

# DISCRETIONARY INVESTMENT MANAGEMENT AGREEMENT

This is an agreement between Sarasota Capital Strategies, Inc. a Registered Investment Adviser (“Adviser”) and Florida Corporation, and \_\_\_\_\_ (“Client”). By this agreement, Client retains Adviser to provide investment management and brokerage services to Client on the following terms:

## ***Section 1. Investment Management Services***

You have opened a discretionary investment account with the Adviser. This means that you have given full authority and discretion to Adviser to act as investment adviser and to buy, sell, or otherwise trade securities or other investments in your account without discussing these transactions with you in advance. Such securities may include, but are not limited to, common or preferred stock, convertible stocks or bonds, corporate, or government bonds, notes or bills, open and closed end mutual funds, exchange traded funds, and unit investment trusts. You have also authorized Adviser to take any other necessary action in connection with the opening and maintenance of your account as well as for the completion and payment of transactions for your account. Adviser will make investment decisions for your account according to your investment objectives and financial circumstances as described in the Custodian Account Opening Application or in a separate writing by you. You agree promptly to inform Adviser if the information provided in the Client Questionnaire becomes materially inaccurate and to consult with Adviser to provide updated information on an annual basis. The Custodian will provide you with periodic account detailing account positions and activity.

## ***Section 2. Client Responsibility***

The Client agrees to provide information regarding income, investments, and other pertinent matters as requested by the Adviser from time to time. The Client also agrees to discuss needs and goals and projected future needs candidly with the Adviser and to keep the Adviser informed of changes in the Client's situation, needs, and goals. The Client acknowledges that the Adviser cannot adequately perform its services on the Client's behalf unless the Client performs such responsibilities on his/her part and that the Adviser's analysis and recommendations are based on the information provided by the Client.

The Client agrees to permit the Adviser to consult with and obtain information about the Client from the Client's accountant, attorney and other advisors, as applicable. The Adviser shall not be required to verify any information obtained from the Client, Client's attorney, accountant, or other advisors and is expressly authorized to rely on such information.

## ***Section 3. Execution of Investment Account Transactions***

You have also opened a brokerage account with either an NYSE or NASD member firm (“Broker/Dealer”). This means that you have authorized the Broker/Dealer to execute securities transactions for the Accounts that are directed by the Adviser. The Broker/Dealer will use its best efforts to have transactions executed at prices that are advantageous to you. If Adviser believes that the purchase or sale of a security is in your best interest, along with the best interest of its other clients, Adviser may, but shall not be obligated to, aggregate the securities to be sold or purchased to obtain favorable execution or lower brokerage commissions, to the extent permitted by applicable laws and regulations. Adviser will allocate securities so purchased or sold, as well as the expense incurred, if applicable, in the transaction, in the manner that it considers to be equitable and consistent with its fiduciary obligations to you and its other clients.

Brokers or dealers that Adviser selects to execute transactions may from time to time refer clients to Adviser. Adviser will not make commitments to any broker or dealer to compensate that broker or dealer through brokerage or dealer transactions for client referrals; however, a potential conflict of interest may arise between your interest in obtaining best price and execution and Adviser's interest in receiving future referrals.

CLIENT understands that there is no obligation to use a specific Broker/Dealer and may direct securities transaction through another Broker/Dealer

## ***Section 4. Custody of Your Account Assets***

The managed assets are to be maintained with Custodian. Therefore executions are placed directly with Broker/Dealer and/or Custodian, or such depository as may be agreed upon in writing. Custodian has possession of the cash, securities, and other assets in your account. As a result, the Adviser will have no access to the assets in the account or to the income produced therefrom and will not be responsible for any acts or omissions of Custodian. Custodian will send to you at least quarterly a statement indicating all amounts disbursed from your account (including the amount of any fees paid to us pursuant to your authorization), all transactions occurring in the account during the period covered by the statement, and a summary of the account positions and portfolio value at the end of the period. Custodian will send copies of the account statements to Adviser, along with an indication that the statements have been sent to you.

**Section 5. Non-exclusive Relationship**

Adviser acts as an investment adviser to other clients. The advice given and the actions taken with respect to such clients and the Adviser's own account may differ from advice given or the timing and nature of action taken with respect to your account. Adviser will have no obligation to effect a transaction under this agreement simply because such a transaction is effected for its own account or the account of another client. You further recognize that transactions in a specific security may not be accomplished for all clients' accounts at the same time or at the same price.

