

**SABINAL CAPITAL INVESTMENTS, LLC  
ASSET-BASED FEE AGREEMENT  
FOR INVESTMENT ADVISORY SERVICES**

**THIS AGREEMENT** being made and entered into as of this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ between **SABINAL CAPITAL INVESTMENTS, LLC**, a Texas based company (the "Investment Advisor" or "Adviser") and \_\_\_\_\_ (the "Client").

**WHEREAS**, the parties hereto acknowledge that this agreement provides for compensation to the Investment Advisor for management of the funds or any portion thereof of the Client; and,

**WHEREAS**, the Client acknowledges that the Client understands the proposed method of compensation and its risks and that the Client has been advised and given the opportunity to consult with an independent agent; and,

**WHEREAS**, the Client acknowledges notice of and consents to actions of the Investment Advisor in that the Investment Advisor may engage in transactions with the Client where the Investment Advisor acting as a principal may engage in a purchase from or sale to a Client of any security while so acting as a principal for its own account;

**WHEREAS**, the Client acknowledges receipt of Part II of Form ADV; a disclosure statement that contains the equivalent information; or a disclosure statement containing at least the information required by Schedule H of Form ADV, if the Client is entering into a wrap fee program sponsored by the Investment Adviser. If the appropriate disclosure statement was not delivered to the Client at least 48 hours prior to the Client entering into any written or oral advisory contract with this investment adviser, then the Client has the right to terminate the contract without penalty within five business days after entering into the contract. For the purposes of this provision, a contract is considered entered into when all parties to the contract have signed the contract, or, in the case of an oral contract, otherwise signified their acceptance, any other provisions of this contract notwithstanding.

**WHEREAS**, the Client hereby acknowledges receipt of Adviser's Privacy Notice attached to this Agreement and incorporated herein by reference.

**WHEREAS**, the Client hereby acknowledges the fees and expenses in connection with these advisory services may be higher than the cost of similar services offered through other financial firms or the fees associated with other financial services.

**NOW, THEREFORE**, in consideration of the mutual covenants herein contained and other good and valuable consideration the receipt of which is hereby acknowledged, the parties agree as follows:

1. **ADVISORY SERVICES.** The Client retains the Investment Advisor to provide investment advisory services in accordance with the terms of this agreement. The Investment Advisor agrees to manage the investment of the assets held in the Client's account. The Investment Advisor may invest and reinvest the assets held in the Client's account in securities of any kind, cash or cash equivalents. The Client agrees to give the Investment Advisor written notice of any significant changes in the Client Information, and to provide the Investment Advisor with any additional information that the Investment Advisor may reasonably request.

2. **DISCRETION.** The Client hereby appoints the Investment Advisor to act as the Client's agent and attorney-in-fact with complete and exclusive power to buy, sell, trade, and otherwise dispose of financial instruments including, without limitation, securities, options, stocks, stock and stock index options, future and futures options contracts; and, in connection therewith, to establish or liquidate positions in and exercise any rights or options relating to such financial instruments; engage in repurchase and borrowing or lending transactions; all in accordance with the terms and conditions applicable to those transactions in such financial instruments. The Client acknowledges and agrees that all transactions will be entered into in the name of the Client and for the Client's account(s) and risk, and to the same extent and with the same force and effect as if the undersigned Client entered into such transactions directly.

The Investment Advisor may act in the Investment Advisor's sole and absolute discretion and without the prior consent of or consultation with the Client.

The Client hereby ratifies and confirms any and all transactions heretofore or hereafter made by the Investment Advisor for the account of the Client and the Client hereby expressly acknowledges, represents, warrants and agrees that the Investment Advisor shall have sole and absolute discretion for all investments or trading decisions made with respect to Client's transactions for the Client's account(s).

The Client hereby reserves the right to place restrictions on investments and trading activities of the Investment Advisor upon written notice to the Investment Advisor. The Client further acknowledges its authorization to the Investment Advisor to make investments in funds affiliated with the Investment Advisor.

Adviser does not have authority to withdraw funds or take custody of client funds or securities. Adviser by virtue of its authority to directly debit fees from client accounts is considered to have custody of client assets. Client funds and securities are held in safekeeping by the Custodian. Adviser provides instructions to the Custodian to debit client accounts pursuant to Client authorization to deduct the management fee.

