

FIXED INCOME ONLY INVESTMENT ADVISORY AGREEMENT

AGREEMENT, made this _____ day of _____ 20__ between the undersigned party(ies), _____ whose mailing address is _____

(hereinafter referred to as the "**CLIENT**"), and **Krasney Financial LLC** a Registered.

Investment Adviser, whose mailing address is 5 Cold Hill Road South, Ste 5, Mendham, NJ 07945 (hereinafter referred to as the "**ADVISER**").

1. Scope of Engagement.

(a) The **CLIENT** hereby appoints the **ADVISER** as an Investment Adviser to perform the services hereinafter described, and the **ADVISER** accepts such appointment. The **ADVISER** shall be responsible for the investment and reinvestment of those assets of the **CLIENT** designated by the **CLIENT** to be subject to the **ADVISER'S** management (which assets, together with all additions, substitutions and/or alterations thereto are hereinafter referred to as the "**Assets**" or "**Account**");

(b) The **CLIENT** delegates to the **ADVISER** all of its powers with regard to the investment and reinvestment of the Assets and appoints the **ADVISER** as the **CLIENT'S** attorney and agent in fact with full authority to buy, sell, or otherwise effect investment transactions involving the Assets in the **CLIENT'S** name and for the **CLIENT'S Account**;

(c) **CLIENT** authorizes **ADVISER** to respond to inquiries from, and communicate and share information with, **CLIENT'S** attorney, accountant and other professionals to the extent necessary in furtherance of **ADVISER'S** services under this Agreement;

(d) The **ADVISER** is authorized, without prior consultation with the **CLIENT**, to buy, sell, and trade in fixed income and to give instructions in furtherance of such authority to the registered broker-dealer and the Custodian of the Assets.

(e) The **CLIENT** agrees to provide information and/or documentation requested by **ADVISER** in furtherance of this Agreement as pertains to **CLIENT'S** investment objectives, needs and goals, and to keep **ADVISER** informed of any changes regarding same. The **CLIENT** acknowledges that **ADVISER** cannot adequately perform its services for the **CLIENT** unless the **CLIENT** diligently performs his responsibilities under this Agreement. **ADVISER** shall not be required to verify any information obtained from the **CLIENT**, **CLIENT'S** attorney, accountant or other professionals, and is expressly authorized to rely thereon; and

(f) **CLIENT** acknowledges and understands that the service to be provided by **ADVISER** under this Agreement is limited to the management of the **Assets** and does not include financial planning or any other related or unrelated services. To the extent the **CLIENT** desires financial planning-related services, the specific nature of the services required shall be set forth in a separate written *Financial Planning Agreement* between **ADVISER** and the **CLIENT**, for which services **ADVISER** shall be paid a separate and additional fee.

(g) **CLIENT** acknowledges and understands that the service to be provided by **ADVISER** under this Agreement is limited to the management of the **Fixed Income Only Assets** and does not include the **ADVISER'S** standard asset management services or any other related or unrelated services. To the extent the **CLIENT** desires standard asset management-related services, the specific nature of the services required shall be set forth in a separate written *Standard Investment Advisory Agreement* between **ADVISER** and the **CLIENT**, for which services **ADVISER** shall be paid a separate and additional fee and this agreement will be terminated based on Section 11 below.

2. Adviser Compensation.

(a) The **ADVISER'S** annual fee for investment management services provided under this Agreement shall be a percentage (%) of the market value of the **Assets** under management in accordance with the fee schedule annexed hereto and made a part hereof as Exhibit "A". This annual fee shall be prorated and paid quarterly, in advance, based upon the market value of the **Assets** on the last day of the previous quarter. No increase in the annual fee shall be effective without prior written notification to the **CLIENT**. In the event the **CLIENT** terminates this agreement within the first year, a termination fee will be assessed based on one year's full fees with a credit given for any paid fees to date;

(b) **CLIENT** authorizes the Custodian of the Assets to charge the **Account** for the amount of the **ADVISER'S** fee and to remit such fee to the **ADVISER** in accordance with required SEC procedures;

(c) No portion of *Advisers Compensation* shall be based on capital gains or capital appreciation of the Assets except as provided for under the Investment Advisers Act of 1940.

