**  
Overview of WrapManager's unique approach, and how the choices we offer can help you make intelligent allocations with your money.
- **Level 7 Assurance**  
Step-by-step guide to our personalized wealth management process, from getting to know you to helping you make good decisions with your assets.
- **10-Point Manager Review**  
Summary of the WrapManager review standards and money manager "checks" that allow us to make money manager recommendations with confidence.
- **90 Degree Wealth Diagnostics**  
Description of the WrapManager progress reviews, which we highly encourage in order to communicate progress toward meeting your goals.
- **WrapManager Multi-Manager Advantage**  
Snapshot of the benefits of combining multiple WrapManager selected money managers, rather than relying on a single manager or strategy.
- **WrapManager Managed Account Advantage**  
Comparison of the advantages of a WrapManager separately managed account to the limitations of a mutual fund.
- **Company Background**  
Brief background on WrapManager, including what we do and what makes us different.
- **Executive Profile**  
Profile of Gabriel Burczyk, WrapManager's founder and CEO.

## The Power of Diversity

Diversity is the key to success in any thriving environment. In both the natural and financial worlds, diversity creates new possibilities and opportunities for growth.

WrapManager, Inc. brings the **Power of Diversity** to the world of private wealth management. This diversity can be seen in the numerous choices we offer, including our selection of money managers, investment styles, and portfolio strategies.



### WrapManager's Philosophy

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- The power of diversity is vital to any well-structured portfolio.
- The power of diversity provides easy access to a wide range of reviewed money managers and investment choices.
- The power of diversity equips you with the tools to help guide you with your goals in mind and adapt as your individual needs change.

### The WrapManager Approach

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WrapManager offers a personal approach to wealth management. Through our **Level 7 Assurance** process, we want to get to know you—the way you live, what's important to you, and the future you hope to build—and help you craft a portfolio that is tailored to your unique needs and long-range goals. In our pursuit of first-class customer care we offer:

- A dynamic investment strategy, tailored according to your personal priorities and financial objectives.
- A customized asset allocation that is designed according to your goals.
- A hand-selected portfolio of money managers with a diverse blend of investment styles and knowledge.
- A dedicated investment team to monitor your portfolio and provide guidance.
- Personalized service and support available to you through every stage of your financial development.

*This is the Power of Diversity.*

*Review the last page for important disclosures.*

## Level 7 Assurance

WrapManager's 360 Degree Wealth Management process is designed to help maintain the highest standard of professional and fiduciary responsibility. WrapManager's recommended core investment strategy is built upon a multi-manager portfolio approach and centered on your discovered and stated objectives. Understanding that investors have a range of objectives from wanting conservative income, aggressive growth or anywhere in between, WrapManager's approach is designed to accommodate these demands.

To further meet our obligation to you, WrapManager highly suggests that you request our **Level 7 Assurance** process. WrapManager's process, when applied, is designed to help allocate your assets properly to accommodate your personal goals and satisfaction.

### Level 7 Assurance



*Level 7 Assurance, with your commitment, is designed to help:*

- Gather comprehensive information
- Review current holdings and analyze alternatives
- Clearly define investment objectives
- Refine and confirm a wealth forecasting plan
- Monitor and adjust investment allocation
- Handpick money managers approved by our Investment Committee
- Strive for the highest standard of WrapManager's Fiduciary responsibility

#### 1 Gather comprehensive information

During the introduction and interest phase, WrapManager explores why you choose to invest. Clearly, every investor seeks different objectives with their money, ranging from wealth accumulation and preservation of existing net worth to wealth distribution and/or estate planning. WrapManager has refined our process for helping to identify the unique needs of each client—from current income needs to investment preferences, risk tolerances, health concerns, and special family considerations.

#### 2 Review current holdings and analyze effects of potential changes

Next, WrapManager analyzes many consequences of change and identify opportunities for consolidation and asset movement. WrapManager believes that careful analysis of current holdings is important to mitigating unnecessary changes. For example, a client may have losses or loss carry forwards from previous years, or investments with capital gains that need to be considered before liquidation. WrapManager is here when you need us, ready to provide hands-on guidance and first-class customer care.

### 3 **Clearly define investment objectives**

The flow of the above steps allows WrapManager to start each client consultation with a blank sheet. By allowing us to uncover certain special needs and unique goals, we produce the blueprint that is the basis for your customized investment plan. We look to that blueprint to produce your personalized investment proposal as part of your wealth forecasting plan (below) for a comprehensive view of your desired financial future.

