



INVEST WITH KNOWLEDGE

2660 Townsgate Road, Suite 740-A, Westlake Village, CA 91361
Email: support@daat.net

ACCOUNT INFORMATION - FORM A

A) ACCOUNT DESCRIPTION (Check One): Individual Joint Account IRA Account UGMA

Primary Account Holder's Name

First Middle Last

Birthday: Month Day Year Tax ID#

Joint Account Holder's Name

First Middle Last

Birthday: Month Day Year Tax ID#

B) CORPORATE ENTITY, PLAN NAME, TRUST or OTHER (Check One):

LP LLC Corporation Pension Profit Sharing 401(k) Trust Other

Please enter Entity Full Name / Plan Name / Pension / Trustee or Other

Entity Name:

Name of Authorized Signatory or Trustee Tax ID#

MAILING ADDRESS

Address City State Zip

HOME ADDRESS (Only if above mailing address is a P.O. Box)

Address City State Zip

Telephone Numbers

Home Work Mobile Fax

eMail Address

## INVESTMENT INTENT

Initial Investment: \$ \_\_\_\_\_

Select the one investment risk objective that most accurately reflects the goals for this account:

**Aggressive Growth:** *Above Average Risk/Return (required for DAAT Dynamic Assets)*

**Moderate:** *Average (Market) Risk/Return*

**Conservative:** *Safety of Principal/Income*

Investment Strategy/Custodian (select one)

**DAAT Dynamic Assets – DDA, Rydex** (\$25,000 minimum)

**DAAT Dynamic Assets – DDA, Schwab** (\$100,000 minimum)

**DAAT Income and Growth - DIG, Schwab** (\$100,000 minimum)

**Municipal Bond Account - Schwab,** (\$1 million minimum)

**Custom Account – Schwab,** negotiated.

## FINANCIAL DATA AND EXPERIENCE

**What is your total annual income?**

Less than \$25,000	\$25,000 - \$50,000	\$50,000 - \$100,000	\$100,000 - \$250,000
\$250,000 - \$500,000	\$500,000 - \$1,000,000	More than \$1,000,000	

**What is your net worth? (Exclusive of Home)**

Less than \$25,000	\$25,000 - \$50,000	\$50,000 - \$100,000	\$100,000 - \$250,000
\$250,000 - \$500,000	\$500,000 - \$1,000,000	More than \$1,000,000	

**How long have you been investing?**

1 – 2 years	3– 5 years	6 – 10 years	11 – 20 years	More than 20 years
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**Which types of investments have you owned? (Check all that apply)**

Stocks	Bonds	Mutual Funds	Annuities
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**DAAT MANAGEMENT FEE**

Withdrawn from this account

Withdrawn from another account *(complete below)*

Custodian Name \_\_\_\_\_

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

**Do you have any other accounts at DAAT Asset Management?**

Yes

No

## SPECIAL INSTRUCTIONS

Enter Information \_\_\_\_\_

# INVESTMENT ADVISOR AGREEMENT

AGREEMENT, made this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_ between the undersigned party,  
\_\_\_\_\_, whose mailing address is

\_\_\_\_\_ (Hereinafter referred to as the "CLIENT"  
and DAAT Asset Management Inc., a registered investment ADVISOR, whose principal mailing address is 2660 Townsgate Road,  
Suite 740-A, Westlake Village, CA 91361 (hereinafter referred to as the "ADVISOR").

## 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 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 for the Account;
- (c) The ADVISER is authorized, without prior consultation with the CLIENT, to buy, sell, and trade in stocks, bonds, mutual funds, covered call options, and other securities and/or contracts relating to the same, and to give instructions in furtherance of such authority to the registered broker-dealer and/or the Custodian of the Assets;
- (d) The CLIENT acknowledges that the ADVISER shall, consistent with the CLIENT's investment objective(s), primarily allocate the Assets among various individual mutual funds, exchange traded funds, stocks, bonds, or warrants.