(d) **Cost Basis** research and/or calculations, which may be performed at the request of the client, will be billed separately from the regular quarterly billing and will be billed at a rate of \$150.00 per hour, billed in one quarter hour increments. Cost Basis information will be taken from the client, or the authorized representative of the client, previous custodians and/or publicly available information only. (i.e.: The web-site or transfer agent of the asset.)

3. Custodian. The **Assets** shall be held by an independent custodian, not the **ADVISER**. The **ADVISER** is authorized to give instructions to the custodian with respect to all investment decisions regarding the **Assets** and the custodian is hereby authorized and directed to effect transactions, deliver securities, make payments and otherwise take such actions as the **ADVISER** shall direct in connection with the performance of the **ADVISER'S** obligations in respect of the **Assets**. The custodial fees charged to the **CLIENT** are exclusive of, and in addition to, *Adviser Compensation* as defined in paragraph 2 above.

4. Execution of Brokerage Transactions (when applicable). If requested, **ADVISER** will arrange for the execution of securities brokerage transactions for the **Assets** through Broker-Dealers that **ADVISER** reasonably believes will provide "best execution". In seeking best execution, the determinative factor is not the lowest possible commission cost but whether the transaction represents the best qualitative execution, taking into consideration the full range of a Broker-Dealer's services including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although **ADVISER** will seek competitive commission rates, it may not necessarily obtain the lowest possible commission rates for **Account** transactions.

Consistent with obtaining best execution, transactions for **CLIENT'S Account** may be directed to Broker-Dealers in return for research products and/or services which assist **ADVISER** in its investment decision making process. Such research generally will be used to service all of **ADVISER'S** clients, but brokerage commissions paid by **CLIENT** may be used to pay for research that is not used in managing **CLIENT'S Account**. The **Account** may pay to a Broker-Dealer a commission greater than another qualified Broker-Dealer might charge to effect the same transaction where **ADVISER** determines in good faith that the commission is reasonable in relation to the value of the brokerage and research services received.

Transactions for each client account generally will be effected independently, unless **ADVISER** decides to purchase or sell the same securities for several clients at approximately the same time. **ADVISER** may (but is not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among **ADVISER'S** clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among **ADVISER'S** clients in proportion to the purchase and sale orders placed for each client account on any given day. To

the extent that the **ADVISER** determines to aggregate client orders for the purchase or sale of securities, including securities in which **ADVISER'S** principal(s) and/or associated person(s) may invest, the **ADVISER** shall generally do so in accordance with the parameters set forth in SEC No-Action Letter, *SMC Capital, Inc.* The **ADVISER** shall not receive any additional compensation or remuneration as a result of the aggregation.

The **CLIENT** may direct **ADVISER** in writing to use a particular Broker-Dealer to execute some or all transactions for the **Account** (subject to **ADVISER'S** right to decline and/or terminate the engagement). In that case, **CLIENT** will negotiate terms and arrangements for the **Account** with that Broker-Dealer, and **ADVISER** will not seek better execution services or prices from other Broker-Dealers or be able to "batch" **CLIENT** transactions for execution through other Broker-Dealers with orders for other accounts managed by **ADVISER**. As a result, **CLIENT** may pay higher commissions or other transaction costs or greater spread's, or receive less favorable net prices, on transactions for the Account than would otherwise be the case.

5. Account Transactions.

(a) The **CLIENT** recognizes and agrees that in order for **ADVISER** to discharge its responsibilities, it must engage in securities brokerage transactions described in paragraph 1 herein;

(b) Commissions and/or transaction fees are generally charged for effecting securities transactions

(c) In return for effecting securities brokerage transactions through certain broker-dealers, **ADVISER** may receive from those broker-dealers certain investment research products and/or services which assist **ADVISER** in its investment decision making process for the Account, all of which transactions shall be in compliance with Section 28(e) of the Securities Exchange Act of 1934; and

(d) The brokerage commissions and/or transaction fees charged to **CLIENT** for securities brokerage transactions are exclusive of, and in addition to, *Adviser Compensation* as defined in paragraph 2 hereof

6. Risk Acknowledgment. **ADVISER** does not guarantee the future performance of the **Account** or any specific level of performance, the success of any investment decision or strategy that **ADVISER** may use, or the success of **ADVISER'S** overall management of the Account. **CLIENT** understands that investment decisions made for the Account by **ADVISER** are subject to various market, currency, economic, political and business risks, and that those investment decisions will not always be profitable.

