



## **Acorn Capital Partners, LLC**

# INVESTMENT ADVISORY CONTRACT

**Client Name**

**Client Address**

**City, State Zip**

**Version Date: 08/08/2021**

The undersigned ("Client"), being duly authorized, has established or will establish one or more Accounts (here in after called "Account" whether one or more) itemized in Exhibit I and hereby agrees to engage Acorn Capital Partners, LLC ("ACP") on the following terms and conditions.

***I. Appointment of Acorn Capital Partners, LLC***

Client hereby appoints ACP as investment adviser for the Account. ACP shall supervise and direct the investments of and for the Account, subject to the objectives, limitations and restrictions listed in Client's Written Investment Policy Statement, which is attached as Exhibit I. The persons authorized to act on behalf of Client with respect to the Account are identified in Exhibit IV. Client agrees to promptly notify ACP in writing of any changes to the client profile information contained on the investment policy statement, and any changes to the restrictions or limitations applicable to the Account, and to provide ACP with prior written notice of any changes in the identity of persons authorized to act on behalf of Client with respect to the Account.

***II. Services by ACP.***

By execution of this Agreement, ACP hereby accepts the appointment as investment adviser for the Account and agrees from and after the effective date, as referred to in the signature page,

- (a) to supervise and direct the investments of the Account in accordance with the investment objectives of Client as listed on the attached Exhibit I, or as communicated hereafter in writing by Client;
- (b) to appraise and review, during the period of this Agreement, investments of the Account, as initially accepted by ACP, together with all additions, substitutions and alterations thereto; and
- (c) to render to Client at least quarterly a written statement of the investments of the Account. This statement will come directly from a custodian. It is understood and agreed that ACP, in the maintenance of records for its own purposes, or in making such records or the information contained therein available to Client or any other person at the direction of Client, does not assume responsibility for the accuracy of information furnished by Client or any third party.

***III. Procedure.***

All transactions authorized by this Agreement shall be consummated by payment to or delivery by Client to a custodian or other authorized third party (the "Authorized Third Party"). The Authorized Third Party at the time this Agreement is executed is identified in Exhibit III hereto. ACP will have no custody of Client's funds, investments, or assets (except for the authorized deduction of client fees); and all funds/securities will be delivered between Client and the Authorized Third Party only. ACP must have an Authorized Third Party or custodian that sends at least a quarterly statement showing all debits, as well as how fees and debits are calculated. Client acknowledges responsibility to verify the accuracy of the calculation of any management fees charged to the Account.

Authorization to Deduct Fees and Charges from Clients Account - Client hereby authorizes ACP to deduct Client's management fee from the Account on the payment due date and to remit them to ACP in payment for services rendered hereunder. Client further authorizes ACP to deduct management fees and other charges first from free credit balances, if any, and second from the liquidation or withdrawal of shares of any money market fund in the Account.

Liability and Indemnification of Pershing and Authorized Third Party - Client agrees to indemnify and hold harmless Pershing and Authorized Third Party and their directors, officers, employees, agents and control persons from all liabilities and costs, including attorneys' fees, which they may incur by acting in reliance upon any authorization of Client to deduct management fees and other charges from the Account.

**IV. Potential Conflicts of Interest; Service to Other Clients.**

It is understood that ACP performs investment advisory services for various clients and that the services provided by the ACP are offered/rendered on a non-exclusive basis. Client agrees that ACP may give advice and take action in the performance of its duties with respect to any of its other clients which may differ with the advice given or action taken with respect to the Account, so long as it is the ACP'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. Client understands that ACP may so aggregate and allocate trades between and among various clients in accordance with its trade allocation policies and procedures. ACP may also provide investment advisory services to private fund clients in which ACP or an affiliate serves as the general partner. Client acknowledges that providing such services involves a potential conflict of interest and that nothing in this Agreement shall be deemed to confer upon ACP any obligation to acquire for the Account a position in any security which ACP, its principals or employees, may acquire for its or their own accounts or for the account of any other client, if in the sole and absolute discretion of ACP it is not for any reason practical or desirable to acquire a position in such security for the Account.

