



## Investment Advisory Agreement

This Asset Management Agreement (the "Agreement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ (the "Effective Date") by and between PR Wealth Management Group, Inc. ("PR Wealth" or "Advisor"), a registered investment advisor with its principal office located at: 990 Avenue of the Cities, Suite 4, East Moline, IL 61244 and \_\_\_\_\_ (the "Client").

Client appoints PR Wealth, as an investment advisor to perform the services described in this Agreement and Advisor accepts such appointment. Advisor will assist client in determining investment objectives which may/may be set forth in an Investment Policy Statement ("IPS"). PR Wealth retains sub-advisor to manage the client's portfolio in accordance with PR Wealth's Form ADV Part 2A and will retain such sub-advisors as necessary as PR Wealth deems suitable.

### 1. Scope of Engagement.

- a) Client hereby appoints Advisor as an Investment Advisor to perform the services hereinafter described, and Advisor accepts such appointment. Advisor shall be responsible for the investment and reinvestment of those assets of Client designated by Client to be subject to Advisor's management (which assets, together with all additions, substitutions and/or alterations thereto are hereinafter referred to as the "Assets" or "Account");
- b) Advisor is authorized, without prior consultation with Client, to direct the sub-advisor to buy, sell, and trade in stocks, bonds, mutual funds, and other securities and to give instructions in furtherance of such authority to the custodian of the Assets;
- c) Client acknowledges that Advisor may, in accordance with Client's investment objective(s), determine to allocate all or a portion of the Assets among various mutual funds, or other securities or investment contracts;
- d) Client delegates to Advisor the authority to retain one or more sub-advisors to provide all of the discretionary management services with respect to Client's Account. Advisor shall have sole discretion to hire and fire any sub-advisors without client consent; and,
- e) Client agrees to provide information and/or documentation requested by Advisor in furtherance of this Agreement as it pertains to Client's investment objectives, needs and goals, and to keep Advisor duly informed of any changes regarding same. Client acknowledges that Advisor cannot adequately perform its services for Client unless Client diligently performs Client's responsibilities under this Agreement. Advisor shall not be required to verify any information obtained from Client, Client's attorney, accountant or other professionals, and is expressly authorized to rely thereon.
- f) The Client expressly permits Advisor to disclose Client information to third parties, as set forth below:
  - The Advisor may engage a third-party service provider for the provision of services for the benefit of Client's account. As such, Advisor shares relevant Client information with the third party. The third party maintains a privacy policy whereby it does not disclose non-public information obtained from Advisor to any non-affiliated third parties, except as required to process transactions on Client's behalf. Advisor pays a fee for its services, which include, but are not limited to, account administration, technology, and trading. Clients are not charged additional fees for these services.

### 2. Advisor Compensation.

- a) Advisor's annual fee for investment management services provided under this Agreement is in accordance with the fee schedule annexed hereto and made a part hereof as Exhibit A. The annual fee shall be prorated, and details related to payment of the fee are also included at Exhibit A. No increase in the annual fee shall be effective without an amendment signed by the client or a signed new agreement;
- b) Client authorizes the custodian of the Assets to charge the Account the Advisor's fee and to remit such fee to Advisor in accordance with required regulatory procedures;
- c) In addition to Advisor's annual asset management fee, Client shall also incur, relative to all mutual fund and exchange traded fund ("ETF") purchases, charges imposed directly at the mutual fund or ETF level (e.g. advisory fees and other fund expenses); and,
- d) No portion of Advisor's Compensation shall be based on capital gains or capital appreciation of the Assets except as provided for under the Investment Advisors Act of 1940, and/or relevant state law.

**3. Custodian.** The Assets shall be held by an independent custodian, not the Advisor. Advisor is authorized to give instructions to the custodian with respect to all investment decisions regarding the Assets and the custodian is hereby authorized and directed to effect transactions, and otherwise take such actions as Advisor shall direct in connection with the performance of Advisor's obligations with respect of the Assets. The fees charged to Client by the custodian are exclusive of, and in addition to, Advisor's Compensation as defined in paragraph 2 above, and other charges discussed herein. Advisor does not share in any portion of the fees assessed by Client's custodian(s).

**4. Account Transactions.** Client recognizes and agrees that in order for Advisor to discharge its responsibilities, it must engage in securities brokerage transactions described in paragraph 1 herein;  
Commissions and/or transaction fees are generally charged for effecting securities transactions;  
Advisor, in return for effecting securities brokerage transactions through certain broker-dealers, may receive from those broker-dealers certain investment research products and/or services which assist Advisor in its investment decision making process for the Client.