3. **CUSTODY.** All assets held in the Client's account shall be held by or in trust to the custody of a brokerage firm which is a member either the New York Stock Exchange or American Stock Exchange, the Chicago Board Options Exchange, The NASD, a United States Bank or Trust Company, or an overseas branch of a United States bank or such other custodian which would be acceptable to an investment company registered under the Investment Company Act of 1940. The Client acknowledges that the services of the custodian may require the Client to pay costs in addition to the advisory fee paid to the Investment Advisor pursuant to this agreement. The Client agrees that the custodian is authorized to follow the instructions of the Investment Advisor in every respect with regard to all trades and transactions, including the payment of the Investment Advisor's fee pursuant to this agreement. The custodian will send the Client a statement, at least quarterly, which shows all amounts disbursed from the Client's account(s).

The Investment Advisor will arrange for the execution of securities transactions on the Client's account through the custodian or other brokers or dealers that the Investment Advisor selects in good faith. The Investment Advisor will effect securities transactions on behalf of the Client through brokerage firms in a manner consistent with, in most cases, the principles of best execution and price. The Investment Advisor's allocation of brokerage business, however, is not based solely on a desire to get best execution and price possible, rather, it will select brokers in part on the basis of other considerations, which may include clearance, settlement, custody, record keeping, and similar services for the Client. For this purpose, the Client may be deemed to be paying for investment research and other services with commission dollars. These other services may include, in addition to research, services such as telephone

lines, news and quotation equipment, electronic office equipment, account record keeping, employee salaries, on-line financial information, publications, consulting and marketing services, office space and supplies, taxes, insurance, data processing, and other reasonable expenses necessary to perform the operation as determined by the Investment Advisor.

The Client acknowledges that the brokerage services may require the Client to pay costs in addition to the Advisory fee in every respect with regard to trades and transactions.

4. **OTHER ACTIVITIES OF INVESTMENT ADVISOR.** Nothing in this agreement shall limit or restrict the Investment Advisor or any of its directors, officers, affiliates, or employees from buying, selling, or trading in any securities for its or their own account or accounts, and the Client acknowledges that the Investment Advisor, its directors, officers, affiliates and employees, and other Clients of the Investment Advisor, may at any time have, acquire, increase, decrease, or dispose of positions in securities which are at the same time being acquired, held, or disposed of by the Client.

The Client acknowledges that the Investment Advisor performs investment advisory services for other clients, and that these services may differ both in nature and timing with the services provided to the Client. Transactions in securities may be accomplished on behalf of other clients prior to the time that they are executed on behalf of the Client and at prices that may differ from those obtained for the Client.

5. **ADVISORY FEES.** The maximum advisory fee is 3.00% per annum, depending upon a number of factors, including the type of portfolio elected by Client and the size of the account. Client agrees to pay a quarterly Management Fee in advance of 1/4 (25%) of the annual Advisory Fees that are attached as Schedule A of this Agreement for the portfolio program elected by the Client therein, of the quarter-ending Net Asset Value or as otherwise agreed in writing at the end of each billing period. The initial advisory fee is due upon execution of this Agreement. Subsequent advisory fee payments are due and will be assessed at the beginning of each quarter based on the value of the account assets under management as of the close of business on the last business day of the preceding quarter as valued by an independent pricing service, where available, or otherwise in good faith. Additional deposits of funds and/or securities, as approved by Adviser, of \$5,000 or more, will be subject to the same billing procedures.

Client acknowledges and agrees that the fee schedule set forth in Schedule A are in effect for Client's Account and shall continue until thirty (30) days after Adviser has notified the Client in writing of any change in the amount of the fees or charges applicable to the Client's Account, at which time the new fees or charges will become effective unless the Client notifies Adviser in writing that the Account is to be closed.

The minimum account size is \$100,000 but exceptions can be made depending on Client circumstances. Client may make cash additions to the Account at any time and may withdraw account assets on notice to Adviser. If a Client withdrawal request necessitates securities liquidation, it is understood that the proceeds will not be available until two days following the settlement of the liquidating trades. In the event Client withdrawals cause the account asset value to fall below the required minimum, Client understands this Agreement may be subject to immediate termination under Provision 8. Client understands that the Account is designed as a long-term investment vehicle and that asset withdrawals may impair the achievement of Client's investment objectives.

6. **REPORTS TO CLIENT.** Client shall receive a statement from the custodian on no less than a quarterly basis.

