



## INVESTMENT ADVISORY AGREEMENT

This Agreement is made as of <day> <month>, 20<year>, by and between Michael McTighe, dba 3. Ingenuity (“Adviser”) and <Client name> (“Client”).

### RECITALS

A. Adviser engages in the business of performing financial planning and investment advisory services.

B. Client desires to engage the services of Adviser and Adviser is willing to direct the investment of Client’s funds on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises, covenants, and conditions hereinafter contained and intending to be legally bound, the parties hereto agree as follow:

1. Services of Adviser - Client hereby retains Adviser as an investment adviser. Adviser agrees to supervise and direct the investments of Client’s account maintained with the Adviser (the “Account”).

2. Adviser’s Authority -

a. Establishment of Account – Subject to the terms and conditions of this Agreement, Client shall establish and maintain the Account with Adviser with an initial deposit of approximately \$<amount> of cash and/or securities therein. Funds contained in the Account shall be deposited with a securities brokerage firm or a bank selected by Adviser. Client shall execute a limited power of attorney and such other documents and authorizations as may be required in connection with such Account.

b. Scope of Authority – Adviser shall have the power and authority to supervise and direct the investment of the Account. Except as otherwise provided herein, Adviser may, when it deems appropriate and without prior consultation with Client, take the following actions with respect to the Account:

(i) Purchase, sell, or otherwise deal in securities of every kind and nature, including – without limitation – stocks, notes, bonds, debentures, commodities, options, trusts receipts, and evidences of indebtedness (“Securities”)

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(ii) Designate Charles Schwab & Co. Inc., E\*Trade Financial Inc., The Vanguard Group, Inc., with the agreement and approval of Client, such other brokerage firm as may be registered under the Securities Exchange Act of 1934, as amended, a member of the National Association of Securities Dealers, Inc. and furnishing evidence of customer account insurance in excess of the value of the securities and cash to be held by such other broker for Client, or any successor organization to such designated brokerage firm performing similar functions, to act as custodian of the securities held for the Account, to register such Securities in the “street name” and to transfer funds and Securities from time to time among such brokerage firms and/or banks. In the event Adviser desires to dismiss or discharge any broker of such brokerage firm, Adviser may notify such brokerage firm of the dismissal or discharge.

3. Investment Objectives and Restrictions – Client shall advise Adviser in writing of any specific investment restrictions applicable to the Account and shall give Adviser prompt written notice if Client deems any investments made for the Account to violate such instructions. Unless Client notifies Adviser in writing of specific restrictions, the investments recommended for, or made on behalf of, the Account shall be deemed not to be restricted under the current or future laws of any state or by virtue of the terms of any other contract or instrument purporting to bind Client or Adviser.

4. Confidential Relationships – All information and advice furnished by either party hereto to the other and its agents and employees, shall be confidential and shall not be disclosed to third parties except as required by law. Nothing in this Agreement; however, shall prevent disclosure of information: (a) known to the public prior to the date of this Agreement, (b) made known to the public other than by breach of this Agreement, (c) known to the Adviser prior to the date of this Agreement, or (d) becomes known to Adviser by a third party and Adviser is under no obligation to keep such information confidential.

#### 5. Services –

a. Services to Other Clients – The parties acknowledge that the relationship established by this Agreement is non-exclusive and that the Adviser performs investment advisory services for other clients. Client recognizes that each client may have varying investment needs, and that Adviser may, from time to time, 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’s Account. It is Adviser’s policy, to the extent practicable,

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to allocate investment opportunities to each account maintained with it on a fair and equitable basis relative to other clients. Nevertheless, Client acknowledges that Adviser shall not have any obligation to purchase, to sell, or to recommend for purchase or sale any Security for the account which Adviser, its affiliates, or employees may purchase or sell for its/their own accounts or for the account of any other client.

b. Consulting Services – Client acknowledges that any services other than services described under Section 1 hereof will not be subject to the terms of this Agreement and will be subject to a separate consulting agreement.

