

INVESTMENT ADVISORY AGREEMENT

Prepared for

NAME

Date _____

PURPOSE

The purpose of this Investment Advisory Agreement (IAA) is two fold:

Purpose No. 1 The IAA is to assist the Client (NAME) and the Investment Advisor (Banach Wealth Management (BWM)) to effectively advise, monitor and evaluate the stock, bond, and commodity related investments of the Client's Portfolio (Portfolio) to meet objectives.

Purpose No. 2 The IAA is to agree to provide an investment plan presentation or report. A normal presentation will be made to Client (NAME) and company members explaining defined contribution savings and investment plans, such as 401K plans, investment choices and their uses to construct personal investment portfolios.



PURPOSE NO. 1

NAME's investment program is defined in the various sections of the IAA by:

1. Stating in this written document NAME's objectives, time horizon, risk tolerance, expectations, guidelines, and constraints for the investment of all Portfolio assets.
2. Setting an investment structure for managing the NAME Portfolio, so that all Portfolio assets are managed in accordance with stated objectives.
3. Encouraging effective communications between NAME and BWM.
4. Establishing formal criteria to select, monitor, evaluate and compare the performance of the NAME Portfolio investments on a regular basis.
5. Complying with all applicable fiduciary, prudence and due diligence requirements experienced investment professionals would utilize, and with all applicable laws, rules and regulations from various local, state, federal and international political entities that may impact NAME's Portfolio assets.

BACKGROUND

This IAA has been prepared for NAME. The assets covered by this IAA currently total approximately \$_____ in market value.

STATEMENT OF OBJECTIVES

This IAA describes the prudent investment process BWM deems appropriate for NAME's situation. NAME desires to minimize losses or maximize returns within prudent levels of risk and to meet the following stated investment objectives:

1. The primary investment objective of this IAA is to **PRESERVE THE PRINCIPAL VALUE** of the assets described in this IAA.
2. The secondary objective of this IAA is to **GROW THE PRINCIPAL VALUE** of the assets described in this IAA.

INVESTMENT PRINCIPLES

BWM will guide a prudent path between risk and reward by investing in financial assets that have a favorable risk-reward tradeoff. The risk-reward tradeoff includes overall stock, bond, and commodity market asset allocations.

BWM and NAME acknowledge that there are times when the financial markets are depressed in price and the risk is low. There are also times when the financial markets are extended in price and the risk is high. BWM will attempt to strike a balance between participating in the potential stock market upside and under participating in the potential stock market downside.

Time Horizon

The investment guidelines are based upon an investment horizon of greater than five years; therefore interim fluctuations should be viewed with an appropriate perspective. NAME's time horizon is ____ years.

Risk Tolerances

NAME recognizes and acknowledges some risk must be assumed in order to achieve long-term investment objectives, and there are uncertainties and complexities associated with contemporary investment markets.

In establishing the risk tolerances for this IAA, NAME's stated ability to withstand short and intermediate term variability is considered. NAME's current financial condition stated to BWM and several other factors suggest collectively some interim fluctuations in market value and rates of return may be tolerated in order to achieve the longer-term objectives.

The experience of BWM is that over a complete stock market cycle (usually 4 to 6 years of price advances and declines), it is more important to manage the downside risk of securities markets than it is to show spectacular brief upside growth. The investment objective of BWM is to deliver consistent performance over time along with growth of capital with reasonable risk.

Risk Assessment and Loss Limits

NAME is willing to accept some reduction in the Portfolio principal balance as described below:

- NAME agrees with BWM to set a _____ (% or \$) mutually agreed upon loss limit for a particular mutual fund, stock and/or exchange traded fund (ETF) investment within the Portfolio.

Desired Return

In general, NAME desires the Portfolio assets to earn at least a targeted return of _____ % per year. That targeted return would be measured on an:

_____ Absolute basis. That is, a long-term rate of return for a relevant period of time.

_____ Relative basis. That is, a long-term rate of return versus a widely-accepted benchmark including the S&P 500 Index and/or other securities market indices weighted to generally reflect an agreed upon asset allocation strategy.

NAME understands that the target rate of return may vary, that actual long-term rates of return will vary, and comparisons may not be meaningful during some periods.

Guidelines and Constraints

NAME requires the following financial factors to be considered _____

_____.

Asset Class Preferences

BWM will seek to achieve the investment total return objectives, while being equally focused on minimizing risk and preserving capital. Fundamental analysis, diversification application, and evaluation of supply-demand relationships of short and long-term stock market indicators, asset class Relative Strength, and individual security performance ratings analyses will be performed.