**5. Risk Acknowledgment.** Advisor does not guarantee the future performance of the Account or any specific level of performance, the success of any investment decision or strategy that Advisor may use, or the success of Advisor's overall management of the Account. Client understands that investment decisions made for the Account by Advisor are subject to various market, currency, economic, political and business risks, and that those investment decisions will not always be profitable.

**6. Directions to Advisor.** All directions by Client to Advisor (including notices, instructions, directions relating to changes in the Client's investment objectives) shall be in writing. Advisor shall be fully protected in relying upon any such direction, notice, or instruction until it has been duly advised in writing of changes therein.

**7. Advisor Liability.** Except as otherwise provided by federal or state securities laws, Advisor, acting in good faith, shall not be liable for any action, omission, investment recommendation/decision, or loss in connection with this Agreement including, but not limited to, the acts and/or omissions of other professionals or third party service providers recommended to Client by Advisor, including a broker-dealer and/or custodian. If the Account contains only a portion of Client's total assets, Advisor shall only be responsible for those assets that Client has designated to be the subject of Advisor's investment management services under this Agreement without consideration to those additional assets not so designated by Client. The federal and state securities laws impose liabilities under certain circumstances on persons who act in good faith, and therefore nothing in this Agreement will waive or limit any rights that Client may have under those laws.

**8. Proxies.** Client shall be responsible for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by Client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the Assets. Advisor is authorized to instruct the custodian to forward to Client copies of all proxies and shareholder communications relating to the Assets.

**9. Reports.** Client will receive confirmations of each transaction executed for the Account and a brokerage statement(s) no less than quarterly directly from the Custodian. Advisor will provide periodic reports to Client as deemed necessary by Advisor.

**10. Termination.** This Agreement will continue in effect until terminated by either party on 30 days written notice to the other party (email notice will not suffice), which written notice must be signed by the terminating party. Termination of this Agreement will not affect (i) the validity of any action previously taken by Advisor under this Agreement; (ii) liabilities or obligations of the parties from transactions initiated before termination of this Agreement; or (iii) Client's obligation to pay advisory fees (prorated through the date of termination). Upon the termination of this Agreement, Advisor will have no obligation to recommend or take any action with regard to the securities, cash or other investments in the Account. Upon termination of this Agreement Advisor will refund the balance of any unearned fees.

**11. Assignment and Modification.** This Agreement may not be assigned (within the meaning of the Advisors Act) by either Client or Advisor without the prior written consent of the other party. Client acknowledges and agrees that transactions that do not result in a change of actual control or management of Advisor shall not be considered an assignment pursuant to Rule 202(a)(1)-1 under the Investment Advisors Act of 1940, and/or relevant state law.

Unless expressly stated otherwise, no provision of this Agreement or any of the documents referred to herein may be amended, modified, supplemented, changed, waived, discharged or terminated, except by a writing signed by each party hereto. No failure by Advisor or Client to exercise any right, power, or privilege that Advisor or Client may have under this Agreement shall operate as a waiver thereof.

**12. Non-Exclusive Management.** Advisor, its officers, employees, and agents, may have or take the same or similar positions in specific investments for their own accounts, or for the accounts of other clients, as Advisor does for the Account. Client expressly acknowledges and understands that Advisor shall be free to render investment advice to others and that Advisor does not make its investment management services available exclusively to Client. Nothing in this Agreement shall impose upon Advisor any obligation to purchase or sell, or to recommend for purchase or sale, for the Account any security which Advisor, its principals, affiliates or employees, may purchase or sell for their own accounts or for the account of any other Client, if in the reasonable opinion of Advisor such investment would be unsuitable for the Account or if Advisor determines in the best interest of the Account it would be impractical or undesirable.

**13. Death or Disability.** The death, disability or incompetency of Client will not terminate or change the terms of this Agreement. However, Client's executor, guardian, attorney-in-fact or other authorized representative may terminate this Agreement by giving written notice to Advisor.

**14. Arbitration.** Subject to the conditions and exceptions noted below, and to the extent not inconsistent with applicable law, in the event of any dispute pertaining to Advisor's services under this Agreement, both Advisor and Client agree to submit the dispute to arbitration in accordance with the auspices and rules of the American Arbitration Association ("AAA"), provided that the AAA accepts jurisdiction. Advisor and Client understand that such arbitration shall be final and binding, and that by agreeing to arbitration, both Advisor and Client are waiving their respective rights to seek remedies in court, including the right to a jury trial

**15. Electronic Delivery.** Client hereby consents to the receipt of disclosure information, including, but not limited to, Advisor's Form ADV and privacy policy disclosures, and other forms of communication electronically. Client asserts that Client is capable of receiving such disclosures electronically and understands that non-public personal information may be sent via e-mail or other electronic media, and that electronic media (including e-mail) may not be as reliable or secure as other forms of communication. Please refer to signature page.