**Section 6. Proxy Voting**

Adviser will have no authority or obligation to take any action or render any advice with respect to the proxies for securities in your account. You will be sent any information and documents that Adviser receives for distribution to investors to help you take whatever action you deem advisable.

**Section 7. Fees**

Your initial quarterly fee will be due once your account is opened. The fee will be prorated to cover the period from that date through the end of the current calendar quarter. Thereafter, the fee will be based on the account value on the last business day of the preceding calendar quarter, will be due the following business day, and will cover that calendar quarter. Additional assets received into your account after it is opened will be charged a pro-rata fee based upon the number of days remaining in the fee period. No fee adjustments will be made for withdrawals or for account appreciation or depreciation within a billing period. No refund of fees charged will be made if your account is closed within a billing period. Adviser will impose no start-up, closing, or penalty fees in connection with your account. You authorize Advisers to invoice Custodian directly for the Adviser's fees, and authorize Custodian to deduct such fees directly from your Account and pay to Adviser. It is the Clients sole responsibility to verify the accuracy of the fee calculation and that Custodian will not determine whether the fee is properly calculated.

**Fees will be calculated for each calendar quarter in accordance with the schedule set forth below.**

The standard fee for the Dynamic Growth Strategy is an annual 2.5% of the total portfolio size.

All other strategies and investment asset management will be as follows:

PORTFOLIO SIZE \$			ANNUAL % ASSET MGT. "AM"
\$0	TO	\$99,999	1.50%
\$1,000,000	TO	\$2,999,999	1.00%
\$3,000,000	&	Above	Negotiable

All client accounts are considered for billing purposes.

**Section 8. Other Contractual Matters**

This agreement represents our entire understanding with regard to the matters specified here and any changes must be in writing and signed by the parties. If any part of this agreement is found to be invalid or unenforceable, it will not affect the validity or enforceability of the remainder of this agreement. This agreement will be interpreted under the laws of the State of Florida, without reference to principles of conflict of laws, provided that there is no inconsistency with federal laws. Adviser cannot assign this agreement without your written consent. Either party may terminate this agreement at any time without penalty upon written notice. Such termination shall not, however, affect liabilities or obligations incurred or arising from transactions initiated under this agreement prior to such termination, including the provisions regarding arbitration, which shall survive any expiration or termination of this agreement. Upon termination, it is your responsibility to monitor the securities in your account, and Adviser will have no further obligation to act or advise with respect to those assets. If you terminate this agreement within five business days of its signing, you will receive a full refund of all fees.

Adviser will endeavor to the best of its ability to exercise good faith and diligence in the execution of its duties. However, you recognize that there may be loss or depreciation of the value of any investment due to the fluctuation of market values. Adviser shall not be liable for any error in judgment and/or for any investment losses in your account in the absence of malfeasance, negligence, or violation of applicable law. Nothing in this agreement shall constitute a waiver or limitation of any rights which you may have under applicable state or federal law.

Any notice or other communication required or permitted to be given pursuant to this agreement shall be deemed to have been duly given when delivered in person, or sent by facsimile, sent by overnight courier, or three days after mailing by registered mail (postage prepaid). All notices or communications to Adviser should be sent to the portfolio manager of the account at Adviser's main address. All notices or communications to you will be sent to the address contained in the new account questionnaire pertaining to the account.

**Section 9. Representations**

Adviser represents that it is registered as an investment adviser under the Investment Advisers Act of 1940 and is authorized and empowered to enter into this agreement. You represent and confirm (i) that you have full power and authority to enter into this agreement, (ii) that the terms hereof do not violate any obligation by which you are bound, whether arising by contract, operation of law, or otherwise, and (iii) that this agreement has been duly authorized and will be binding upon you in accordance with its terms.

**Section 10. Disclosure Document**

The Advisor is an investment advisor registered with the state of Florida. The Advisor's services and fees are described on Part II of Form ADV which has been filed with the Securities and Exchange Commission and the state of Florida. Your signature below acknowledges that you have received and had an opportunity to read Adviser's Form ADV, Part II or similar disclosure documents and to the extent required, a copy of the Solicitors Agreement disclosing the nature of the relationship including compensation between Advisor and Solicitor.