### 4 **Refine and confirm wealth forecasting plan**

This step is the last in the client discovery process, during which time we work with you to identify future financial needs. At this stage we consider goals such as monthly distributions, new purchases, real estate liquidations, educational planning for children and grandchildren, gifting and charitable giving. WrapManager recommends investment strategies that we believe are ideal to help maintain your lifestyle, meet your stated goals and are acceptable for your personal tolerance for market risk. WrapManager presents a customized wealth forecasting plan for your acceptance.

### 5 **Monitor and adjust investment allocation**

WrapManager develops an investment allocation based on your personal needs and objectives, as identified in the steps above. The analysis performed by WrapManager's Investment Policy Committee (WIPC) sets the basis for the final allocation applied to your portfolio.

### 6 **Handpick money managers and fully disclose fees**

WrapManager currently uses a variety of investment strategies vetted from a vast universe of money managers. The WIPC monitors these managers and their investment strategies for any possible upgrades or downgrades. Our recommendations are selected from this roster of WrapManager-approved money managers. These managers and strategies are presented to you with informational fact sheets and data to support our selection. Total account fees, including the portion allocated for the managers and WrapManager's portion, are discussed with you.

### 7 **Strive for the highest standard of Fiduciary responsibility**

WrapManager is an Investment Advisor registered with the U.S. Securities and Exchange Commission. Registered Investment Advisors are held to a high standard of fiduciary responsibility not legally required for a licensed stock broker.\* We strive to act in a professional and ethical manner at all times; for the benefit of our clients; with independence and objectivity; and with skill, competence and diligence.

WrapManager pledges to take the necessary steps, with your participation, to maintain our commitment to you via the WrapManager **Level 7 Assurance**.

\*Certain associated persons of WrapManager, Inc. are also registered representatives of Prospera Financial Services, a registered broker/dealer member FINRA/SIPC. WrapManager, Inc. is not a broker/dealer. A client of WrapManager could also become a client of a WrapManager associated person and will perform in a separate capacity as a registered representative (RR) of Prospera Financial Services. In these situations, the associated person would not be acting in an investment advisory fiduciary role. When the associated person is in the role of a RR they may earn commissions for securities purchased/sold to clients.

*Review the last page for important disclosures.*

## 10-Point Manager Review

The goal of the WrapManager Investment Policy Committee (WIPC) is to provide clients the highest level of confidence in the money manager recommendations made by WrapManager, Inc. via our 360 Degree Wealth Management process.

The WIPC works to establish and safeguard WrapManager's level of due diligence standards for money managers that we recommend.

### 10-Point Manager Review



*“At the heart of the WIPC’s due diligence is our proprietary research and inspection process—the **10-Point Manager Review**. We incorporate specific ‘checks and balances’ with each new money manager before recommending to our clients.” —Gabriel Burczyk, CEO*

### Due Diligence Process

The WIPC uses various tools and approaches in its money manager due diligence. These may include manager interviews, verification of registration status, documentation reviews, as well as evaluating the methodology or past performance of the money manager’s investment strategy.

The cornerstone of the WIPC’s due diligence is to gather data relevant to understanding certain characteristics of the money manager’s investment process. Sophisticated data points used for evaluations—such as beta—a measurement of volatility, alpha—out-performance above a stated index, dividends, growth rates and price-to-earnings ratios—may be some of the data that may be used in our proprietary **10-Point Manager Review**.

The WrapManager Investment Policy Committee provides a collaborative, team-driven due diligence effort. It is designed to ensure the WIPC maintains focus on its clearly articulated mandate and recommendations, based on the analysis of managers’ consistency, credibility, capability and our confidence in their ability to manage WrapManager client assets.

At the discretion of the WIPC, additional money manager “checks” may be conducted on an as-needed basis, such as in the event of a lead manager departure or change, team turnover, consistent under-performance or extreme over-performance, change in ownership structure, or for any other reason WrapManager deems important.

The committee meets to review new data and processes. Our methodology emphasizes the priority and discipline of staying current with the evolving investment world.

*Review the last page for important disclosures.*

## 90 Degree Wealth Diagnostics

As your “go-to” wealth advisor, WrapManager works hard to ensure we meet your needs at every stage of our relationship.

As part of our 360 Degree Wealth Management process, we honor our client relationships by working with you to oversee the progress of all assets you have invested with us, and are committed to providing on-going, hands-on guidance to help you stay on track through our **90 Degree Wealth Diagnostics** program.

