

# Investment Advisory Agreement for Accounts held at FOLIOfn

For Use with the Following Account  
Types:

- Individuals,
- Entities,
- Joint Tenants with Rights of  
Survivorship,
- Tenants in Common,
- IRA,
- Custodianships,
- Estates and Trusts

**WELCOME**

**INVESTMENT ADVISORY AGREEMENT  
For Separately Managed Accounts with FOLIOfn**

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Name of Account (“Account”)

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Account Number

The undersigned client (“I”) agrees to engage Zacks Investment Management, Inc. (“you”) as adviser for the Account named above upon the following terms and conditions of this Investment Advisory Agreement (this “Agreement”):

1. Account. The Account shall consist of such securities of all type and nature, cash, and cash equivalents (collectively the “Assets”) which, from time to time I place under the investment management of you plus Assets which become part of the Account as a result of any transactions or accretions to the Account. I may make additions to and withdrawals from the Account, provided that with respect to additions, you shall receive prompt written notice thereof and with respect to withdrawals, you will receive not less than seven (7) business days’ prior written notice thereof. I represent that I am the owner of all Assets that I place or will place in the Account and that there are and will be no restrictions whatsoever as to the public distribution or trading of such Assets.

2. Discretionary Authority. You shall supervise and direct the investments of and for the Account without prior consultation with me, subject, however, to such reasonable limitations and restrictions as I may have imposed, or may hereafter impose, by written notice to you. This discretionary authority makes you my agent and attorney-in-fact with full power and authority on behalf of the Account and (i) to buy, sell, exchange, convert and otherwise trade in any and all stocks, bonds and other securities, options, futures and other Assets as you may select; and (ii) to hold all or a portion of the Assets in cash for such time as you deem appropriate, consistent with your investment strategies. This discretionary authority shall remain in full force and effect until you receive written notice from me of its termination, or until you receive actual notice of my death or adjudicated incompetence. In no event, however, shall you take custody of any Assets in the Account.

3. Client’s Financial Situation; Investment Objectives; and Reasonable Restrictions. At the opening of the Account, and from time to time as needed, I shall promptly notify you in writing of: (a) my particular financial situation, and any changes thereto; (b) my investment objectives for the Account, and any changes thereto; and (c) any specific, reasonable restrictions that you are to observe in managing the Account, including the instruction to liquidate all or a portion of the Assets and maintain them in cash or cash equivalents until I notify you otherwise.

4. Custody of Assets. I agree that the custodian of all Assets in the Account shall be FOLIOfn or such other brokerage firm, bank or other financial institution as you and I may agree upon in writing. You shall at no time have custody or physical control over any Assets in the Account, and you shall not be liable for any act or omission of the custodian. I will instruct the custodian of the Account to send to you and me duplicate confirmations of purchases, sales or other activity relating to the Account, including any additions to or withdrawals from the Account, as well as a monthly statement of all activity in the account. You shall monitor all such confirmations and shall notify me of any apparent errors or discrepancies therein.

5. Authority of Custodian to Deduct Advisory Fees Directly from the Account. I hereby authorize the custodian of the Account to quarterly debit the Account for the amount of Advisory Fees that I owe you, as



set forth in section 11 of this Agreement, to the extent of available money fund or cash balances. I understand and agree that it is my responsibility to verify the accuracy of the calculation of the Advisory Fees and that the custodian will not determine whether the Advisory Fees are properly calculated.

6. Brokerage. I hereby instruct you to use FOLIOfn to execute all transactions for my Account, until such time as I instruct you otherwise. I understand that, because I have selected FOLIOfn to handle my transactions, you may be limited in your ability to, or lose entirely the ability to, negotiate commissions, aggregate client orders and seek execution of transactions as efficiently as possible and at the best price for my Account. I further understand that, as a result of selecting my own broker, I may pay commissions that exceed what other clients of yours pay.

7. Aggregation of Trades. I acknowledge and agree that you may aggregate purchase or sale orders for the Account with purchase or sale orders for the same security for other clients' accounts using the same broker, where such aggregation is likely to result generally in a more favorable net result for your clients. However, you are under no obligation to aggregate orders. I further acknowledge that circumstances may arise under which you determine that there is a limited supply or demand for the security. Under such circumstances, I acknowledge that, while you intend to allocate the opportunity to purchase or sell that security among those accounts on an equitable basis, you are not required to assure equality of treatment among all clients in connection with every trade. Where, because of prevailing market conditions, it is not possible to obtain the same price or time of execution for all securities purchased or sold for client accounts, you will allocate the securities in accordance with your order allocation procedures.

8. Voting Rights. I will reserve and retain the right to vote by proxy securities held in the Account unless you and I agree in writing that you will have authority to vote proxies for securities held in the Account. At all times, I shall retain the right to delegate the authority to vote securities held in the Account to a person other than you. You shall not be required to render any advice with respect to the voting of proxies solicited by or with respect to the issuers of securities in which Assets in the Account may be invested. If the Account is subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), (a) I represent that any delegation of voting rights is duly authorized and is consistent with ERISA and applicable plan documents, and (b) you shall report at least annually to me with respect to the voting of such proxies.

