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**INVESTMENT ADVISORY &  
FINANCIAL PLANNING  
AGREEMENT**

**WATERROCK**  
GLOBAL ASSET MANAGEMENT LLC

**WaterRock Global Asset Management, LLC.**

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## INVESTMENT MANAGEMENT AGREEMENT

This agreement ("Agreement"), effective as of the date mutually signed by both parties below, sets forth the nature and limitations of the investment advisory and financial planning services to be provided by WaterRock Global Asset Management, LLC. ("Advisor" or "WRGAM") and \_\_\_\_\_ ("Client" or "You"). Advisor is in the business of providing investment advice and Client desires Advisor to provide investment advice and manage Client's account ("Account"). Therefore, the parties mutually agree to the following:

- Services of Advisor.** Client hereby appoints Advisor, and Advisor accepts the appointment as investment advisor. Advisor agrees: (a) to review at reasonable intervals during the period of this Agreement the investments of the Account as initially accepted by Advisor, together with all additions, substitutions and alterations thereto; (b) to manage Client's investments in accordance with Client's instructions and consistent with Client's investment objectives, as indicated in Advisor records; and (c) to provide Client, at least quarterly, a written report of the investments of the Account. It is understood and agreed that Advisor, in preparation of reports, does not assume responsibility for verification of the accuracy of information furnished by Client, in accordance with the Client representations communicated to Advisor pursuant to section nine (9) below, or received from any other person, firm or corporations.
- Trading Authorization.** Client grants Advisor discretionary authority to manage Client's Account. Advisor shall supervise and direct, in its sole discretion, the investments of and for the Account without further consultation with Client, subject however, to such limitations and restrictions as Client may impose by notice, in writing, to Advisor. A written investment policy statement (IPS) will be established for the Account upon consultation with Client. Advisor shall then recommend to Client an initial Investment Advisory Model(s) in terms of types of securities which will be used as a vehicle to accomplish such objective. Advisor may from time to time recommend a revised program whenever deemed advisable by Advisor. Advisor shall use such investment model(s) as an outline and guide and shall be free to make whatever purchases or sales it deems necessary in order to accomplish the general investment objective approved by Client as communicated to advisor pursuant Section 1 (B). Using the authority of this agreement, Advisor may: (a) buy, sell, exchange, convert and otherwise trade in any and all stocks, bonds and other securities as Advisor may select; and (b) establish, maintain and deal through accounts with one or more securities brokerage firms as Advisor may select, to effect purchases or sales of securities, as agent for the Account.
- Implementation of Advice.** It is understood that Advisor performs investment advisory services for various clients. Client agrees that Advisor may give advice and take action with respect to any of its other clients which may differ from advice given or the timing or nature of action taken with respect to the Client, so long as it is the Advisor's policy, to the extent practical, to allocate investment opportunities over a period of time on a fair and equitable basis relative to other clients. Advisor shall not have any obligation to purchase or sell, or to recommend for purchase or sale, any security which Advisor, its principals, affiliates or employees may purchase or sell for its own accounts or for the account of any other client, if in the opinion of Advisor such transaction or investment appears unsuitable, impractical or undesirable for the Client or the Account.
- Disclaimers and Limitations.** The Client's investments are subject to risks associated with investing in securities, including various market, currency, economic, political and business risks. The Advisor does not guarantee the performance of the Client's investments or guarantee that the Advisor's investment advice or strategies will be successful or that the Client's investment objectives will be met. In the event that the Client directs Advisor to use a particular broker or dealer, the Advisor may not be authorized under those circumstances to negotiate commissions and

may not be able to obtain volume discounts or best execution. In addition, under these circumstances a disparity in commission charges may exist between the commissions charged to clients who direct the Advisor to use a particular broker or dealer.

