

**INVESTMENT ADVISORY AGREEMENT  
(Discretionary)**

**THIS AGREEMENT** is made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by and between \_\_\_\_\_ and Pilot Wealth Management LLC (hereinafter referred to as the “Adviser”), an Illinois limited liability company having its principal place of business located at 560 Green Bay Road, Ste 300, Winnetka, Illinois 60093 and the client whose name and address are listed below (herein after referred to as the “Client”).

**Client Name:** \_\_\_\_\_

**Client Address:** \_\_\_\_\_

**1. Confidential Relationship.** All information and recommendations furnished by either party to the other shall, at all times, be treated in strict confidence, and shall not be disclosed to third persons except as may be required by law or regulations, or except upon the prior written approval of the other party to this Agreement.

**2. Appointment as Investment Manager.** Client hereby retains the Adviser and the Adviser hereby agrees to provide investment management services with respect to certain assets of the Client (the “Portfolio”) in accordance with the terms and conditions hereinafter set forth. Throughout the term of this agreement, the Adviser shall have full discretion to supervise, manage, and direct the assets in Client’s Portfolio with power and authority as Client’s agent and attorney-in-fact to purchase, sell, invest, exchange, convert, and trade the assets in Client’s Portfolio and to place all orders for the purchase and sale of securities with or through brokers, dealers, or issuers selected by the Adviser all without prior consultation with the Client and all at such times as the Adviser deems appropriate. By entering into this Agreement, Client in no way surrenders ownership of the cash and securities comprising the Portfolio Assets. Furthermore, the Adviser may not remove the cash and securities from Client’s account with the exception of the withdrawal of Adviser’s fee as described in section 5 of this Agreement. It is represented that Client has full power and authority to enter into this Agreement and to commit the Portfolio Assets to the Advisor’s supervision.

**3. Investment Objectives.** The Adviser will use its best efforts to manage and select investments for the Portfolio in accordance with the investment objectives set forth on Exhibit A and Exhibit C hereto. A review of the Client’s objectives and financial circumstances shall be conducted by the Adviser, in conjunction with the Client, at least annually. Any change in client objectives shall be evidenced by a new Exhibit A, in the form attached hereto, signed by both parties. It shall be the Client’s responsibility to advise the Adviser of any changes in Client’s financial circumstances or investment objectives.

**4. Custody of Assets.** The Adviser shall at no time have custody or physical control of account assets. Client shall appoint a custodian (“Custodian”) to hold the securities and

other assets in the Portfolio. Client authorizes the Adviser to issue instructions to Custodian as may be appropriate in connection with the settlement of transactions initiated by the Adviser pursuant to Section 1 of this Agreement. Client agrees to accept responsibility for the prompt delivery of cash or securities to settle security transactions effected on behalf of Client by the Adviser.

**5. Advisory Fees.** Client shall pay the Adviser the fees set forth in Exhibit B hereto. Portfolio management fees are payable quarterly in arrears based on the value of the Portfolio on the last day of the previous calendar quarter. The fee is prorated for a partial quarter. Exhibit B may be amended from time to time by the Adviser upon thirty (30) days prior written notice to Client. Client authorizes the Adviser to invoice the Custodian for the fees as determined by this Agreement, and the Client will authorize the Custodian, through the attached "Letter of Authorization", Exhibit D, to pay such fees directly to the Adviser. Further, the amount of the fee will be reflected on a quarterly or monthly statement from the Custodian.

**6. Reports.** Periodically, the Adviser may provide Client with a report showing detailed information regarding the Portfolio including the then fair market value thereof and the asset allocation of the Portfolio. The Adviser is not required to send this report if the Client does not use the Adviser's recommended Custodian, which is \_\_\_\_\_. The Client shall instruct the Custodian to provide the Client and the Advisor with monthly statements, and at least quarterly, statements indicating all amounts disbursed from the Custody Account. Adviser shall request the Custodian to send to Client copies of confirmations for all trades occurring in the Client's portfolio.

**7. Assignment and Termination.** No Assignment (as that term is defined in the Investment Advisers Act of 1940) of this Agreement shall be made by the Adviser without consent of the Client. Client may terminate this Agreement upon notice to the Adviser at any time within five (5) days from the date hereof without penalty. Thereafter, either Client or the Adviser may terminate this Agreement by giving thirty (30) days prior written notice of termination to the other. Upon termination, the Adviser will return to the Client any unused portion of the prepaid management fees.

**8. Limit of Liability.** Federal and state securities laws impose liabilities under certain circumstances on persons who act in good faith. Therefore, nothing in this Agreement shall constitute a waiver of limitation of any rights which the Client may have under applicable federal or state law.