### **INVESTMENT REVIEW AND RELATIONS**

1. *Investment Review* - Initially, before management commences, the ADVISER shall obtain from the CLIENT information sufficient to determine the CLIENT's financial situation and investment objectives;
  2. *Quarterly Notice* - at least quarterly the ADVISER shall notify the CLIENT to advise the ADVISER whether the CLIENT's financial situation or investment objectives have changed.
  3. *Quarterly Statement* - the CLIENT shall be provided with a quarterly report for the Account for the preceding period;
  4. *No Pooling* - the CLIENT's beneficial interest in a security does not represent an undivided interest in all the securities held by the Custodian, but rather represents a direct and beneficial interest in the securities which comprise the Account;
  5. *Separate Account* - a separate account is maintained for the CLIENT with the Custodian;
  6. *Ownership* - each CLIENT retains indicia of ownership of the Account (e.g., right to withdraw securities or cash, exercise or delegate proxy voting, and receive transaction confirmations);
  7. *ADVISER's Fee* - the ADVISER believes that its annual fee is reasonable in relation to: (1) the advisory services provided under this Agreement; and (2) the fees charged by other investment ADVISERS offering similar services/programs. However, ADVISER's annual management fee may be higher than that charged by other Investment ADVISERS offering similar services/programs. In addition to Adviser Compensation (see paragraph 2 below), the CLIENT will also incur charges imposed at the mutual fund level (e.g., advisory fees and other fund expenses) and charges imposed by the Account custodian, or Broker/Dealer; and
  8. *Tax Efficiency* - CLIENT acknowledges and understands that ADVISER's mutual fund asset management programs may involve above-average portfolio turnover, which could negatively impact upon the net after-tax gain experienced by the CLIENT in non-qualified accounts.
- (e) The CLIENT agrees to provide information and/or documentation requested by ADVISER in furtherance of this Agreement as pertains to CLIENT's objectives, needs and goals, and acknowledges his/her/their/its responsibility 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;
  - (f) 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; and,
  - (g) 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.

## 2. ADVISER Compensation

- (a) The ADVISER's annual fee for investment management services provided under this Agreement shall be based upon a percentage (%) of the market value of the Assets under management in accordance with the following fee schedule

<u>DAAT Dynamic Assets</u>	<u>Assets Under Management</u>	<u>Annual Fee</u>
	\$0 to \$500,000	3% (Total Account at this percentage)
	\$500,001 to \$1,000,000	2.5% (Total Account at this percentage)
	\$1,000,001 and above	2.25% (Total Account at this percentage)
<u>DAAT Income and Growth</u>	<u>Assets Under Management</u>	<u>Annual Fee</u>
	\$0 to \$1,000,000	1% (Total Account at this percentage)
	\$1,000,001 and above	.75% (Total Account at this percentage)
<u>Municipal Bond</u>	<u>Assets Under Management</u>	<u>Annual Fee</u>
	\$1,000,000 to \$5,000,000	.35% + manager's fee (Total Account at this percentage)
	\$5,000,001 and above	.25% + manager's fee (Total Account at this percentage)
<u>Custom Account</u>	<u>Assets Under Management</u>	<u>Annual Fee</u>
	Negotiated	

Fees are payable in advance each February 1, May 1, August 1 and November 1. Deposits made to the Account will be immediately billed on a prorated basis. The CLIENT acknowledges that it is the CLIENT's responsibility to verify the accuracy of the fee calculation and that the custodian will not determine whether the fee is properly calculated. Additionally, CLIENT agrees to pay any incidental charges levied by third parties in relation to the Account, including, but not limited to, wire transfer fees and exchange fees. No increase in the annual fee shall be effective without prior written notification to the CLIENT:

- (b) Unless the CLIENT otherwise indicates on the execution page of this Agreement, the 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) In addition to ADVISER's annual investment management fee, the CLIENT shall also incur, relative to all mutual fund, exchange traded funds, and/or variable investment products, charges imposed directly at the fund and/or variable investment product level (e.g. advisory fees and other fund expenses); and
  - (d) No portion of Adviser Compensation shall be based on capital gains or capital appreciation of the Assets except as provided for under the Investment ADVISER's Act of 1940.
3. **Custodian-** The Assets shall be held by an independent custodian (i.e., clearing firm, trust company, mutual fund company, or the variable investment product sponsor), 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, 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.
  4. **Risk Acknowledgment-** ADVISER does not guarantee the future performance of the Account or any specific level of performance, the success of any investment recommendation or strategy that ADVISER may take or recommend for the Account, or the success of ADVISER's overall management of the Account. CLIENT understands that investment recommendations 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. The CLIENT further acknowledges that past performance may not be indicative of future results, and understands that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended by the ADVISER) may not be profitable or equal any corresponding historical performance level(s).
  5. **Directions to the ADVISER-** All directions, instructions and/or notices from the CLIENT to the ADVISER shall be in writing, including notification of a change in the CLIENT's investment objective(s). The ADVISER shall be fully protected in relying upon any direction, notice, or instruction until it has been duly advised in writing of changes therein.
  6. **ADVISER Liability-** 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. The CLIENT acknowledges that investments have varying degrees of financial risk, and that ADVISER shall not be responsible for any adverse financial consequences to the Account resulting from any investment that, at the time made, was consistent with the CLIENT's investment objectives. The federal and state securities laws impose liabilities under certain circumstances on persons who act in good faith, and therefore nothing herein shall in any way constitute a waiver or limitation of any rights which the CLIENT may have under any federal or state securities laws.
  7. **Proxies-** The CLIENT shall be responsible 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 Assets. ADVISER is authorized to instruct the Custodian to forward to the CLIENT copies of all proxies and shareholder communication relating to the Assets.
  8. **Reports-** The ADVISER and/or Account custodian shall provide the CLIENT with periodic reports for the Account. In the event that the ADVISER provides supplemental Account reports which include Assets for which the ADVISER does not have discretionary investment management authority, the CLIENT acknowledges the reporting is provided as an accommodation only, and does not include investment management, review, or monitoring services, nor investment recommendations or advice. As such, the CLIENT, and not the ADVISER, shall be exclusively responsible for the investment performance of any such Assets or accounts.
  9. **Termination-** This Agreement will continue in effect until terminated by either party by written notice to the other (an email notice will not suffice. A telefax may be accepted in the sole discretion of the ADVISER), 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 that ADVISER receives a written termination notice from the CLIENT, unless the termination date is a mutually agreed upon date subsequent to the ADVISER's receipt of the written termination notice). 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, and, unless the CLIENT advises in writing to the contrary, ADVISER shall automatically liquidate all Assets and place the proceeds in money market accounts.
  10. **Assignment-** This Agreement may not be assigned (within the meaning of the Investment ADVISER's Act of 1940) by either the CLIENT or the ADVISER without the prior 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)(1)-1 under the Investment ADVISERS Act of 1940.
  11. **Non-Exclusive Management-** ADVISER, its officers, employees, and agents, may have or take the same or similar positions in specific investments for their own accounts, or for the accounts of other CLIENT's, as the ADVISER does for the Assets. 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 that 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.
  12. **Death or Disability-** The death, disability, or incompetency 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, and providing corresponding evidence of such appointment or position. The CLIENT recognizes that the Custodian may not permit any further Account transactions until such time as corresponding documentation is provided to the Custodian.
  13. **Arbitration-** To the extent that the parties do not agree to initially submit the dispute to nonbinding mediation, 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 acknowledges that he/she/it has had a reasonable opportunity to review and consider this arbitration provision prior to the execution of this Agreement. CLIENT acknowledges and agrees that in the specific event of nonpayment 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.