Fundamental Analysis

Research will be performed that reviews underlying fundamental aspects of each stock, exchange traded fund (ETF), mutual fund, and other asset in the Portfolio. Asset expected earnings or cash flows will be analyzed to estimate over market price valuations. The sources for this analysis will come from a variety of fundamental and technical sources. Sources include Morningstar ® fund research, Value-Line, Charles Schwab, and others.

Diversification

A disciplined diversification process will be applied to the Investment Portfolio including asset historic return characteristics, time horizon spending, and risk budgeting.

Qualified Plan Assets

Diversification will come through the investment in retirement (401K, etc.) plan mutual fund options that invest in stocks of different market capitalization (small-cap, mid-cap and large-cap). It is expected that between 10% and (as much as) 50% of the Portfolio will be diversified by owning non-correlating (prices changing in same time path less than 75% of time) return mutual fund options in the retirement plan.

Non Qualified Portfolio (Unspecified 401K, etc. Plan) Assets

In addition to mutual funds, individual stocks and bonds, diversification may also be attained through the use of Exchange Traded Funds (ETF's).

Exchange Traded Funds are investment securities that closely track a specific market index or sector. Like traditional mutual funds, ETF's are a pool of securities offering diversification. ETF's trade like shares of a publicly held company and can be bought and sold anytime during market hours of operation. ETF's can be used to manage a portfolio with the same discipline associated with individual stocks.

ETF's are available in different market capitalizations (small, mid and large-cap), sectors within the domestic stock markets (basic materials, utilities, healthcare, etc.), foreign markets (Europe, Pacific Rim, etc.), and fixed income (short-term 1-3 year maturities, medium-term 7-10 year maturities, and long-term 20+ year maturities) and commodities.

Supply-Demand Relationship

The investment method will assess supply-demand relationships within markets, asset classes and the individual mutual fund options available in the retirement plan menu, etc., in order to help determine the buy or sell decision. This analysis is a critical aspect of the investment program. It will facilitate the timing of the investment commitment. Supply-demand relationships will be studied from a top down approach: the health (bullish or bearish conditions) of the financial markets overall; asset classes within those markets; and individual mutual funds within those asset classes.

The investment process relies upon the Relative Strength of each mutual fund option in the retirement plan or unspecified universe of funds compared to an index (most commonly either the S&P 500 an equal-weighted S&P 500, or S&P 500 combined with another index) or the Relative Strength of each mutual fund option in the retirement plan menu compared to its fund peer group and asset class.

This supply-demand relationship will assist in gauging the overall risk in the market, in identifying potential individual fund downside risk, and in discovering attractive risk-reward opportunities. Calculated measurements will be used in completing the Relative Strength analysis.

Rebalancing of Strategic Allocation

The percentage allocation to each asset class may vary depending upon market conditions. When necessary and/or available, cash inflows/outflows will be deployed in a manner consistent with the strategic asset allocation of the Portfolio. Apart from cash flows, the allocation of the Portfolio will be reviewed and possibly changed quarterly, unless an agreed upon asset loss limit requires an asset to be sold prior to a quarterly review.

DUTIES AND RESPONSIBILITIES

Investment Advisor

NAME has retained Banach Wealth Management to assist in managing the investments in the Portfolio. BWM will be responsible for guiding the Portfolio through a disciplined and rigorous investment process. As a fiduciary to the NAME Portfolio, the primary responsibilities of BWM are:

1. Provide client with Form ADV Part II disclosure document prior to signing this Investment Advisory Agreement and offer to provide the current Form ADV Part II annually thereafter.
2. Prepare and maintain this IAA.
3. Provide sufficient asset classes with different and distinct risk/return profiles, so the NAME Portfolio can be diversified in multiple dimensions.
4. Prudently select Portfolio investments.
5. Monitor and direct NAME to take the investment asset change actions or direct broker transactions, if a Schedule D Full Discretionary Trading Authorization is executed.
6. Avoid prohibited transactions and conflicts of interest.
7. Provide quarterly account transaction and portfolio market value statements.

Investment Manager Firm

BWM will act as Investment Advisor (responsible for making Portfolio investment decisions, such as security selection, price, and the buy or sell time). NAME is normally responsible to take the buy and sell actions, or hold the assets (part of the investment process) per BWM decisions and directions.

