



### Management Agreement

This Management Agreement (this "Agreement"), dated \_\_\_\_\_ is between the undersigned party,

Client Name	Email Address	Mailing Address

(herein referred to as the "Client"), and Penobscot Wealth Management d/b/a Penobscot Financial Advisors a registered investment adviser, whose mailing address is One Monument Square, Suite 501, Portland, Maine 04101 (herein referred to as the "Advisor"). The Advisor shall provide the Client with management services via its brokerage account(s) established at the Custodian as defined in Item 4 of this Agreement (the "Account(s)"). This Agreement becomes effective on the date on which the Advisor receives the signed Agreement from the Client. The terms and conditions of this Agreement are as follows:

**1. Advisor Authority and Services.** The Client appoints the Advisor as their investment advisor to perform the services described herein and the Advisor accepts such appointment. The Advisor shall have the power and authority to supervise investments on a discretionary basis as outlined below, with respect to the investments of and for the Account(s) of the Client, including the purchase and sale of any securities and instruments and any other transaction therein, unless specifically directed otherwise in writing by the Client. However, the transactions in the Account(s) shall be made in accordance with the Investment Policy Statement executed and delivered by the Client to the Advisor, which is incorporated herein by reference, as the same may be amended from time to time by the Client by written notice to the Advisor (the "IPS").

The Client also engages the Advisor to perform Financial Planning services as needed. The scope of services provided to the client will be customized based on the needs of the Client and may include some or all of the planning topics described in Exhibit 1.

**Discretionary Authority.** The Client grants the Advisor ongoing and continuous discretionary authority to execute its investment recommendations in accordance with the IPS, without the Client's prior approval of each specific transaction. Under this authority, the Client shall allow the Advisor to purchase and sell securities and instruments in the Account(s), arrange for delivery and payment in connection with the foregoing and act on behalf of the Client in all matters necessary or incidental to the handling of the Account(s), including monitoring certain assets. The Advisor is not authorized to receive and vote on proxies for securities held in the Account(s) and receive annual reports. All transactions in the Account(s) shall be made in accordance with the directions and preferences set forth in the IPS. The Client will execute instructions regarding the Advisor's trading authority as required by the Custodian.

The Client hereby acknowledges and agrees that the Advisor does not (a) provide tax, accounting or legal advice to the Client or (b) prepare any accounting, tax or legal documents for the Client in connection with the investment management and/or financial planning services provided by the Advisor to the Client hereunder. The Advisor may assist the Client or the Client's other professional advisors, but the Advisor is not an accountant or attorney and the Advisor's services hereunder should not be interpreted as tax, accounting or legal advice. The Client is urged to work closely with his, her or its accountant, attorney and/or other professionals advisors in connection herewith.

**2. Client Authority and Responsibilities.** The Client represents and confirms that the Advisor'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 Advisor 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 without

limitation the IPS, as the Advisor shall reasonably require. The Client further agrees to promptly deliver all amendments, updates or supplements to the foregoing documents to ensure that the Advisor has current and accurate information regarding the Client's financial condition, needs and investment objectives. The Client agrees that the Advisor will not be liable for any losses, costs or claims suffered or arising out of the Client's failure to provide the Advisor with any documents required to be furnished hereunder. The Client warrants and represents that it owns all property deposited in the Account(s) and that no restrictions on disposition exist as to any such property.

The Client shall be responsible for all decisions concerning the voting of proxies for securities held in the Client's Account(s). The Advisor cannot give any advice or take any action with respect to the voting of these proxies.

- 3. Custody and Brokerage Transactions.** The Client has appointed TD Ameritrade as the Client's designated broker-dealer and custodian to take and have possession of the assets of the Account(s) (or such other custodian as the Advisor may designate to the Client in writing from time to time in the future in the Advisor's discretion) (herein the "Custodian"). At no time will the Advisor accept, maintain possession or have custodial responsibility for the Client's funds or securities.