#### 6. Brokerage

a. Allocation of Brokerage – Adviser may allocate orders for the execution of portfolio transactions for the Account to such brokers and dealers for execution on such markets, at such prices and at such commission rates as in Adviser’s good faith judgment will be in the best interest of the Account. Adviser may consider in the selection of such brokers and dealers all factors involved in the receipt of brokerage services generally which Adviser deems relevant, including, without limitation, commission rates, reputation, execution capabilities, research, and other services expected to enhance the general portfolio management capabilities of Adviser and the value of an ongoing relationship of Adviser, without having to demonstrate that such factors benefit the Account.

b. Primary Broker – Client acknowledges that Adviser has currently designated Charles Schwab & Co. Inc. as its primary broker for its investment advisory accounts. Client further acknowledges that designation of a primary broker may constitute a conflict of interest and that such broker may or may not be the person or entity that would offer the best rate or execution for any particular client.

c. Additional Broker – Adviser may agree to designate such other brokerage firm, subject to Client’s agreement and approval, as may be registered under the Securities Exchange Act of 1934, as amended, which firm is also a member of the National Association of Securities Dealers, Inc. and furnishes evidence of customer account insurance in excess of the value of the securities and cash to be held by such broker for Client, or any successor organization to such designated brokerage firm performing similar functions, to act as custodian of the Securities held for the Account, to register such Securities in “street name” and to transfer funds and Securities from time to time among such brokerage firms and/or banks.

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7. Proxies – Adviser shall not be required to take any action or render any advice with respect to the voting of proxies solicited by the issuers of securities in which assets of the Account may be invested from time to time, except in the case of U.S. Trust Company, a subsidiary of Charles Schwab Corporation.

#### 8. Fees

##### a. Definitions

(i) “Time of Determination” means close of business on the last business day preceding the date of this Agreement and each semi-annual anniversary date of this Agreement thereafter.

b. Semi-Annual Fee – Client shall pay to Adviser as compensation for the services rendered hereunder a Semi-Annual fee determined by the tenth’s of an hour Adviser spends on Clients activities. The Hourly Rate shall one hundred fifty dollars (\$150).

c. Amendment of Schedule of Fees – The Hourly Rate may be amended upon thirty (30) days notice to Client prior to the end of each anniversary of the Agreement.

d. Payment of Hourly Fee – All fees due under this Section shall be paid within thirty (30) days of the date of the invoice prepared by the Adviser at the beginning of each semi-annual term..

e. Deposit– Prepayment for one (1) hour of services shall be made at the “Time of Determination”. The first hour of services rendered by the Adviser will be deducted from the Deposit.

f. Reporting Service Fees – If Client requires Adviser to report its investment advisory activities to Client in person, Client agrees to pay Adviser for such reporting services as follows:

(i) Current IRS mileage reimbursement rate if travel is via automobile. Mileage is calculated on a round trip basis from 3. Ingenuity office.

(ii) Full round trip fare if travel is via public transportation including without limitation bus, rail, or airline plus all out of pocket transportations costs.

(iii) Five hundred dollars (\$500) per day (for purposes of this subsection, a day means four (4) hours or more) or three hundred dollars (\$300) for less than four (4) hours, including travel time.

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g. Statement of Expenses – Adviser shall provide Client with a statement of services performed under Section 8(f) hereof within thirty days of performance of such services.

9. Termination by Either Party – Either Client or Adviser may terminate this Agreement effective upon thirty (30) days written notice to the other party.

#### 10. Limitation of Liability

a. Recognition of Risk – The Client understands and accepts the inherent risks involved in investing in securities, governmental obligations, and options, or any other class of securities and debt instruments traded on the principal national stock exchanges, including, without limitation, the Chicago Board Options Exchange, and other further understands that Adviser cannot, either orally or in writing, guarantee any net profits with respect to investments made based upon Adviser’s recommendations, or, if Client delegated authority to Adviser, including without limitation, granting a limited power of attorney, with respect to executing purchases or sales of such securities, guarantee any net profit as a result of such transactions executed on the Client’s behalf. Client acknowledges that fluctuations in the securities market may impact negatively Client’s return, as may fluctuations in the price of particular securities.

b. Limitation of Liability – Adviser shall not be liable for any loss arising from any act or omission or for any errors of judgment of Adviser, its employees, or its agents in the performance of its obligations hereunder, except for losses resulting from negligence or malfeasance or violation of applicable law.