14. **Disclosure Statement**- The CLIENT hereby acknowledges prior receipt of a copy of the Disclosure Statement of the ADVISER as same 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. If the CLIENT has not received a copy of the ADVISER's Disclosure Statement at least 48 hours prior to execution of this Agreement, the CLIENT shall have five (5) business days from the date of execution of this Agreement to terminate ADVISER's services without penalty.
15. **Trade Errors**- All Account trades are placed electronically or telephonically by ADVISER. The CLIENT acknowledges that ADVISER cannot and will not be responsible for Account errors and/or losses that occur where ADVISER has used its best efforts (without direct failure on the part of ADVISER) to execute trades in a timely and efficient manner. If a trade or some portion of a trade is not effected or an electronic "glitch" occurs which results in the Account not being traded at the same time or at the same price as others, and such occurrence is not a result of ADVISER's failure to execute or follow its trade procedures, the resulting loss will not be considered a trading error for which ADVISER is responsible. In addition, virtually all mutual funds, as disclosed in their prospectuses, reserve the right to refuse to execute trades if, in a fund's sole judgment, the trade(s) would jeopardize the value of the fund. ADVISER has no authority to change, alter, amend, or negotiate any provision set forth in a mutual fund prospectus. The CLIENT further acknowledges that ADVISER cannot and will not be responsible for trades that are not properly executed by any clearing firm, custodian, mutual fund, or insurance company, when an order has been properly submitted by the ADVISER. Finally, ADVISER cannot be responsible for a unilateral adverse decision by a mutual fund or insurance company to restrict and/or prohibit mutual fund asset management programs.
16. **ADVISER's Proprietary Interest**- The CLIENT acknowledges that the ADVISER's *Programs* are proprietary, and the CLIENT shall not share any information regarding the programs, including but not limited to trade signals, or Account composition, with any non-CLIENT of ADVISER.
17. **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.
18. **Client Conflicts**- If this Agreement is between the ADVISER and related CLIENTS (i.e. husband and wife, life partners, 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, 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 CLIENT's.
19. **Referral Fees**- If the CLIENT was introduced to the ADVISER through a Solicitor, the ADVISER may pay that Solicitor a referral fee in accordance with Rule 206(4)-3 of the Investment ADVISERS Act of 1940. The referral fee shall be paid solely from *Adviser Compensation* as defined in this Agreement, and shall not result in any additional charge to the CLIENT. The CLIENT acknowledges receipt, if applicable, of the written disclosure statement disclosing the terms of the solicitation arrangement between the ADVISER and the Solicitor, including the compensation to be received by the Solicitor from the ADVISER.
20. **Privacy Policy**-The CLIENT acknowledges prior receipt of the ADVISER's *Privacy Policy*.
21. **Amendments**- The ADVISER may amend this Agreement upon written notification to the CLIENT, which amendment, unless the CLIENT notifies the ADVISER to the contrary, in writing, shall become effective thirty (30) days from the date of mailing.
22. **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 California. 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 Los Angeles, State of California.
23. **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.

**PRIVACY POLICY OF DAAT ASSET MANAGEMENT, INC.**

**DAAT Asset Management, Inc.**'s primary CLIENT goal is to protect your privacy.

To conduct regular business, we may collect non-public personal information from sources such as:

- Information reported by you on applications or other forms you provide to us.
- Information about your transactions with us, our affiliates, or others.

As the Firm shares non-public information solely to service our CLIENT accounts, we do not disclose any non-public personal information about our customers or former customers to anyone, except as permitted by law.

To provide the utmost in service, we may disclose the information below regarding customers and/or former customers, as necessary, to companies to perform certain services on our behalf.

- Information the Firm receives from clients on applications (name, social security number, address, Assets, etc.)
- Information about client transactions with our Firm or others (account information, payment history, parties to transactions, etc.)

**Information Safeguarding**

**DAAT Asset Management, Inc.** will internally safeguard your non-public personal information by restricting access to only those employees who provide products or services to you or those who need access to your information to service your account. In addition, we will maintain physical, electronic, and procedural safeguards that meet federal and/or state standard to guard your non-public personal information.

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

\_\_\_\_\_  
***Print Name (Client)***

\_\_\_\_\_  
***Print Name (Client if joint account)***

\_\_\_\_\_  
***Signature***

\_\_\_\_\_  
***Signature***

\_\_\_\_\_  
***Date***

\_\_\_\_\_  
***Date***

**DAAT Asset Management, Inc.**

\_\_\_\_\_  
***Authorized Representative***

\_\_\_\_\_  
***Date***