**Trading Costs.** The Advisor will pay typical securities trading costs incurred in connection with the discretionary management services, including custody fees, security transaction fees, and/or program fees. Securities transaction fees for Client-directed trades may be charged to the Client. Non-ordinary fees, which may include wire transfer fees, small account fees and other fees charged by the Custodian incurred at the direction of the Client are not included and shall be paid by the Client. Operating fees of mutual funds and other investment product fees are deducted from the asset value of those investments as defined in the prospectus of the sponsor for each product.

**Client Directed Trading.** Per the instruction of the Client, the Advisor will direct and place all orders for the execution of transactions with or through Custodian, under the Client's independent, exclusive agreement with Custodian. The Client acknowledges that directing the brokerage activities solely to Custodian may result in the loss of best execution of orders at the most favorable prices reasonably obtainable. The terms of the custody/brokerage account, which contains the assets to which this Agreement pertains, shall be determined solely by and between the Client and Custodian. The Advisor shall not be liable to the Client for any act, conduct or omission by Custodian acting as broker or custodian. The Advisor shall not be responsible for ensuring Custodian's compliance with the terms of the brokerage account and payment of brokerage or custodian charges and fees. Client acknowledges that Custodian will provide duplicate confirmations and/or electronic access to the Advisor for all trades in brokerage account. The Advisor is authorized and empowered to issue instructions to Custodian and to request information about the brokerage account from Custodian.

- 4. Management Fees.** The Client will pay the Advisor a tiered quarterly management fee, billed at the beginning of each calendar quarter, based on the fair market value of portfolio assets under management in the Account(s) at the end of the previous quarter. Management fees are calculated based on the quarter-end security valuations as provided by the Custodian. The Client will quarterly be charged  $\frac{1}{4}$  of the Annual Rate (defined below). The chief compliance officer of the Advisor (the "Chief Compliance Officer") or his/her delegate will calculate management fees. The Advisor shall not be compensated on the basis of a share of capital gains realized upon the sale of securities or capital appreciation of the funds in which the Client is invested. On written notice to the Client, the Advisor may require that fees be calculated, billed, and paid monthly (instead of quarterly).

**Statements.** The Client will receive independent statements from the Custodian no less frequently than quarterly. The Client acknowledges that it is the Client's responsibility to verify the accuracy of the calculation of the management fees. The Client acknowledges and agrees that if there is a shortfall in liquid cash or equivalents in the Account(s), the Advisor will instruct the Custodian to liquidate the necessary positions in such Account(s) to cover the amount of the fees under this Agreement.

**New Account Billing.** The management fee in the first quarter of the Agreement will be prorated from the latter of the funding date or the date of this agreement to the end of the first quarter. The first management fee will be deducted at the beginning of the quarter following the latter of the initial account funding or the date this Agreement.

**Intra-Quarter Flows Billing.** Incoming and outgoing flows of greater than \$25,000 in a single day will result in a prorated fee from the flow date through the end of the quarter, and debited/credited to the account at the beginning of the next quarter.

**Householding & Multiple Schedules.** The annual rate tiers will be assessed based on the aggregated total of billable assets under management for the Client(s). For Clients who enter into both a Wrap Free Program and Non-Wrap Fee program, fees will be calculated using a weighted average across each applicable tier.

Fees for management services are based on the following tiered schedule:

<b>Assets Under Management (\$)</b>	<b>Annual Rate (%)</b>
\$0 to \$500,000	1.00%
\$500,000 to \$1,000,000	0.75%
\$1,000,000 to \$2,500,000	0.50%
\$2,500,000 to \$5,000,000	0.40%
Over \$5,000,000	0.35%

Management fees will be paid in the following method:

X **Deducted from the Client Account(s) by the Custodian\***

**Deducted from the Brokerage Account listed below\***

Account Registration: \_\_\_\_\_

Account Number: \_\_\_\_\_

Custodian: \_\_\_\_\_

**Paid by Invoice through PayPal**

\*As a result of fee deduction, the Advisor will be deemed to have custody of client assets only for purposes of Rule 206(4)-2 under the Investment Advisers Act of 1940 and will not have custody for other purposes, including without limitation, matters regarding insurance, state laws prohibiting or limiting custody, and SEC filings. Client agrees to require the Custodian to send to the Client a statement at least quarterly indicating all amounts disbursed from the Account, including the amount of fees paid directly to Adviser hereunder.