7. CONFIDENTIALITY. The Client each agree that all information and advice furnished by Adviser pursuant to this agreement shall remain confidential and shall not be disclosed to third parties, except as otherwise agreed in writing to the Investment Advisor and the Client or may be required by law. None of the information and data that Client provides Adviser will be disclosed by Adviser to any other non-related firm, person or entity without prior consent of Client, except to third party service providers solely to assist Adviser in providing its services to Client under this Agreement, or unless such disclosure is required by law.

8. TERMINATION. The Client has the right to terminate this agreement without penalty within ten (10) business days after entering into this agreement. Thereafter, this agreement may be terminated at any time by either the Client or the Investment Advisor by giving written notice of termination to the other party. The termination shall be effective ten (10) days after receipt of written notice by the other party. Prior to the effective date of termination, the Client shall provide the Investment Advisor with written instructions as to the liquidation or settlement of the Client's account(s), which instructions, at the Client's option, may limit the discretion of the Investment Advisor to enter into further transactions after the date such instructions are received. The Investment Advisor shall be bound by such instructions only after receipt thereof. The termination of this agreement shall not affect the validity of any action previously taken by the Investment Advisor or preclude the completion of any transaction initiated by the Investment Advisor prior to the time of the termination or written instructions as to liquidation or settlement, if provided by the Client. In the event of termination after the first ten (10) days, the fee payable under this agreement shall be pro rated based upon the number of days that the agreement was effective during that quarter, up to and including the date of termination.

If for any reason the Account value falls below Adviser's required minimum, Adviser has the right to terminate the Account. Custodian will deliver securities held in the Account as instructed by Client unless Client requests that the Account be liquidated. Client will be entitled to a pro rata refund of any pre-paid quarterly fee based upon the number of days remaining in the quarter after termination. Such fees will be prorated to the Account where such fees were debited.

This Agreement automatically renews annually on the anniversary date on which this Agreement was entered into unless cancelled before said date.

9. INVESTMENT ADVISOR REPRESENTATIONS. The Investment Advisor represents that it is registered in the State of Texas as an Investment Advisor and is exempt from registration with the Securities and Exchange Commission under the Investment Advisor Act of 1940, as amended.

10. CLIENT REPRESENTATIONS AND RISK ACKNOWLEDGMENT. The Client acknowledges that it has received and reviewed copies of Part 2 of the Advisor's Form ADV and its Privacy Notice. Client acknowledges that the Investment Advisor does not guarantee the future performance of the account or any specific level of performance, success of any investment decision or strategy that the Investment Advisor may use, or the success of the Investment Advisor's overall management of the account. Client understands that investment decisions made for Clients by the Investment Advisor are subject to various markets, currency, economic, political and business risks, and that those investment decisions will not always be profitable. The Investment Advisor will manage only securities, cash, and other investments held in the Client's account and in making investment decisions for the account, the Investment Advisor will not consider any other securities, cash, or other investments owned by Client.

11. CLIENT ACKNOWLEDGMENT TO SOFT DOLLAR PRACTICES. The Client acknowledges that the Investment Advisor has entered into and will in the future enter into certain agreements and arrangements commonly known as "Soft Dollar" arrangements or agreements. These

agreements occur between broker/dealers and their Clients where the broker/dealer provides, in addition to other services, research, execution services, non-research items, and mixed use items. An example of the kinds of products and services provided in such arrangements include but are not limited to accounting fees, computer hardware, computer software, conference seminars, consulting services, courier services, custodial fees, electronic data bases, execution assistance, on-line quote systems, industry publications, office equipment and supplies, on-line quotation-news, portfolio management software, rent, research and analysis reports, telephone expense, technical analysis, and other similar kinds of products and services. As a result of receiving such services, the Investment Advisor therefore has an incentive to continue to use such brokers and dealers to effect transactions for the Client's account as long as such brokers and dealers continue to provide services to the Adviser. This creates an inherent conflict. The Federal Securities Laws permit the practice. The research, product and services will be used to service all of the Investment Advisor accounts. Therefore, commissions from one set of Clients may be used to purchase research services and products that benefit another set of Clients. This is known as "cross-subsidization". The Client hereby acknowledges and consents to the Investment Advisor's participation in Soft Dollar practices and cross-subsidization.