### 90 Degree Wealth Diagnostics



*We highly recommend that each client contact us for progress reviews:*

- Quarterly
- Annually (at year end)
- Intermittently

#### Quarterly

We recommend that you contact us upon receipt of your Quarterly Statement. The statement details additions (deposits) and subtractions (withdrawals) for your managed account(s), as well as a historical assessment of the progress of your portfolio. This review would include your most recent quarter-end target results and communicate any recommended changes, based on the advice of the WrapManager Investment Policy Committee (WIPC). This review provides us an opportunity to understand and incorporate any changes to your previously-stated personal investment objectives, as well as the opportunity to reconfirm the strategy currently in place; and/or make any necessary adjustments to your asset allocation and/or money managers.

#### Annually (at year end)

We highly suggest that you contact us for an annual review. This review may cover one of the following important planning best practices:

- **Tax Management:** Every client has different capital gains management needs which should be addressed at this time. Some investors may need to take more losses or more gains before the calendar year ends. You need to consult with your accountant for all tax related implications.

- **Required Minimum Distribution:** For clients taking retirement distributions, it is important to confirm that their minimum requirements have been addressed.
- **Gifting and Charitable Donations:** A very important part of life is how we give of our good fortune. Many clients gift to the maximum level approved for any given year—to family members or friends. In the same vein, charitable donations of securities or cash may be donated to qualified organizations of their choosing. Such gifts and donations must be identified and completed before December 31st of each year.

#### Intermittently

The review of a manager at any given time may call for WrapManager to explore making refinements to your investments. Or, we may simply call to say, “Hello” and see how you are doing, as one of the many ways WrapManager reinforces our relationship with you.

Your commitment to ongoing communication and updates allows us to help make sure we understand your goals in order to remain on target. WrapManager’s **90 Degree Wealth Diagnostics** is the basis for our fiduciary responsibility to each client today, tomorrow, and always.

*Review the last page for important disclosures.*

## WrapManager Multi-Manager Advantage

“Ask ten different money managers their favorite stock and you’re likely to get ten different answers. For an investor, this kind of diversity can be a tremendous advantage.”

—Gabriel Burczyk, CEO, WrapManager

By combining multiple money managers with different investment styles, philosophies, and expertise, you may diversify your portfolio to the extent that each manager is responsible for only an apportioned percentage—representing their security picks. The more you diversify among money managers, and subsequently asset classes and holdings, the more opportunities are available to you—not to mention diversified risk. The key is finding the right combination of money managers to help you reach your goals, within your comfort level.

When you invest in a **single-manager managed account**, your investment is managed by one money manager or management firm. You would have to invest in several portfolios (frequently with varying investment minimums and fees) in order to tap the expertise of a variety of money managers. By contrast, when you invest in a WrapManager **multi-manager managed account**, you can escape the “one-size-fits-all” logic, and have your assets diversified among an array of money managers or management firms, within one account, for one all-inclusive fee.

As an investor, you have unique needs and objectives. At WrapManager, we believe it takes more than one money manager to meet your financial goals. Harnessing the power of diversity, WrapManager crafts, what we believe is the best-suited multi-manager managed account for you, based on your needs.

*This table compares our beliefs on the benefits of investing in a WrapManager multi-manager portfolio versus a single-manager managed account.*

Benefit	Proprietary: Single-Manager Managed Account	WrapManager: Multi-Manager Managed Account
<b>Quality of Advice</b>	The advice you receive from a single money manager may be limited to only those investment strategies available to him/her.	The investment advice you receive from WrapManager spans a large universe of money managers, strategies and investment opportunities.
<b>Level of Expertise</b>	While you may diversify assets among a variety of investment categories, it is unrealistic to expect a single money manager to have in-depth expertise and a proven performance track record in all asset classes and market sectors, relative to peer portfolios and benchmark indices.	You may allocate assets among investment strategies managed by a variety of money managers with in-depth expertise and a track record in their respective asset classes and market sectors, relative to peer portfolios and benchmark indices.
<b>Investment Style</b>	Your investments are exposed to one money manager’s investment philosophy and style, eliminating possible risk management benefits inherent to diversifying across a variety of investment styles and philosophies (e.g., low security turnover, growth vs. value investing, and quantitative analysis).	You may take advantage of better risk management inherent to diversifying assets among a variety of money management styles and philosophies.
<b>Termination</b>	You alone must evaluate your portfolio’s performance, holdings, and level of risk management to determine whether or not to terminate the single money manager responsible for your entire portfolio.	When you contact WrapManager to assess your portfolio and to determine if and when to terminate a specific money manager, we will discuss your options and assist you in making such decisions quickly and easily.
<b>Fees</b>	You pay a management fee plus, at many firms, transaction and/or commission fees on trades of each individual security in your portfolio.	You pay a single, all-inclusive management fee, with no additional transaction or commission fees. You are not charged every time one of your money managers buys or sells a security.