5. **Aggregation.** Based on the account ownership structure and independent agreements between the Client and Custodian, the Advisor may or may not aggregate security trades with other accounts managed by the Advisor. The Advisor is authorized in its discretion to aggregate purchases and sales and other transactions made for the Account(s) with purchases and sales and other transactions in the same or similar securities or instruments of the same issuer or counterpart for other clients of the Advisor or with affiliates of the Advisor. When transactions are so aggregated, the actual prices applicable to the aggregated transactions will be averaged, and the Account(s) will be deemed to have purchased or sold its proportionate share of the instruments involved at the average price so obtained.
6. **Confirmation of Trades.** The Client and the Advisor will direct that confirmations of any transactions effected for the Account(s) will be sent, in conformity with applicable law, by the Custodian to the Client with a copy to the Advisor.
7. **Liability.** The Advisor shall not be liable for expenses, losses, damages, liabilities, demands, charges and claims of any kind or nature whatsoever (including without limitation any reasonable legal expenses and costs and expenses relating to investigating or defending any demands, charges and claims incurred by or with respect to the Account(s) as a result of: (a) the Client's failure to provide requested information regarding the Client's goals and financial situation that would adversely impact the Advisor's ability to provide advice under this Agreement; (b) the Advisor's adherence to the Client's written or oral instructions, provided such instructions do not conflict with the Advisor's fiduciary obligations; and/or (c) any act or failure to act by any other service provider engaged by the Client. Any stated limitations shall not relieve the Advisor from any responsibility or liability the Advisor may have under state or federal securities laws.
8. **Conflicts of Interest.** The Client understands that the Advisor may refrain from rendering any advice or services concerning securities of companies with which the Advisor has a conflict of interest, which may include companies in which the Advisor's officers, directors, or employees serve in key positions with or have material economic interest. The Advisor will disclose any material conflicts of interest prior to rendering advice with respect to the securities of such companies.
9. **Non-Exclusive Advisory Services.** It is understood that the Advisor provides advisory services for various clients. The Client agrees that the Advisor may give advice and take action with respect to any of its other clients, which may differ from advice given, or the timing or nature of action taken, with respect to the Account(s), so long as it is the Advisor's policy, to the extent practical, to allocate investment opportunities to the Account(s) over a period of time on a fair and equitable basis relative to other clients. Nothing in this Agreement shall limit or restrict the Advisor or any of its directors, officers, affiliates or employees from buying, selling or trading in any securities or other assets for its or their own account or accounts, and the Client acknowledges that the Advisor, its directors, officers, affiliates and employees, and

other clients of the Advisor, may at any time acquire, increase, decrease or dispose of portions of investments which are at the same time being acquired, held or disposed of for the Account(s). The Advisor will not have any obligation to initiate the purchase or sale, or to recommend for purchase or sale, for the Account(s) any security or other asset which the Advisor, its directors, officers, affiliates or employees may purchase, hold or sell for its or their own accounts or for the accounts of any other clients of the Advisor.

