



## INVESTMENT MANAGEMENT AGREEMENT – CASH BALANCE PLAN ACCOUNT

This Agreement is entered into among \_\_\_\_\_ (the "Client") and Redhawk Wealth Advisors, Inc., a registered investment advisor ("Redhawk"). Client, being duly authorized, hereby agrees to employ and retain Redhawk to act as investment manager for the Cash Balance Plan Account in accordance with the following terms and conditions (the "Agreement").

1. **Recitals.** Redhawk offers the Redhawk Unified Managed Account Cash Balance Plan Program (the "Program"), which provides clients with access to the investment management services of certain third-party sub-advisors retained by Redhawk (the "Program Managers"). In the Program, Redhawk will act as a "manager of managers" by retaining and replacing Program Managers, and allocating and reallocating the account among Program Managers, all as provided in this Agreement.
2. **Client Information.**
  - (a) A financial advisor that has entered into either a Solicitor Agreement or Investment Advisor Representative Agreement with Redhawk (the "Advisor") will obtain from the Client the Cash Balance Plan Document and annual interest crediting amount (all referred to as the "Suitability Information"). Based on the Suitability Information, the Advisor will recommend an initial allocation of the Cash Balance Plan Account among the Program Managers, taking in to consideration the investment styles, strategies, risks, and potential benefits of each Program Manager. Client shall designate the initial allocation of the Cash Balance Plan Account into a single portfolio model managed by one Program Manager.
  - (b) Client acknowledges that Redhawk and each Program Manager will rely on the Suitability information that Client has provided. Client agrees to notify Advisor promptly, in writing, of any change to the Suitability Information, including any change to investment crediting rate, any investment objectives, and any investment policies, guidelines, or reasonable restrictions that Client has provided. Client shall provide Advisor with additional information as Redhawk or any Program Manager may request from time to time to assist any of them in managing the Cash Balance Plan Account. Neither Redhawk nor any Program Manager shall have any liability for Client's failure to provide Redhawk with accurate or complete information.
3. **The Cash Balance Plan Account.** Client will open an account (the "Cash Balance Plan Account") with TD Ameritrade ("TD") acting as the custodian (the "Custodian") and will deposit only cash and cash equivalents into the Cash Balance Plan Account. Client grants Redhawk the authority, in Redhawk's discretion, to sell or otherwise liquidate all securities transferred by Client into the Cash Balance Plan Account.
4. **Allocation of the Cash Balance Plan Account; Grant of Discretion.** Upon receipt of Client's initial account allocation, Redhawk shall allocate the Cash Balance Plan Account into a single model portfolio managed by one of the Program Managers in a manner consistent with Client's allocation. Redhawk shall notify the Program Manager of such allocation, and shall make the Suitability Information available to the Program Manager. Client authorizes and grants full discretion to each Program Manager to select the investments, to designate the strategies, and to buy, sell, or otherwise effect transactions for the portion of the Cash Balance Plan Account allocated to such Program Manager, all without prior



notice or consent of the Client. Such investments may include mutual funds or exchange traded funds (“ETF”).

**5. Monitoring and Reallocation of the Cash Balance Plan Account.**

- (a) On a continuous basis, Advisor will monitor the performance of the account, will hire and fire the Program Manager, and allocate and reallocate the Cash Balance Plan Account among the Program Managers, according to the individual needs and circumstances of the Client. Advisor will have full discretion to allocate and reallocate the Cash Balance Plan Account to any Program Manager, and to hire a new Program Manager and fire an existing Program Manager. Advisor will not provide advice regarding specific investments for the Cash Balance Plan Account, and will not manage or effect purchases, sales, or other transactions for the Cash Balance Plan Account.
- (b) Redhawk will have the authority and discretion to manage the Cash Balance Plan Account if a Program Manager ceases to act as manager for the Cash Balance Plan Account, in which event Redhawk shall have authority and discretion to manage the Cash Balance Plan Account investments not allocated to an existing Program Manager until a new Program Manager is retained. In managing the Cash Balance Plan Account assets, Redhawk is specifically permitted to retain all or part of the existing investments or to liquidate such investments, in Redhawk’s discretion.

**6. Directed Custodian.** Client hereby directs that transactions for the Cash Balance Plan Account will be executed through the Custodian. The Client has the sole responsibility for paying the commission rates and other transaction costs with the Custodian and such costs will be deducted from the Client’s Cash Balance Plan Account as described in Section 8.

- (a) Client agrees that neither Redhawk nor the Program Manager will be required to effect any transaction through the Custodian if Redhawk or a Portfolio Manager reasonably believes that to do so may result in a breach of its duties as a fiduciary.
- (b) Client understands that by instructing Redhawk to execute all transactions on behalf of the Cash Balance Plan Account through the Custodian, Client may not necessarily obtain commission rates and execution as favorable as those that would be obtained if Redhawk or the Program Manager were able to place transactions with other custodians. Client may also forego benefits that Redhawk or the Program Manager may be able to obtain for their other clients through, for example, negotiating volume discounts or block trades.
- (c) In consideration of Redhawk’s and the Program Managers’ direction of transactions to the Custodian, Client hereby releases Redhawk, Program Manager, and each of their respective agents, directors, officers, employees, and affiliates, and agrees to indemnify and hold each of them harmless from any expenses, damages or liabilities, including, without limitation, reasonable attorney’s fees, which any of them may incur in the enforcement of this indemnification or as a result of or relating directly or indirectly to this directed custodian arrangement.
- (d) Redhawk may give a copy of this Agreement to any other party to a transaction for the Cash Balance Plan Account or the Custodian as evidence of Redhawk’s authority to act for Client.