**Section 11. Miscellaneous**

- a. Neither party to this Agreement may assign, convey, or otherwise transfer any of its rights, obligations, or interest in this Agreement without the prior express written consent of the other party.
- b. Subject to the provisions regarding assignment, this Agreement shall be binding on the heirs, executors, administrators, legal representatives, successors, and assigns of the respective parties.
- c. This Agreement represents the complete agreement and understanding of the parties with regard to the subject matter of this Agreement. This Agreement supersedes any prior understanding or agreements, oral or written.
- d. This Agreement may be amended or revised only in writing signed by the Client and by an officer of the Advisor.
- e. No provision of this Agreement or any breach thereof may be waived except in writing signed by both parties. No waiver of any breach in one instance shall be in any way construed to be a waiver of any future or subsequent breach unless expressly stated otherwise.
- f. Any provision of this Agreement which is prohibited or unenforceable shall be ineffective only to the extent of such prohibition or unenforceability without invalidating any other provision of this Agreement.
- g. This Agreement may be executed in several counterparts, each of which shall be deemed an original.

**Section 12. Arbitration Provision**

Unless prohibited, it is agreed that any controversy between us arising out of your business or this agreement, shall be submitted to a mutually agreeable arbitration forum in accordance with its rules. Arbitration must be commenced by service upon the other party of a written demand for arbitration or a written notice of intention to arbitrate.

I/We represent that I/We understand the terms of the arbitration clause, as follows:

- (a) All parties to this agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which the claim is filed.
- (b) Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.
- (c) The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.
- (d) The arbitrators do not have to explain the reason(s) for their reward.
- (e) The Panel of Arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.
- (f) The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.
- (g) The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this agreement.

The parties signing on the front of this application agree that all controversies, which may arise between us, including but not limited to those involving any transaction or the construction, performance, or breach of this or any other agreement between us, whether entered into prior, on or subsequent to the date hereof, shall be determined by arbitration.

Class-action matters are excluded from arbitration proceedings conducted by the NASD. Therefore, it is further agreed that the parties to this agreement shall not bring a putative or certified class-action to arbitration, nor seek to enforce any pre-dispute arbitration agreement against any person who has initiated in court a putative class-action; or who is member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until: (i) the class certification is denied; or (ii) the class is decertified; or (iii) the customer is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this agreement except to the extent stated herein.

The Client and the Advisor each agree that, except as inconsistent with the preceding, ALL CLAIMS OR CONTROVERSIES, and any related issues, which may arise at any time between us (including the Advisor's representatives, directors, officers, employees and agents) concerning any investment or planning advice or recommendation with respect to any subject matter; any transaction or order; the conduct of the Advisor or its representatives, directors, officers, employees, and agents; the construction, performance, or breach of this or any other agreement between us, whether entered into prior to, on, or subsequent to the date hereof; the breach of any common law or statutory duty; or the violation of any federal or state securities law, the Racketeer Influenced and Corrupt Organization Act (RICO), or any other federal or state law of any nature SHALL BE RESOLVED BY ARBITRATION rather than by lawsuit in any court of law or equity.

Any arbitration pursuant to this agreement shall be in accordance with, and governed by, a mutually agreeable arbitration forum, but, in the absence of such agreement, then the Code of Arbitration Procedure of the American Arbitration Association. The award of the arbitrators, or of the majority of them, shall be final and binding, and judgment upon the award rendered may be entered in any federal or state court having jurisdiction. Any arbitration must be commenced by delivery to the other party of a written demand for arbitration or a written notice of intention to arbitrate setting forth in detail the claim or controversy to be arbitrated.

I/We certify and acknowledge that I/We have read and understand the terms of the predispute arbitration clause and have received a copy of this executed agreement including the predispute arbitration clause.

\* \* \* \* \*

**NOTE: THIS AGREEMENT CONTAINS A PRE-DISPUTE ARBITRATION CLAUSE WHICH IS LOCATED ON PAGE 3 AT SECTION 12.**

If more than one, all principals to the account must sign. If any signatory is a fiduciary, the capacity in which he or she is acting should be indicated.

IN WITNESS WHEREOF, the Advisor and the Client each duly executed this Agreement on the day and year shown above.

**Client Signature(s):**

**Advisor Signature:**

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**Date:** \_\_\_\_/\_\_\_\_/\_\_\_\_

**Signed at:** \_\_\_\_\_