



## INVESTMENT MANAGEMENT AGREEMENT

**This Investment Management Agreement** (this “Agreement”) is between Dorman Skorheim Wealth Management LLC, a California Limited Liability Company (“Adviser”) and the client whose name and address are set forth below (“Client”). This Agreement shall become effective upon the date the last party signs this Agreement.

### Recitals

- A. Adviser is an investment adviser registered in the State of California.
- B. Client desires to appoint Adviser as investment manager of certain assets maintained in designated accounts and Adviser desires to accept such appointment, all as more specifically set forth in this Agreement.

The parties agree as follows:

#### 1. Account Management.

Client hereby retains Adviser to provide investment management services with respect to certain assets of Client (the “Account”). The Account will consist of all managed assets agreed upon by Adviser and Client at the initiation of the advisory relationship and will include any additions, substitutions, and alterations occurring during the term of this Agreement (collectively, the “Account Assets”).

All investments shall be made in accordance with Client’s investment objectives, restrictions and other information as communicated by Client. Client recognizes the value and usefulness of the investment management services provided by Adviser will depend upon information provided by Client and Client’s active participation in determining investment objectives. Client agrees to promptly inform Adviser of any changes in Client’s financial situation, investment objectives, investment restrictions or any other factors that may be important to Adviser in the management of Client’s Account.

Client agrees to permit Adviser to consult with and to obtain information about Client from Client’s accountant, attorney, and other advisers. Adviser shall not be required to verify information obtained from Client, Client’s attorney, accountant, or other advisers, and is expressly authorized to rely thereon.

2. Discretionary Authority.

In order to accomplish Client's investment objectives, Client hereby authorizes Adviser and grants Adviser a limited power of attorney to (a) buy, sell, or otherwise trade securities or other investments in the Account on Client's behalf without discussing the transactions with Client in advance; (b) receive duplicate trade confirmations and account statements from the broker of record; and (c) take such other action as may be necessary or desirable to carry out the purposes of this Agreement. Nothing contained in this Agreement shall be construed to grant Adviser custody of Client's cash or securities. Client agrees to execute such documents and certificates as required to enable Adviser to exercise the limited power of attorney granted herein.

3. Custody and Trading.

Client's assets shall be held in the name of the Client by an independent custodian. Adviser will assist Client with establishing a custodial account or accounts with an independent broker-dealer or other custodian (the "Directed Broker"). Client authorizes Adviser to give the Custodian instructions for the purchase, sale, conversion, redemption, exchange or retention of any security, cash or cash equivalent or other investment for the Account. Client will be solely responsible for paying all fees or charges of the Custodian. The Adviser will have no liability for any act or omission or for the solvency of the Custodian.

Adviser has adopted the following safeguards in order to avoid having custody of our clients' funds with respect to deducting fees from client accounts:

- 3.1 Clients' accounts are held by a qualified custodian (generally a broker-dealer, bank, trust company, or other financial institution).
- 3.2 Clients will receive statements directly from their qualified custodian at least quarterly. The statements will reflect the client's funds and securities held with the qualified custodian as well as any transactions that occurred in the account, including the deduction of Adviser's fee.
- 3.3 Each billing period, we send clients a statement showing the amount of the fee, the value of the client's assets that the fee was based on, and how we calculated the fee, and the time period covered by the fee.
- 3.4 We send only the amount of our fee to the custodian.
- 3.5 It is the client's responsibility to verify the accuracy of the fee calculation. The custodian will not determine whether the fee is properly calculated.

4. Reports.

Adviser will provide Client with quarterly investment performance reports following each calendar quarter. Client will receive account statements at least quarterly directly from the Custodian.

5. Advisory Fees.

5.1 Advisory fees for the services provided under this Agreement (the “Management Fee”) are based on the greater of \$1,000 or the fee calculated based on a percentage of assets in the Account according to the following schedule:

On the first	\$500,000	0.90%
On the next	\$500,000	0.80%
On the next	\$1,000,000	0.70%
On the next	\$2,000,000	0.60%
On the next	\$2,000,000	0.50%
On the next	\$4,000,000	0.40%
In excess of	\$10,000,000	0.30%

\_\_\_\_\_ Client(s) Initial

Fees are billed quarterly in advance of services, and are due on the first day of each calendar quarter. Amount of fees will be based on the market value of the Account on the last day of the previous quarter. Billing for new accounts will commence upon the deposit of any funds or securities in the Account and prorated through the end of the quarter. Additions to the Account in excess of \$10,000 shall be assessed the fee on a prorated basis for the remaining portion of the quarter. Withdrawals from the Account in excess of \$10,000 shall be credited the unearned fee on a prorated basis for the remaining portion of the quarter. A pro rata refund of fees charged will be made if the Account is closed within a billing period. Adviser will impose no start-up, closing, or penalty fees in connection with the Account. In some circumstances, fees may be negotiable. In addition, Adviser may waive or reduce the advisory fee at its discretion.

