

## CLIENT AGREEMENT (for Asset Management )

Client Name(s) \_\_\_\_\_

Address \_\_\_\_\_

**Services.** In signing this agreement, the client engages BLUNCK FINANCIAL (BF) as an investment management service to coordinate the management of money with the client's financial goals. This involves BF working with the client's Investment Policy, that is, the percentage the client has decided to invest in fixed income and equities. BF will analyze the client's investment portfolio and give the account the benefit of periodic review, which will include a review of the investments, the economy, and market conditions. BF will direct the investment and reinvestment of assets in accordance with the client's Investment Policy, and provide the client with regular reports, either written or posted on the client's own WealthLine pages (on our website which is [www.blunckfinancial.com](http://www.blunckfinancial.com)). The client understands this is a long-term investment program requiring at least two to three years to develop properly.

The client agrees to complete BF's investment, risk and objective-setting process and questionnaires. The client agrees to promptly inform BF if any information provided becomes materially inaccurate or out-of-date, or of significant changes in the client's financial circumstances. The client agrees to consult with BF as needed, to provide updated and additional information, and to discuss the progress of the client in meeting their goals.

**Assignability.** This agreement cannot be assigned without the client's prior written consent. A transaction which does not result in a change of actual control or management of Blunck Financial shall not be considered an "assignment" under this section.

**Risk.** The client acknowledges that risk, to a greater or lesser extent, is inherent in every financial decision and transaction. While favorable financial results over the medium or long term are intended, BF cannot and does not guarantee such an outcome. While not waiving any rights under federal and state securities laws, the client acknowledges that risk of investment is the client's own.

**Custody.** Physical custody of investments will be at Charles Schwab or another investment firm of the client's choosing. BF will not share in these firm's fees or commissions in any way.

**Discretion.** The limited power of attorney, used by Charles Schwab and other investment firms, provides BLUNCK FINANCIAL with full trading authority. That is, BF can direct the timing, amount, and selection of securities to be bought and sold on the client's behalf without the client's specific approval. However, by this agreement, BF limits the exercise of its discretion as to the purchase and sale of securities within the parameters of the client's established investment policy.

**Confirmations and Statements of Activity.** Any firm having custody of the client's investments is responsible for confirmations and regular statements of account activity. The client agrees to give BF written authorization to communicate with and to receive confirmations and statements from said firms.

**Confidentiality.** The client authorizes BF to consult with the client's other advisors (for example, accountants and attorneys). All information furnished by BF or by the client shall be deemed confidential. Information shall not be furnished by BF or by the client to third parties without prior approval or as required by law or pertinent regulations.

**Fees.** Blunck Financial provides services on a **fee-only** basis. Fees are payable quarterly in advance, and are based on the market value of the account on the last day of the quarter. (When first signing this agreement, it is likely that the number of days remaining in the initial quarter will be less than a full quarter. If this is the case, the fee is prorated.) Related accounts (client, spouse, or children) may be combined to meet the minimum annual fee. The client authorizes BF to debit their account to pay the initial and subsequent quarterly fees. BF will determine which portfolio assets to liquidate to meet the fee.

**TURN PAGE OVER FOR FEE SCHEDULE**

	<b><u>Annual Rate</u></b>
Up to \$2,000,000	.8%
On the balance above \$2,000,000	.4%
<b>Minimum Annual Fee</b>	<b>\$2,500.00</b>

In the limited power of attorney used by Charles Schwab and other investment firms, the client has provided a written authorization permitting BF's fees to be paid directly from the client's account. BF will send the client a bill showing the amount of the fee, the value of the client's assets on which the fee was based, and the manner in which the fee was calculated. Also, it is the understanding of BF that the custodian or trustee agrees to send to the client a statement, at least quarterly, indicating all amounts disbursed from the account including the amount of the management fees paid directly to BF.

As to that portion of the quarterly fee relating to any other accounts covered by this agreement, the client agrees to pay BF directly. However, if such fees have not been paid after a second notification, the client agrees that they too may be deducted from the client's Charles Schwab accounts, if any.

**Dispute Resolution.** The client and BF will work to keep communication open so that concerns are heard and addressed. However, if any dispute arising out of or relating to this agreement cannot be resolved, then the client and BF agree to use mediation prior to employing other dispute resolution processes. If the client and BF do not agree on a mutually acceptable mediator, then the parties agree to submit the dispute to mediation administered by the American Arbitration Association under its mediation rules.

**Rescission and Termination.** The client may cancel this agreement by written notice mailed within 5 calendar days of signing, and any money paid will be refunded. Thereafter, either the client or BF may end this agreement by a 30-day written notice. The quarterly fee will be prorated to the date the agreement terminates, and the remaining portion refunded to the client at the end of the quarter in which the termination occurs. There is no penalty for termination.

**Agreement Interpretation.** This agreement states all understandings and agreements between the client and BF. It may not be changed, except in writing signed by both. This agreement shall be interpreted under the laws of the State of Alaska unless the federal securities laws shall otherwise be controlling. If any part of this agreement is invalid under Alaska or federal law, then the remaining rights and obligations shall be enforced as if the invalid portion were not a part of this agreement.

**Disclosure.** The client acknowledges prior receipt (more than 48 hours) of IMPORTANT QUESTIONS YOU SHOULD ASK ABOUT BLUNCK FINANCIAL. That document is a more readable version of the information in Form ADV, Part II, which is filed with the Alaska Division of Banking and Securities.

This agreement executed in duplicate on \_\_\_\_\_ 2003.

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

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

Accepted by BLUNCK FINANCIAL:  
3000 A Street, Suite 416  
Anchorage, Alaska 99503  
(907) 276-1900 (907) 276-7700 Fax

\_\_\_\_\_  
Nancy Blunck, MS, CFP

