

Asset Management Agreement

Pursuant to the terms of this **Agreement**, _____ (hereafter referred to as “Client”) retains Prudent Investors Network, Inc. (“PIN”) as Investment Advisor. The Client agrees that his/hers/its signature applies to accounts managed by PIN. Client authorizes PIN to respond to inquiries from, and communicate and share information with, Client’s attorney, accountant and other professionals to the extent necessary in furtherance of PIN’s services under this **Agreement**. Clients have the right to terminate this contract, without penalty, within five business days after entering into the contact.

1) Investment Management Services

PIN will direct, in PIN’s sole discretion, the investment and reinvestment of the assets in Client’s account in securities and cash or cash equivalents for the sole purpose of achieving Client’s investment objectives. If this is a fiduciary account supervised by the court, Client is responsible to obtain prior court authorization for the granting of this discretionary authority. Client’s financial circumstances, investment objectives and any special instructions or limits that Client wishes PIN to follow in managing the account are described in the account application and the personal data questionnaire attached hereto. A formal Investment Policy Statement submitted to PIN by Client (or prepared by PIN for Client based on the questionnaire and approved by Client) shall take precedence over any other statement of investment objectives that may exist. PIN shall not be required to verify any information obtained from Client, Client’s attorney, accountant or other professionals, and is expressly authorized to rely thereon. PIN’s authority under this agreement will remain in effect until changed or terminated by Client in writing.

2) Duties of Investment Manager

PIN will maintain and establish such accounts in the name of Client as are necessary to account for the assets and any additions, income, receipts, and disbursements in connection therewith. PIN will assume all investment duties with respect to assets held in the Account and shall have all investment powers, including sole investment authority. PIN shall invest and reinvest the principal and income, including the proceeds thereof and additions to said Account, in such mutual funds, exchange-traded funds (ETFs), stocks, bonds, or other property of any kind as it deems in the best interest of the Client, consistent with the investment objectives Client has established. PIN may take any action or non-action as it deems appropriate, with or without other consent or authority from the Client, and may exercise its discretion and deal in and with assets exactly as fully and freely as the Client might do as owner thereof, except that PIN is not authorized to withdraw any money, securities, or other property either in the name of Client or otherwise. PIN shall be free to sell securities in the portfolio of the Account regardless of the length of time they have been held when, in its sole discretion, shall determine that such changes will promote the investment objectives of the account. PIN also has Client’s authorization to make account transfers and allocation changes between and among the various funds, ETFs, stocks, bonds, and/or sub-accounts (within the mutual fund families) Client has placed under PIN’s supervision for the express purpose of achieving the investment objectives of Client.

3) Custodianship: Investment Supervision Services

The client understands that PIN will hold no assets in its own custody (other than receiving assets for immediate transfer to the final custodian). Custodian banks, various mutual funds, trust companies, and/or broker/dealers will have sole physical custody of assets in client’s account, but PIN is to have full discretion as to all investment decisions within those accounts. The Client alone has the right to withdraw cash or securities from the account at any time in any amount, subject only to custodian’s authority to conclude any transaction initiated prior to such contemplated withdrawal. The custodian shall be solely responsible for settlement of all transactions executed on behalf of the portfolio and receipt and disbursement of funds for and from the portfolio. PIN shall not be liable to

Client for any act of, or breach of duty by the custodian. Any withdrawal of cash or securities by the Client will be made known to PIN orally or in writing as soon as possible.

4) Reports, Information, and Cooperation

Client shall receive regular monthly or quarterly statements from all custodians holding assets managed by PIN for Client. Upon request, PIN shall furnish Client with a regularly-scheduled summary report setting forth the performance of the portfolio in terms of risk and return.

5) Transactions

Execution of transactions in response to the proprietary, technically-derived buy/sell decisions of PIN will be made on a best-effort basis. It is understood transactions may be accomplished on behalf of other clients prior to the time transactions may be made on behalf of the Client. PIN accepts no responsibility for exchange delays due to errors or omissions of information on the part of the Client or custodian of the assets.