**V. Client Accounts.**

Client has opened or may open an account with a custodian for the execution of securities transactions and custodial services. If Client elects to use a custodian other than the custodian suggested by ACP, ACP may not be able to negotiate the best commission rates. The custodian is identified in Exhibit III hereto.

**VI. Inside Information.**

ACP shall not seek to obtain any material nonpublic ("inside") information about any issuer of securities, nor will it purchase or sell, or to recommend for purchase or sale, for the Account the securities of any issuer on the basis of any material nonpublic information as may come into its possession.

**VII. Proxies.**

ACP will not be required to take any action or render any advice with respect to the voting of proxies solicited by or with respect to the issuers of securities in which assets of the Account may be invested from time to time except as may be directed by Client and except as may be otherwise required by law.

**VIII. Fees.**

The compensation of ACP for its services rendered hereunder shall be calculated in accordance with the Schedule of Fees attached hereto as Exhibit II and incorporated as part of this Agreement. In addition to the management fee charged by ACP, the Asset Management Account may be charged certain transaction charges by the Account's prime broker, and any executing brokers in connection with the purchase or sale of securities in the Asset Management Account. These charges pertain to the execution of trades and the clearance of funds and securities. No commissions will be paid to ACP. Any increase in fees paid to ACP shall be accompanied by an amendment or the execution of a new contract, with signatures from both parties evidencing acknowledgment and acceptance of the new fees. ACP will 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 Client.

**IX. Valuation.**

In computing the market value of any investment of the Account, the securities in the Account listed on a national securities exchange or otherwise subject to current last-sale reporting shall be valued at the amount reported on the statement that Client receives from the Authorized Third Party. Such securities which are not traded nor subject to last-sale reporting shall be valued at the latest available bid price reflected by quotations furnished to ACP by such sources as it may deem appropriate. Any other security shall be valued in such manner as shall be determined in good faith by ACP and the Client to reflect its fair market value.

**X. Representations by Client.**

1. The execution and delivery of this Agreement by Client shall constitute the representations by Client that the terms hereof do not violate any obligation by which Client is bound, whether arising by contract, operation of law or otherwise; that if Client is an entity other than a natural person (a) this Agreement has been duly authorized by appropriate action and is binding upon Client in accordance with its terms and (b) Client will deliver to ACP such evidence of such authority as ACP may reasonably require, whether by way of a certified corporate resolution or otherwise; ACP is responsible only for the Account and not for the diversification or prudent investment of any outside assets or holdings of Client.
2. Client understands the risk factors, fees and charges associated with investments in the Account. Client understands and agrees that the Account will contain investments which are subject to market fluctuation and other risks and acknowledges that the past performance of investments purchased for the Account does not guarantee that future gains may be derived from such investments.
3. Client specifically acknowledges and agrees that ACP is not guaranteeing or warranting to Client that any investments in the Account will increase in value, retain their value or otherwise achieve any specific performance level. Client further acknowledges and agrees that there is no guarantee that their stated investment objectives will be realized. ACP shall not be liable to Client for any loss incurred in connection with recommendations made or actions taken on Client's behalf, or in connection with errors of judgment in managing the Account, with the exception of losses resulting from ACP's negligence, malfeasance, or violation of applicable law or regulation or ACP's breach of this Agreement. ACP shall not be liable for any loss resulting from any acts or omissions of Client, any custodian, or any brokerage firm. Nothing in this Agreement shall constitute a waiver or limitation of any rights which the Client may have under state or federal securities laws.
4. This section applies only if your Account is for 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").