5.2 Adviser shall not be compensated on the basis of a share of capital gains upon or capital appreciation of funds of the client.

5.3 Payment Method. Adviser is authorized to invoice the Custodian directly for the Management Fee. Client agrees to instruct the Custodian to pay the Management Fee directly to Adviser.

5.4 Other Fees and Charges. Client will be solely responsible for all transaction charges by the broker-dealer and/or the Custodian and any charge relating to the custody of securities in the Account.

6. Minimum Account Size.

Adviser requires a minimum of \$100,000 in assets under management for advisory clients; provided, however, that this minimum may be waived at the discretion of the Adviser.

7. Confidentiality. Except as otherwise agreed in writing or as required by law, Adviser will keep confidential all information concerning Client’s identity, financial affairs, or investments.

8. Non-Exclusive Relationship. Client acknowledges and agrees that Adviser may act as an investment adviser to other clients and receive fees for such services. The advice given and the actions taken with respect to such clients and Adviser's own account may differ from advice given or the timing and nature of action taken with respect to the Account. Client further recognizes that transactions in a specific security may not be accomplished for all clients' accounts at the same time or at the same price. Client also acknowledges that in managing the Account, Adviser may purchase or sell securities in which Adviser, its officers, directors, or employees, directly or indirectly, have or may acquire a position or interest.
  
9. Risk Acknowledgment.
  - 9.1 Adviser does not guarantee the future performance of the Account or any specific level of performance, the success of any investment decision or strategy that Adviser may use, or the success of Adviser's overall management of the Account. Client understands that investment decisions made for the Account by Adviser are subject to various market, currency, economic, political and business risks, and that those investment decisions will not always be profitable.
  
  - 9.2 Except as may otherwise be provided by law, Adviser will not be liable to Client for (a) any loss that Client may suffer by reason of any investment decision made or other action taken or omitted in good faith by Adviser with that degree of care, skill, prudence, and diligence under the circumstances that a prudent person acting in a fiduciary capacity would use; (b) any loss arising from Adviser's adherence to Client's written or oral instructions; or (c) any act or failure to act by the Custodian, any broker or dealer to which Adviser directs transactions for the Account, or by any other third-party. **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.**
  
10. Retirement or Employee Benefit Plan Accounts. This paragraph 12 applies if the Account is for a (a) pension or other employee benefit plan (including a 401(k) plan) governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"); (b) tax-qualified retirement plan (including a Keogh plan) under Section 401(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and not covered by ERISA; or (c) an individual retirement account ("IRA") under Section 408 of the Code. If the Account is for a plan subject to ERISA, Client appoints Adviser, and Adviser acknowledges that it is a "fiduciary" within the meaning of Section 3(21) of ERISA and Section 4975(e)(3) of the Code (but only with respect to the provision of services described in Section 1 of this Agreement). Client represents that Adviser has been furnished true and complete copies of all documents establishing and governing the plan and evidencing Client's authority to retain Adviser. Client will furnish promptly to Adviser any amendments to the plan, and Client agrees that, if any amendment affects the rights or obligations of Adviser, such amendment will be binding on Adviser only when agreed to by Adviser in writing. If the Account contains only a part of the assets of the plan, Client understands that Adviser will have no responsibility for the diversification of all of the plan's investments, and that Adviser will have no duty, responsibility or liability for Client assets that are not in the Account. If ERISA or other applicable law requires bonding with respect to the assets in the Account, Client will obtain and maintain at its

expense bonding that satisfies this requirement and covers Adviser and its affiliated persons.

11. Legal Proceedings.

Adviser will not advise or act for Client in any legal proceedings, including bankruptcies or class actions, involving securities held or previously held by the Account or the issuers of these securities.

12. Proxy Voting.

Adviser does not exercise proxy voting authority over securities held in Client's Account. Client retains proxy voting authority over securities held in Client's Account.

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

14. Miscellaneous.

14.1 Termination. This Agreement will continue in effect until terminated by either party by 30 days written notice to the other. Termination of this Agreement will not affect (a) the validity of any action previously taken by Adviser under this Agreement; (b) liabilities or obligations of the parties from transactions initiated before termination of this Agreement; or (c) Client's obligation to pay the Management Fee (*pro rated* through the date of termination). Adviser is authorized to charge Client the Management Fee for up to thirty (30) days after Account termination as reasonable compensation for the orderly winding up of the Account. On the termination of this Agreement (a) Adviser will have no obligation to recommend or take any action with regard to the securities, cash or other investments in the Account and (b) any unearned portion of the Management Fee will be promptly refunded.

14.2 Client Authority. If Client is a corporation, partnership or limited liability company, the person signing this Agreement for Client represents that he or she has been authorized to do so by appropriate action. If this Agreement is entered into by a trustee or other fiduciary, the trustee or fiduciary represents that Adviser's investment management strategies, allocation procedures, and investment Advisory services are authorized under the applicable plan, trust, or law and that the person signing this Agreement has the authority to negotiate and enter into this Agreement. Client will inform Adviser of any event that might affect this authority or the propriety of this Agreement.

