



## Investment Advisory Agreement

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On this date \_\_\_\_\_, by and between PMB Capital Management LLC DBA Brookstone Financial (“Brookstone”) and \_\_\_\_\_ (“Client”).

### WITNESSETH

WHEREAS, the undersigned Client being duly authorized has funds available (“Account”). In consideration of the premises and mutual covenants contained herein, and intending to be legally bound hereby agrees to the following terms and conditions:

**THIRD PARTY ASSET MANAGEMENT**– Brookstone utilizes the services of third party managers (“TPM”) to manage Client assets. TPM services are offered pursuant to a separate contract between the Client and the TPM. The fee arrangements for these services are detailed in Schedule C of this agreement. Brookstone will ensure other advisers are properly licensed or registered as an investment adviser prior to engagement.

### **(A) Duties of Brookstone**

Brookstone hereby accepts appointment and fiduciary duty of utmost good faith to act solely in the best interests of each Client pursuant to the terms and conditions set forth in this Agreement and to comply with impartial conduct standards of:

- Charging no more than reasonable compensation for services provided; and
- Making no misleading statements regarding investments, compensation and conflicts of interest.

Brookstone agrees to do the following:

1. Meet with the Client to discuss any changes in status, objectives, time horizon or suitability;
2. Update the TPM with any changes in Client status which is provided to Brookstone by the Client;
3. Review the statements provided by the TPM; and
4. Deliver the Form ADV Part 2, Privacy Notice and Referral Disclosure Statement to the Client.

Brookstone represents and warrants that it has authority to enter into this Agreement and to perform this Agreement in accordance with its terms and that it is licensed as an investment advisor under the laws of the State of Indiana and other jurisdictions in which it may conduct business.

Brookstone will not be required to take any action or render any advice with respect to the voting of proxies solicited by or with respect to the issuers of securities in which assets of the Account may be invested from time to time.

Brookstone does not have discretion or custody of client funds under this agreement.

### **(B) Duties of Client**

Client agrees to:

1. Notify Brookstone of a change in life status including but not limited to, employment, retirement, marital status, or household.

- Promptly notify Brookstone in writing of any changes to its investment policy, and any changes to the restrictions or limitations applicable to the Account, and to provide Brookstone with prior written notice of any changes in the identity of persons authorized to receive information with respect to the Account.

**(C) Fees**

Brookstone will receive a portion of the advisory fee the Client pays to the TPM. The fees will be paid in accordance with the policies and contract of the TPM which the Client engages.

Brookstone will not be compensated based on the basis of a share of capital gains or capital appreciation of the assets in the Account.

Client acknowledges that representatives of Brookstone may provide Client with various insurance and securities products upon which a commission may be paid to Brookstone's representatives, and such commissions are separate and apart from the fees charged under this Agreement. A conflict exists because of the relationship. This conflict is mitigated by disclosures, procedures and Brookstone's fiduciary obligation. The Client is under no obligation to act upon the investment advisor's recommendations. If the Client elects to act on any of the recommendations, the Client is under no obligation to effect the transaction through Brookstone or its representatives.

**(D) Duration and Termination**

This Agreement shall become effective on the date written above and shall continue in effect until terminated. This agreement may be terminated by Brookstone with thirty (30) days written notice to Client or by Client at any time with written notice to Brookstone. Clients will be responsible for investment advisory fees up to and including the effective date of termination.

No assignment of this Agreement by Brookstone shall be effective without the prior written consent of Client. Clients may terminate their account within five (5) business days of signing the Investment Advisory Agreement with no obligation and without penalty.

**(E) Services to Other Clients**

It is understood that Brookstone performs investment advisory services for various Clients. Client agrees that Brookstone may give advice which may differ with the advice given to other Clients.

**(F) Confidentiality**

Client's personal information will be disclosed to third parties as presented in the privacy policy of Brookstone.

**(G) Notices**

All notices and other communications contemplated by this Agreement shall be deemed duly given if it is transmitted to Brookstone at the email or mailing address listed on Form ADV Part 2A.

