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	INVESTMENT ADVISORY AGREEMENT	
	between Client(s)	
_	&	, Joint Tenants
	and	
	Sparrow Wealth Management ("SWM")	

- 1. <u>PURPOSE OF THE AGREEMENT.</u> This agreement is to confirm our understanding of the terms and conditions for asset management services and the nature and limitations of the services SWM will provide. This agreement focuses on describing SWM's asset
 - management services, the fees to be paid to SWM by the Client, the term of the agreement, and the responsibilities of SWM and the Client.
- 2. GENERAL SERVICES. SWM's process for providing asset management begins with the establishment of the client's goals, objectives, time horizon, and risk tolerance. SWM works with the client to understand these critical components. Then, SWM assists the client in developing an Investment Policy Statement that clearly shows how the client's assets will be allocated across the various asset classes or risk factors. In developing the Investment Policy Statement, the first decision that must be made is how much of the client's assets to invest in fixed income and how much to invest in equity. Then, SWM allocates the equity portion of the client's portfolio across the following asset classes—U.S. and international, small and large, and value and growth. For the fixed income portion of the portfolio, SWM primarily invests in short-term bonds, intermediate bonds, and inflation-adjusted bonds. Depending on the Client's specific needs and goals, SWM may decide to use additional asset classes (not mentioned above), or SWM may exclude some its standard asset classes.

SWM's basic investment philosophy is firmly rooted in the conviction that securities markets are generally efficient and that investment returns are primarily determined by asset allocation rather than by market timing or stock picking. Therefore, asset class investments are mostly implemented through the use of no-load, passively structured mutual funds, conventional index funds, and real estate investment trusts (REITs). Most of the funds that SWM uses are only available to institutional investors and approved investment advisors. In rare cases, SWM will use actively managed funds. With regards to selecting funds, SWM is primarily concerned with the fund's management style, consistency, and expense ratios.

SWM will manage the Client's assets on a discretionary basis, which means that SWM will not be required to consult with the Client prior to making trades. However, SWM promises to invest and reinvest the cash, securities, and other property in accordance with the asset allocation that the Client has agreed to in the Investment Policy Statement. In addition, SWM will have authority to sell securities and other property managed by SWM to meet the Client's cash needs or to pay SWM's quarterly fees if the Client has requested that they be debited from their brokerage account.

SWM will conduct monthly account reviews to determine if client portfolios are significantly out of tolerance as compared to the desired asset allocation in the Client's Investment Policy Statement. In addition, SWM may review client portfolios more frequently depending on the market conditions. If a client's portfolio is significantly out of tolerance, SWM may reallocate the portfolio to the asset allocation that is specified in the Investment Policy Statement. The decision to rebalance is based on many factors, including the client's cash flow needs, the degree to which the account is out of tolerance, tax consequences, and trading expenses.

3. FEES. The annual charge for SWM's asset management service is .75% of assets under management for amounts up to \$3,000,000, .50% for amounts between \$3,000,000 and \$5,000,000, and .25% for amounts over \$5,000,000. The term, assets under management, generally refers to assets that are held in one or more brokerage account(s) where SWM has a Limited Power of Attorney on the account(s). Assets under management may also include the Client's retirement plans with their employer, such as 401(k) or 403(b) plans, if the Client wants SWM to manage these accounts. Fees are paid quarterly, in advance, and they are based on the market value of the account(s) as of the last day of the prior quarter. Quarterly payments will be due every April 30, July 31, October 31, and January 31. Fees for the first quarter will be prorated based on the number of days that services are provided. If a Client wants to have these fees debited directly from their brokerage account, the Client must provide a written authorization to do so. SWM sends the Client an invoice itemizing the fee, including any formula used to calculate the fee, the time period covered by the fee, and the amount of assets on which the fee was based. The Client may terminate SWM's asset management service at any time and a pro-rata refund (by day) of any fees paid will be made to the Client.

Page 2 of 4

In addition to the above fees charged for SWM's services, each mutual fund or REIT charges on-going management fees for the operations of the fund. These management fees should not be confused with "loads" or commissions. SWM primarily utilizes "no load" funds for its clients, except in rare circumstances. Also, the Client will pay transaction fees to the brokerage firm for purchases and sales of mutual funds, securities, and REITs.

4. <u>TERM OF AGREEMENT.</u> This agreement shall last until either SWM or the Client chooses to terminate it.

5. RESPONSIBILITIES OF SPARROW WEALTH MANAGEMENT.

- SWM will keep in strict confidence all of the information about the financial affairs of the Client.
- SWM is responsible to provide asset management services as previously explained in this agreement. However, SWM makes no explicit or implied guarantee with respect to the outcome of any investment made on the Client's behalf.
- SWM represents that it is a fee-only financial planning and asset management company. As such, SWM does not receive any compensation, either directly or indirectly, from mutual funds, brokerage firms, or any source other than from the fees paid by clients.

6. RESPONSIBILITIES OF THE CLIENT.

- The Client is responsible to make sure that they understand what SWM is explaining to them. In other words, if SWM explains an investing concept to the Client, and the Client does not understand it, the Client should make sure to ask SWM to repeat the explanation in a way that makes sense to the Client.
- The Client is responsible for disclosing all relevant facts and information that are necessary for SWM to provide accurate and comprehensive advice for the Client's unique situation.
- The Client gives SWM permission to contact their other advisors (i.e., CPA, attorney, stock broker, insurance agent, etc.) to gather information and data that is necessary for SWM to provide its asset management services to the Client.
- The Client agrees not to hold SWM liable for any act or failure to act with respect to investment advice given except in the absence of good faith, provided that this paragraph will not relieve SWM from any liability imposed by the Securities Act of 1933, the Employee Retirement Income Security Act of 1974, or other applicable law, which cannot be waived.
- The Client retains responsibility for voting proxies on securities held in all Client accounts (including the accounts managed by SWM).

The Client confirms the receipt, prior to the signing of this agreement, of SWM's privacy policy and Form ADV Part 2, which document further describes SWM's services and qualifications.

Page 3 of 4		
1 450 5 61 1	 	

The Client *consents to electronic delivery of required disclosure documents* and other communications by the SWM. Such consent will remain effective unless revoked by the Client. SWM will transmit information by email in text, PDF, Microsoft Word, or other formats that can be readily viewed, printed, and saved. The Client has provided SWM with one or more valid email addresses that SWM may use to communicate with the Client. The Client acknowledges that there may be costs associated with electronic delivery, such as computer equipment costs and on-line charges. The Client may revoke its consent to receive communications electronically at any time by notifying SWM.

SWM shall make no assignment of this agreement without the written consent of the Client.

This agreement represents the entire agreement of the parties with regard to the subject matter and supersedes any prior communications or agreements, oral or written.

In the event that any dispute may arise by and between the parties, the cause of action shall be heard, litigated, tried and /or decided in Clark County, State of Nevada.

It is agreed by and between the parties hereto that should any dispute arise, the laws of the State of Nevada shall control, unless the federal securities laws shall otherwise apply.

It is further agreed by and between the parties that the Client shall enjoy a five (5) day penalty free right of recission.

SWM and Client have read and understood the various provisions of this agreement as they set forth the services, fees and responsibilities to be rendered or accepted by each party.

IN WITNESS WHEREOF, the Client and Sparrow Wealth Management have executed this

agreement on this		
day of	·	
Signature of Client	_ &	Signature of Client
Sparrow Wealth Management		
By Christopher M. Jones, President		

Page 4 of 4		
1 450	 	