

## Investment Advisory Agreement

This Agreement describes the relationship between [Holmes R. Osborne III, Inc.] (hereinafter “the Adviser”) and \_\_\_\_\_ (hereinafter “Client”) entered into on \_\_\_\_\_.

### TYPES OF ACCOUNT

- Individual
- Joint (Type: \_\_\_\_\_ )
- Trust
- Custodial Account
- IRA/Keogh
- Corporation
- Other

### INVESTMENT OBJECTIVES

- Speculative
- Aggressive Growth
- Capital Appreciation
- Growth & Income
- Balance
- Income

### RANK

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

### 1. ADVISORY SERVICE

The Adviser provides investment management services to individuals and firms on a non-discretionary or discretionary basis. Recommendations are based on the client’s needs, investment objectives, financial and tax status, and their risk tolerance among other factors.

- Discretionary** – The advisor will manage the client’s securities portfolios on a discretionary basis and have limited power of attorney to execute transactions on behalf of the client without obtaining specific client consent prior to every transaction. This authority is limited to securities contained in the client’s managed account.
- Non-discretionary** – The Client will be notified prior to the sale or purchase of any or all of the securities contained in the client’s managed account. The advisor will not manage securities portfolios on a discretionary basis or have power of attorney over any Client’s accounts.

### 2. INVESTMENT ADVISORY FEES

- Adviser will bill clients for all fees and will not deduct fees directly from Client’s accounts.
- Adviser will deduct fees directly from Client’s accounts.

Fees are paid quarterly in arrears. Fees are payable on the first day of the calendar quarter. Fees are based on the account’s asset value as of the last business day of the prior calendar quarter. The fees for the first quarter under management will be prorated.

**Annualized Investment Management Fees**

From	To	Per Year

In addition to an investment advisory/management service fee accounts may incur transaction costs, retirement plan administration fees, deferred sales charges on mutual funds initially deposited in the account, mutual fund marketing fees and other mutual fund annual expenses as described in the fund’s prospectus.

**3. ASSIGNMENT**

This Agreement may not be amended, transferred, or assigned by either party without the prior written consent of the other party.

**4. AGREEMENT TO ARBITRATE CONTROVERSIES**

It is agreed that any controversy between the Firm and the Client arising out of Firm business or this Agreement, shall be submitted to arbitration conducted under the provisions of the commercial arbitration rules of the American Arbitration Association. Arbitration must be commenced by service upon the other party of a written demand for arbitration or a written notice of intention to arbitrate, therein electing the arbitration tribunal. In the event the Client does not make such election within five (5) days of such demand or notice, then the Client authorizes Holmes R. Osborne III, Inc., to do so on the Client’s behalf. Judgment upon any award rendered by the arbitrators shall be final and may be entered in any court having jurisdiction thereof. This clause does not constitute a waiver of any right including the right to choose the forum, whether arbitration or adjudication, in which to seek resolution of disputes.

**5. VALUATION**

For purposes of this Agreement, the value of the securities contained in the Managed Assets of Client shall be deemed to be the closing price of such securities on the leading exchange to which it is admitted to trading. If any such securities are not admitted to trading on an exchange, then the value of such securities shall be deemed to be the closing bid prices in the Over-the-counter market as furnished by the National Quotation Bureau, Inc.

**6. LIABILITY**

The Client agrees that the Adviser shall not be liable for anything done or omitted by it under this Agreement so long as it shall have acted in good faith, and if negligence, willful or reckless misconduct or violation of applicable law is not involved. The federal and state securities laws

impose liabilities under certain circumstances on persons who act in good faith, and therefore nothing in this agreement will waive or limit any rights that a client may have under federal and state securities law.

## **7. PROXIES**

It is the policy of the Adviser not to vote proxies on behalf of clients. Custodians are directed to forward all shareholder related materials to the owner of the account. Employee benefit plans governed by ERISA acknowledge that the Adviser is covered as fiduciary by the bond maintained for the plan and will provide proof of such coverage. Proxy voting for plans governed by ERISA must conform to the plan document in effect. In case where the investment manager is listed as the fiduciary responsible for voting proxies, the responsibility will be designated to another fiduciary and reflected in the plan document.

## **8. TERMINATION**

Upon termination, Clients will receive a refund of any unearned fees. The initial term of this Agreement shall extend from the date of acceptance by the Adviser through the end of the Client's first billing period and shall thereafter automatically be extended for additional three-month terms unless terminated prior thereto as hereinafter provided. An Advisory client will have a period of five (5) business days from the date of signing the investment advisory agreement to unconditionally rescind the agreement and receive a full refund of all fees. Thereafter, the client may terminate the investment advisory agreement by providing the Adviser with thirty (30) days written notice. Upon termination, fees will be prorated to the date of termination and any unearned portion of the fee will be refunded to the client.

If this Agreement is terminated prior to the end of the quarter, fees will be prorated for services performed. If the client is an individual person, this Agreement shall terminate upon receipt by the Adviser of written notice of the death or mental disability of the Client. Termination of this Agreement shall not, in any case, affect or preclude the consummation of any prior transaction.

