

Investment Advisory Agreement

Whereas _____ ("Client") hereby appoints Fried Asset Management, Inc. ("Adviser") as investment adviser to manage the investment and reinvestment of the cash and securities in the account specified as _____ ("Account"), presently held by _____ ("Custodian") and Adviser agrees to serve in that capacity, on the following terms and conditions:

1. Authority. Adviser shall have full power to supervise and direct the investment of the Account, making and implementing investment decisions, all without prior consultation with Client, in accordance with such objectives as Client may, from time to time, have furnished Adviser in writing, and subject only to such written limitations as Client may impose in writing. The Account may be invested in common or preferred stock, bonds, warrants, funds or other vehicles. Client may request in writing that certain specified securities or certain categories of securities, not be purchased for the account. Client agrees to inform Adviser in writing of any material change in Client's circumstances that might affect the manner in which Client's assets should be invested.
2. Custody. Adviser shall not take or have possession of the assets of the Account, it being intended that sole responsibility for safekeeping thereof (in such investments as Adviser may direct) shall rest upon the Custodian. All Securities purchased for the Account shall be held in the name of the Account.
3. Brokerage. Unless otherwise specified in writing to Adviser by the Client, all orders for the purchase and sale of securities for the Account shall be placed in such markets and through such brokers and dealers as in Adviser's best judgment shall offer the most favorable price and market for the execution of each transaction. In evaluating a broker's and dealer's ability to provide the most favorable price and execution for any transaction or series of transactions, Adviser may consider a number of factors, including, for example, net price, reputation, financial strength and stability, efficiency of execution, block trading and block positioning capabilities, willingness to execute related or unrelated difficult transactions in the future, and other matters ordinarily involved in the receipt of brokerage services generally. In addition, in selecting a broker for a transaction or series of transactions, Adviser may consider the value of research services provided by broker to Adviser. In no event shall Adviser be under any duty to obtain the lowest commission or best net price for the Account on any particular transaction, nor is the Adviser under any duty to execute any order in a fashion either preferential to the Account relative to other like accounts managed by Adviser or otherwise materially adverse to such other accounts. The Client understands and agrees that Adviser may effect securities transactions which cause the Account to pay an amount of commission in excess of the amount of commission another broker would have charged, provided that Adviser determines in good faith that such amount of commission is reasonable in relation to the value of brokerage and research services provided by such broker, viewed in terms of either the specific transaction or Adviser's overall responsibilities to the accounts for which Adviser exercises investment discretion. The Client also understands that the receipt and use of such services will not reduce Adviser's customary and normal research activities.

Provided the investment objectives of the Account are adhered to, the Client agrees that Adviser may aggregate sales and purchase orders of securities held in the Account with similar orders being made simultaneously for other accounts managed by Adviser if, in Adviser's reasonable judgment, such aggregation shall result in an overall economic benefit to the Account, taking into consideration the advantageous selling or purchase price, brokerage commission and other expenses, and trading

requirements. In accounting for such aggregated order, price and commission shall be averaged on a per unit basis daily. The Client acknowledges that Adviser's determination of such economic benefit to the Account is based on an evaluation that the Account is benefited by relatively better purchase or sales prices, lower commission expenses and beneficial timing of transactions, or a combination of these and other like or unlike factors.

4. Reports to Client. Adviser will send Client a description of all activity in the Account including any fees paid from the Account and an inventory of the investments of the Account as soon as reasonably possible after the end of each quarterly period. Adviser does not assume responsibility for the accuracy of information furnished by Client or any other party. Client will also receive a confirmation of each transaction executed in the Account.

5. Voting of Portfolio Securities. Unless otherwise instructed in writing by Client, Adviser will vote proxies with respect to the issuers of securities in which the assets of the Account are invested. Client agrees to take all action necessary to insure that proxy solicitations are delivered to Adviser in a timely manner, including proxy solicitations received by a third party.