6) Advisory Fee

In consideration of the services to be rendered by PIN, Client shall pay to PIN monthly, in advance, a fee. Monthly fees are normally deducted from the accounts by the custodian and sent to PIN at the beginning of each month. However, clients may make arrangements to send a check for the monthly fee. Calculation of the management fee rate is based on a tiered fee structure using the combined value of all PIN-managed accounts within the Client's household, as follows¹:

Combined Value of Accounts Managed by PIN			Annual Fee
\$50,000	to	99,999	1.50%
100,000	to	249,999	1.40%
250,000	to	499,999	1.30%
500,000	to	999,999	1.14%
1,000,000	to	1,999,999	.99%
2,000,000 and above			.80%

PIN's minimum account size is \$50,000. As a service to clients with IRAs or other special needs, PIN may (at its sole discretion) accept smaller accounts. When accepted, the fee for smaller accounts will be 2%. For very large accounts placed under PIN's management, fees may be negotiable. Managed assets may include cash or cash equivalents. The client understands the initial billing may include the next full month plus a pro-rata fee for the balance of the beginning month. Any partial withdrawals will not constitute a pro-rated credit on management fees.

PIN's managed asset account eliminates all commissions on purchases and sales of securities. However, in addition to PIN's annual investment management fee, Client may incur transaction fees imposed by the broker/dealer and, relative to all mutual fund purchases, shall incur charges imposed directly at the mutual fund level (e.g. advisory fees and other fund expenses). Client also understands that the investment of Client's assets in mutual fund shares, individual stocks, bonds, and/or non-correlated asset sub-accounts also involves the cost associated with ownership. The risk/return reports alluded to in Paragraph 4 above shall be reported net of fees.

7) Termination and Rescission

This agreement may be terminated at any time by Client or by PIN upon receipt of written notice pursuant to Paragraph 16). If an advisory contract is terminated before the end of the month, the client may request, in writing, a refund of fees. The refund will be calculated as follows: the amount pre-billed is multiplied by the number of days remaining in the month divided by the total number of days in the month. Nonpayment of fees does not serve as notice of termination or rescission. Termination of this Agreement shall not affect any liability resulting from sales or exchanges initiated prior to written notice of such revocation.

8) Representations and Warranties (Strategic)

Client represents and warrants to PIN, and agrees with PIN, as follows:

- a) Client directions to PIN may be in person or by phone, letter, fax or email. For numerous reasons, the latter two methods are considered unreliable. If either fax or email is used, the Client shall be responsible to follow up in person, by phone or by letter if no response is received from PIN within one business day. PIN accepts no responsibility for damages suffered as a result of the use of email or fax communications by Client. PIN shall be fully protected in relying upon any direction, notice, or instruction from Client until it has been duly advised in writing of changes therein.
- b) Client has the requisite legal capacity and authority to execute, deliver and perform its obligations under this Agreement. This Agreement has been duly authorized, executed and delivered by Client and is the legal, valid and binding agreement of Client, enforceable against Client in accordance with its terms. Client's execution of this Agreement and the performance of its obligations hereunder do not conflict with or violate any provision of governing documents of Client (if any, such as a trust document, court order, etc.) or any obligations by which Client is bound, whether arising by contract, operation of law or otherwise. Client will deliver to PIN evidence of Client's authority and compliance with its governing documents on PIN's request.
- c) Client is the owner of all the funds/assets in the Account(s) and there are no restrictions on the transfer or other investment of such funds. If there are restrictions placed by the court or a trust document, you witness herewith that those restrictions have been disclosed to the Advisor prior to the signing of this Agreement. Advisor agrees to abide by those restrictions.
- d) Client is aware of the risks associated with this engagement, including the risk that the Account could suffer substantial diminution in value.
- e) If Client is subject to Employee Retirement Income Security Act of 1974 ("ERISA"), as amended, Client will obtain and maintain for the period of this Agreement any bond for fiduciaries required by section 412 of ERISA and will include PIN among those covered by such bond.

PIN represents and warrants to Client and agrees with Client as follows:

- f) PIN is State registered as an Investment Advisor.
- g) PIN considers itself to be a fiduciary of the funds under its management and accepts responsibility for complying with the Fiduciary Standard relating to accounts managed under this agreement. PIN also accepts responsibility for compliance with the applicable laws and the exercise of prudence (care, skill and caution) in the management of Client's assets.