5. **Insider Information.** Advisor shall have no obligation to seek to obtain any material non-public (“inside”) information about any issuer of securities, or to purchase or sell, or to recommend for purchase or sale, for Client the securities of any issuer on the basis of any such information as may come into its possession.
6. **Voting Proxies.** Advisor will not be required to take any action or render any advice with respect to the voting of proxies solicited by or with respect to the issuers of securities in which assets of the Account may be invested from time to time.
7. **Advisor Representations.** Advisor represents that it is an Investment Advisor registered with the State of Washington, Oregon, California, and Florida. No assignment of this Agreement shall be made by either party without written consent of the non-assigning party. If the Account is subject to ERISA, Adviser acknowledges that it is a “fiduciary” (as that term is defined by ERISA) with respect to the Account.
8. **Client Representations.** Client represents and acknowledges responsibility to inform Advisor of Client’s investment objectives, time horizon, risk tolerance, goals, and objectives, and any changes in them. Client will furnish Advisor with true copies of all governing documents. If the Account is subject to ERISA: (i) Client acknowledges that it is a “named fiduciary” with respect to control or management of the assets of the Account; and (ii) Client agrees to obtain and maintain a bond, satisfying the requirements of Section 412 of ERISA, and to include Advisor and its agents.
9. **Confidential Relationship.** All information and advice furnished by either party to the other shall be treated as confidential and shall not be disclosed to third parties except as provided by the Privacy Policy set forth in **Exhibit B** and as allowed by law.
10. **Incapacity or Death of Client.** Upon the death or incapacity of Client, Client’s legal representative shall notify Advisor in writing of such event. In such event, until Advisor is instructed otherwise in writing by Client’s legal representative, Advisor shall continue to manage the Account in accordance with this Agreement, subject to any limitations imposed by the Custodian. The Client’s legal representative may terminate the relationship evidenced by this Agreement at any time in accordance with Section 15 hereof. Otherwise, as soon as practical after the Client’s death or incapacity, the Client’s legal representative may enter into a new Agreement for investment advisory services with respect to the Account to replace and supersede this Agreement.
11. **Additions and Withdrawals.** Client may at any time add assets or cash to the Account subject to acceptance by Advisor. Client may also withdraw funds or assets at any time by giving Advisor reasonable prior notice. Normal settlement for cash distributions is four (4) business days. Distributions may be paid directly to Client or Client’s account only. Client acknowledges the Account is established for the purpose of managing a long term investment portfolio and understands that withdrawals may impact investment returns.
12. **Accounting and Legal Services.** It is understood and agreed by and between the parties to this Agreement that the Advisor is not qualified to render any legal or accounting services or to prepare any accounting or legal documents for the implementation of the Client’s investment plan. The Client acknowledges that its, his or her personal attorney and/or personal accountant shall be solely responsible for rendering or preparing all legal advice, legal opinions, legal determinations, legal

documents, tax returns, accounting statements, and documents. The Client is solely responsible for the cost of such legal or accounting services.