7. Directions to the Adviser. All directions by the **CLIENT** to the **ADVISER** (including notices, instructions, directions relating to changes in the **CLIENT'S** investment objectives) shall be in writing. The **ADVISER** shall be fully protected in relying upon any such direction, notice, or instruction until it has been duly advised in writing of changes therein.

8. Adviser Liability. Except as otherwise provided by federal or state securities laws, the **ADVISER**, acting in good faith, shall not be liable for any action, omission, investment recommendation decision, or loss in connection with this Agreement including, but not limited to, the investment of the **Assets**, or the acts and/or omissions of other professionals or third party service providers recommended to the **CLIENT** by the **ADVISER**, including a broker-dealer and/or custodian. If the **Account** contains only a portion of the **CLIENT'S** total assets, **ADVISER** shall only be responsible for those assets that the **CLIENT** has designated to be the subject of the **ADVISER'S** investment management services under this Agreement without consideration to those additional assets not so designated by the **CLIENT**.

9. Proxy Voting Policy. The **ADVISER** does not vote **CLIENT** proxies. Therefore, although the **ADVISER** may provide investment advisory services relative to **CLIENT** investment assets, the **CLIENT** maintains exclusive responsibility for: (1) directing the manner in which

proxies solicited by issuers of securities beneficially owned by the **CLIENT** shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the **CLIENT'S** investments assets. The **ADVISER** and/or the **CLIENT** shall correspondingly instruct each custodian of the assets to forward to the **CLIENT** copies of all proxies and shareholder communications relating to the **CLIENT'S** investment assets.

10. Reports. The **ADVISER** and/or the Account Custodian shall provide the **CLIENT** with periodic reports for the **Account**.

11. Termination. This Agreement will continue in effect until terminated by either party by written notice to the other (**email notice will not suffice**), which written notice must be signed by the terminating party. Termination of this Agreement will not affect: (i) the validity of any action previously taken by **ADVISER** under this Agreement; (ii) liabilities or obligations of the parties from transactions initiated before termination of this Agreement; or (iii) **CLIENT'S** obligation to pay advisory fees (prorated through the date of termination). Upon the termination of this Agreement, **ADVISER** will have no obligation to recommend or take any action with regard to the securities, cash or other investments in the **Account**.

12. Assignment. This Agreement may not be assigned (within the meaning of the Advisers Act) by either the **CLIENT** or the **ADVISER** without the prior written consent of the other party. The **CLIENT** acknowledges and agrees that transactions that do not result in a change of actual control or management of the **ADVISER** shall not be considered an assignment pursuant to Rule 202(a)(h)-h under the Advisers Act.

13. Non-Exclusive Management. **ADVISER**, its officers, employees, and agents, may have or take the same or similar positions of specific investments for their own accounts, or for the accounts of other clients, as the **ADVISER** does for the **Account**. **CLIENT** expressly acknowledges and understands that **ADVISER** shall be free to render investment advice to others and that **ADVISER** does not make its investment management services available exclusively to **CLIENT**. Nothing in this Agreement shall impose upon the **ADVISER** any obligation to purchase or sell, or to recommend for purchase or sale, for the **Account** any security which the **ADVISER**, its principals, affiliates or employees, may purchase or sell for their own accounts or for the account of any other client, if in the reasonable opinion of the **ADVISER** such investment would be unsuitable for the Account or if the **ADVISER** determines in the best interest of the **Account** it would be impractical or undesirable.

14. Death or Disability. The death, disability or incompetence of **CLIENT** will not terminate or change the terms of this Agreement. However, **CLIENT'S** executor, guardian, attorney-in-fact or other authorized representative may terminate this Agreement by giving written notice to **ADVISER**. The **CLIENT** recognizes that the Custodian may not allow any further Account transactions until such time as Custodian required documentation is provided to the Custodian.

