



## INVESTMENT ADVISORY CONTRACT

CLIENT NAME: \_\_\_\_\_

Date \_\_\_\_\_

The undersigned ("Client"), being duly authorized, has established an Account/Relationship (the "Account"), and hereby agrees to engage J2 Capital Management, Inc. ("IA") on the following terms and conditions.

***I. Appointment of J2 Capital Management, Inc.***

The Client hereby appoints IA as investment adviser for the Account. IA shall supervise and direct the investments of and for the Account, subject to the objectives, limitations and restrictions listed in the Client's Written Investment Policy Statement, which is attached as Exhibit I. Client agrees to promptly notify IA in writing of any changes to its investment policy, and any changes to the restrictions or limitations applicable to the Account, and to provide IA with prior written notice of any changes in the identity of persons authorized to act on behalf of the Client with respect to the Account.

***II. Services by IA.***

By execution of this Agreement, IA hereby accepts the appointment as investment adviser for the Account and agrees from and after the effective date, as referred to in the Schedule of Fees attached hereto as Exhibit II,

- (a) to supervise and direct the investments of the Account in accordance with the investment objectives of Client as listed on the attached Exhibit I, and as communicated hereafter in writing to IA from time to time;
- (b) to appraise and review, at least quarterly during the period of this Agreement investments of the Account, as initially accepted by IA, together with all additions, substitutions and alterations thereto; and
- (c) to render to Client at least quarterly a written statement of the investments of the Account. This statement will come directly from a Custodian. It is understood and agreed that IA, in the maintenance of records for its own purposes, or in making such records or the information contained therein

available to Client or any other person at the direction of Client, does not assume responsibility for the accuracy of information furnished by Client or any other person, firm or corporation.

***III. Procedure.***

All transactions authorized by this Agreement shall be consummated by payment to or delivery by Client or Custodian. IA will have no custody, (except for the authorized deduction of client fees), of client funds and/or securities; and all funds/securities will be delivered between Client and Custodian only. Instructions of IA to the Custodian with respect to investments shall be confirmed as soon as practicable thereafter. The Custodian at the time this Agreement is executed is identified in the attached Exhibit III. If the identity of the Client's Custodian changes, the Client will provide IA with prompt, written notice of the change. Client hereby authorizes IA to receive from the Custodian a copy of any Custody Agreement in effect at any time with respect to the Account. Clients may choose to either have account debited directly from Custodian (if possible) or to have a bill sent from IA directly to client to pay by check. If the client chooses to be billed directly by the Custodian, IA would have constructive custody over that account and must have written authorization from the client to do so, must send an invoice directly to the client explaining each fee debit, and must have a custodian who sends at least a quarterly statement showing all debits.

***IV. Service to Other Clients.***

It is understood that IA performs investment advisory services for various clients. Client agrees that IA may give advice and take action in the performance of its duties with respect to any of its other clients which may differ with the advice given or action taken with respect to the Account, so long as it is the IA's policy, to the extent practical, to allocate investment opportunities to the Account over a period of time on a fair and equitable basis relative to other clients. Nothing in this Agreement shall be deemed to confer upon IA any obligation

to acquire for the Account a position in any security which IA, its principals or employees may acquire for its or their own accounts or for the account of any other client, if in the sole and absolute discretion of IA it is not for any reason practical or desirable to acquire a position in such security for the Account.

**V. *Client Accounts.***

Client has opened or may open an account with a custodian for the execution of securities transactions and custodial services. If client elects to use a custodian other than the custodian suggested by IA, then IA may not be able to negotiate the best commission rates or obtain the best trade execution. The suggested custodian is identified in Exhibit III hereto.

**VI. *Inside Information.***

IA shall have no obligation to seek to obtain any material nonpublic ("inside") information about any issuer of securities, or to purchase or sell, or to recommend for purchase or sale, for the Account the securities of any issuer on the basis of any such information as may come into its possession.

**VII. *Proxies.***

IA 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 except as may be directed by the Client and except as may be otherwise required by law.

**VIII. *Fees.***

The compensation of IA for its services rendered hereunder shall be calculated in accordance with the Schedule of Fees attached hereto as Exhibit II. Client shall be given thirty (30) days' prior written notice of any increase in fees. Any increase in fees shall be accompanied by an amendment or the execution of a new contract, with signatures

from both parties evidencing acknowledgment and acceptance of the new fees. IA will not be compensated on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of the client.

Your signatures in this agreement will authorize IA to withdraw the agreed upon fees directly from your account(s).