9) Limits of Responsibility

- a) Client shall be responsible for directing the manner in which proxies solicited by issuers of securities beneficially owned by the Client shall be voted.
- b) Client shall also be responsible for making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the Client's investment assets. PIN is authorized to instruct the Custodian to forward to Client copies of all proxies and shareholder communications relating to the Client's investment asset.
- c) PIN shall not be responsible for any action or inaction of Client or of any prior, concurrent or subsequent investment (or other) advisor other than PIN;
- d) In the case of Client's assets transferred between accounts, custodians or brokers, or deposited to or withdrawn from any securities or other account; PIN shall not be responsible for any losses resulting from the time required to complete such transfer;
- e) In the case of Client's assets that are added to those subject to this Agreement, PIN shall not be responsible for any losses resulting from the disposition of such assets, or from their retention if PIN deems it is not desirable to dispose of them, or if PIN is not able to timely dispose of them because orderly liquidation is not feasible under prevailing circumstances; and
- f) PIN shall not be required to accept additions to the assets subject to this Agreement without its consent. PIN may provide similar services to other clients and may take action for their accounts, itself, its principals or employees which may be the same as, or different from, the action it takes or recommends for Client.

- g) Client is responsible to provide PIN with tax basis information on new assets placed under PIN's management, or to caution PIN that no basis information is available when planning portfolio changes. PIN acknowledges its responsibility to confer with Client over potential tax consequences before liquidating such new assets. Aside from said inception assets, PIN's management of the portfolio includes consideration of possible gains and losses resulting from its decisions. Unless specifically notified by Client of unusual tax sensitivity for this account, PIN will exercise its discretion in judging whether potential tax consequences of a decision to liquidate an asset are outweighed by the greater risk of loss by retaining the asset. Such decisions shall be based on what PIN believes will be in the *best interest of Client*.

10) Assignment and Survival Rights

This **Agreement** may not be assigned (within the meaning of the Advisers Act) by either the Client or PIN without the prior written consent of the other party.

11) Risks of Investments

Client understands the concept and the risks inherent in exchanging investments from one fund category or security to another, and that PIN cannot guarantee that its services will result in a profit. Client realizes that while PIN attempts to make all transactions within one business day of having made a decision to move, a delay of several days or more could occur under extraordinary circumstances. PIN will not be responsible for losses resulting from restrictions on exchanges or failure of a fund to make an exchange. Client understands that exchanges even within a family of funds constitute "sales" and "purchases" of securities, and as such, a gain or loss may result which may have inherent tax consequences. As noted in Paragraph 9g, PIN will consider the tax consequences of its trading decisions and base its decisions on what it believes will be in the best interest of Client. Client is aware and accepts that PIN may feel the chance of loss resulting from inaction may be more detrimental to Client than potential tax consequences.

12) Applicable Federal and State Laws

This agreement shall be performed in accordance with requirements of applicable federal and state laws and the applicable rules and regulations adopted there under, to the extent that the agreements and undertakings of this agreement are subject to such laws, rules and regulations.

13) Confidentiality

Except as required by law, (a) PIN agrees to maintain in strict confidence all personal and financial information regarding Client that is furnished to Prudent by Client and (b) except as may be required by court or other legal proceedings, Client agrees to maintain in strict confidence all investment advice and information furnished to Client by Prudent.

14) Severability

The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any and all other provisions hereof.

15) Entire Agreement

This Agreement, including the exhibits attached hereto, constitutes the entire agreement of the parties and supersedes all prior or contemporaneous written or oral negotiations, correspondence, agreements and understandings (including any and all preexisting investment management agreements, which are hereby cancelled), regarding the subject matter hereof.

16) Notices

All notices, instructions and advice with respect to matters under this Agreement shall be deemed duly given:

- a) to Prudent when received in writing at its office; and
- b) to Client when deposited in first-class mail or equivalent express carrier addressed or hand delivered to Client at the address above. Prudent may rely on any written or oral notice.

- c) Client hereby acknowledges they have received a copy of PIN's Disclosure Statement Part II of Form ADV (Uniform Application for Investment Adviser Registration) as required by Rule 204-3 of the Investment Advisers Act of 1940.
- d) In addition, Client acknowledges prior receipt of PIN's *Privacy Notice*.

Client acknowledges the receipt of privacy policy and Firm Brochure Part2A. (initials)

Client authorizes the withdrawal of management fees directly from the Client account. (initials) _____

Account Name

Account Holder Signature

Date _____

Joint Account Holder Signature

Date _____

Accepted By: _____

Prudent Investors Network, Inc .

Date _____

⁴To achieve the desired diversification (i.e., risk reduction) in your account, we may create sub-accounts, placing portions of your dollars under the management of other advisors whose management discipline is distinct from ours – “separate account managers.” Such managers generally charge their own fee and share a portion of that fee with us. We are, therefore, already compensated and do not charge our fee in addition to theirs. The “Estimated Value of Assets Subject to the Advisory Fee” may, therefore, be less than the total value of your account.