13. **Dispute Resolution Procedure.** Any controversy or claim arising out of or relating to services to Client under this Agreement, or the construction or breach thereof, shall be encouraged to first go through mediation where parties, in good faith, will seek to resolve the matter. **MEDIATION IS A VOLUNTARY PROCESS THAT MUST BE AGREED UPON BY BOTH PARTIES ONCE A DISPUTE ARISES.** However, if the parties are unable to reach a resolution or do not agree to mediation, then they shall submit the matter to binding arbitration before Judicial Dispute Resolution's office in Seattle, Washington, or such other alternative dispute organization as the parties may agree upon. The parties agree to share equally the cost and fees of the mediation, and the prevailing party in any subsequent arbitration shall be reimbursed the fees and costs of the arbitrator and its, his or her own attorneys. Judgment on the award rendered by the arbitrator shall be final and may be entered in any court having jurisdiction thereof. **IT IS RECOGNIZED THAT AN ARBITRATION CLAUSE MAY NOT BE ENFORCABLE IN ALL JURISDICTION WHERE ADVISOR TRANSACTS BUSINESS.**
14. **Termination.** This agreement may be terminated by and upon either party giving thirty (30) day's written notice to the other party. Additionally, if Client has not received Part II of Advisor's Form ADV (**Disclosure Brochure, Exhibit D**) at least 48 hours prior to the date of this Agreement, Client shall have the right to terminate the Agreement without penalty, within five (5) business days from the date of signing this Agreement.
15. **Investment Advisory and Financial Planning Fees.** For Advisor services:
  - a. Client hereby authorizes the custodian of the Account to pay Advisor fees, as described below, directly from the Account, as invoiced by Advisor. The custodian of the Account may rely on the invoices submitted by Advisor, and will have no responsibility to calculate or verify fees so involved.
  - b. A copy of all monthly invoices will be mailed to Client for Client's records. Unless email option is selected, in which case, invoices will be electronically delivered to Client. The Advisor will render statements of fees after the end of each calendar month and the Client will have these fees deducted from their account.
  - c. Assets-Under Management Fee. Fees (2.00% Maximum) depending on services rendered and model portfolios chosen by Client and Advisor (**See Exhibit C**). Such fees shall be paid monthly in arrears, and shall be prorated for periods of less than 30 days. In the event of termination of this Agreement, the pro-rated portion annual fees will be charged. Fees may be adjusted upon the provision of thirty days written notice to Client. The fee shall be calculated each calendar month based upon the market value of the assets under management held in Client's Account(s). For the purpose of fee calculation, Client's Accounts may be combined with relatives or other close relationships for valuation purposes. This fee shall be debited from Client's Account monthly. The Client agrees to pay an annual asset management fee of \_\_\_\_\_% for advisory services equal to an annual rate not to exceed 3.00% of assets under management.

Client Initials \_\_\_\_\_



- d. Flat or Flat Fee. Client shall pay a flat or fixed fee (if applicable) of \$ \_\_\_\_\_ .00 per hour, not to exceed \$250.00 per hour for financial planning or planning based services. Advisor will provide a written estimate via hard copy or digital form prior to beginning work. Advisor will charge for all activities undertaken in providing recommendations, investment service(s), transactions or recommended asset management services to Clients and submit a billing statement outlining services under this Agreement.

Client Initials \_\_\_\_\_

Performance Based Fee. Advisor may also offer certain qualified clients a performance-based fee schedule. **A qualified investor is an individual who has assets under management of \$1,000,000 or have a net worth of \$2,000,000. Additionally, the value of a person's primary residence will not be included in the asset calculation for the purposes of the net worth test.** The performance-based fee is up to thirty percent (30%) of the net profits above a high watermark value (Typically account value on a stated date). The performance fee and high water mark are both negotiable in the sole and absolute discretion of WRGAM. The established high water mark for the client's account provides that no performance-based fee will be charged based on a period no less than one year on the value of holdings on December 31<sup>st</sup>, where the client's account does not appreciate over that time period to a degree that exceeds the appreciation at the beginning of that same period.

This high water mark provision is applicable only to the performance-based portion of the investment management fees which are based upon the net performance of the client account, and as according to the relevant fee schedule in force. The high water mark provision does not apply to the portion of the investment management fee which is based upon a percentage of assets under management and is adjusted according to performance relative to the high water mark value over the stated time period within this agreement.

While no performance-based fee will be charged in any year that the client account's capital appreciation for the period covered does not exceed that of the account at the beginning of the year, once a performance-based fee has been paid to the Adviser for any period, the Adviser shall retain such fee notwithstanding subsequent losses in the account.

Performance Based Fees will only be charged in accordance with the provisions of Reg. 205-3 of the Investment Advisors Act of 1940, will meet all requirements for such fees as specified in the Washington Administrative Code (WA 460-24A-150) and/or other applicable federal and state regulation. The performance fee is not available for clients in the state of Arizona. The performance fee may create an incentive for Advisor to recommend investments which may be riskier or more speculative than would be the case in the absence of the arrangement and, in certain circumstances; Advisor may receive increased fees as a result of unrealized and realized gains in performance based fee Accounts.

