

Stock Management LLC



BEN HEEB • MBA

Investment Advisory Contract

This agreement is made by Stock Management LLC (dba Ben Heeb & Associates) ("Advisor") and

_____ the undersigned ("Client").

The contract is 2 pages long.

1. INVESTMENT SUPERVISORY SERVICES: Investment supervisory services consists of determining the client's set of goals based on their circumstances and when they will expect to need to use their investments. Those goals may include liquidity requirements which will determine the levels of fixed income and cash needs. The Investment Advisor maintains discretionary authority within the guidelines of the goals set between the client and the registered investment advisor representative. The Investment Advisor will select the stock, bonds, and no-load mutual funds that will approach the goals of the client. Sell targets for the stocks are set by the Investment Advisor. The client may request modifications to the sell target or to order the sale of a stock or to change the goals for the investments. Since it is the client's money, generally those changes are made. There are two sell targets set for each stock. If the stock goes up 50% in a nontaxable account or 70% in a taxable account (when long term, modified to 50%) the stock is sold. If the stock goes down 40%, it is sold. Also the stock may be sold at the request of the client or if the stock's financial strength is downgraded by Value Line to C+ or worse. The Investment Advisor may also buy or sell due to circumstance changes by the company or the client..

2. FEES: Fees are not negotiable. Fees may be waived or decreased for family, employee, employee-family accounts and non-profit organizations at the discretion of the advisor. Fees are billed quarterly in arrears, based on the account value and the distribution of the account between equities and fixed income and on the amount of mutual funds in the account. Billable assets are calculated by subtracting the bond portion and half of the mutual fund portion from the total investments under management. Bonds are not assessed fees and so are not included in the billable assets for the purpose of fees. Only half of the mutual fund total is considered as billable assets for the purpose of fees. We shall not be compensated on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of the client.

FEE SCHEDULE

"Billable Assets"	Quarterly Fee
Portion over \$1,000,001	0.0625%
Portion below \$100,001 to \$1,000,000	0.125%
Portion below \$50,001 to \$100,000	0.250%
Portion below \$15,001 to \$50,000	0.500%
Portion below \$15,000	0.625%

FOR EXAMPLE: A \$500,000 account of 50% bonds, 40% stocks, and 10% mutual funds at the end of a quarter would have \$225,000 of "investments under management" for the purpose of fees. (Bonds zero; Mutual Funds \$50,000/2=\$25000; and \$200,000 in stocks) The client would be billed based on the \$225,000 in "investments under management" even though there are \$500,000 in assets in the account.

For this example, the fee would be \$550. The calculation would be: \$93.75 (first \$15000 x .00625); plus \$175 (next \$35,000 x .0050); plus \$125 (next \$50,000 x .0025); plus \$156.25 (next \$125,000 x .00125).

The quarterly fee rate for this example is the \$550 divided by the \$500,000 would be .11%. Multiplying the quarterly fee by 4 would give an annual rate of .44%, or 44 basis points, in this example.

Monthly balance sheets contain the formula for how billable assets are calculated, a fee table, and the quarterly fee rate for the account. Multiply the quarterly fee by four to obtain the number that represents the approximate annual rate. We recommend that small accounts contain mutual funds and rarely contain all stocks. If they did, the 0.625% quarterly fee, and corresponding 2.5% annual rate would be expensive and asset management services may be provided elsewhere for a lower fee. But since only half of the mutual fund assets are included in the "investments under management", small accounts actually are managed for a lesser annual rate. Accounts of all sizes generally contain some portion in no load, no transaction fee mutual funds and ETF's.

3. INVESTMENT PERFORMANCE AND PERFORMANCE CALCULATION

a) It is understood and agreed by the client that Stock Management LLC does not in any way guarantee any investment from loss or depreciation, nor does Stock Management guarantee any minimum investment performance.

b) Three performance figures are calculated: A return of the portfolio since account inception, a year-to-date ratio, and the most recent quarterly return.

If there have been no deposits or withdrawals in the period, the current value is simply subtracted from the closing value at the end of last period and that result is divided by the closing value at the end of last period. Performance returns are net of fees, since fees are deducted before performance is measured. Dividends and interest are included since they are part of the performance of the portfolio. When deposits or withdrawals occur during the period, appropriate pro-rated adjustments are made so that the timing of the transfers is not a factor in the performance figures.

