

## ASSETMAXX LETTER OF ENGAGEMENT

This Agreement is entered into by Spectrum Financial, Inc., a Registered Investment Adviser ("RIA") and \_\_\_\_\_ ("Client"). The services provided under this agreement are as follows:

### Services

RIA shall provide the Client with an asset allocation management service between various actively managed mutual funds primarily using US Stock, International Stock and/or Bond portfolios. The purpose of this program is to attempt to create active portfolios to fit investors risk profiles and financial goals. Reviews of the client's portfolio will be done periodically to evaluate whether the allocation is meeting these goals and when necessary a reallocation of the portfolio will be made by RIA. The custodian used by the client will provide statements no less than quarterly. Client should carefully review the fund prospectus for expense information, risk disclosures and possible fund restrictions. RIA will not be responsible for losses resulting from any such restriction and makes no promises, representations, warranties or guarantees that any of the services to be rendered hereunder will result in a profit to the Client. The allocation decisions of the RIA are based on experience, risk evaluation techniques and other indicators. However, *there can be no guarantee that they will produce profitable results*. Client agrees to hold RIA harmless for any losses in Client accounts due to any decrease in net asset value of mutual funds owned by Client or due to asset allocation management decisions made by RIA, which prove to be unprofitable.

**Fee Structure** - The fee for this service is paid by the actively managed mutual fund as a fund expense. These service fees are typically identified as 12b-1 fees and will be 1% (annualized) of the value of the asset. The RIA will be paid these fees on a monthly basis beginning on the purchase date of the actively managed fund.

**Legal and Accounting Services** - It is expressly understood and agreed between the parties of this Agreement that the RIA will not provide accounting or legal advice nor prepare any accounting or legal documents during the life of this agreement. The Client is encouraged to work closely with his/her accountant concerning the tax treatment of the advisory fee, capital gains or losses, dividends or interest. This service uses actively managed mutual funds that will generate short-term gains & losses, which are paid from the fund at least annually.

**Termination** - This agreement shall remain in effect until such time as either party to this agreement receives written notice from the other party of his or her desire to cancel this agreement. Upon written cancellation of this agreement, all funds will be exchanged into the money market fund. Notwithstanding anything else with this agreement, the Client has the unilateral, uncontrolled right to terminate this agreement within 5 business days of its execution without penalty.

**Assignment** - This Agreement shall not be assigned by RIA without the written consent of the Client.

**Governing Law** - The asset allocation management services performed by RIA shall be in compliance with the Investment Advisers Act of 1940, rules and regulations thereunder, and applicable laws of the Commonwealth of Virginia and other states in which RIA provides services under this Agreement.

**Confidentiality** - All information, recommendations and advice furnished by RIA to the Client under this Agreement shall be regarded as confidential by the Client and shall not be disclosed to any person, firm or corporation without prior written consent of RIA. RIA honors the Client's right to privacy in accordance with Regulation S-P. RIA's Privacy Notice is provided as part of this contract.

**Arbitration Clause** - Client and RIA agree that all controversies between the parties concerning any transaction or the construction, performance or breach of this or any agreement between us, whether entered into prior, on or subsequent to the date hereof, shall be determined by arbitration within the Commonwealth of Virginia. Client understands that this agreement to arbitrate does not constitute a waiver of the right to seek a judicial forum where such waiver would be void under the federal securities laws. Such arbitration shall be before three arbitrators and conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association then applying. The arbitrators will have no authority to award punitive or other damages not measured by the prevailing party's actual damages, except as may be required by statute. The award of the arbitrators or the majority of them shall be final. Judgment upon any arbitration award rendered may be entered in any court, state or federal, having appropriate jurisdiction.

**Acknowledgement** - The Client acknowledges receipt of RIA's ADV disclosure statement form under the Investment Advisers Act of 1940 and the Privacy Notice under Regulation S-P. Client also acknowledges completion of the Client Profile, which provides necessary financial information to the RIA in order to properly allocate assets with regards to financial goals and risk tolerance. The client is responsible to notify RIA if this information significantly changes in order to establish an appropriate allocation.

**REGISTRATION:** (Please Print)

\_\_\_\_\_  
Client's Name

\_\_\_\_\_  
Business Phone #

\_\_\_\_\_  
Joint Name

\_\_\_\_\_  
Home Phone #

\_\_\_\_\_  
Address

\_\_\_\_\_  
Cell #

\_\_\_\_\_  
Address

\_\_\_\_\_  
Email

\_\_\_\_\_  
Address

Type of Account:    \_\_\_\_ Open  
                          \_\_\_\_ Pension/Profit Sharing  
                          \_\_\_\_ Corporate  
                          \_\_\_\_ Trust

\_\_\_\_\_  
Tax ID/SSN

\_\_ IRA \_\_ Rollover \_\_ SEP \_\_ Roth \_\_ CESA  
Other \_\_\_\_\_

Anniversary Month: \_\_\_\_\_

**INVESTMENT INFORMATION:**

AMOUNT INVESTED (Total): \_\_\_\_\_

CUSTODIAN: \_\_\_\_\_ ACCOUNT #: \_\_\_\_\_

Asset Allocation (year 1):

Fund Type	Dollar Allocation	Percentage
Money Market	_____	_____
Equity Opportunity	_____	_____
Global Perspective	_____	_____
Select Alternative	_____	_____

**The undersigned hereby acknowledges receipt of this RIA's Disclosure Statement under Rule 204-3, the Privacy Notice under Regulation S-P, and RIA's Proxy Voting Notice in connection with his/her entry into an agreement with RIA. Client also acknowledges completion of RIA's Client Profile.**

IN WITNESS WHEREOF, the parties have executed this agreement as of the date set forth below and the agreement shall be effective on the date accepted by Spectrum Financial, Inc.

SIGNATURE INDIVIDUAL ACCOUNT: (X) \_\_\_\_\_ DATE: \_\_\_\_\_

SIGNATURE OF JOINT OWNER (if any): (X) \_\_\_\_\_ DATE: \_\_\_\_\_

Spectrum Financial, Inc. Accepted By: \_\_\_\_\_ DATE: \_\_\_\_\_