Under this dual responsibility, BWM accepts these specific duties and responsibilities:

- 1. Advise NAME of the Portfolio specific asset buying and selling in accordance with the guidelines and objectives outlined in this IAA.**
- 2. Disclose to NAME all significant changes pertaining to the Portfolio assets it advises. Changes in BMW ownership, organizational structure, financial condition, and the management of this IAA are examples of changes where BWM will request NAME approval to proceed with IAA responsibility.**
- 3. Direct NAME to make all specific buy and sell security transactions for the Portfolio by the close of the next securities market business day.**
- 4. Use the same care, skill, prudence, and due diligence under the circumstances then prevailing that experienced investment professionals acting in the same capacity and fully familiar with such matters would use in the same activities for the same portfolios with same aims in accordance and compliance with the Uniform Prudent Investor Act and all applicable laws, rules, and regulations.**

CUSTODIAN AND REPORTING OF ASSETS

NAME will be responsible for custody of assets and provide BWM with transaction records.

- 1. NAME will provide BWM transaction records within 5 business days after investment transactions.**
- 2. BWM will value the NAME Portfolio holdings per market asset quotes.**
- 3. BWM will provide client quarterly electronic and mailed reports that detail transactions, cash flows, securities held and their current value, changes in value of each security and the value of the overall NAME Portfolio, since the previous report.**
- 4. If client provides BWM 401K plan quarterly statements, including quarterly contributions, more than 5 business days after the end of a quarter, the BWM quarterly statement will not include the most recent quarter 401K plan contributions or per specific discussion the BWM quarterly statement will be delayed.**

CONTROL PROCEDURES

Costs

BWM will review with NAME at least annually all costs associated with the management of the Portfolio's investment program, including:

- 1. Expense of each investment service.**
- 2. The minimum initial account value is \$100,000. Annual client account fee charges are: 0.75% for Account Assets Under Management (AUM) up to \$250,000. 0.50% for Account AUMs greater than \$250,000. Negotiable fees for Accounts greater than \$2,000,000.**
- 3. BWM management fees are 25% of the annual fee to be paid within the first 10 business days of each quarter. The initial first quarter payment will be prorated, if the account is started in the middle of a calendar quarter. (I.E. if an account is started on February 1, the initial quarter payment will be $2/3 \times 25\%$ or 16.67% of the annual account fee). There is no added fee for the IAA or IAA changes. Client may terminate this IAA and receive a pro rata quarterly payment refund of remaining fees paid by mailing a termination letter to BWM effective upon the date of receipt.**

Portfolio review

BWM and NAME will agree to meet annually, if NAME requests, to review investment options and the NAME Portfolio performance.

BWM shall contact NAME on a more frequent basis with timely news and Portfolio rebalancing ideas as deemed reasonable without added charges. Discussion contacts with NAME will be by electronic message and/or telephone call.

INVESTMENT POLICY REVIEW

BWM will review this IAA with NAME at least annually to determine whether stated investment objectives are still relevant and the continued feasibility of achieving the same. It is not expected that the IAA will change frequently. Specifically, short-term changes in the financial markets should not require IAA changes.

PURPOSE NO. 2

NAME's investment plan presentation, such as a defined contribution (DC) savings and investment plan project presentation, or report is defined by:

- 1. Stating in this written document NAME's desired level of DC plan choice descriptions and example criteria for company member selection of plan choices or report specification.**
- 2. Establishing a process for project status review and revision, if desired, prior to presentation or report submittal.**
- 3. Establishing formal criteria for satisfactory report or presentation completion.**

OBJECTIVE AND SPECIFICATION

This IAA describes the presentation level of DC savings and investment plan choice descriptions and educational guidance in constructing personal investment portfolios or other project report specification.

Objective and Presentation or Report Specification _____

RESPONSIBILITIES AND CONTROL PROCEDURE

Investment Advisor will prepare a presentation per investment plan information provided by client and make presentation after client approves content or prepare a report after client approves outline.

Client will approve presentation or report content and make agreed upon payment for presentation or report upon satisfactory completion.

The project presentation or report cost will be agreed upon prior to the start of the presentation. The cost range for a savings and investment plan research, preparation, and approximately 90 minute presentation is \$400 to \$600. The plan number of choices and choice detail description will influence the fee amount. The cost for an investment research project report without a presentation will be billed at a \$125 per hour rate.

Prepared:

Approved:

Joseph Banach, CFA, CIPM
Principal, Banach Wealth Management

NAME
Client

Date

Date