**IX. *Valuation.***

In computing the market value of any investment of the Account, each security listed on any national securities exchange or otherwise subject to current last-sale reporting shall be valued at the value reported on the statement that clients receive from the custodian. Such securities which are not traded nor subject to last-sale reporting shall be valued at the latest available bid price reflected by quotations furnished to IA by such sources as it may deem appropriate. Any other security shall be valued in such manner as shall be determined in good faith by IA to reflect its fair market value.

**X. *Representations by Client.***

The execution and delivery of this Agreement by Client shall constitute the representations by Client that the terms hereof do not violate any obligation by which Client is bound, whether arising by contract, operation of law or otherwise; that if Client is an entity other than a natural person (a) this Agreement has been duly authorized by appropriate action and is binding upon Client in accordance with its terms and (b) Client will deliver to IA such evidence of such authority as IA may reasonably require, whether by way of a certified corporate resolution or otherwise; IA is responsible only for the Account and not for the diversification or prudent investment of any outside assets of the Client.

This section applies only if your account is for a (a) pension or other employee benefit plan (including a 401(k) plan) governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"); (b) tax-qualified

retirement plan under section 401(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and not covered by ERISA; or (c) an individual retirement account under the Code. If your account is for a plan subject to ERISA, IA acknowledges that it is a "fiduciary" within the meaning of ERISA and Section 4975(e)(3) of the Code. IA represents that it is registered as an investment adviser under the applicable laws of Texas and Michigan. Client represents that IA has been furnished true and complete copies of all documents establishing and governing the plan and evidencing Client authority to retain us. Client acknowledges that he/she is a "named fiduciary" with respect to the control or management of the assets in the account. Client will furnish promptly to IA the governing plan documents, any amendment to the plan, and Client agrees that, if any amendment affects IA rights or obligations, the amendment will be binding on IA only when agreed to by IA in writing. If Client account contains only a part of the assets of the plan, client understands that IA will have no responsibility for the diversification of all of the plan's investments and that IA will have no duty, responsibility or liability for Client assets that are not in the account. If ERISA or other applicable law requires bonding with respect to the assets in Client account and if IA so requests in writing, Client will obtain and maintain at Client expense bonding that satisfies the requirements of Section 412 of ERISA and covers IA and affiliated persons.

#### ***XI. Representations by IA.***

By execution of this Agreement, IA represents and confirms that it is registered as an investment adviser pursuant to applicable laws and regulations.

#### ***XII. Termination.***

This Agreement shall continue in effect until terminated by either party by giving to the other seven days written notice; provided that the Client may at any time, upon delivery of written notice to IA, terminate the discretionary authority of IA.

Client may terminate the Agreement within five (5) business days of signing, without penalty, and with full refund.

#### ***XIII. Bond.***

If a bond is required in connection with an Account, Client agrees to obtain and maintain for the period of this Agreement the bond in the amount specified by ERISA or other applicable law and agrees to include IA among those covered by such bond.

#### ***XIV. Notices.***

All notices and other communications contemplated by this Agreement shall be deemed duly given if transmitted to IA at: 2025 W. Long Lake Road, Suite 108, Troy, Michigan, 48098, to the attention of its Managing Member, and to Client at the address appearing below, or at such other address or addresses as shall be specified, in each case, in a written notice similarly given.

#### ***XV. Governing Law.***

The validity of this Agreement and the rights and liabilities of the parties hereunder shall be determined in accordance with the laws of the State in which the client resides except to the extent preempted by ERISA or other State or Federal laws or regulations.

#### ***XVI. Exhibits.***

The following Exhibits are attached, and are part of this Agreement:

- Exhibit I - Client's Written Investment Policy
- Exhibit II - Schedule of Fees
- Exhibit III - Identification of Custodian
- Exhibit IV - Electronic Del. Consent Form

#### ***XVII. Authority.***

When necessary, IA shall authorize the payment of transaction costs from the Client's account. No commissions will be paid to IA or any IA affiliate.

Except as otherwise set forth in this Agreement, Client authorizes IA to investigate, purchase, and sell on behalf of Client, various securities and investments. IA is authorized to execute purchases and sales of securities on Client's behalf without consulting Client regarding each sale or purchase.

*(Discretionary Investment Management)*

**XVIII. Receipt of Forms ADV Part 2A, Part 2B(s), and Privacy Policy Statement.**

Client acknowledges receipt of Parts 2A and 2B of Form ADV and the firm's Privacy Policy Statement. The client has the right to terminate the contract without penalty within five business days after entering into the contract. For the purposes of this provision, a contract is considered entered into when all parties to the contract have signed the contract, or, in the case of an oral contract, otherwise signified their acceptance, any other provisions of this contract notwithstanding.