If Client is an ERISA plan (not simply a plan member) and the Account is for the assets or holdings of such ERISA plan, then ACP acknowledges that it is a "fiduciary" within the meaning of ERISA and Section 4975(e)(3) of the Code. Client represents that ACP has been furnished true and complete copies of all documents establishing and governing the plan and evidencing Client authority to retain ACP. Client acknowledges that he/she is a "named fiduciary" with respect to the control or management of the assets in the Account. Client will furnish promptly to ACP the governing plan documents, any amendment to the plan, and Client agrees that, if any amendment affects ACP rights or obligations, the amendment will be binding on ACP only when agreed to by ACP in writing. If the Account contains only a part of the assets of the plan, Client understands that ACP will have no responsibility for the diversification of all of the plan's investments and that ACP 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, upon written request by ACP, Client will obtain and maintain at Client expense bonding that satisfies the requirements of Section 412 of ERISA and covers ACP and affiliated persons of ACP.

**XI. Termination.**

1. Notice of Termination. This Agreement shall continue in effect until terminated by either party by giving written notice of such termination to the other party. Such termination shall be effective on the date set forth in the notice in accordance with the provisions in section XIII of this agreement.
2. No Continuing Obligations of ACP. Upon termination of this Agreement, ACP shall not have any continuing obligations whatsoever to Client to recommend any action with regard to, or to liquidate, the securities or other assets in the Account; provided, however, that ACP may complete any transactions that are open as of the effective date of termination and retain cash, securities or other proceeds in the Account necessary to complete such transactions.
3. Pro Rata Refund of Fees. In the event of termination of this Agreement, a pro rata refund of management fees prepaid by Client to ACP (less any charges or other expenses owed) will be made from the effective date of termination through the end of the then-current quarterly billing period. Fee refunds are calculated by using the following formula:

$$\text{Portfolio value} \times \text{Fee \%} / 365 \times \text{Days remaining in quarter} = \text{Fee refund}$$

**XII. Notices.**

All notices and other communications contemplated by this Agreement shall be deemed duly given if delivered to ACP at: 641 Lexington Avenue, 13<sup>th</sup> Floor, New York, NY 10022, to the attention of its Managing Member, and to Client at the address appearing on the cover page of this Agreement, or at such other address or addresses as shall be specified, in each case, in a written notice similarly given.

**XIII. Governing Law.**

The validity of this Agreement and the rights and liabilities of the parties hereunder shall be determined in accordance with the laws of the State of New York except to the extent preempted by ERISA or other federal or state laws or regulations.

**XIV. Exhibits.**

The following Exhibits are attached hereto and incorporated as part of this Agreement:

- |               |  |
|---------------|--|
| Exhibit I -   | Client's Written Investment Policy       |
| Exhibit II -  | Schedule of Fees                         |
| Exhibit III - | Identification of Authorized Third Party |
| Exhibit IV -  | Authorized Firm Persons                  |

**XV. Trading Authority.**

Client hereby grants ACP the authority to authorize the payment of brokerage fees, commissions, or other transaction costs from the Account. No commissions will be paid to ACP. Client acknowledges that certain brokerage fees or commissions may be payable to the Account's prime broker, and any executing brokers.

Please check one:

*(Discretionary Investment Management)*

Except as otherwise set forth in this Agreement, Client authorizes ACP to investigate, purchase, and sell on behalf of Client, various securities and investments. ACP is authorized to execute purchases and sales of securities on Client's behalf without consulting Client regarding each sale or purchase.

1. Appointment of ACP as Attorney-In-Fact. Client expressly grants ACP complete and unlimited authority to act on their behalf as their attorney-in-fact with the discretionary authority to purchase and sell all products allowed per the Form ADV which are suitable for the disclosed investment objectives, financial situation and risk tolerance levels of Client. Non-cash assets transferred by Client to his account may be liquidated and the proceeds may be reinvested as otherwise provided herein. With the exception of the fees and charges provided for in this Agreement, ACP is not authorized to withdraw funds or property from Client's account without Client's written permission.
2. Authority Not Affected By Disability of Incapacity of Client. The power of attorney granted to ACP by Client shall not be affected by a subsequent disability or incapacity of Client and shall continue and remain in full force and effect notwithstanding said disability or incapacity until such time as notice of disability or incapacity is received by ACP.
3. Continuing Authority. The power of attorney granted to ACP by Client is a continuing one and shall remain in full force and effect until terminated by Client or ACP. The termination of the power of attorney granted to ACP by Client will also constitute the termination of this Agreement in accordance with the provisions of Section XII of this Agreement.

