

Custodio Asset Management

9510 Rommel Drive
Columbia, MD 21046

Phone: 410-988-2511

Fax: 410-988-2417

Web: www.CAMTRADING.com

INVESTMENT ADVISORY AGREEMENT

- I. Initial Investment.** The initial investment will be made following execution of this **Agreement**. It shall be invested in accounts established with an independent custodian. **Advisor** shall not act as Custodian for the account in any manner whatsoever.
- II. Execution of Forms.** **Client** agrees to execute any and all necessary and appropriate forms and provide all relevant and necessary legal documents.
- III. Transaction Procedures.** Upon initiation of the account, **Client** shall provide **Advisor** with a check or money order payable to the **Custodian** or instruct any mutual funds and/or brokerage firm(s) to transfer designated funds to the **Custodian** for management by **Advisor**.
- IV. Services of Advisor.** **Client** is hereby employing **Advisor** to provide **Client** with supervision, account maintenance and assist with investment management decisions. By execution of this **Agreement**, **Advisor** accepts the appointment as investment **Advisor** within the scope provided herein. It is agreed that **Advisor**, in the maintenance of its records, will make every effort to ensure accuracy, but cannot assume responsibility for the accuracy of information furnished by **Client** or any other party.
- V. Limited Discretion.** **Advisor** shall have the limited discretion to cause transactions to be made in **Client's** account in accordance with the current net value of assets under management.
- VI. Confidential Relationship.** **Advisor** shall not disclose information concerning **Client** to any third party not necessary to the implementation of the investment, advisory, custodial, and clerical requirements of assisting **Client** with his/her investments. Such information and advice shall never be disclosed to third parties, except as otherwise required by law or requested by **Client**.
- VII. Proxies.** **Advisor** 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.
- VIII. Assignments.** No assignment shall be made of this **Agreement** without the written consent of **Client**.
- IX. Valuation.** All assets shall be valued and fees determined at the end of each month.
- X. Client's Risks and Costs.** **Client** understands that investments of any sort entail risk of loss. **Client** acknowledges and agrees that any and all costs, expenses, indebtedness, liabilities, losses, gains, income, etc. sustained as a result of any transactions and the operation of **Client's** account pursuant to this **Agreement** shall be solely those of **Client**. **Advisor** makes no promises, representations, warranties or guarantees that any of its services to be rendered hereunder will result in a profit or avoid a loss to **Client**.

XI. Responsibility for Taxes: Taxes are entirely the responsibility of **Client**. **Advisor** may consider the tax consequences of any investment decision but has no obligation whatsoever to minimize the tax consequences of any investment transaction. Further, **Advisor** shall not be responsible for taxable events, if any, caused by the liquidation of **Client's** account upon termination of this **Agreement**. **Client** is responsible for providing to **Advisor** accurate cost basis for taxable accounts where appropriate.

XII. Deposits. **Client** may add monies to any **Account(s)** at any time. New investments may be delayed until sufficient funds are available within a particular account.

XIII. Account Billings. Management fees for services will be deducted directly from appropriate accounts. **Client** shall receive notice of such deductions from the Custodian's account statement mailings. It is the **Client's** responsibility to verify the accuracy of each statement. The Custodian will not determine whether the fee is properly calculated. **Advisor** shall not have the authority to cause funds to be taken from **Client's** account except as relates to lawful fees and charges pursuant to written **Agreement**. The **Client** has provided the **Advisor** with written authorization to deduct advisory fees from the account held at Rydex Investments. The **Client** acknowledged that each time a fee is directly deducted from the **Client's** account that the **Advisor** concurrently sends Rydex Investments a notice of the amount of the fee to be deducted from the **Client's** account, and sends the **Client** an invoice itemizing the fee including the formula used to calculate the fee, the amount assets under management upon which the fee is based, and the time period covered by the fee. It is further understood by the **Client** that Rydex Investments sends statements on a quarterly basis showing all disbursements for the account(s) including the amount of advisory fees.

XIV. Termination of Agreement. Either party may terminate this Agreement by giving written notice to the other at any time. **Advisor** will deduct a pro-rata management fee from the account(s) for services rendered up to the date of receipt of notice of termination, but shall perform no additional functions whatsoever thereafter with respect to managing **Client's** account.

XV. Death or Incapacity. In the event of **Client's** death or incapacity, and before **Advisor's** actual knowledge of such death or incapacity, all investment decisions and actions taken by **Advisor** shall be binding upon **Client** and the legal representatives and heirs thereof and each such person shall hold **Advisor** harmless for the investment decisions made and actions taken.

XVI. General Provisions. The laws of the State of Maryland shall govern this Agreement. The unenforceability or invalidity of any section, paragraph or provision of this **Agreement** shall not affect the enforceability or validity of the balance of this **Agreement**.

XVII. ADV Part II: **Client** acknowledges receipt of **Advisor's** ADV Part II. **Advisor** has made no representations to **Client** other than those contained in this **Agreement**, **Advisor's** brochure, and Part II of **Advisor's** ADV brochure previously provided to **Client**.

XVIII. Entire Agreement. Except as indicated above, this document contains the entire **Agreement** of both parties and shall constitute a binding **Agreement** between both parties when executed by both parties. **Advisor** and its Investment Adviser Representatives may be liable to clients for acts of good faith and nothing contained in this contract shall constitute a waiver or limitation of rights a client may have under federal or state securities laws.

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INVESTMENT SERVICES AND FEE SCHEDULE

Annual Management Fee: 3% of Assets Under Management

All fees are prorated based on the account value at the end of each month.

Sample Fee Structure

Assets Under Management: \$1,000,000.00
Monthly prorated fee (0.25%): \$2,500.00
Annual Fee (3%): \$30,000

Client specifically acknowledges that **Client** has read and understood the terms of this **Investment Advisory Agreement** further consents to the investment of the account(s), and received copies of disclosure documents (**Form ADV, Part II**).

Agreed and Accepted by:

Client: _____ **Date:** _____

Client: _____ **Date:** _____

CUSTODIO ASSET MANAGEMENT

(Officer) **Date:** _____

(Officer) **Date:** _____