4. ANALYSIS: Fundamental analysis is used as our primary method of security assessment. The main sources of information used are financial newspapers and magazines, annual reports, prospectuses, filings with the Securities and Exchange Commission. Primary publications used are ValueLine, the Wall Street Journal, and various other professional publications received at various times.

5. DISCRETION: Stock Management LLC (dba Ben Heeb & Associates) does have the authority to determine, without obtaining specific client consent the securities to be bought or sold and the amount of the securities to be bought or sold. Trading authorizations (Limited Power of Attorneys) are signed by clients permitting the discretion to buy and sell securities without obtaining the individual consent of clients. The Advisor owes the Client a Fiduciary Duty.

6. BROKER SELECTION: Stock Management LLC and its related persons do not have the authority to determine the broker or dealer to be used or the commission rates paid. The broker is established at the time the account is opened and funded. Clients may specify the broker to be used, but are advised that a discount broker is recommended, such as Schwab, Fidelity or Scottrade, which allow appropriate management of client accounts and have reasonable fees. No broker is paid extra commissions in recognition of the value of services provided, unless the client has specifically requested the more expensive brokerage agreement. In such a case, no portion would go to Stock Management LLC. **The custodian shall at all times be responsible for the physical custody of all assets held in such custodianship, and for the collection of interest, dividends and other income attributable thereof. Stock Management LLC shall have no liability for any acts or omissions of any custodian or administrator.**

Bailey Case Disclosure: Various brokers or dealers have strength and weaknesses. Using a particular broker or dealer may cause higher or lower commissions and volume discounts may or may not be available. In addition, under these circumstances a disparity in commission charges may exist between the commission charged to clients using one broker or dealer over another. Client instructs Stock Management LLC to disclose such information regarding the portfolio to any custodian or administrator as may be reasonably requested by them in the furtherance of their duties.

7. EXPENSES: A. Client will be responsible for paying (i) all expenses of transfer, receipt, safekeeping, servicing, and accounting for the portfolio, including all custodial fees charged by the custodian; (ii) all broker's commission and other charges incident to the purchase, sale or lending of the portfolio, and (iii) all taxes or other fees payable by or with respect to client federal, state or other government agencies. Expenses will be paid by client directly or by directing the custodian to pay such expenses from the portfolio. B. Client shall indemnify and hold harmless Stock Management LLC from and against any and all expenses, penalties, damages or other pecuniary loss which may be suffered by client with respect to the value of the portfolio and from expenses (including the cost of defense), penalties and damages incurred by Stock Management LLC in connection with any complaint, investigation or action brought by third parties with respect to the value to the portfolio.

8. ADDITIONAL COMPENSATION RECEIVED: Stock Management LLC (dba Ben Heeb & Associates) has an arrangement, oral or in writing where it receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients ("Soft Money"). Charles Schwab & Co. provides "Schwablink for Windows" and "Schwablink Web" software and internet access codes (account management tools). There is no charge to our company or any client for this service. Fidelity Investments currently provides "Advisor Channel Technology Suite" (account management tools). There

is no cost to the company or any client for this service. These programs are necessary to effectively manage accounts, view positions, place trades electronically, enroll new accounts, obtain sales materials, and communicate more effectively with the brokerage firm. Scottrade, Vanguard and other companies offer a single sign in to their website to facilitate management.

9. ARBITRATION: The Client agrees, and the Advisor agrees, that any controversy arising out of or related to Client's accounts, to transactions with, or services provided by Advisor, Advisor Officers, directors, employees, or agents, shall be settled by arbitration in accordance to the laws of the State of Washington or state conducting business in and arbitration conducted in the State of Washington. Client and Advisor agree that this agreement to arbitration does not constitute a waiver of the rights of the Client to seek a judicial forum where such a waiver would be void under the Federal Securities Laws.

10. ASSIGNMENT TO ANOTHER ADVISOR: This contract is between the Advisor (Stock Management LLC dba Ben Heeb & Associates) and the Client, individually and collectively. The contract cannot be sold, assigned or transferred to another Advisor without the Client's prior written consent. The Advisor is the company and not any individual registered investment advisor representative.