11. Disclosure Statement – Client acknowledges receipt, at least forty-eight (48) hours prior to execution of this Agreement, of a disclosure statement from Adviser containing the information required by Part II of Form ADV under the Investment Advisers Act of 1940.

12. Reports – Adviser shall cause to be sent to Client, within thirty-one (31) days after the “Time of Determination”, a report setting forth (a) the Account balance at the end of each month, (b) a supporting profit and loss statement for the Account for the semi-annual period, (c) a statement showing all securities and funds in the Account at the end of the semi-annual period, (d) a statement showing all debits, credits, and transactions in the Account during the semi-annual period, and (e) any other information as may be required by applicable federal or state law.

13. Entire Agreement – This statement contains the entire agreement and understanding between the parties.

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14. Applicable Law – This Agreement shall be governed by and construed in accordance with the laws of the State of California as applied to contracts between California residents made and to be entirely performed with the State of California.

15. Severability – If any part of this Agreement is determined to be illegal or unenforceable, all other parts shall remain in effort.

16. Notices – Any notice given under this Agreement shall be in writing and shall be served either personally or delivered by U.S. mail, postage prepaid, registered, or certified mail, return receipt requested to the addresses set forth on the signature page hereto or to such address designated as set forth in this Section. A party may designate a new address for notices upon ten (10) days prior written notice to the other party.

17. Subject Headings – The subject headings of the paragraphs of this Agreement are intended solely for convenience of reference and are not intended to explain, modify, or place any construction on any of the provisions of this Agreement.

18. Amendments – This Agreement may not be altered or modified except by a writing executed by the parties except as otherwise expressly provided herein.

19. Counterparts – This Agreement may be executed in counterparts, and each counterpart shall be deemed an original instrument

20. Successors and Assigns – This Agreement may not be assigned without the written consent of the other party. Any attempted assignment without such consent shall be void. This Agreement shall be binding on all permitted successors and assigns of the parties and the inure to the benefit of the permitted successors and assigns of the party.

21. Settlement of Disputes – All questions, disputes, or differences in any way arising out of or relating to this Agreement or any agreement entered into in connection herewith, including, without limitation, as to the existence, validity, enforceability, interpretation, application, or breach of this Agreement or any duty of Adviser, may be settled by arbitration, provided both parties agree, pursuant to an din accordance with the Federal Arbitration Act, 9 U.S.C. Section 1 et seq., and the following:

a. Forum – The arbitration shall be held in Sacramento, California before a sole arbitrator jointly selected by the parties.

b. Notice and Selection of Arbitrator – A party desiring to submit a matter to arbitration shall give written notice to the other party. If the parties fail to jointly agree upon the

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selection of an arbitrator within thirty (30) days after receipt of the notice, application for the appointment of the arbitrator may be made to the Chief Judge of the United States District Court of the Eastern District of California, Sacramento. Any arbitrator appointed shall be an attorney shall be an attorney who has significant experience in the securities industry, including experience with agreements of the same general nature as this Agreement.

c. Conduct – The arbitrator shall conduct the proceedings in the manner the arbitrator deems appropriate, consistent with basic standards of fairness and due process.

d. Basis of Decision – The arbitrator shall decide the matters submitted based upon the evidence presented, the terms of this Agreement, and the governing law.

e. Written Award – The arbitrator shall issue a written award which shall state the bases of the award and include detailed findings of fact and conclusions of law.

f. Entry of Judgment – The United States District Court for the Eastern District of California, Sacramento shall enter judgment upon any award, either by confirming the award or by vacating, modifying, or correcting the award.

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

ADVISER: MICHAEL McTIGHE, dba 3. INGENUITY

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Michael McTighe

Address: 3. Ingenuity  
PO Box 605  
Roseville, Ca 95678

CLIENT:

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<Clients name>

Address: <Clients address>