6. Confidential Relationship. All information and advice furnished by either party to the other shall be treated as confidential and shall not be disclosed to third parties except as required by law. The Client does consent to the disclosure by the Adviser of the Client's identity and the Client's client relationship with the Adviser in responses to requests for proposals to other clients or prospective clients, in the Adviser's promotional materials, in articles or publications by or about the Adviser and in reports to clients of the Adviser.

7. Non-Exclusive Contract. Adviser acts as adviser to other clients and may give advice, and take action, with respect to any of those which may differ from the advice given, or the timing or nature of action taken, with respect to the Account, so long as it is the Adviser's policy, to the extent practical, to allocate investment opportunities to the Account over a period of time on a fair and equitable basis relative to other clients. Adviser shall have no obligation to purchase or sell for the Account, or to recommend for purchase or sale by the Account, any security which Adviser, its principals, affiliates or employees may purchase or sell for themselves or for any other clients. Client recognizes that transactions in a specific security may not be accomplished for all client accounts at the same time or at the same price.

8. Agreement Not Assignable. No assignment of this agreement may be made by Adviser without consent of Client.

9. Termination. This agreement may be terminated without penalty at any time upon 30 days prior written notice by either party; provided, however, that all rights and obligations under Sections 13 and 14 shall survive such termination. Fees will be prorated to date of termination and any unearned portion of prepaid fees will be refunded to Client.

10. Representations. Adviser and Client hereby make the following representations:

a. Adviser represents that it is registered as an investment adviser with the applicable regulatory authority and is authorized and empowered to enter into this agreement.

b. Client represents that employment of Adviser, including the right to make decisions with respect to the voting of proxies, if granted, is authorized by, has been accomplished in accordance with, and does not violate, the documents governing the Account. Client will furnish Adviser with true copies of all

governing documents.

c. The Client represents and confirms that: (1) the Client has full power and authority to enter into this agreement; (2) the terms hereof do not violate any obligation by which the Client is bound, whether arising by contract, operation of law, or otherwise; and (3) this agreement has been duly authorized and will be binding according to its terms.

d. If this Agreement is entered into by a trustee or other fiduciary, such trustee or fiduciary represents that the services to be provided by Adviser are within the scope of the services and investments authorized by the governing instruments of, and/or laws and regulations applicable to, the Client and that such trustee or fiduciary is duly authorized to enter into and renew this agreement. The trustee or fiduciary shall provide Adviser with copies of the governing instruments authorizing establishment of the Account. The trustee or fiduciary undertakes to advise Adviser of any material change in his or her authority or the propriety of maintaining the Account.

e. If the Account is subject to the provisions of ERISA, Adviser acknowledges that it is a "fiduciary" as defined in that Act with respect to performing its duties under this agreement. The Client agrees to maintain appropriate ERISA bonding for the Account and to include within the coverage of the bond the Adviser and its personnel as may be required by law. The Client represents that employment of Adviser, and any instructions that have been given to Adviser with regard to the Account, are consistent with applicable plan and trust documents. The Client agrees to furnish Adviser with copies of such governing documents. The person signing this agreement on behalf of the Client also acknowledges its status as a "named fiduciary" with respect to the control and management of the assets held in the Account, and agrees to notify Adviser promptly of any change in the identity of the named fiduciary with respect to the Account. The Client also acknowledges that the Account is only a part of the plan's assets, and that Adviser is not responsible for overall compliance of such investments with the requirements of ERISA or any other governing law or documents.

f. The Client recognizes that there may be loss or depreciation of the value of any investment due to the fluctuation of market values. The Client represents that no party to this agreement has made any guarantee, either oral or written, that the Client's investment objectives will be achieved. Adviser shall not be liable for any error in judgment and/or for any investment losses in the Account in the absence of malfeasance, negligence, or violation of applicable law. Nothing in this agreement shall constitute a waiver or limitation of any rights that the Client may have under applicable state or federal law, including without limitation the state and federal securities laws.

11. **Communications.** Instructions with respect to securities transactions may be given orally and, where deemed necessary, may be confirmed in writing as soon as practicable.

Notices required to be given under this Agreement shall be sent by certified mail and shall be deemed given when received at the addresses specified in writing by the party to receive such notice.