14.3 Death or Disability. If Client dies, becomes disabled or legally incompetent this Agreement shall not terminate. However, Client's executor, guardian, attorney-in-fact or other authorized representative may terminate this Agreement by giving written notice to Adviser.

- 14.4 Binding Agreement. This Agreement will bind and be for the benefit of the parties to the Agreement and their successors and permitted assigns, except that this Agreement may not be assigned by either party without the prior written consent of the other party.
- 14.5 Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of California without giving effect to any conflict or choice of law provisions of that State.
- 14.6 Notices. Any notice, advice or report to be given to Adviser under this Agreement will be delivered in person, by U.S. mail or overnight courier (postage prepaid) or sent by electronic transmission (with a hard copy sent by U.S. mail) to Adviser at the address set forth below or at such other address as Adviser may designate in writing. Any notice, advice or report given to Client under this Agreement will be delivered in person, by U.S. mail or overnight courier (postage prepaid) or sent by electronic transmission (with a hard copy sent by U.S. mail) to Client at the address set forth below or at such other address as Client may designate in writing.
- 14.7 Severability. If any provision of this Agreement is or should become inconsistent with any law or rule of any governmental or regulatory body having jurisdiction over the subject matter of this Agreement, the provision will be deemed to be rescinded or modified in accordance with any such law or rule. In all other respects, this Agreement will continue and remain in full force and effect. No term or provision of this Agreement may be waived or changed except in writing signed by the party against whom such waiver or change is sought to be enforced. Adviser's failure to insist at any time on strict compliance with this Agreement or with any of the terms of the Agreement or any continued course of such conduct on its part will not constitute or be considered a waiver by Adviser of any of its rights or privileges.
- 14.8 Disclosure. Client acknowledges that Client has received and reviewed a copy of Adviser's Form ADV Part 2A and Privacy Policy (as well as a copy of this Agreement). Client has the right to terminate this Agreement without penalty within five (5) business days after entering into this Agreement.
- 14.9 Counterparts. The parties may execute this Agreement in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.
- 14.10 Entire Agreement. This Agreement sets forth the entire understanding of the parties relating to the subject matter hereof and supersedes all prior agreements and understandings between the parties relating to the subject matter hereof, including without limitation, any prior non-discretionary investment management contracts, which shall be deemed to have been terminated as of the date of this Agreement and shall be of no further force or effect.
- 14.11 Consent to Electronic Delivery of Documents. Client acknowledges that Client can effectively access information transmitted electronically and hereby consents to Adviser transmitting required reports, privacy notices, disclosure documents and other communications via email or facsimile.

15. Additional Disclosures.

- 15.1 All material conflicts of interest under CCR Section 260.238 (k) are disclosed regarding the Adviser, its representatives or any of its employees, which could be reasonably expected to impair the rendering of unbiased and objective advice.
- 15.2 While the firm endeavors at all times to offer clients its specialized services at reasonable costs, the fees charged by other Advisers for comparable services may be lower than the fees charged by Adviser.

16. Arbitration.

16.1 Arbitration Requirement. All controversies concerning (a) any transaction, (b) the construction, performance or breach of this Agreement, or (c) any other matter which may arise between the Adviser and the Client or its agents, shall be determined by arbitration conducted pursuant to the Federal Arbitration Act and the laws of the State of California, before the American Arbitration Association. The Client understands that this arbitration clause does not constitute a waiver of the right to seek a judicial forum where such waiver is void under state or federal securities laws.

16.2 Arbitration Disclosures. As or on behalf of the Client, I understand that unless otherwise provided above:

- 16.2.1 Arbitration is final and binding on all parties.
- 16.2.2 The parties are waiving their right to seek remedies in court, including the right to jury trial, except to the extent such a waiver would violate applicable law.
- 16.2.3 Pre-arbitration discovery is generally more limited than and different from court proceedings.
- 16.2.4 The arbitrator's award is not required to include factual findings or legal reasoning and any party's right to appeal or to seek modification of rulings by the arbitrators is strictly limited.
- 16.2.5 The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities or advisory industry.

**[Signature page to follow]**

**CLIENT ACKNOWLEDGES THE PRE-DISPUTE ARBITRATION CLAUSE AT PARAGRAPH 16 BEGINNING ON PAGE 7.**

**CLIENT \***

**DORMAN SKORHEIM WEALTH  
MANAGEMENT LLC**

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Client Signature

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Adviser Signature

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Name (Print)

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Name (Print)

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Date

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Date

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Client Signature

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[www.dormanskorheim.com](http://www.dormanskorheim.com)

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Name (Print)

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Date

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Address

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City, State, Zip

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\* If the Account is administered by one or more fiduciaries, each should sign and indicate the capacity in which he or she is acting. If the Account is an IRA, the person signing on Client's behalf represents that he or she is the owner of the IRA. If the Account is for a pension or other employee benefit plan, each person signing on Client's behalf represents that he or she is a named fiduciary/trustee of such plan.