- 10. Reliance of Information.** The Client understands that the Advisor, in the performance of its obligations and duties under the Agreement, is entitled to rely upon the accuracy of information furnished by the Client or on the Client's behalf, without further investigation.
- 11. Termination and Cancellation.** This Agreement may be terminated, at any time, by either party, by written notice to the other party. In addition, the Client may terminate the agreement within five (5) business days of signing this Agreement at no cost to the Client. After the five business-day period, the Client shall be responsible for management fees up to and including the effective date of termination. Upon termination, any unearned, prepaid fees will be refunded to the Client at the beginning of the next quarter.
- 12. Assignment.** Neither the Client nor the Advisor may assign his, her or its rights or delegate his, her or its obligations under this Agreement, in whole or in part, without the prior written consent of the other party, provided that the Advisor may transfer its rights and obligations under this Agreement to any subsidiary, affiliate or successor by merger or consolidation or otherwise if such transaction does not constitute an "assignment" for purposes of the Investment Advisors Act of 1940, and relevant state securities laws, as they may be amended from time to time. Upon any such delegation and the assumption of obligations by such successor entity, the Advisor, shall be relieved of, and fully discharged from, all of its obligations hereunder, whether such obligations arose before or after the date of such delegation and assumption. Notwithstanding anything to the contrary contained herein, if the Advisor seeks the Client's prior written consent to assign the Advisor's rights and obligations under this Agreement, the Advisor shall send a letter to the Client requesting that the Client (a) countersign such letter evidencing the Client's consent to the assignment and (b) return such countersigned letter to the Advisor within thirty (30) days of the letter's date. If the Client does not respond to the Advisor within such thirty (30) day period, Advisor will send another letter to the Client requesting that the Client consent to such assignment within thirty (30) days of the second letter's date. If the Client does not respond to the Advisor's second letter within thirty (30) days of the second letter's date, the Client shall be deemed to have consented to the assignment (a so-called "negative consent").
- 13. Governing Law Disputes.** To the extent federal law does not apply to this Agreement, it shall be construed in accordance with the laws of the State of Maine.
- 14. Arbitration.** If a dispute, controversy or claim arises between the parties relating to this Agreement or the transactions contemplated hereby, the parties hereby covenant, stipulate, and agree that any dispute, controversy or claim arising out of, or relating to this Agreement or the transactions contemplated hereby, or breach thereof, shall be settled by binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, before a single arbitrator of the American Arbitration Association in Portland, Maine.
- 15. Disclosures.** The Advisor represents it is registered as an investment advisor. Client acknowledges receipt of the Advisor's Form ADV 2A ("Disclosure Brochure") and Form ADV2B ("Brochure Supplement"), which contain information regarding the Advisor's services, fees, business practices and the background of its advisory person(s). By signing this Agreement, the Client is confirming receipt and review of the Advisor's Disclosure Brochure and Brochure Supplement.
- 16. Privacy.** The Client has received and reviewed a copy of the Advisor's Privacy Policy, which is incorporated herein by reference. Except as otherwise agreed in writing or as required by law, the Advisor will keep confidential all information concerning the Client's identity, financial affairs, and investments; provided, however, the Client authorizes the Advisor to contact the Client's accountants, attorneys and other consultants as deemed necessary by the Advisor. By signing this Agreement, the Client is confirming receipt and review of the Advisor's Privacy Policy.
- 17. Notices.** Any notice given to a party in connection with this Agreement must be in writing and shall be effective upon receipt by the other party, if delivered to such party at either its mailing address or through email (at the email addresses provided in this Agreement or at a substitute email address provided by the respective party. By signing this Agreement, the Client hereby consents to communications from the Advisor via email without also receiving written copies from the Advisor. The Client may revoke this consent to email delivery at any time by providing advance written notice to the Advisor.
- 18. Representations and Warranties, Certain Agreements of Client.** (a) The Client hereby represents, warrants and agrees with the Advisor that: (i) no one other than the Client has any interest in the Accounts unless such interest is revealed herein; (ii) this Agreement (including the transactions contemplated hereunder) has been duly authorized, executed and delivered by the Client, constitutes the Client's legal, valid and binding obligation, and will not violate the

constituent documents of the Client, or any law, rule or regulations binding on the Client, or any order or judgment of any court or governmental authority applicable to the Client; (iii) except as has otherwise been disclosed in writing to the Advisor by the Client, the Client is not an officer, director or controlling person of any entity whose securities fall within the Accounts; (iv) the Client will not deal or authorize anyone other than the Advisor to deal with the Accounts; and (v) the Client has had an opportunity to discuss with the Advisor the risks associated with the use of margin, and the use of margin by the Accounts, if approved by the Advisor, is consistent with the Advisor's obligations to select and execute transactions in accordance with the terms of this Agreement.