For clients whose investments under management will include securities for which market quotations are not available, Advisor will value those investments fairly and in good faith. Under certain circumstances, such as for ERISA clients, an independent person may be engaged to value such investments. All performance based fees will be billed in arrears.

The Client and Advisor agree to perform investment portfolio management under a performance based asset fee structure. The agreed upon performance fee is \_\_\_\_\_ %

Client Initials \_\_\_\_\_

16. **Custodian Services.** The Account Assets shall be held for safekeeping with a Custodian. Advisor shall not act as custodian for the Account Assets and shall not be liable to Client for any act, conduct or omission of Custodian. Advisor is hereby authorized and empowered to issue instructions to Custodian. Custodian fees are separate from Advisor fees and will be charged directly to Account by Custodian.

17. **Privacy Policy and Disclosure Brochure (Form ADV II).** In accordance with Rule 204-3 under the Investment Advisors Act of 1940 (the “Act”), and RCW 21.20 Securities Act of Washington, Advisor has furnished to the Client its ADV Part II. Client hereby acknowledges receiving a copy of Advisor’s Privacy Policy and Form ADV II (**Exhibit B,D**).

Client Initials \_\_\_\_\_

18. **Internet Access & Electronic Delivery Enrollment.** Advisor hereby offers online access to client’s account and electronic delivery of Client’s account statements. Once the Account is established, Advisor agrees to provide instructions on how to access the Account. Once enrolled, Client understands that Client will receive notification via email that Client’s statements and trade confirmations are available via Advisor’s secure website or the custodian of Client’s assets.

To begin enrollment in electronic delivery, Client hereby provides Client’s email address below and signs **Exhibit A – Consent to Electronic Delivery** (attached). Once Exhibit A is signed and the Account is established, Advisor agrees to provide instructions on how to complete. Client’s enrollment:

Email address(s): \_\_\_\_\_

*Internet Access & Electronic Delivery may also be requested or revoked at any time by contacting WaterRock Global Asset Management, LLC in writing.*

19. **Signatures.** By signing below, both parties acknowledge that Client’s Account and Client’s relationship with Advisor will be governed by this Agreement, its Account Application, and all incorporated agreements and/or disclosures.

▶	_____	_____	_____
	Client Signature	Print Name	Date
▶	_____	_____	_____
	Client Signature	Print Name	Date
▶	_____	_____	_____
	Client Signature	Print Name	Date

*Agreed and accepted by WaterRock Global Asset Management, LLC.*

▶	_____	_____	_____
	Advisor Signature	Print Name & Title	Date

**WATERROCK GLOBAL ASSET MANAGEMENT LLC**  
**Exhibit “A” to the INVESTMENT ADVISORY AGREEMENT**

**CONSENT TO ELECTRONIC DELIVERY**

To provide more efficient delivery of periodic reports and other documents relating to your account, you have indicated to us that you would like to receive account documents electronically. To complete our records, we ask you to read and sign the Consent form set forth below which will allow us to begin delivering documents to you electronically.

**Consent to Electronic Delivery**

You consent to our delivery of documents electronically to you for your accounts and all accounts related to you. You understand that by consenting you are agreeing not to receive paper documents by mail. We will provide you with an email notifying you when your account documents are available on our website. If we are unable to notify you electronically, you understand we may, in our sole and absolute discretion, discontinue electronic delivery and send all account documents in paper form. Account documents will be made available in PDF format and may be printed and/or saved.

Upon our receipt of this Consent signed by you, electronic delivery will begin and will remain in effect unless revoked by WaterRock Global Asset Management, LLC. or by you. You understand that this form of electronic delivery will expose the documents to the normal risks associated with viewing information via the internet. There is no charge from us for electronic delivery, but online access and usage charges by your internet service or access provider may apply. Other than being able to access by computer a website via the internet, you understand there is no additional hardware requirement needed for document delivery. Your account statements will be available online in Adobe Acrobat format and will require a computer that has an internet browser and is able to run Adobe Acrobat Reader. A free version of Adobe Acrobat Reader is available at [www.adobe.com](http://www.adobe.com).