*(Non-Discretionary Investment Management)*

ACP is authorized to execute purchases and sales of securities only **after** consulting with Client regarding each transaction.

**XVI. Receipt of Forms ADV Part 2A, Part 2B(s), and Privacy Policy Statement.**

Client acknowledges prior receipt and review of Parts 2A and 2B of Form ADV and ACP's Privacy Policy Statement.

**XVII. Consent to Electronic Delivery**

Client hereby consents to receive via e-mail or other electronic delivery method for various communications, documents, and notifications from ACP. These items may include but are not limited to: all statements or reports produced by ACP; trade confirmations; billing invoices; all Client brochures; privacy policy statements; and any other notices or documentation that ACP chooses to provide on an ongoing or occasional basis. Client agrees to immediately notify ACP of any changes to Client's e-mail address shown below or other electronic delivery address.

**XVIII. Assignment.**

No assignment of this contract can be made by either ACP or Client without the written consent of the other party.

**XIX. Arbitration**

1. Consent to Binding Arbitration. Client agrees that all controversies or claims that may arise between Client and ACP and/or their respective officers, directors, employees and agents, successors and assigns referring or relating to any transaction or the construction, performance or breach of the Agreement shall be submitted to and determined by binding arbitration before the American Arbitration Association or any successor organization. The award of the arbitrators shall be final and binding upon all parties to such arbitration. Judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction thereof.
  
2. Arbitration disclosures:
  - (a) All parties to this agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.
  - (b) Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.
  - (c) The ability of the parties to obtain documents, witness statements, and other discovery is generally more limited in arbitration than in court proceedings.
  - (d) The arbitrators do not have to explain the reason(s) for their award.
  - (e) The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.
  - (f) 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.
  - (g) The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this Agreement.

**XX. 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.

**XXI. Title to Assets.**

Except to the extent Client has notified, or in the future notifies, ACP in writing, Client represents that assets in the Account belong to Client free and clear of any lien or encumbrances.

**XXII. Minimum.**

There is an Account minimum of \$125,000 for discretionary accounts and \$10,000 for non-discretionary accounts. Any minimum may be waived by ACP, based on the needs of the client and the complexity of the situation.

**XXIII. Market Conditions.**

Client acknowledges that ACP's past performance and advice regarding client accounts cannot guarantee future results. AS WITH ALL MARKET INVESTMENTS, CLIENT INVESTMENTS CAN APPRECIATE OR DEPRECIATE. ACP does not guarantee or warranty that services offered will result in profit and Client acknowledges he may suffer the loss of his investment.

IN WITNESS THEREOF, the parties have executed this Agreement on the date stated below.

<b>Client Name:</b>	<b>Representative of Acorn Capital Partners, LLC</b>
<b>Client Signature</b> _____ <b>Date</b> _____	<b>Adviser Signature</b> _____ <b>Date</b> _____
<b>Client Name:</b>	<b>Representative Name:</b>
<b>Client #2 Signature</b> _____ <b>Date</b> _____	
<b>Client Name:</b>	
<b>Client #3 Signature</b> _____ <b>Date</b> _____	

<b>Client Email Address:</b>
_____ @ _____

<b>Client Street Address:</b>					
City:		State:		Zip:	
Phone:		E-Mail:			

## Exhibit I

### WRITTEN INVESTMENT POLICY STATEMENT

CREATION DATE: [ \_\_\_\_\_ ]

#### Explanation and Overview:

The following Investment Policy Statement (“IPS”) is designed to capture an initial picture and evaluation of the Client’s current financial situation including their investment portfolio and assets. From this and other information obtained through Client/Adviser interviews and meetings, the Adviser will provide guidance and make recommendations to assist the Client in deciding what changes, if any, may be needed regarding their assets, allocations of their assets, and investment portfolio(s). The IPS will serve as a “document of understanding” between the Adviser and the Client which will need to be updated periodically in order to remain relevant.