9. Standard of Care. Neither your acceptance of my investment objectives, nor any other provision of this Agreement, shall be considered a guarantee or representation that any specific result will be achieved. You shall not be liable for any losses that I may sustain by reason of either your investment decisions or recommendations or your failure to make decisions or recommendations at any time. Neither you nor your officers, directors or employees shall be liable under this agreement for any action performed or omitted to be performed or for any errors in judgment, except for violation of applicable federal or state law. I understand that the federal and state securities laws may impose liabilities under certain circumstances on persons who act in good faith, and, therefore, that nothing in this Agreement shall in any way constitute a waiver or limitation of any rights that I may have under any applicable securities laws. I understand that your recommendations will be based upon information from sources that you regard as reliable, but I also recognize that you cannot guarantee the accuracy of such information.

10. Indemnification of Adviser. I agree to indemnify you and hold you harmless against all damages, costs and expenses, including reasonable attorney's fees and costs, incurred by you in the course of any threatened or actual litigation, arbitration or administrative proceeding brought by a participant, beneficiary, governmental agency or any other person pertaining to the Account or otherwise relating to this Agreement, provided, however, that I shall not be liable in any such case to the extent that, in the final judgment of a court of competent jurisdiction, it is adjudicated that (i) your action or omission resulted in the violation of the provisions of this Agreement or applicable law, or (ii) your action or omission constituted negligence or malfeasance with respect to your obligations and duties under this Agreement.

11. Advisory Fees. As compensation for services provided by you pursuant to this Agreement, I agree to pay you an advisory fee (the "Advisory Fee") that will consist of an Annual Account Administration Fee and Assets Under Management Fees, as defined in this section. I hereby authorize you (a) to calculate the Advisory Fee with respect to the Account, as set forth in this section and section 17 of this Agreement; and (b) to be paid the Advisory Fee directly from the Account, which is held by an independent custodian, in accordance with sections 4 and 5 of this Agreement. For purposes of this Agreement, the following terms have the following meanings:

Annual Account Administration Fee: The annual fee on the Account will be \$ 495. The Annual Fee will cover operational and administrative costs, which entitles me to have up to twenty different portfolios in the Account and unlimited trading for trades executed by Zacks on my behalf with respect to those portfolios. If I have more than ten FOLIOfn portfolios, I shall pay a fee of \$50 per year for each additional portfolio. I authorize FOLIOfn to deduct this fee upon initiation and funding of the Account. I understand and agree that this fee will then be charged once each year in the month that the account was initially funded. I understand that if I initiate non-window trades in my FOLIOfn account, incur margin debt or execute other selected transactions, I may be charged a fee by FOLIOfn.

Assets Under Management Fee: Assets under management means the total value of the Assets in the Account, including Assets held in cash and cash equivalents. I understand and agree that the annual Assets Under Management Fee will be up to 180 basis points (1.80%) depending on the asset size of the portfolio(s). I further understand and agree that you will deduct up to 45 basis points (0.45%) of the Assets under management in the Account at the beginning of each calendar quarter.

I also acknowledge that the same fees will be charged whether the Assets are held in securities, futures, options or other instruments or whether they are held in cash and cash equivalents. I recognize that your fees, as applied to Assets in my Account held in cash, may be higher than what other advisors would charge to provide cash management services.

The initial fee shall be due in full on the next business day after the Account is opened and funded. The initial fee payment will cover the period from the opening date through the last business day of the next full calendar quarter and shall be pro-rated accordingly. Thereafter, the fee shall be paid quarterly in advance based on the Account's ending balance for the preceding quarter.

Additional assets received in the Account during any billing period may be charged a pro-rated fee based on the number of days remaining in the billing period as against the total number of days in the billing period. No adjustments shall be made to the fee for appreciation or depreciation in the market value of securities held in the Account, or with respect to partial withdrawals by me during any billing period for which such fee is charged.

12. Confidential Relationship. All information, recommendations and advice furnished by either party to the other (a) shall at all times be treated as confidential, and (b) shall not be disclosed to third persons, except as required by law or upon the prior written approval of the other party.

13. Services to Other Clients. I understand that you render investment advisory services for clients and customers other than the Account. Nothing in this Agreement shall be deemed to impose upon you any obligation to purchase or sell or to recommend for purchase or sale by or for the Account any security or other property which your officers or employees may purchase or sell for their own accounts or which you may purchase or sell for the account of any other client or customer. I recognize that transactions in a specific security may not be accomplished for all client accounts at the same time or at the same price.

14. Representations. In addition to the other representations made in this Agreement, each party represents that: (a) the party is duly authorized and empowered to enter into and perform this Agreement; (b) the terms of this Agreement do not violate any obligation binding the party, whether arising by contract, operation of law or otherwise; and (c) the party has duly authorized this Agreement, and this Agreement will be binding



upon that party in accordance with its terms.

15. Agreement Not Assignable. Neither party may assign (as that term is defined in the Investment Advisers Act of 1940, as amended, and the rules thereunder) any of the rights or obligations under this Agreement unless the other party consents in writing to the assignment.