**XIX. Assignment.**

This agreement, and the rights or obligations hereunder, may not be assigned by either party to any third party without the consent of the other party. Such consent may be obtained by advisor pursuant to a negative consent process in accordance with applicable law. This agreement shall be binding and inure to the benefit of all permitted successors and assigns.

**XX. 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 required by law.

**XXI. Title to Assets.**

Except to the extent Client has notified, or in the future notifies, IA in writing, Client represents that assets in the Account belong to

Client free and clear of any lien or encumbrances.

**XXII. Minimum.**

There is an account minimum of \$200,000, which may be waived by the investment advisor, based on the needs of the client and the complexity of the situation.

**XXIII. Market Conditions.**

Client acknowledges that IA's past performance and advice regarding the client's account cannot guarantee future results. **AS WITH ALL MARKET INVESTMENTS, CLIENT INVESTMENTS CAN APPRECIATE OR DEPRECIATE.** IA does not guarantee or warranty that services offered will result in a profit

## Exhibit I

### Written Investment Policy Statement

Creation Date:

#### Explanation and Overview

The following Investment Policy Statement (IPS) is designed to capture an initial picture and evaluation of the Client's current financial situation including their investment portfolio and assets. From this and other information obtained through Client/ Adviser interviews and meetings, the Adviser will provide guidance and make recommendations to assist the Client in deciding what changes, if any, may be needed regarding their assets, allocations of their assets, and investment portfolio(s). The IPS will serve as a "document of understanding" between the Adviser and the Client which will need to be updated periodically in order to remain relevant.

The IPS is designed to do the following:

1. Define the Client's current financial situation,
2. Gather Client's investment profile information including risk/reward tolerances, goals, and expectations.
3. Define the duties and responsibilities of the Client, the Adviser and the Custodian.
4. Establish communication and reporting time frames and standards between all parties.
5. State, in writing, the Client's investment goals, objectives, and constraints.
6. Establish performance measures and benchmarks to be used if applicable.
7. Describe proposed investment strategies and styles to be used by Adviser if applicable.
8. Establish guidelines for portfolio rebalancing if applicable.

It is the **duty of the Client** to provide the Adviser with all requested current financial and/or other information to the best of his/her/their abilities. The Adviser will use this information to develop this IPS and the investment recommendations or strategy used for the Client's portfolios. The Client will also be expected to update the Adviser with any changes to the requested information that occurs in the future. The Adviser cannot be held liable for any inaccurate information provided by the Client.

It is the **duty of the Adviser** to treat the Client(s) with a Fiduciary standard of care – meaning the Client's interests will always be at the forefront – ahead of any individual adviser representative or the firm. The Adviser will use various methods including this IPS and Client interviews, conversations, and meetings to collect the information needed to create this IPS document and to recommend an action plan of investment strategies and/or portfolio investments that are designed to accomplish the Client's goals and objectives.

A **Custodian** (Broker-Dealer Firm) will be chosen that meets the needs of the Adviser and the Client and that meets the Advisers "best execution" standards. The Custodian, not the Adviser, will maintain constructive custody of the Client's assets and provide various services and reporting to both the Client and the Adviser.

As stated above this IPS will be used to gather statistical information about the Client(s) to help the Adviser structure portfolios that are consistent with the Client's policies and goals as outlined in Adviser/Client discussions.

**IPS - Information and Assumptions**

**Client Profile Information**

	Client #1	Client #2
Client Age(s):		
Current Annual Income(s):	\$	\$
Income Tax Bracket:	%	%
Desired Retirement Age:		
Net Worth (Including Residence)	\$	\$
Net Worth (Excluding Residence)	\$	\$
Liquid Net Worth	\$	\$

Current Investment Holdings: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**Risk Tolerance:**

Which of the following scenarios would you be comfortable with? (Circle one)

- 1.) Upside = +20%    Downside = - 12%
- 2.) Upside = +12%    Downside = -6%
- 3.) Upside = +8%    Downside = -3%
- 4.) Upside = +4%    Downside = 0%

(Keep in mind that none of these are real portfolios, they are examples to determine your tolerance for loss.)