The IPS is designed to do the following:

1. Define the Client’s current financial situation,
2. Gather Client’s investment profile information including risk/reward tolerances, goals, and expectations.
3. State, in writing, the Client’s investment goals, objectives, and constraints.
4. Describe proposed investment strategies and styles to be used by Adviser if applicable.

It is the **duty of the Client** to provide ACP with all requested current financial and/or other information to the best of his/her/their abilities. ACP will use this information to develop this IPS and the investment recommendations or strategy used for the Client’s portfolios. The Client will also be expected to update ACP with any changes to the requested information that occurs in the future. ACP cannot be held liable for any inaccurate information provided by the Client.

It is the **duty of the Adviser** to treat the Client with a Fiduciary standard of care, meaning the Client’s interests will always be at the forefront, ahead of any individual adviser representative or ACP. ACP will use various methods including this IPS and Client interviews, conversations, and meetings to collect the information needed to create this IPS document and to recommend an action plan of investment strategies and/or portfolio investments that are designed to accomplish the Client’s goals and objectives.

### CONFIDENTIAL ADVISORY CLIENT PROFILE

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**Please complete the following questionnaire along with your investment advisor representative.**

- (1) This investment represents approximately what percentage of your total investments, excluding your principal residence or vacation homes.
- More than 75%
  - Between 51% and 75%
  - Between 25% and 50%
  - Less than 25%
- (2) What is your planned time horizon for this investment?
- 1 to 3 years
  - 3 to 5 years
  - 5 to 10 years
  - over 10 years

(3) How likely is it that you will need to withdraw a considerable portion of your assets prior to your planned time horizon to meet a significant expense such as a home, education, etc.?

- I will definitely withdraw all or a significant portion of the assets
- There is a very good chance
- There is a possibility
- There is little or no chance

(4) How important is this investment to your current financial situation?

- This investment is very important. I have few other investments and/or sources of income.
- This investment is very important, but I have some alternate assets available if I should lose part of this investment.
- While this investment represents a significant portion of my wealth, I do have other assets and/or sources of income.
- This investment is fairly small in relation to my overall wealth and/or sources of income.

(5) Which of the following phrases best describes your investment philosophy?

- I prefer nominal losses and fluctuations
- I prefer a balanced mix: *Some* additional risk with growth potential.
- I focus on maximum wealth accumulation regardless of risk.

(6) How would you describe your investing experience?

- Very inexperienced
- Novice
- Experienced
- Very experienced

(7) The four scenarios below describe hypothetical investment returns. Which do you feel most comfortable with for a "less-than-4-year" investment?

Check one	Average annual gain:	During its best year the investment rises:	During its worst year the investment drops:
	5%	10%	5%
	10%	15%	10%
	15%	40%	20%
	20%	60%	30%

(8) ACP specializes in building concentrated positions in small cap companies. Which of the following phrases are you most comfortable with?

- I prefer a diversified portfolio with less concentration and fluctuations in line with the market indices.
- I prefer higher concentration and I am willing to accept higher fluctuation in an attempt to outperform the market indices.
- I prefer the highest level of concentration and I am willing to accept highest level of concentration in an attempt to significantly outperform the market indices.

**Itemized Accounts/Special instructions:**

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## INVESTMENT OBJECTIVE SELECTION

Please place your initials beside the investment objective that best suits your investment goals.

**CHOOSE ONLY ONE.** The achievement of the stated investment objective is a long-term goal for this ACP Account. If you elect an objective that is not in line with your response to the previous questions, by initialing an investment objective below, please note that you are acknowledging consent to a potentially higher/lower level of risk. **NOTE: CLIENT INITIALS REQUIRED.**

- (1) Growth with Income **\*\*Moderate\*\*** - with an average risk tolerance.  
*Emphasis on modest capital growth with consideration given to producing some current income. The investment performance target for this objective is achieving growth in capital while at the same time producing some current income. Advisory Client using this approach desires a balanced portfolio which makes use of equity, fixed income and cash equivalents. Advisory Client is willing to accept moderate fluctuations in the value of their principal.*