15. Arbitration. Subject to the conditions and exceptions noted below, and to the extent not inconsistent with applicable law, in the event of any dispute pertaining to **ADVISER'S** services under this Agreement, both **ADVISER** and **CLIENT** agree to submit the dispute to arbitration in accordance with the auspices and rules of the American Arbitration Association ("AAA"), provided that the AAA accepts jurisdiction. **ADVISER** and **CLIENT** understand that such arbitration shall be final and binding, and that by agreeing to arbitration, both **ADVISER** and **CLIENT** are waiving their respective rights to seek remedies in court, including the right to a jury trial. **CLIENT** understands that this agreement to arbitrate does not constitute a waiver of the right to seek a judicial forum where such waiver would be void under federal securities laws. **CLIENT** acknowledges and agrees that in the specific event of non-payment of any portion of *Adviser Compensation* pursuant to paragraph 2 of this **Agreement**, **ADVISER**, in addition to

the aforementioned arbitration remedy, shall be free to pursue all other legal remedies available to it under law, and shall be entitled to reimbursement of reasonable attorneys fees and other costs of collection.

16. Severability. Any term or provision of this Agreement which is invalid or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms or provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction.

17. CLIENT Conflicts. If this Agreement is between the **ADVISER** and related clients (i.e. husband and wife, etc.), **ADVISER'S** services shall be based upon the joint goals communicated to the **ADVISER**. **ADVISER** shall be permitted to rely upon instructions from either party with respect to disposition of the **Assets** or the **Account**, unless and until such reliance is revoked in writing to the **ADVISER**. The **ADVISER** shall not be responsible for any claims or damages resulting from such reliance or from any change in the status of the relationship between the clients.

18. Applicable Law. This Agreement supersedes and replaces, in its entirety, all previous investment advisory agreement(s) between the parties. To the extent not inconsistent with applicable law, this Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey. In addition, to the extent not inconsistent with applicable law, the venue (i.e. location) for the resolution of any dispute or controversy between **ADVISER** and **CLIENT** shall be the County of Morris, State of New Jersey.

19. Authority. The **CLIENT** acknowledges that he/she/they/it has (have) all requisite legal authority to execute this Agreement, and that there are no encumbrances on the **Assets**. The **CLIENT** correspondingly agrees to immediately notify the **ADVISER**, in writing, in the event that either of these representations should change. In addition to having the above referenced representation regarding the requisite authority, the **CLIENT** also represents to the **ADVISER** that he/she/they/it has(have) executed this Agreement while mentally competent to do so.

20. Regulatory Notices. The **CLIENT** acknowledges prior receipt of the **ADVISER'S** *Privacy Policy, IPO Policy and Proxy Voting Policy*.

21. Disclosure Statement. The **CLIENT** hereby acknowledges prior receipt of a copy of the Disclosure Statement of the **ADVISER** as it is set forth on Part II of Form ADV (Uniform Application for Investment Adviser Registration). **CLIENT** further acknowledges that he has had a reasonable opportunity (i.e. at least 48 hours) to review said Disclosure Statement, and to discuss the contents of same with professionals of his choosing, prior to the execution of this Agreement. Any **CLIENT** who has not received a copy of the **ADVISER'S** Disclosure Statement at least 48 hours prior to execution of this Agreement shall have 5 business days from the date of execution of this Agreement to terminate **ADVISER'S** services without penalty.

IN WITNESS WHEREOF, the **CLIENT** and **ADVISER** have each executed this Agreement on the day, month and year first above written.

CLIENT SIGNATURE: _____

PRINT CLIENT NAME: _____

DATE: _____

CLIENT SIGNATURE: _____

PRINT CLIENT NAME: _____

DATE: _____

Krasney Financial LLC

SIGNATURE: _____
Jonathan Krasney, President

DATE: _____

SCHEDULE "A"

Fixed Income Only Portfolios
Dollars under management
Annual Fees as a Percentage of assets

First \$500,001.	To	\$ 5,000,000.	.50%
Next \$5,000,001.	To	\$20,000,000.	.45%
Next \$20,000,001.	And	Greater	.40%

MINIMUM ANNUAL FEE: \$2,500

Cost Basis Research (When applicable)

\$150.00 per hour - Billed in one quarter hour increments

Solicitors may share a portion of the fee calculated according to this schedule