(b) If the Account is owned jointly or is represented by multiple fiduciaries (such joint owners and multiple fiduciaries being collectively referred to hereinafter as "Co-owners"), each Co-owner represents and warrants that each of the other Co-owners has the full power and authority to act on behalf of the Client including, without limitation, the authority to give and receive instructions, notices, and communications of every kind, and to generally deal with the Advisor on behalf of the Client, all without the approval of or notice to the other Co-owners. Notwithstanding the foregoing, each of the Co-owners agrees that the Advisor may, in its sole discretion: (i) require joint instructions from some or all of the Co-owners before taking any action hereunder; and (ii) if the Advisor should receive instructions from any one of the Co-owners that are, in the opinion of the Advisor, in conflict with instructions received from any other Co-owner, the Advisor may comply with any such instructions and/or advise the Co-owners of the apparent conflict and/or take no action as to any such instruction until the Advisor receives instructions from any one or more of the Co-owners that the Advisor deems satisfactory.

**19. Entire Agreement and Amendment.** This Agreement, the IPS, and the Privacy Policy contain the entire agreement and understanding between the Client and the Advisor with respect to the subject matter hereof and supersedes all prior written agreements and understandings with respect hereto. This Agreement may only be amended or modified, and the terms hereof may only be waived, by a writing signed by all parties hereto or in the case of a waiver, by the party entitled to the benefit of the terms being waived.

By executing this Agreement, the parties acknowledge and accept their respective rights, duties, and responsibilities.

**Client(s):**

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

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

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

**Advisor: Penobscot Wealth Management d/b/a Penobscot Financial Advisors**

Signature: \_\_\_\_\_

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

Chief Compliance Officer

# Exhibit 1

The bullets indicate the Advisory Services that may be provided to the Client, as appropriate.

## Cash/Debt Management

- Budget/Cash flow analysis
- Debt Payoff Plan
- Emergency Fund Planning
- Establishing & Managing Savings Plans
- Interest Rate Evaluations
- Student Loan debt analysis and strategy
- Financing Decisions (Education/Home Purchase)
- Lease vs. Buy Analysis
- Credit Analysis (Establishing & Improving Credit)
- Behavioral Coaching

## Asset Allocation & Investment Planning

- Risk Tolerance Measurement
- Risk Tolerance Monitoring
- Asset Allocation Analysis vs. Risk Tolerance & Goals
- Analysis of Held Away Accounts
- Investment Cost Analysis
- Investment Analysis & Recommendations
- Concentrated Stock Analysis
- Tax Loss Harvesting Analysis
- Performance Reporting of Held Away Assets

## Risk Management

- Life Insurance needs analysis
- Long Term Care needs analysis
- Disability Insurance needs analysis
- Health Insurance Planning
- Business Owner's Liability Assessment
- Buy/Sell & Business Insurance Planning

## Estate Planning

- Identification of basic needs – wills, trusts, etc.
- Beneficiary Elections
- Coordination with Family Members
- Probate Avoidance
- Estate Tax Mitigation
- Asset Protection
- Advanced Estate Strategies (ILITs, CRTs, etc.)

## Retirement & Financial Goal Planning

- Retirement goal-based planning
- Retirement Income Planning
- Social Security planning
- Annuity & Guaranteed Income Planning
- Pension Distribution Strategies
- Education goal-based planning
- Large Purchase Goal-Based Planning
- Coordination of Employer Retirement Benefits
- Medicare/Medicaid Planning
- Legacy Goal-Based Planning
- Small business retirement plans
- Sole Proprietor retirement plans
- Employer Stock

## Tax Planning

- Asset Location Tax Efficiency Planning
- Roth Conversion Planning
- Tax Deferral Planning
- Income Distribution Strategy
- 1031 Exchange Analysis
- NUA Modeling
- State of Domicile Planning (tax & cost of living analysis)
- Legacy Planning
- Planning Bequests
- Charitable giving
- 83(b) Election Planning