*Review the last page for important disclosures.*

## WrapManager Managed Account Advantage

Today's investment world has evolved to offer you a diversified range of very individual choices when it comes to investing your money. It is no longer necessary – nor prudent – to invest your money in collaboration with the masses. An increasingly popular choice for today's investor is the Separately Managed Account (SMA)<sup>1</sup>.

More than twenty-five years ago, the new way of tapping professional money management was to invest in a **mutual fund**—a financial vehicle in which investors pool their money and entrust it to a money manager who buys and sells securities based on the fund's objective. With a mutual fund, you have no control over investment decisions or taxable events. For example, you may be passionately opposed to big tobacco or "sweat shop" manufacturers, yet your invested funds may own a stake in these very companies; or you may not want to generate any more gains for the year, yet the fund in which you are invested will most likely distribute gains, come quarter or year's end.

With a WrapManager **separately managed account**, you have the ability to choose a diverse selection of money managers that represent your beliefs, investment philosophy, and objectives. You alone own the separately managed account, and select a variety of money managers to trade securities on either an absolute basis or subject to your specific needs.

<sup>1</sup>A separately managed account is also known as a *wrap account, managed account, separate account, individually managed account, actively managed account, privately managed account or discretionary account.*

Review the last page for important disclosures.

*This table compares what we feel are the benefits of a WrapManager separately managed account versus a mutual fund.*

Benefit	Mutual Fund	WrapManager Separately Managed Account
<b>Ownership</b>	Assets are co-mingled, so you own shares in the fund and are one of thousands of shareholders.	Assets are not co-mingled, so you alone own the individual securities in your account.
<b>Customization</b>	You invest "as-is" and do not have the freedom or flexibility to tailor investments to address your personal preferences or financial goals.	You have the freedom and flexibility to request portfolio customization (i.e., restrict stocks and/or sectors) to address your personal preferences and financial goals.
<b>Management</b>	Each fund has one money manager team or management firm; you have to invest in multiple funds (frequently with multiple sales charges, investment minimums and fees) in order to tap the expertise of a variety of fund managers.	You may tap the expertise of a multitude of money managers all within your one account, for one all-inclusive fee.
<b>Cost Basis</b>	You inherit the cost basis of securities selected for mass interest.	Your cost basis of securities is established at the time of your purchase.
<b>Gains/Losses</b>	Mutual funds distribute gains only, not losses, and sales are made at the manager's discretion.	You may request capital gains and/or loss distributions when needed.
<b>Tax Efficiency</b>	Investment decisions are made without regard to your tax situation. For example, a fund may be forced to sell securities to cover redemptions, creating a potentially taxable event and/or negatively impacting returns.	Securities may be bought and sold with regard to your specific tax situation or financial needs—allowing gains or losses to be "harvested" to address your tax concerns.
<b>Fees</b>	As a shareholder, you may pay multiple fees that include annual operating expenses (i.e., expense ratio), sales charges, and any applicable asset-based fees.	As the account owner, you typically pay one inclusive annual asset-based fee (a percentage of assets) that covers on-going management and advice, money manager fees, transactions, commission and any custodial fees.
<b>Transparency</b>	Your fees go toward "soft dollar" costs that are not always transparent and/or may be difficult to discern from the fund prospectus.	You know exactly the costs and fees related to managing your account.
<b>Investment Minimums</b>	You may invest with low initial investment minimums designed to accommodate the investment interests of the masses.	You may invest with high initial investment minimums ranging from 100s of thousands to millions of dollars designed to cater exclusively to your individual investment objectives.

## Company Background



### About WrapManager

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WrapManager is the money manager people. We match investors with money managers, crafting portfolios for separately managed accounts that are tailored according to individual financial goals. Our personalized approach to wealth management uses the power of diversity to deliver freedom, flexibility, and asset control.

WrapManager's diversified managed accounts combine the first-class customer care and hands-on guidance of a personal wealth advisor with the expertise and strategic vision of what we believe are some of the industry's premier portfolio managers. Our dynamic investment process is designed to evolve with the changing objectives and needs of each client, from retirement and estate planning to long-term asset management and wealth building.