12. **Fees.**

a. **Payment.** Adviser's compensation for services shall be calculated and paid in arrears in accordance with the following schedule, applied by Adviser to the fair market value of the assets of the Account as reasonably determined by Adviser on the last business day of each calendar quarter:

<u>Type of Investment</u>	<u>Annual Fee Rate</u>
Income Composite	1.0%
BuyBack Composite	2.0%

Account(s) will be managed using the following style:

- Income Composite _____%
- BuyBack Composite _____%

b. **Additions and Withdrawals.** Client may make additions or withdrawals from the Account at any time. Additional assets received into the Account (or withdrawn) will be charged a pro rata fee based upon the number of days remaining in the quarter. There is no start-up, closing or penalty fee in connection with opening or closing the Account.

Client authorizes Adviser to charge the Account for the full amount of fees as they become due and payable, provided a copy of each fee statement sent to the Custodian is sent to the Client at the same time.

13. **Custodian and Broker/Dealer.** Client agrees not to hold Adviser liable for any act or omission of the Custodian or of any broker or dealer selected by Adviser in good faith and in a commercially reasonable manner, unless Adviser knowingly participates in such act or omission, has actual knowledge of such act or omission and fails to take reasonable remedial action, or through negligence in performing its own specific responsibilities hereunder has enabled Custodian or broker or dealer to commit such an act or omission.

14. **Indemnification.** Client agrees not to hold the Adviser, its officer, directors and employees liable for, and to indemnify or insure the Adviser against, any costs and liabilities (including, e.g., attorneys' fees and disbursements) the Adviser may incur as a result of any claim against Adviser arising out of an investment decision or other action taken or omitted by Adviser in good faith exercise of its powers hereunder or otherwise related to this Agreement, excepting matters as to which the Adviser shall be finally adjudged to have been guilty of willful misconduct or gross negligence. The Federal Securities laws impose liabilities under certain circumstances on persons who act in good faith, and therefore nothing herein shall in any way constitute a waiver or limitation of any rights, which Client may have under any Federal Securities laws or similar state laws or statutes.

15. **Arbitration.** Subject in all instances to the provisions of Sections 13 and 14 hereof, any controversy or claim arising out of or relating to this Agreement, the breach thereof, or the transactions contemplated hereby, shall be resolved by arbitration in Los Angeles, California, in accordance with the rules of the Judicial Arbitration and Mediation Service. Any award rendered by the arbitrators shall be final and judgment may be entered upon it in any court of competent jurisdiction. Such arbitration shall utilize as controlling the substantive law of the State of California.

Should any arbitration or litigation be commenced by any party hereto concerning any provision of this Agreement or the rights and duties of any party hereto, then the prevailing party in such arbitration or litigation shall be entitled, in addition to such other relief as may be granted, to reasonable attorney's fees, expert witness expenses, and other costs.

16. **Disclosure Statement.** Client acknowledges receipt of Adviser's Part 2 Disclosure Statement. If received less than 48 hours prior to the date of execution of the agreement shown below Client shall have the option to terminate this agreement without penalty within five business days after that date of execution; provided, however, that any investment action taken by Adviser with respect to the Account prior to the effective date of such termination shall be at Client's risk.

17. Interpretation of Agreement. This Agreement has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with in this Agreement. Accordingly, any rule of law (including California Civil Code section 1654) or legal decision that would require interpretation of any ambiguities in this Agreement against the party that has drafted it is not applicable and is waived. The provisions of this Agreement shall be interpreted in a reasonable manner to effect the purpose of the parties and this Agreement.

18. Entire Agreement; Governing Law. This agreement constitutes the entire agreement of the parties with respect to management of the Account and can be amended only by written document signed by the parties. Each of the provisions of this agreement is severable, and the validity or inapplicability of one or more provisions, in whole or in part, shall not affect any other provision. This agreement shall be governed by the law of the State of California.

Date: _____

(Client) full client/entity name

Fried Asset Management, Inc.
(Adviser)

By: _____

By: _____

Name: _____

Name: David Fried

Title: _____

Title: President