**16. Trade Errors.** All Account trades are placed electronically or telephonically by Advisor. Advisor assumes responsibility for any Account losses for trading errors directly resulting from Advisor's failure to follow Advisor's trading procedures or from a lapse in Advisor's internal communications. In such instances, the Account(s) will be compensated for any such corresponding losses. However, Client acknowledges that Advisor cannot and will not be responsible for Account errors and/or losses that occur where Advisor has used its best efforts (without direct failure on the part of Advisor) to execute trades in a timely and efficient manner. If a trade or some portion of a trade is not effected or an electronic "glitch" occurs which results in the Account not being traded at the same time or at the same price as others, and such occurrence is not a result of Advisor's failure to execute or follow its trade procedures, the resulting loss will not be considered a trading error for which Advisor is responsible. In addition, virtually all mutual funds, as disclosed in their prospectuses, reserve the right to refuse to execute trades if, in a fund's sole judgment, the trade(s) would jeopardize the value of the fund. Advisor has no authority to change, alter, amend, or negotiate any provision set forth in a mutual fund prospectus. Client further acknowledges that Advisor cannot and will not be responsible for trades that are not properly executed by any clearing firm, custodian, mutual fund, or insurance company, when an order has been properly submitted by Advisor. Finally, Advisor cannot be responsible for a unilateral adverse decision by a mutual fund or insurance company to restrict and/or prohibit mutual fund asset management programs.

**17. Severability.** Any term or provision of this Agreement which is invalid or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms or provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction.

**18. Client Conflicts.** If this Agreement is between Advisor and related Clients (i.e. husband and wife, life partners, etc.), Advisor's services shall be based upon the joint goals communicated to Advisor. Advisor shall be permitted to rely upon instructions from either party with respect to disposition of the Assets, unless and until such reliance is revoked in writing to the Advisor. The Advisor shall not be responsible for any claims or damages resulting from such reliance or from any change in the status of the relationship between the Clients.

**19. Applicable Law.** To the extent not inconsistent with applicable law, this Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

**20. Authority.** Client acknowledges that he/she/they/it has (have) all requisite legal authority to execute this Agreement, and that there are no encumbrances on the Assets. Client correspondingly agrees to immediately notify Advisor, in writing, in the event that either of these representations should change.

**21. Qualified Plan Clients.** For Qualified Plan Clients, PR Wealth Management Group, Inc. will provide the following services:

- Access to a Third-Party Administrator, (If you prefer, PR Wealth Management Group, Inc. has the ability to work with the Plan's current Administrator.)
- Model or customized Portfolios developed by PR Wealth Management Group, Inc., using the Dimensional Funds Advisors, Inc. ("DFA") institutional mutual funds for consideration by the Plan's Trustees, or self-selected portfolios using the DFA institutional funds or, on a limited basis, such additional funds as PR Wealth Management Group, Inc. approves from time to time. PR Wealth Management Group, Inc. may provide the Client with funds other than DFA that are suitable for participants to meet their financial goals.
- Online Account Access, including Quarterly Reports where available. With respect to the above services PR Wealth Management Group, Inc. is not a plan fiduciary within the meaning of ERISA.
- If the Client's account is subject to the Employee Retirement Income Security Act of 1974 (ERISA) as amended, the Client agrees:
- That appointment of PR Wealth Management Group, Inc. as an investment manager and a fiduciary to the Client is authorized by, has been accomplished in accordance with, and does not violate, the documents governing the account.
- That the Client is a "named fiduciary" with respect to the control or management of the assets of the account.
- To indicate whether the managed assets represent all or a portion of the plan assets.
- To furnish PR Wealth Management Group, Inc. with true copies of all governing documents (i.e. plan and trust documents and all amendments to such documents) as PR Wealth Management Group, Inc. may reasonably request.
- To advise PR Wealth Management Group, Inc. of any event which might affect the validity of this Agreement
- That PR Wealth Management Group, Inc. will not vote proxies held in the account and the right to vote proxies will be deemed to be reserved to the plan trustees or the named fiduciary.