11. Stock Management LLC (dba Ben Heeb & Associates) may buy or sell for itself securities that it also recommends to clients. Since our personal positions and the transactions for clients are too small with respect to the shares outstanding of any given security, it is improbable that any influence can be exerted on purchase or sale prices. Portfolio managers are required to execute all client transactions or before all employee or family accounts, for the same security, during any given day. In the case of aggregated orders (several accounts, same security, averaged prices), an employee or family account may be included with the aggregated order, prices averaged for all accounts involved, showing no favoritism. Client hereby agrees the Stock Management LLC's authority hereunder shall not be impaired because securities of the portfolio are similar to securities of other accounts which Stock Management LLC manages or to which it provides investment advisory services. Stock Management LLC shall incur no liability if another account under its management buys or sells securities at different times or for different prices than client, or if one account is purchasing a security while another is selling it. Stock Management LLC shall not, however, represent another customer on the other side of the transaction on behalf of client unless Stock Management LLC has previously obtained client's consent after making full written disclosure of the essential facts of the proposed transaction. If a single transaction or group of transactions are allocated among clients, then best efforts will be made for transaction prices to be the same for all clients involved.

12. COMPANY STRUCTURE, REGISTRATIONS AND FILING NUMBERS: Stock Management LLC is a Limited Liability Company formed in the State of Washington on 1 January 2002 from the sole proprietorship Ben Heeb & Associates, which operated from 1984-2001. CRD# is 113902.

13. Except as indicated above, this document contains the entire agreement between the Advisor and the Client and may not be modified or amended except in writing executed by both parties. The Advisor must receive the Client's written consent in order to revise any material terms of the contract. By executing this agreement, Client acknowledges receipt of a copy hereof. It is the responsibility of the client to retain a copy of this contract. A copy can be obtained upon request at any time.

14. RECEIPT OF PART 2A OF THE ADV: By executing this agreement, Client acknowledges receipt of the Advisor's Part 2A of the ADV This details the information provided to the Advisor's Regulatory Organization(s) about how it operates its business. Advisor shall at least annually, without charge, provide a written offer to receive the current Part 2A of the ADV, which is the original form supplied to the Regulatory Organization(s) with this information. Anyone may request these items at any time. A link to the most current ADV PART 2A is available at any time at www.BenHeeb.com.

15. TERMINATION: This agreement may be terminated at any time by the client by giving a written notification. Termination of the contract is immediate upon receipt of request. Stock Management LLC shall immediately discontinue all trading (but may settle open transactions and execute additional trades upon instruction from client). The client's brokerage account may be closed or continued independent of Stock Management LLC, according to the desires of the client. After receiving a termination request, Stock Management LLC will calculate a final bill for the pro-rated portion of the quarter for which management was provided. The final fees may be deducted from the account or paid by check, as agreed upon. Pursuant WAC 460-24A-145, Stock Management LLC shall deliver the required materials to the client (i) not less than 48 hours prior to entering into any investment advisory contract with such client or prospective client, or (ii) at the time of entering into any such contract, the client has the right to terminate the contract without penalty within five business days after entering into the contract.

16. Clients have the choice of payment via direct billing or deduction by the custodian.

_____ Initial here if you want direct billing and payment by check. If not initialed, then fees will be deducted by the custodian from your account

17. Proxy voting: Advisor will vote proxies upon clients request and authorization (The Advisor will comply with WAC 460-24A-1250). Initial here only if you do not want Stock Management to vote on client behalf.

_____ Initial if client does not authorize Stock Management to vote proxies. *If not initialed, then Stock Management LLC will vote proxies for clients.*

18. _____ Broker preference, if any. If no broker preference selected then Stock Management LLC will choose a broker that is appropriate for client.

19. Severability: The provisions of this contract shall be deemed severable. If any part of this contract is rendered void, invalid, or otherwise unenforceable, such rendering shall not affect the validity and enforceability of the remainder of this contract.

The authorization granted here is a continuing one and shall remain in full force and effect until Stock Management LLC receives a reliable notice of alteration, revocation or termination thereof.

20. Contact: If you want to get in touch with any of our Advisors, call the main office at 253-535-5530, or E-Mail us at invest@benheeb.com

Except as indicated above, this document contains the entire agreement between the Advisor and the Client and may not be modified. Each party hereto shall retain one copy. By executing this agreement, Client acknowledges the offer of a copy hereof.

Signature: Client

Date:

Signature: Client

Date:



Signature: Advisor

Date:

Please send me a copy of this contract by: email _____ fax _____ mail _____

UPDATE 7/29/21 LGL