**9. Non-Exclusive Advisory Services.** The Client acknowledges and understands that the Adviser performs investment management, supervisory and Advisory services for various clients and may give advice and take action with respect to any of its other clients which may differ from advice given as to, or the timing or nature of action taken with respect to, the Portfolio assets. The Adviser will have no obligation to recommend to the Client, for purchase or sale, any security which the Adviser, its principals, officers, affiliates or employees may purchase or sell for themselves or recommend for other clients. The Client recognizes that transactions in a specific security may not be executed for all client accounts at the same time or at the same price.

**10. Investment Manager Brochure.** The Client hereby acknowledges that it has received from the Adviser a copy of the Adviser's ADV, Part II, and Adviser's privacy policy and accompanying notice, at least forty-eight hours prior to entering into this Agreement. The Adviser shall offer to provide a copy of Part II of Form ADV to the Client annually, hereafter, upon the Client's request.

**11. Representation of Adviser.** The Adviser represents that it is registered as an Investment Adviser with the Illinois Securities Department under the Illinois Securities Act of 1953, as amended.

**12. Client Authority.** The Client represents and confirms that the Adviser's engagement, pursuant to this Agreement, is authorized by the governing documents relating to the Client and that the terms of this Agreement do not violate any obligations by which the Client is bound. The Client agrees to deliver to the Adviser all account forms and corporate resolutions or similar documentation evidencing the undersigned's authority to execute and deliver this Agreement. The Client also agrees to deliver such organizational documents and other documents, including the written statement of the Client investment objectives, policies and restrictions as the Adviser shall reasonably require. The Client further agrees to promptly deliver all amendments or supplements to the foregoing documents, and agrees that the Adviser will not be liable for any losses, costs or claims suffered or arising out of the Client's failure to provide the Adviser with any documents required to be furnished hereunder. The Client warrants and represents that it owns all property deposited in the Account and that no restrictions on disposition exist as to any such property.

**13. Expenses.** All expenses related to the Portfolio, including, but not limited to, any costs of safekeeping, mutual fund expenses, transport and acquisition and disposition, such as brokerage and other execution costs, custody fees and margin cost, shall be paid by the client.

**14. Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the United States and the State of Illinois.

**15. Arbitration Agreement.** Client hereby agrees that all controversies that may arise between Client and Adviser concerning any transaction or the construction, performance, or breach of this or any agreement between Client and Adviser, whether entered into prior to, on, or subsequent to the date hereof, shall be determined by arbitration. This agreement to arbitrate does not constitute a waiver of the right to seek a judicial forum where such a waiver would be void under the federal securities laws. Any arbitration shall be pursuant to the arbitration laws of the State of Illinois and shall occur within the State of Illinois, or before the American Arbitration Association and in accordance with its rules then applying.

**16. Amendments.** Except as provided in Section 3 of this Agreement with respect to the Client's investment objectives and in Section 5 with respect to Exhibit B, this Agreement

may not be amended unless such Amendment is in writing and signed by the parties sought to be bound.

**17. Proxies.** The Adviser may receive proxies for securities held in client accounts in the normal course of its management business and the Adviser will be responsible for voting. The advisor will vote in accordance with in accordance with the policy of Pilot Wealth Management LLC. The Adviser is not responsible for forwarding proxies received in error. The Client is responsible for properly directing the custodian as to whom the proxies should be forwarded.

**18. Notices.** Any notice, including notices of termination, to be given must be in writing and delivered to: Pilot Wealth Management LLC, 560 Green Bay Road Suite 300, Winnetka, Illinois 60093 and to the Client at the address of record. Each party shall be entitled to presume the correctness of such address unless informed in writing to the contrary.

**19. General Provisions.**

a) Unless otherwise specified herein, all notices, instructions, and any advice of confirmations of security transactions or other matters contemplated by this Agreement shall be deemed to be duly given when received in writing by the Adviser at the address above or subsequent notified address, or when deposited by first class mail addressed to the Client at the address appearing above or at such other address as Client shall specify in a notice similarly given.

b) Each section of this Agreement and any and every provision therein shall be severable from every other section of this Agreement and any and every provision thereof, and the invalidity or unenforceability of any section of provision shall not affect the validity of any other section of provision of this Agreement.

c) This Agreement embodies the entire Agreement of the parties hereto with respect to the subject matter hereof, and all prior agreements, understanding, and negotiations are merged herein and superseded hereby.

d) Adviser reserves the right to refuse to accept or renew this Agreement in its sole discretion and for any reason. Client acknowledges the Adviser may withhold any taxes to the extent required by law, and may remit such taxes to the appropriate governmental authority.

For the purpose of referring to this Agreement, the date of this Agreement shall be the date of acceptance by Adviser. Client understands that Adviser may choose not to accept this Agreement until such time as Client delivers the securities and other investments that will comprise the Account.

As used herein, references to persons in the masculine gender shall include persons of the feminine gender. References in the singular shall, as and if appropriate, include the plural.