12. INVESTMENT ADVISOR'S LIABILITY. The Client acknowledges that certain risks are inherent in securities investments and that some investment decisions may result in losses. Neither the Investment Advisor nor any of its officers, directors, affiliates or employees shall be liable to the Client for any action performed or omitted to be performed or for errors of judgment made in good faith in connection with the advisory services which are rendered pursuant to this agreement. Neither the Investment Advisor nor any of its officers, directors, affiliates or employees shall be relieved of liability, if any, arising from negligence, malfeasance or violation of any applicable laws. Nothing contained in this agreement shall constitute a waiver or a limitation of rights which the Client may have under any federal or state securities law or under the Employee Retirement Income Security Act of 1974 as amended.

13. ARBITRATION. Client acknowledges, understands, and agrees that:

**Although there are other forums for Clients to seek resolution of disputes that may arise between Adviser and Client, including ways to seek restitution and damages, by signing this agreement, client agrees to waive said rights to alternate forums and submit to mandatory arbitration if requested by Adviser in response to a dispute.**

- (i) Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.**
- (ii) The ability of the parties to obtain documents, witness statements, and other discovery is generally more limited in arbitration than in court proceedings.**
- (iii) The arbitrators do not have to explain the reason(s) for their award.**
- (iv) The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.**
- (v) 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.**
- (vii) The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this Agreement.**

**To the extent permitted by law, all controversies which may arise between the Client, Adviser or IAR or any of their affiliated companies concerning any transaction arising out of or relating to any account maintained by the Client, or the construction, performance, or breach of this or any other agreement between us whether entered into prior to, on or subsequent to the date hereto, may be submitted to arbitration conducted under the Code of Arbitration Procedure of the Financial**

**Industry Regulatory Authority (“FINRA”) or, if FINRA will not accept jurisdiction, the Rules of the American Arbitration Association. Except as may be required by an arbitration forum upon which the Investment Advisor is legally required to arbitrate the controversy with the Client, the arbitration panel shall consist of at least 3 individuals, with at least one panelist having knowledge of Investment Advisory activities. Such arbitration may be conducted in Austin, Texas if agreed to by all parties or another venue not detrimental to the Client.**

**Any stated limitations on liability shall not relieve Adviser or IAR from any responsibility or liability the Adviser or IAR may have under federal or state securities laws or ERISA, if customer is a qualified plan under ERISA.**

**Notwithstanding the language in the Arbitration Clause, the client may be able to pursue a remedy by other means.**

**Arbitration must be commenced by service upon Adviser or IAR, of a written demand for arbitration or a written notice of intention to arbitrate. Judgment upon any award rendered by the arbitrator(s) shall be final, and may be entered in any court having jurisdiction. This Agreement supersedes any and all preexisting agreements and/or understandings. No person shall 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 is a 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 Client 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 agreement to arbitrate does not entitle the Client to obtain arbitration of claims that would be barred by the relevant statute of limitations if such claims were brought in a court of competent jurisdiction. At the time a demand for arbitration is made or an election or notice of intention to arbitrate is served, the claims sought to be arbitrated would have been barred by the relevant statute of limitations or other time bar, any party to this agreement may assert the limitation as a bar to arbitration by applying to any court of competent jurisdiction, and the Client expressly agrees that any issue relating to the application of a statute of limitations or other time bar, are referable to such court. The failure to assert such bar by application to a court, however, shall not preclude its assertion before the arbitrators.

14. **ASSIGNMENT OF THIS AGREEMENT.** This Agreement may not be assigned by the Investment Advisor without the prior written consent of the Client. The term “assigned” includes both direct and indirect transfers of this agreement, as interpreted under the applicable securities laws and regulations.

15. **NOTICES.** Any notices from the Investment Advisor to the Client shall be in writing and mailed, delivered or faxed to the Client as directed in writing by the Client as indicated as follows or to the Client’s last known address except that upon written client acknowledgement and demonstration of ability to receive documents electronically, Investment Advisor may distribute disclosure, client consent documents, statements, etc. electronically.

Street: \_\_\_\_\_

City/State/Zip Code: \_\_\_\_\_

Fee notification and reports regarding fees paid will only be mailed to the address of record on file of the Account where the debit occurred. These addresses may be changed by appropriate notice given in accordance with this provision. Any notice required hereunder, but not including any report, summary or statement, confirmation or other usual communication, shall be sent by registered or certified mail, return receipt requested.

Any notices from the Client to the Investment Advisor shall be in writing and mailed, delivered, or faxed to the Investment Advisor's address as follows:

**SABINAL CAPITAL INVESTMENTS, LLC**  
**1002 Glencarrie Lane**  
**Austin, Texas 78750**  
**(888) 349-1118**  
**(512) 233-1706 (fax)**

16. **BINDING EFFECT, ASSIGNMENT.** This agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, except that rights and obligations hereunder shall not be assignable, transferable, or delegable without the consent of the Client.