16. Acceptance of this Agreement; Amendment. This Agreement shall not become binding upon you unless accepted in writing by you. No provision of this Agreement may be waived, altered, or amended except by written agreement between you and me.

17. Termination. This Agreement may be terminated by either party at any time giving prior written notice or as provided in section 23 of this Agreement. If the Account is closed before the end of the calendar quarter, you will pro-rate the Assets Under Management Fee based on the number of days in the quarter in which the Account is open and refund to me the difference between what I paid at the beginning of the quarter and the pro-rated amount I owe.

18. Arbitration. I hereby waive my right to seek remedies in any court or before any governmental agency, including any right to a jury trial. In the event of any dispute between us arising out of, relating to or in connection with this Agreement, such dispute shall be resolved exclusively by arbitration in Cook County in the state of Illinois, under the auspices of JAMS. No punitive damages shall be awarded. Any award rendered by the arbitrator shall be final and binding, and judgment may be entered upon it in any court of competent jurisdiction in Cook County in the state of Illinois or as otherwise provided by law.

19. Disclosure Statement. I acknowledge that I have received and reviewed your Disclosure Statement, which consists of a copy of Part II of your Form ADV and which incorporates a copy of your Privacy Notice, on or before the date (shown below) of my signing of this Agreement. I shall have the option to terminate this Agreement in its entirety, at my sole opinion, and without penalty, for five (5) days from the date (shown below) on which I signed this Agreement; provided, however, that any investment action taken by you with respect to the Account during such five (5) day period in reliance upon this Agreement and prior to your receipt of actual notice of my exercise of this right of termination, shall be solely at my risk.

20. Entire Agreement. This Agreement and the undertakings set forth herein constitute the entire agreement between the parties hereto with respect to the investment and management of the Account.

21. Construction. Headings used in this Agreement are for convenience only, and shall not affect the construction or interpretation of any of the provisions of this Agreement. Each of the provisions of this Agreement is severable, and the invalidity or inapplicability of one or more provisions, in whole or in part, shall not affect any other provision. This Agreement shall be construed and interpreted under the laws of the State of Illinois without regard to conflict of laws principles, except to the extent controlled by applicable federal law. Nothing in this Agreement shall constitute a waiver or limitation of any rights I may have under applicable securities laws or regulations.

22. Counterparts; Facsimile Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same agreement. A facsimile or telecopy signature on this Agreement may be relied upon as an original for all purposes.

23. Notices. All notices, demands, offers and other communications required or permitted under this Agreement shall be in writing and, if to you, shall be delivered to the address on the first page of this Agreement and, if to me, shall be delivered to the address set forth under the party's signature below, or to such other address or facsimile number as either party may from time to time designate in writing to the other party. All such notices, demands, offers and other communications shall be deemed to have been given and delivered if (i) delivered personally, (ii) if mailed by registered or certified mail, return receipt requested, postage prepaid (in which event the fifth business day after the date of mailing shall be deemed the date such notice is given), or



delivered by a nationally recognized express courier service for overnight delivery (in which event notice shall be deemed to have been given on the business day following the date of delivery to such courier service), or (iii) if transmitted by facsimile to the recipient's facsimile number, in which case the confirmation of transmission shall be deemed conclusive evidence of such delivery. Further, I consent and agree to receive and read communications directed to me via electronic mail or postings on your website, [www.ZacksWMG.com](http://www.ZacksWMG.com), from time to time as deemed necessary by you.

Dated: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

CLIENT:

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Street Address)

\_\_\_\_\_  
(City, State, Zip Code)

Agreed to and Accepted by:  
ZACKS INVESTMENT MANAGEMENT, INC.  
One South Wacker Drive, Suite 2700  
Chicago, Illinois 60606

\_\_\_\_\_  
(By)

\_\_\_\_\_  
(Its)

\_\_\_\_\_  
(Date)



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**SCHEDULE A**  
**ASSETS UNDER MANAGEMENT FEES**

| <u>Amount of Assets Under Management</u> | <u>Management Fee</u> |
|--|-----------------------|
| Up to \$500,000                          | 1.80%                 |
| Between \$500,000 and \$1,000,000        | 1.65%                 |
| Between \$1,000,000 and \$1,500,000      | 1.50%                 |
| Between \$1,500,000 and \$2,000,000      | 1.45%                 |
| Between \$2,000,000 and \$2,500,000      | 1.35%                 |
| Between \$2,500,000 and \$3,000,000      | 1.30%                 |
| Between \$3,000,000 and \$3,500,000      | 1.25%                 |
| Between \$3,500,000 and \$4,000,000      | 1.20%                 |
| Between \$4,000,000 and \$4,500,000      | 1.15%                 |
| Between \$4,500,000 and \$5,000,000      | 1.10%                 |
| Between \$5,000,000 and \$10,000,000     | 1.05%                 |
| Greater than \$10,000,000                | 1.00%                 |

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**ZACKS INVESTMENT MANAGEMENT**

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