And to Client at the address appearing below, or at such other address or addresses that shall be specified, in each case, in a written notice similarly given.

**(H) Governing Law**

The validity of this Agreement and the rights and liabilities of the parties hereunder shall be determined in accordance with the laws of the State in which the Client resides, except to the extent preempted by ERISA.

**(I) Captions**

The section headings of this Agreement are inserted for convenience of reference only, and shall not affect the interpretation of this Agreement.



**SCHEDULE A Client's Individual Account Level Suitability**

Complete the information below for each different registration type.

**Account 1**

Owner of account: \_\_\_\_\_  
Type of account: \_\_\_\_\_  
Risk tolerance: \_\_\_\_\_  
Investment objective: \_\_\_\_\_  
Investment horizon: \_\_\_\_\_  
Restrictions: \_\_\_\_\_  
Source of funds: \_\_\_\_\_  
Liquidity needs: \_\_\_\_\_

**Account 2**

Owner of account: \_\_\_\_\_  
Type of account: \_\_\_\_\_  
Risk tolerance: \_\_\_\_\_  
Investment objective: \_\_\_\_\_  
Investment horizon: \_\_\_\_\_  
Restrictions: \_\_\_\_\_  
Source of funds: \_\_\_\_\_  
Liquidity needs: \_\_\_\_\_

**Account 3**

Owner of account: \_\_\_\_\_  
Type of account: \_\_\_\_\_  
Risk tolerance: \_\_\_\_\_  
Investment objective: \_\_\_\_\_  
Investment horizon: \_\_\_\_\_  
Restrictions: \_\_\_\_\_  
Source of funds: \_\_\_\_\_  
Liquidity needs: \_\_\_\_\_

**Account 4**

Owner of account: \_\_\_\_\_  
Type of account: \_\_\_\_\_  
Risk tolerance: \_\_\_\_\_  
Investment objective: \_\_\_\_\_  
Investment horizon: \_\_\_\_\_  
Restrictions: \_\_\_\_\_  
Source of funds: \_\_\_\_\_  
Liquidity needs: \_\_\_\_\_

**SCHEDULE B Identification of Additional Authorized Persons**

The following persons are authorized to receive information with respect to the Account. Client will provide Brookstone with prior written notice of any changes to authorized persons.

Name(s): \_\_\_\_\_

**SCHEDULE C Schedule of Fees**

**Managed by Morningstar Investment Services, LLC**

Client agrees to utilize Morningstar Investment Services, LLC ("MIS") for TPM services. By signing below, Client acknowledges that Brookstone has provided a copy of the MIS's Form ADV Part 2A and 2B and Privacy Notice, which includes the fee schedule and fee arrangements regarding Brookstone and MIS.

For these services, the Brookstone will receive a portion of the fee paid by each Client participating in this Program. Program fee is charged quarterly either in advance based on the prior period's ending balance or in arrears based on the average daily balance for the applicable period.

The standard fee schedule for the Select Equity Portfolios is:

	First \$500K	Next \$500K	Next \$1MM	Over \$2MM
MIS Fee	0.55%	0.50%	0.45%	0.40%
Brookstone Fee	1.10%	1.10%	1.10%	1.105
Total Fee	1.65%	1.60%	1.55%	1.50%

The standard fee schedule for the ETF Products is:

	First \$500K	Next \$500K	Next \$1MM	Over \$2MM
MIS Fee	0.30%	0.25%	0.20%	0.15%
Brookstone Fee	1.10%	1.10%	1.10%	1.10%
Total Fee	1.40%	1.35%	1.30%	1.25%

The standard fee schedule for Mutual Fund Products is:

	First \$500K	Next \$500K	Next \$1MM	Over \$2MM
MIS Fee	0.40%	0.35%	0.30%	0.20%
Brookstone Fee	1.10%	1.05%	1.00%	0.90%
Total Fee	1.50%	1.40%	1.30%	1.10%

The standard fee schedule for Morningstar Mutual Fund Products is:

