



## Investment Advisor

### Investment Management Agency Agreement

This agreement is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_, by and between \_\_\_\_\_ ("Client"), and Sharp Investments ("Advisor"), a registered investment advisor licensed in Oregon.

**1. Employment of Advisor.** Client hereby employs the Advisor as a non-custodial advisor with limited power of attorney to manage the investment and reinvestment of the funds and securities of Client and additions thereto presently held by **TD Ameritrade Institutional** as custodian ("Custodian"). The Advisor has full discretion in the management of the custodial assets. The Advisor hereby accepts such employment and agrees during the term hereof to render the services and to assume the obligations herein set forth for the compensations herein provided. Advisor is not authorized to and shall not direct delivery or payments to itself, except as pertains to the payment of fees described in Paragraph 5, nor shall it direct any disposition of the Client's securities, cash, or other assets, except to the Client.

**2. Custodian.** Advisor is authorized to give instructions to the Custodian with respect to the purchase, sale, exchange, and delivery of securities and disbursements related thereto. Advisor may rely upon reports from Custodian as to the custody of its assets, settlement of transactions, and the location, description, and amount of properties held by Custodian. It is understood that the sole responsibility for the safekeeping of all assets is with the Custodian and that the Custodian shall be responsible for the consummation of all purchases, sales, deliveries, and other transactions made under Advisor's direction.

**3. Orders to Brokers.** Advisor shall receive no consideration of any nature whatsoever from any broker, whether directly or indirectly, with whom it places business of the Client. Unless otherwise specified in writing to Advisor by Client, all orders for the purchase and sale of securities shall be placed in such markets and through such brokers as in the Advisor's best judgment shall offer the most favorable price and market for the execution of each transaction. Advisor shall not be liable for the acts or omissions committed by broker selected by Advisor.

**4. Reports and Portfolio Management.** Advisor shall furnish the Client with quarterly reports and evaluations showing the cost and current market value of each security in the portfolio. In addition, Advisor shall furnish the Client with such reports and more detailed information as from time to time may be requested by Client. At all times Advisor shall hold Client's information in the strictest confidence.

**5. Standard of Care.** The Advisor shall manage the assets allocated to the Advisor with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of carrying out investment manager services. The Advisor does hereby acknowledge that it is a fiduciary with respect to Client.

**6. Death/Incompetency.** All directions given by Advisor, either before or after the Client's death or incapacity, in his opinion deemed reliable, shall be binding upon any legal representative (or successors) and Advisor shall be held harmless by Client, legal representatives, or successors from all liability arising from directions so given.

**7. Compensation of Services.** In consideration of services performed by Advisor herein, Client agrees to pay the Advisor a fee as described on Exhibit "A", attached hereto. Advisor is authorized to charge against Client's account for the amount of any fees that become due and payable; provided, however, a copy of each fee statement sent to the Custodian is, at the same time, sent to the Client. The parties hereto agree that the Advisor shall not be compensated on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the fund of the Client. Exhibit A shows annual fee percentages, a quarter of which is assessed at the end of each quarter. Fees are charged in arrears, not prepaid.

**8. Limitation of Responsibility.** Advisor's responsibilities shall be limited to the assets allocated to Advisor by Client. If Client has a trust or other fund, and some assets of the fund are not allocated to Advisor, Advisor shall have no investment responsibility with respect to such nonallocated assets. Advisor shall not be responsible for any improper concentration of investments or failure to diversify because of the manner of investment of the nonallocated assets, and shall be solely responsible for diversification of the assets allocated to it. Client shall indemnify and defend Advisor from any claim, liability, or expenses arising out of the existence or manner of investment of any assets of Client not allocated to manager. In the event that funds include retirement accounts, Sharp Investments acknowledges fiduciary responsibility in meeting ERISA requirements pertaining only to the investment management of said funds.

**9. Effective Date, Amendment, and Termination of Agreement.** This Agreement shall be effective on the date above and shall continue in full force and effect until canceled by either party upon receipt of written notice. This Agreement may be amended by either party by notifying the other party in writing. Per regulations, Form ADV Part 2A or equivalent must be provided 48 hours prior to signing contract, or, if not, client may cancel the contract up to five days after signing, if ADV Part 2A is provided at the time the contract is signed.

**10. Assignment.** This Agreement is nonassignable by either party without the prior written consent of the other party. In WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

\_\_\_\_\_  
Client Name and Signature

Daniel R. Sharp, President  
Sharp Investments, Inc.

\_\_\_\_\_  
Client Name and Signature

**Exhibit A: Schedule of Annual Fees**

First \$50,000	2%
Next \$100,000	1.75%
Next \$100,000	1.50%
Next \$250,000	1.25%
Next \$500,000	1.00%
Over \$1,000,000	Negotiable

**Exhibit B: Sample quarterly fee calculation for a \$200,000 account**

Tier 1 \$50,000 x .02 x 90 days/365 days = \$246.57
Tier 2 \$100,000 x .0175 x 90/365 days = \$431.50
Tier 3 \$50,000 x .0150 x 90/365 days = \$184.93
<b>Total fee for \$200,000 = \$863</b>