Founded in 1999 by CEO Gabriel Burczyk, WrapManager understood early on the benefits of offering institutional-caliber money management to high-net-worth individuals. Our wealth management solutions provide individual investors with access to some of the sophisticated investment strategies and resources similar to those used by large institutions. Additional benefits of our separately managed accounts may include tax management capabilities (when requested), competitive fees and transparency. WrapManager has been profiled in numerous publications, including the *New York Times*, the *Wall Street Journal*, *Business Week*, *Forbes* and *U.S. News & World Report*. WrapManager, Inc. is an SEC-registered investment advisor.

## Executive Profile



**Gabriel F. Burczyk**  
Founder and Chief Executive Officer

Gabriel Burczyk is the founder and CEO of WrapManager, Inc. In 1998, Mr. Burczyk launched a money manager program to bring the benefits of investing with institutional money managers to a broader group of investors. In 1999, this pioneering program became WrapManager.

In less than a decade, Mr. Burczyk has established WrapManager as a convenient provider of diversified managed accounts. WrapManager specializes in customized asset allocation and wealth management services. Today, Mr. Burczyk's firm works with carefully selected money managers and oversees the managers for clients.

Mr. Burczyk serves as chairman of the Board of Directors of WrapManager, Inc. He also heads up WrapManager's Investment Policy Committee. As a specialist in using managed accounts for individual wealth management, Mr. Burczyk has been interviewed in leading publications such as *Forbes*, *The Wall Street Journal*, *BusinessWeek*, *Money*, and *The New York Times*.

Mr. Burczyk has over twenty years of experience in the financial services industry. Prior to starting WrapManager, he was an independent investment advisor affiliated with the Investment Center. He also held positions as vice president of Dean Witter Reynolds, Inc., and vice president of Prudential Securities, Inc. Mr. Burczyk began his investment career in 1986 with a specialized investment banking firm.

In addition to his professional responsibilities, Mr. Burczyk is actively involved in a variety of local charities. He is one of the founding supporters of Wine, Women & Shoes, a national organization that raises money for women's and children's causes. He is also a long-time supporter of The Great Chefs of Marin, an annual food and wine event that benefits developmentally disabled individuals in Marin County, and of Sunset Youth Services, a nonprofit organization that helps high-risk youth and families in San Francisco.

## Disclosures

WrapManager, Inc. is an investment advisor registered with the U.S. Securities and Exchange Commission. The information discussed in this material should not be construed as investment advice. All economic information is historical and not necessarily an indication of future results. You should not assume that any discussion or information provided herein serves as the receipt of, or as a substitute for, personalized investment advice from WrapManager or from any other investment professional. To the extent that you have any questions regarding the applicability of any specific issue discussed to your individual situation, you are encouraged to consult with WrapManager or the professional advisor of your choosing. All information, including that used to compile charts, is obtained from sources believed to be reliable, but WrapManager does not guarantee its reliability. WrapManager is not an accounting firm or a law firm. WrapManager does not provide tax advice. Clients and prospective clients should consult with a tax professional prior to making any investment decisions. For full disclosure, please refer to the WrapManager disclosure brochure.

While WrapManager, Inc. is not a broker/dealer, the associated persons of WrapManager, Inc. are registered representatives of Prospera Financial Services, a registered broker/dealer member FINRA/SIPC. It is possible that a potential client of WrapManager could become a client of a WrapManager associated person in the associated person's separate capacity as a registered representative of Prospera Financial Services. In these situations, the associated person would not be acting in an investment advisory fiduciary role. The associated person would earn commissions for securities purchased/sold to clients.

While WrapManager is willing to provide the services detailed within, it is up to the client to consent to participate in each step of the process. Not every client will elect to participate in each step of our recommended process. Client is to notify advisor promptly of any material change that might affect client investment objectives, risk tolerance or financial situation. The level of due diligence performed on managers may vary. Any manager introduced by the client but not recommended by WrapManager may not be part of the due diligence process. Performing due diligence does not prevent the possibility of investment loss. Requests relating to tax gain/loss harvesting and restriction of specific sectors or securities are subject to money manager approval and deadlines.

WrapManager generally only works with money managers for which it has an advisor agreement. In some cases, a Separately Managed Account opened through WrapManager may be invested in mutual funds, which should be taken into consideration when comparing the benefits of mutual funds versus separately managed accounts.