17. **AMENDMENT.** This Agreement may be amended by the Investment Advisor with respect to any provisions other than provisions relating to the payment of fees, upon thirty (30) days notice to the Client by the Investment Advisor notifying the Client of the amendment. Amendments relating to the amount of fees are by written agreement only of the parties hereto.

18. **GOVERNING LAW.** It is understood that this agreement shall be governed by and construed under and in accordance with the laws of the State of Texas, excluding conflict of law principles.

19. **SEVERABILITY.** If any provision of this agreement or the application thereof to any situation or circumstance shall be invalid or unenforceable, the remainder of this agreement or application of such provision to a situation or circumstances other than those to which it is invalid or unenforceable, shall be effective; and each remaining provision of this agreement will be valid and enforceable to the fullest extent permitted by applicable law.

20. **VOTING OF SECURITIES.** Unless otherwise notified in writing, the Client will vote all proxies and take all other actions relating to the securities in the account(s), including exercises of rights and acceptances, tender offers and the like.

21. **COUNTERPARTS.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

22. **AUTHORITY.** Each of the parties to this agreement hereby represents that it is duly authorized and empowered to execute, deliver, and perform this agreement and that such action does not conflict with or violate any provision of law, rule or regulation, contract, deed of trust, or other instrument to which it is a party or to which any of its property is subject, and that this agreement is a valid and binding obligation enforceable in accordance with its terms.

23. **PORTFOLIO SELECTION.** It is understood that Advisor will proportionately invest Client's account in one or more of Advisor's investment portfolios (as designated by Client, below) such that

Client will hold equities and/or cash in a more or less identical distribution of equities and/or cash as the Advisor chooses in Advisor's management of its Portfolios. Client further understands that the equities held in the Portfolios are completely and arbitrarily chosen by the Advisor. Client also understands and agrees that other of Advisor's Clients may also have entered into a similar agreement with Advisor and may also have instructed Advisor to use one or more of the following Portfolios in conjunction with Advisor's management of said Clients funds.

Client hereby authorizes Advisor to invest Client's funds, by percent of total account, through the following Sabinal Capital Investments, LLC portfolios:

<b>Portfolio</b>	<b>Percent Allocation</b>	<b>Client Initials</b>
Opportunistic Equity I Portfolio	_____ %	_____
Opportunistic Equity II Portfolio	_____ %	_____
Opportunistic Equity III Portfolio	_____ %	_____
Opportunistic Equity IV Portfolio	_____ %	_____
Opportunistic Equity IV PLUS Portfolio	_____ %	_____
Total	100 %	_____

**24. ENTIRE AGREEMENT**

This Agreement represents the entire agreement between the parties with respect to the subject matter contained herein. This Agreement may not be changed orally, but only by an agreement in writing signed by all parties.

**THIS AGREEMENT CONTAINS A PRE-DISPUTE ARBITRATION CLAUSE IN SECTION XVII which requires that all claims arising out of transactions or activities affecting the Client's account be resolved through arbitration.**

**IN WITNESS WHEREOF**, the parties hereto have caused this agreement to be executed by their person or their duly authorized representative and to be effective as of the date first above written.

INVESTMENT ADVISOR:

CLIENT:

**SABINAL CAPITAL INVESTMENTS, LLC**

\_\_\_\_\_

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

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

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**Schedule A - Asset Based Fee Compensation**

**Advisory Fee Schedule**

**Sabinal Capital Opportunistic Equity I Portfolio**

Assets Under Management	Maximum Annual Fee
First \$500,000	2.00%
Next \$500,000	1.50%
Over \$1,000,000	1.00%

**Advisory Fee Schedule**

**Sabinal Capital Opportunistic Equity II Portfolio**

Assets Under Management	Maximum Annual Fee
First \$100,000	3.00%
Next \$400,000	2.75%
Next \$500,000	2.25%
Over \$1,000,000	1.50%

**Advisory Fee Schedule**

**Sabinal Capital Opportunistic Equity III Portfolio**

Assets Under Management	Maximum Annual Fee
First \$500,000	2.75%
Next \$500,000	2.25%
Over \$1,000,000	1.50%

**Advisory Fee Schedule**

**Sabinal Capital Opportunistic Equity IV Portfolios**

Assets Under Management	Maximum Annual Fee
All Assets	3.00%