THIS CONTRACT CONTAINS A BINDING ARBITRATION PROVISION WHICH MAY BE ENFORCED BY THE PARTIES.

#### **Disclosure Statements of Sub-Advisors**

Client appoints Advisor to receive the Form ADV, Part2A ("Disclosure Brochure") of one of its sub- advisors, Forum Financial Management, LP. ("Forum"). The Disclosure Statement of Forum contains information about Forum's advisory services, fees, types of clients, methods of analysis, investment strategies and risk of loss, disciplinary information (if any), financial affiliations, Code of Ethics, brokerage practices, review of accounts, other compensation or referral arrangements, custody of client assets, proxy voting, and any relevant financial information. Advisor will retain copies of Forum's Disclosure Statements and, upon Client request, will provide Client with copies of any Disclosure Statement of Forum by paper or electronic means. The appointment of Advisor to receive the Disclosure Statements of Forum shall remain in place until such time as Client may revoke the appointment and have Forum's Disclosure Statements delivered to Client directly. Client may notify Advisor by any written notice, affirming the Client request that the Client receive Forum's Disclosure Statements directly.

[SIGNATURE PAGE FOLLOWS]

**CONFIDENTIALITY**

All information and advice furnished by either party to the other, including their agents and employees, shall be treated as confidential and not disclosed to third parties except as described in the privacy policy notice enclosed, or agreed upon by the Client's approval or as required by law. PR Wealth is herein given absolute authority by the Client to disclose, provide copies of, and communicate information obtained from the Client or developed by PR Wealth, to:

Name: \_\_\_\_\_ Phone: \_\_\_\_\_

Email: \_\_\_\_\_ Address: \_\_\_\_\_

**ELECTRONIC DELIVERY**

Client agrees to receive all communication from PR Wealth, including but not limited to quarterly statements, invoices and regulatory documents electronically. Client will be provided access to their investment performance thru a secure password protected website. ***Please print clearly.***

\_\_\_\_\_  
Client's E-mail address

\_\_\_\_\_  
Client's E-mail address

If client wishes to receive paper copies of their quarterly statements in lieu of electronic delivery, please initial here \_\_\_\_\_

**MANAGEMENT FEE**

Fees will be based on a percentage of the Aggregate Account Balance on the last day of the calendar quarter as per the percentage below. The fees will be deducted each calendar quarter in arrears from the Client's account. Refer to Exhibit A for management fees and Form ADV Part 2A for additional fees charged by firms other than PR Wealth for which the Client will be responsible.

Annual Management Fee: \_\_\_\_\_%

**CLIENT ACKNOWLEDGEMENT**

The Client understands and acknowledges that: PR Wealth has disclosed the fees and expenses associated with investing in a PR Wealth managed account and we have discussed the fees/charges, if any, associated with selling my existing holdings to invest in the account.

I may incur a capital gain or loss and/or other tax liability if I am selling existing investments to invest in a PR Wealth managed account and have been advised to contact a qualified tax professional to discuss my specific situation. In addition, the custodian will charge the Client a fee for trading and other account expenses. The custodian fee may either be charged as a percentage of the assets under management or on a per transaction basis.

**Client acknowledges delivery of Forms ADV Part 2A, ADV Part 2B, Form CRS, and the Privacy Policy Notice.**

In witness whereof, PR Wealth and the Client have each caused this Agreement to be duly executed on the day and year first above written.

\_\_\_\_\_  
Client Signature

\_\_\_\_\_  
Client Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

**PR Wealth Management Group, Inc.**

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

The Client has five (5) business days from the date this Agreement is signed to review the Form ADV Part 2A and terminate the agreement without fee or penalty.

## EXHIBIT A

### Portfolio Management Services

The annual fee for Portfolio Management Services will be charged as a percentage of assets under management, according to the following tiered fee schedule:

#### Annual Fee Schedule\*

Assets Under Management	Annual Fee
**\$250,000 to \$499,999	1.40%
\$500,000 to \$999,999	1.20%
\$1,000,000 to \$1,999,999	1.00%
\$2,000,000 to \$4,999,999	0.90%
\$5,000,000 to \$9,999,999	0.85%
\$10,000,000 and Above	Negotiated

\*For portfolios with 70% or greater bond allocation, the annual management fee shall be no greater than 0.75%. Fees for Qualified Plan Services (401(k) Services), the annual management fee shall be no greater than 0.75%. These fees are negotiable to include but not limited to a tiered fee schedule.

\*\* Portfolios under \$250,000 may be accepted at our discretion. The maximum fee for accounts under \$250,000 will be 1.60% annually