	First \$500K	Next \$500K	Next \$1MM	Over \$2MM
MIS Fee	0.20%	0.15%	1.10%	0.05%
Brookstone Fee	1.10%	1.05%	1.00%	0.90%
Total Fee	1.30%	1.20%	1.10%	0.95%

The standard fee schedule for Active/Passive Products is:

	First \$500K	Next \$500K	Next \$1MM	Over \$2MM
MIS Fee	0.20%	0.15%	0.10%	0.05%
Brookstone Fee	1.10%	1.05%	1.00%	0.90%
Total Fee	1.30%	1.20%	1.10%	0.95%

The standard fee schedule for Municipal Active Portfolios is:

	First \$500K	Next \$500K	Next \$1MM	Over \$2MM
MIS Fee	0.43%	0.38%	0.33%	0.28%
Brookstone Fee	1.10%	1.05%	1.00%	0.90%
Total Fee	1.53%	1.43%	1.33%	1.18%

The standard fee schedule for Municipal Laddered Portfolios is:

	First \$500K	Next \$500K	Next \$1MM	Over \$2MM
MIS Fee	0.32%	0.27%	0.22%	0.17%
Brookstone Fee	1.10%	1.05%	1.00%	0.90%
Total Fee	1.42%	1.32%	1.22%	1.07%

The standard fee schedule for Taxable Active is:

	First \$500K	Next \$500K	Next \$1MM	Over \$2MM
MIS Fee	0.35%	0.30%	0.25%	0.20%
Brookstone Fee	1.10%	1.05%	1.00%	0.90%
Total Fee	1.45%	1.35%	1.25%	1.10%

The standard fee schedule for Taxable Laddered is:

	First \$500K	Next \$500K	Next \$1MM	Over \$2MM
MIS Fee	0.30%	0.25%	0.20%	0.15%
Brookstone Fee	1.10%	1.05%	1.00%	0.90%
Total Fee	1.40%	1.305	1.20%	1.05%

**By initialing below, Client agrees to the above fee schedules.**

\_\_\_\_\_  
 Client Initials                      Date                                      Client Initials                      Date

**Managed by Retirement Management Systems (“RMS”)**

Brookstone will refer retirement plan participants who may be interested in the Savings Plan Management advisory program provided by RMS. RMS will manage the assets according to the Investment Policy Statement corresponding the portfolio selection confirmed on the Investor Profile and manage the account in the Plan identified on Schedule A of the RMS client agreement by allocating, rebalancing and reallocating Client Assets among the Plan’s investment options. Fees are billed as follows:

Assets Under Management	Maximum Annual Fee	RMS Fee	Brookstone Max Fee	Brookstone Negotiated Fee
All Assets	1.00%	0.12%	0.88%	

RMS does charge a minimum annual fee of \$240. Brookstone’s portion of the annual fee is negotiable based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with Clients, etc.). Fees are billed either quarterly or monthly in advance based on the amount of assets managed as of the close of business on the last business day of the previous billing cycle. Lower fees for comparable services may be available from other sources. Clients may terminate their account within five (5) business days of signing the Investment Advisory Agreement with no obligation and without penalty. After the initial five (5) business days, the agreement may be terminated by Brookstone with thirty (30) days written notice to Client and by the Client at any time with written notice to Brookstone. For accounts opened or closed mid-billing period, fees will be prorated based on the days services are provided during the given period. All prepaid unearned fees will be refunded to the Client. Client shall be given thirty (30) days prior written notice of any increase in fees. Any increase in fees will be acknowledged in writing by both parties before any increase in said fees occurs.

Select billing cycle:

Quarterly                       Monthly

**By initialing below, Client agrees to the above fee schedules.**

\_\_\_\_\_  
 Client Initials                      Date                                      Client Initials                      Date

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written,

**PMB Capital Management LLC DBA Brookstone Financial**

By: \_\_\_\_\_

Date: \_\_\_\_\_

Advisor Signature

\_\_\_\_\_  
Advisor Printed Name

**CLIENT DATA**

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

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

\_\_\_\_\_

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

Date: \_\_\_\_\_

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

Date: \_\_\_\_\_