**CLIENT INITIALS:** \_\_\_\_\_

- (2) Growth **\*\*Growth Oriented\*\*** - with an above average risk tolerance.  
*Emphasis on long term capital appreciation. The investment performance target for this objective is achieving growth in capital. Advisory Client using this approach has no need for income and is willing to accept the risks of significant fluctuations in the value of their principal.*

**CLIENT INITIALS:** \_\_\_\_\_

- (3) Aggressive Growth **\*\*Aggressive\*\*** - with high risk tolerance.  
*Emphasis on maximum capital appreciation. The investment performance target for this objective is to achieve the greatest growth in capital that is possible. Advisory Client using this approach has no need for income and is willing to accept the risks of significant fluctuations in the value of their principal. This objective is only suitable for Advisory Clients with long time horizons and who are willing to accept the highest level of risk to their principal.*

**CLIENT INITIALS:** \_\_\_\_\_

### NOTICE:

The previous questions were answered in order to better inform your investment advisor representative of your investment objectives and not necessarily to derive an actual asset allocation. At least annually, you should review your investment objectives. Should you have any changes to your investment goals during a certain year, please contact your investment advisor representative immediately.

ACKNOWLEDGEMENT:

I agree that the responses contained herein are true and correct to the best of my knowledge and accurately represent my current overall financial situation. I further acknowledge that I am to notify my investment advisor representative if I should experience any significant change in my financial situation.

SIGNATURES:

_____	_____	_____
Client Name (Please print)	Client Signature	Date

_____	_____	_____
Client Name (Please print)	Client Signature	Date

_____	_____	_____
Client Name (Please print)	Client Signature	Date

_____	_____	_____
Investment Advisor Name	Investment Advisor Signature	Date

## Exhibit II

### Fee Schedule

Advisory Client along with their IAR will determine the ACP management fee structure to be applied to the Asset Management Account. In addition, the Asset Management Account may be assessed transaction charges for the execution of trades through the broker dealer and the clearance of funds and securities through the clearing firm.

1. Management Fee. In consideration for handling and servicing the Asset Management Account, Advisory Client will pay to ACP a management fee on a quarterly basis, in advance, in accordance with the schedule set forth below. The management fee will be charged on a sliding scale based on assets under management (i.e. as the portfolio value reaches various thresholds, as set forth below, the assets will be charged successively lower advisory fees). The standard fee schedule below may be negotiable, depending upon the needs of the client and complexity of the situation. Under ACP's referral program, assets under management will be aggregated between certain clients when an existing client refers a new client to ACP for the purpose of determining the appropriate management fee.
2. Transaction Charges. In addition to the management fee charged by ACP, the Asset Management Account may be charged certain transaction charges by the Account's prime broker, and any executing brokers in connection with the purchase or sale of securities in the Asset Management Account. These charges pertain to the execution of trades and the clearance of funds and securities. No commissions will be paid to ACP.

The following are the fees charged by Acorn Capital Partners, LLC for services provided:

Investment Supervisory Services Fees: 2% of assets under management per year billed quarterly in arrears.

Fees are paid quarterly in arrears, and clients may terminate their contracts with written notice. Advisory fees for the quarter are calculated based upon the clients' total assets under management on the last day of the prior quarter and withdrawn directly from the Account in accordance with authorization provided in Sections XIII and XVI of this Agreement.

**Exhibit III**

<b>Identification of Authorized Third Party</b>	
The Authorized Third Party for the Account is:	<b>Interactive Brokers, LLC</b>
Mailing Address:	1 Pickwick Plaza, Greenwich, CT 06830
Telephone:	<b>866-694-2757</b>

A copy of the Custody Authorized Third Party's agreement is not attached as part of this Exhibit III.

**Exhibit IV**

**Identification of Authorized Firm Persons**

The following persons at Acorn Capital Partners, LLC are authorized to act on behalf of Client with respect to the Account.

Client will provide Acorn Capital Partners, LLC with prior written notice of any changes in the persons at ACP so authorized.

Authorized Person Name:	<b>Thomas J. Horan</b>
Position:	<b>President</b>
Signature:	