All paragraph headings in this Agreement are for convenience of reference only, do not form a part of this Agreement, and shall not affect in any way the meaning or interpretation of this Agreement.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement as of the date first above written.

\_\_\_\_\_  
Client Printed Name

Date: \_\_\_\_\_

\_\_\_\_\_  
Client Signature

\_\_\_\_\_  
Client Printed Name

Date: \_\_\_\_\_

\_\_\_\_\_  
Client Signature

Accepted by: Pilot Wealth Management LLC

By: \_\_\_\_\_  
Michael Vlahandreas, Managing Member

Date: \_\_\_\_\_

**EXHIBIT "A"**  
**PORTFOLIO MANAGEMENT AGREEMENT**  
**CLIENT INVESTMENT OBJECTIVES**

Date: \_\_\_\_\_ SS#/TID# \_\_\_\_\_

Date of Birth: \_\_\_\_\_

Name of Account: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Address: \_\_\_\_\_

1. Portfolio Size \$ \_\_\_\_\_

2. Portfolio Type:

\_\_\_\_\_ Individual  
\_\_\_\_\_ Corporate

\_\_\_\_\_ Pension Trust  
\_\_\_\_\_ Joint with Rights of  
Survivorship (JWROS)

\_\_\_\_\_ IRA/KEOGH

\_\_\_\_\_ Joint as Tenants in  
Common

\_\_\_\_\_ Trust  
\_\_\_\_\_ Partnership

\_\_\_\_\_ Other

3. Investment objectives for this portfolio?  
(see Exhibit "C" for the definitions Investment objectives)

\_\_\_\_\_ Capital Preservation  
\_\_\_\_\_ Conservative / Income  
\_\_\_\_\_ Moderate Growth

\_\_\_\_\_ Long-Term Growth  
\_\_\_\_\_ Aggressive Growth

4. Do you want income from this portfolio?

\_\_\_\_\_ Yes, \$ \_\_\_\_\_ per \_\_\_\_\_ No

5. Do you plan to make a substantial (more than 10%) withdrawal from this portfolio within the next five years?

\_\_\_\_\_ Yes \_\_\_\_\_ No

6. Obtaining capital growth entails different levels of risk. How much are you willing to lose to achieve capital growth?

\_\_\_\_\_ 10% \_\_\_\_\_ 20% \_\_\_\_\_ 25% \_\_\_\_\_ 35% \_\_\_\_\_ 40 %



**EXHIBIT "B"**  
**PORTFOLIO MANAGEMENT AGREEMENT**  
**MANAGEMENT FEES**

Name: \_\_\_\_\_ Date: \_\_\_\_\_

Account Asset Value

Adviser Fee

1% of all assets

Accounts will be billed on a quarterly basis in arrears prorated to coincide with:

- March 31st
- June 30th
- September 30th
- December 31st



**EXHIBIT "C"**  
**INVESTMENT OBJECTIVES DEFINED**

Capital Preservation: Conservative Strategy. Prevents a loss of value, earns a safe rate of return. Invests mostly in bonds and lower beta stocks. This strategy seeks minimum volatility.

Conservative/Income: Conservative Strategy. Invests in a combination of bonds, high quality income oriented stocks and covered call option strategies. The portfolio seeks to maximize income but will be characterized by lower risk and lower volatility.

Moderate Growth: Moderate/Growth/Income Strategy. Invests in a combination of stocks and bonds that focus on growing invested capital over the long term. The strategy focuses on minimizing risk by making long-term investments.

Long-Term Growth: Long Term Growth Strategy. Invests in a combination of stocks and bonds that focus on long-term price appreciation. This strategy will have slightly more volatility and price fluctuation.

Aggressive: Aggressive Growth Strategy. Invests in primarily stocks that will have above average price volatility in order to achieve above average returns.

**EXHIBIT "D"**  
**LETTER OF AUTHORIZATION**

To: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Please use this letter as your authorization to issue the quarterly fee payment due to the Adviser. The amount of the fee payment shall be calculated by the Adviser at a rate shown on exhibit "B" of the Investment Advisory Agreement based on the market value of the Portfolio(s) assets at the end of each calendar quarter and will be billed on a quarterly basis in arrears.

\_\_\_\_\_  
Account Title

\_\_\_\_\_  
Account Number (If Known)

Upon the Adviser's written notification of the amount of fees due, please debit such amount from funds in the account listed above and forward payment to:

Pilot Wealth Management LLC  
560 Green Bay Road  
Suite 300  
Winnetka, IL 60093

Sincerely,

\_\_\_\_\_  
Client Printed Name

Date: \_\_\_\_\_

\_\_\_\_\_  
Client Signature

\_\_\_\_\_  
Client Printed Name

Date: \_\_\_\_\_

\_\_\_\_\_  
Client Signature