



cairninvestor.com

CUSTOMIZED ASSET MANAGEMENT SERVICES CONTRACT

This contract is between _____, herein called "you", and James W. Vassas Jr. advisor for Cairn Investor Services, herein called "Cairn".

SECTION I

We will provide investment management services which will include:

- 1) Working in conjunction with you and your other advisors to formulate a plan for the investment of your assets. Such a plan will specifically state your objectives and other management parameters that you may wish to specify.
- 2) We will implement this plan upon your approval and continuously monitor the account assets. The client is under no obligation to act upon the investment adviser's recommendations, and if the client elects to act on any of the recommendations, the client is under no obligation to effect the transaction through the investment adviser, which is not a broker dealer and cannot sell any investment products.
- 3) We will initiate purchases and sales of assets on a timely basis, thus providing continuous investment management services on a discretionary basis. We do not receive any compensation related to the sale of products recommended or from referrals to other professionals.
- 4) We will prepare a written quarterly report which outlines the activity that has taken place in your account along with the beginning and ending account values. Quarterly statements show amount of fee, value of your assets upon which fee is based, and fee schedule from which calculations are determined. It is the client's responsibility to verify the accuracy of the fee calculation, as the custodian will not do so. This report will be delivered to you within two weeks after the end of each quarter.
- 5) We will not provide advice with regard to the voting of proxies, nor vote proxies on behalf of management clients.
- 6) We have recommended Interactive Brokers LLC. as your broker/custodian because it is a reliable financial institution and its commission rates are low. We have a fiduciary relationship with our clients and are required to act in their best interests at all times. We will inform you in advance of any fees taken from your account on our behalf.

SECTION II

You hereby:

- 1) Acknowledge receipt of our current "Disclosure Statement - Brochure" dated within one year of the date of this contract. This document is also available on our website and discloses our policies and procedures, costs, fees, and compensation regarding recommended transactions. Additionally, all documents are available free of charge.
- 2) Agree to furnish us with the documents necessary for us to perform our obligations under this contract.

- 3) Agree that management fees will be paid to us quarterly in arrears and automatically billed through your custodian or manually calculated by Cairn should the custodian not offer and automated service. All billing is in arrears. We do not charge in advance for any services rendered. The fees will be calculated daily using 252 business days as to account for additions and withdrawals and billed at the end of the quarter. Fees shall be calculated as follows:

<u>Account Value</u>	<u>Annual Fee as % of Account (Billed Quarterly)</u>
1st \$100,000 of account value	1.80%
Next \$150,000 of account value	1.57%
Next \$250,000 of account value	1.35%
Next \$500,000 of account value	0.90%
Amounts over \$1,000,000	0.45%

SECTION III: OTHER PROVISIONS

- 1) This contract may be canceled at any time by either party with no charges or penalties. In the event this contract is canceled, you will be charged only on a pro-rated basis for the time your account was under management.
- 2) In any controversy or claim arising out of or relating to this contract, or the breach thereof or any controversy between the parties involving the construction or application of any of the terms, provisions or conditions of this contract shall, on the written request of either party served on the other party, be submitted to arbitration and such arbitration shall comply with and be in accordance with the rules of the American Arbitration Association and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The federal and state securities laws impose liabilities under certain circumstances on persons who act in good faith, and therefore, nothing herein shall in any way constitute a waiver or limitation of any rights which the undersigned may have under any federal or securities laws.
- 3) We shall not be liable to you for anything done or omitted by us under this contract provided that we shall have acted in good faith and provided that negligence, willful or reckless misconduct, or violation of law on our part is not involved. The federal and state securities laws impose liabilities under certain circumstances on persons who act in good faith, and therefore nothing herein shall in any way constitute a waiver or limitation of any rights which the client may have under any federal or state securities laws.
- 4) We may not transfer or assign this contract without your written consent.

Check One: ☐ Preservation ☐ Income ☐ Income/Growth ☐ Growth

Dated this ____ day of _____, 20__

Client Signature

Client Signature

Cairn Investor Services
James W. Vassas Jr. - Advisor

Cairn Investor Services does not receive any compensation related to the sale of security products recommended from referrals to other professionals. The client is under no obligation to act upon the investment adviser's recommendations, and if the client elects to act on any of the recommendations, the client is under no obligation to affect the transaction through the investment adviser, which is not a broker dealer and cannot sell investment products. Cairn Investor Services does not charge in advance for any services rendered. All billing is in arrears. Quarterly statements show amount of fee, value of your assets upon which fee is based and fee schedule from which calculations are determined. It's the client's responsibility to verify the accuracy of the fee calculation, as the custodian will not do so. Lower fees for comparable services may be available from other sources.

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