You may revoke your consent to electronic delivery at any time by calling us at 425-698-1463, or in writing. Your revocation is only effective after we receive and process your request. If you revoke your consent to electronic delivery you will receive future documents in paper form sent to the address indicated for your account.

If your contact information, such as your email address changes you agree to provide the new information to WaterRock Global Asset Management, LLC. Related accounts will be “household” (sent to the same address or user id) if applicable. We agree to provide a notice to you in the event of any changes regarding hardware and software requirements necessary to receive account documents. The information will be made available in PDF format and may be printed and/or saved. Consent will be needed by each owner, co-owner, trustee, or authorized agent by signing below.

▶ _____	_____	_____
Client Signature	Print Name	Date
▶ _____	_____	_____
Client Signature	Print Name	Date
▶ _____	_____	_____
Client Signature	Print Name	Date

*\*Client to retain for records*

**WATERROCK GLOBAL ASSET MANAGEMENT LLC**  
**Exhibit “B” to the INVESTMENT ADVISORY AGREEMENT**

**NOTICE OF PRIVACY POLICY**

WaterRock Global Asset Management, LLC (WRGAM) is committed to maintaining the confidentiality, integrity and security of the nonpublic personal information of our potential, current and former clients. WRGAM values our client relationships and recognizes that an essential element of those relationships is the trust and confidence that nonpublic personal information is treated as private and confidential. WRGAM is providing you with this Notice of Privacy Policy for informational purposes and will update and distribute it as required by law. It is also available upon request.

**Client Information**

As part of our investment advisory services, WRGAM obtains nonpublic personal information about you. We may collect public and nonpublic personal information about you, through:

- Information we receive from you or your representative in meetings and conferences, on applications, other forms, contracts, or documents and correspondence; and
- Information about your transactions with us, or others.

**Protecting Your Nonpublic Personal Information**

WRGAM employs procedures to safeguard your nonpublic personal information. Controlled access to your nonpublic personal information is limited to our employees and agents. We maintain physical, electronic and procedural safeguards to protect your nonpublic personal information.

**Disclosure Policy**

WRGAM *does NOT* provide your nonpublic personal information to mailing list vendors, marketing companies, or solicitors for any purpose. We only share your nonpublic personal information with third parties in certain limited circumstances as we believe are allowed or required by law, including where:

- Disclosure is necessary to process and service transactions which you have requested or authorized, or is necessary to service your account;
- Disclosure is to a third party which performs services on behalf of WRGAM in the normal course of business. WRGAM requires these providers to agree to safeguard the information and keep it confidential, to use the information only for the intended purpose, and to abide by applicable law; and
- Disclosure is to governmental agencies or other regulatory bodies and law enforcement officials.

**Maintaining Accurate Information**

WRGAM’s goal is to maintain accurate, up-to-date records in accordance with industry standards. We have procedures in place to keep information current and complete, including timely correction of inaccurate information.

**E-Mail**

E-mail correspondence does not provide a means for completely secure and private communications. However, we value the efficiency of email and encourage our clients to utilize email with discretion.

*\*Client to retain for records*



**WATERROCK GLOBAL ASSET MANAGEMENT LLC**  
**Exhibit “C” to the INVESTMENT ADVISORY AGREEMENT**

**INVESTMENT ADVISORY SERVICES &  
FEE SCHEDULE**

**Investment Advisory Services**

- Investment management
- Investment advisory services
- Asset allocation management
- Quarterly performance & strategy summary reports
- Annual investment presentation
- Annual written analysis of account holdings and performance

**Account Annual Fee Structure & Investment Advisory Portfolio Models**

WaterRock Global Asset Management, LLC (WRGAM) charges Investment Advisory Fees based on two main factors: Client account(s) assets under management and selection of Investment Advisory Portfolio Models. WaterRock charges three types of account fee 1) Assets Under Management Fee, 2) Flat Hourly Fee, and 3) Performance Based Fee. The following Fee Schedule outlines the applicable fee range for the assets under management fee.