Time Horizon for investments with J2 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Target Rate of Return to reach financial planning objectives: \_\_\_\_\_%

Specific Investment Objectives if applicable: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**Communications and Reporting Guidelines**

1. Adviser will monitor Client’s portfolio on a continuous basis and make adjustment as needed to the Clients accounts.
  2. Adviser will attempt to schedule meetings with Client(s) on at least an annual basis to discuss Client(s) account(s). Performance reports or numbers will be presented to the Client on quarterly basis.
  3. Client(s) will receive reports and/or statements from the Custodian on a monthly basis.
  4. Performance reports for the Client’s account(s) will be provided on a quarterly basis. Performance reports will contain the methodology used to calculate Client account(s) performance and will compare account performance to applicable similar index performance if possible.
  5. Client(s) will receive a quarterly billing statement from the Adviser detailing the Adviser’s billing for the quarter. *(Client is encouraged to immediately notify the Adviser with any questions or concerns about the billing/invoice)*
6. Client will promptly notify Adviser of any changes to Client investment profile information. (i.e. Job and Income changes, births or deaths, investment time frame changes, etc.)

**Adviser Proposed Investment Strategies**

J2 Capital Management runs several different strategies for the purpose of diversifying strategies for our clients or to offer a specific strategy based on the goal for a specific account. After careful consideration of the data contained in the Investment Policy Statement, we have determined and agreed to run the strategies listed in Exhibit II.

Financial Planning Notes: \_\_\_\_\_

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**Exhibit II**

**Fee Schedule**

The following are the fees charged by J2 Capital Management, Inc. for services provided:

***Investment Supervisory Services Fees***

Assets Under Management	RCI Tactical Models	J2 Tactical Global Rotation	Tactical Value & Income	J2 Risk Managed RS Leaders	J2 Tactical Sector Rotation	J2 Endurance	J2 Tactical High Yield Bond	Annuity Strategies	401k Consulting Program
\$0 - \$500,000	1.30%	1.30%	1.50%	1.50%	1.50%	1.25%	1.20%	1.20%	0.50%
\$500,001 - \$1,000,000	1.20%	1.20%	1.20%	1.20%	1.20%	1.15%	1.10%	1.00%	0.50%
Above \$1,000,000	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	0.80%	0.50%

These fees are negotiable. Fees are paid quarterly in advance, and clients may terminate their contracts with written notice. Refunds on terminated accounts are given on a prorated basis, based on the number of days remaining in a quarter at the point of termination. Clients may terminate their contracts without penalty, for full refund, within 5 business days of signing the advisory contract. Any fee reimbursement properly due will be remitted within 14 days via check or a credit to client's account. Advisory fees are withdrawn directly from the client's accounts with client written authorization. Advisory fees may also be invoiced and payment will be made to J2CM via check. The invoice will show the amount of the fee, the value of the client's assets on which the fee was based, and the specific manner to which the adviser's fee was calculated.

Assets Under Management	Management Fees					
	Account 1	Account 2	Account 3	Account 4	Account 5	Account 6
\$0 - \$500,000						
\$500,001 - \$1,000,000						
Above \$1,000,000						

**Registration/Strategy/Account Number/Estimated Value**

Account 1 \_\_\_\_\_

Account 2 \_\_\_\_\_

Account 3 \_\_\_\_\_

Account 4 \_\_\_\_\_

Account 5 \_\_\_\_\_

## Client and Adviser Adoption Signatures

Client and Adviser both jointly adopt this Investment Advisory Contract and Investment Policy Statement. It is agreed that the Investment Policy Statement is a work in progress that must be updated frequently in order to remain relevant and appropriate. Client agrees to notify IA promptly of any change in financial status or risk tolerance.

Client and Adviser both jointly adopt this strategy selection. Client signature below will authorize discretionary asset management (at the agreed upon custodian) with J2 Capital Management, Inc. in the above listed strategies for the above listed fees.

<b>Client Name:</b>	<b>J2 Capital Management, Inc.</b>
<b>Client Signature</b> <b>Date</b>	<b>Adviser Signature</b> <b>Date</b>
<b>Second Signature</b> <b>Date</b>	<b>Chief Compliance Officer Signature</b> <b>Date</b>

**Exhibit III**

<b>Identification of Custodian</b>	
The Custodian for the Account is:	TD Ameritrade Institutional
Mailing Address:	4075 Sorrento Valley Blvd., Suite A, San Diego, CA 92121
Telephone:	800-431-3500

A copy of the Custody Agreement is not attached as part of this Exhibit III.

**Exhibit IV**

**Electronic Delivery Consent Form**

I consent to receive email communications that are available for delivery by J2 Capital Management. Communications include but are not limited to: quarterly performance reports, management fee invoices, J2 Privacy Policy Statement, and Form ADV 2A and B.

Please provide the email address that J2 Capital Management should use for delivery of all relevant communications. \_\_\_\_\_

I agree to notify J2 Capital Management of a change in the above email address or if I intend to withdraw consent for future communications.

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