**FEE SCHEDULE**

<u>Account Assets Under Management</u>	<u>Maximum Applicable Fee</u>
\$0.00 - \$1,000,000	2.00% (Maximum)
\$1,000,000+	1.50% (Maximum)

**\*All fees are subject to negotiation**

Fixed, Flat or Hourly Charges:

Up to \$125.00 per hour for Associate Advisor/Administration assistant.

Up to \$250 per hour for Investment Advisor Representatives.

Performance Based Fee:

**In order to be eligible for this type of fee schedule, a client must either demonstrate a net worth of \$2 million or have at least \$1 million assets-under management with Advisor.** The performance-based fee is up to thirty percent (30%) of the net profits above a high watermark value (Typically account value on a stated date). The performance fee and high watermark are both negotiable in the sole and absolute discretion of WRGAM. The established high water mark for the client’s account provides that no performance-based fee will be charged over any year’s time period (or stated time period) where the client’s account does not appreciate over that time period to a degree that exceeds the appreciation at the beginning of that same period.

This high water mark provision is applicable only to the performance-based portion of the investment management fees which are based upon the net performance of the client account, and as according to the relevant fee schedule in force. The high water mark provision does not apply to the portion of the investment management fee which is based upon a percentage of assets under management and is adjusted according to performance relative to the high water mark value over the stated time period within this agreement.

While no performance-based fee will be charged in any year that the client account's capital appreciation for the period covered does not exceed that of the account at the beginning of the year, once a performance-based fee has been paid to the Adviser for any period, the Adviser shall retain such fee notwithstanding subsequent losses in the account.

Performance Based Fees will only be charged in accordance with the provisions of Reg. 205-3 of the Investment Advisors Act of 1940, will meet all requirements for such fees as specified in the Washington Administrative Code (WA 460-24A-150) and/or other applicable federal and state regulation. The performance fee may create an incentive for Advisor to recommend investments which may be riskier or more speculative than would be the case in the absence of the arrangement and, in certain circumstances; Advisor may receive increased fees as a result of unrealized and realized gains in performance based fee Accounts.

### **WRGAM INVESTMENT ADVISORY PORTFOLIO MODELS**

Models are categorized into two primary categories (A) Passively Traded Models and (B) Actively Traded Models. The following are descriptions of each models general strategy.

- Passively Traded Models (PTMs) are portfolio strategies involving limited ongoing buying and selling actions. PTMs will purchase investments with the intention of long-term ownership with limited maintenance. Typical management will involve mutual and exchange-traded funds (ETF) where a fund's portfolio mirrors a market index within an overall asset allocation strategy. At inception, an asset allocation strategy will be based on expected asset class returns and risk. Because the value of assets can change given market conditions, the portfolio may need to be rebalanced to meet the original strategy. PTMs objective is to mirror overall market returns and risk.
- Actively Traded Models (ATMs) is a portfolio strategy involving ongoing buying and selling actions. ATMs purchase investments and continuously monitor their activity. ATMs rely on analytical research, forecasts, Advisors judgment and experience in making investment decisions on what securities to buy, hold and sell

WRGAM fees are payable and assessed monthly in arrears. Fees are calculated by multiplying the total month-end market value of the account inclusive of stocks, bonds, cash equivalents, mutual funds and all other assets, by the relevant percentage and dividing such value by twelve (12). Related accounts may be aggregated for the purposes of the fee calculation to make an "Account Relationship(s)," upon approval by WRGAM.

WRGAM fees do not include custodial charges, which may vary. All custody of assets will be handled by a third party custodian. Those expenses will be charged separately. Minimum custodial fees and additional custodial charges may be significant for smaller Accounts. Fees and expenses charged by mutual funds, exchange traded funds, other funds and investment companies which the account may invest in are additional to WRGAM management fees. There is no guarantee that the advisory services offered will result in the clients' goals and objectives being met. Nor is there any guarantee of profit or protection from loss.