**7. Custody and Reporting.** Custodian will take and maintain possession of the cash, securities and other assets in the Cash Balance Plan Account. Neither Redhawk nor Program Manager shall have any access to the assets in the Cash Balance Plan Account or to the income produced therefrom,



except in the ordinary course of effecting transactions for the Cash Balance Plan Account or otherwise performing their obligations under this Agreement. Neither Redhawk nor Program Manager shall be responsible for any acts or omissions of the Custodian. TD will send a statement to Client annually indicating all amounts disbursed from the Cash Balance Plan Account (including the amount of the Fees paid to Redhawk and to the Program Manager), all transactions occurring in the Cash Balance Plan Account during the period covered by the statement, and a summary of the Cash Balance Plan Account positions and portfolio value at the end of the period. Client has directed or will direct TD to permit Redhawk and the Program Manager to electronically view and download account information.

- 8. **Fees.** The Cash Balance Plan Account shall pay an investment management fee (the “Fee”) according to the Fee Schedule set forth below, as updated from time to time. The entire Fee is calculated by adding Redhawk’s fee plus the Advisor’s fee. Redhawk’s fee and the Advisor’s fee are calculated based on the value of all of the assets in the Cash Balance Plan Account.

**Cash Balance Plans**

First Trust – FT46			Sage – CBA, CBC, CBM		
Account Size	Redhawk Fee	Advisor Fee	Account Size	Redhawk Fee	Advisor Fee
\$100K - \$250K	1.10%	See Section 25 Client Acknowledgement for Advisor Fee.	\$100K - \$250K	0.80%	See Section 25 Client Acknowledgement for Advisor Fee.
\$250K - \$500K	1.05%		\$250K - \$500K	0.75%	
\$500K - \$1MM	1.00%		\$500K - \$1MM	0.70%	
\$1MM plus	0.95%		\$1MM plus	0.65%	

NOTE: Each account will be charged a minimum Redhawk fee of \$50 per year (plus the Advisor Fee) or per the Fee Schedule (above), whichever is greater.

(a) **Portfolio Models:**

- i. The Fee shall be paid quarterly in advance on the first day of each calendar quarter. The quarterly payment shall be equal to 1/4 of the Fee (as determined under the Fee Schedule) multiplied by the value of the Cash Balance Plan Account as of the close of the last trading day of the preceding calendar quarter, as reported by the Custodian.
- ii. The Fee for the first calendar quarter shall be payable upon deposit of any funds or securities into the Cash Balance Plan Account. The Fee will be based on the value of such assets upon deposit, as valued by the Custodian. The Fees will be prorated based on the number of calendar days remaining in such quarter beginning with the date of deposit.
- iii. Unless Client is terminating this agreement, the Fee will continue to be charged each quarter regardless of what asset classes are being utilized. For example, if Client chooses to go to cash or if Redhawk or the Program Manager choose to go to cash, the normal Fee still applies. If termination notice is



provided within 30 days before the end of a quarter, and all of the funds have been transferred and the account is closed before the next calendar quarter, the next quarter will not be billed.

- iv. The Fee Schedule may be revised by Redhawk, at its discretion, upon notice to Client, and the new Fee schedule will be in effect as of the first calendar quarter beginning 30 days or more after Redhawk provides notice of such revision. Fees are not charged on the basis of a share of capital gains or capital appreciation of the account or any portion of the account. The fee schedule above is in effect as of the date of this Agreement.
- v. Client will provide Custodian with such documentation as Custodian requests authorizing and directing Custodian to deduct the Fees from the Cash Balance Plan Account and to pay Redhawk and the Program Manager their respective shares of the Fees upon submission of a Fee invoice (which may be electronic) to Custodian.
- vi. The value of the Cash Balance Plan Account and the value of any asset in the Cash Balance Plan Account shall be the value reflected on TD's statements or on TD's internal system.
- vii. Assets deposited into the Cash Balance Plan Account after the beginning of a calendar quarter shall be charged a prorated Fee based upon the number of days remaining in the quarter, and such prorated Fee shall be payable upon deposit of such assets. Assets withdrawn from the Cash Balance Plan Account are subject to usual and customary securities settlement procedures and Fees.
- viii. Client shall be solely responsible for all commissions and other transaction charges, and any charges relating to the custody of securities in the Cash Balance Plan Account. The Fee covers only the investment management services provided by Redhawk, Advisor, and the Program Manager and does not include brokerage commissions, TD's fees, mark-ups, mark-downs, dealer spreads or other costs associated with the purchase and sale of securities, Custodian fees, interest, taxes, or other Cash Balance Plan Account expenses. Client shall be solely responsible for these additional expenses. Client understands that, in addition to the Fee under this Agreement, shareholders of each mutual fund or ETF in which the Cash Balance Plan Account may be invested will also be charged investment advisory fees and other expenses which are disclosed in each fund's prospectus or summary disclosure. Client further understands that the mutual funds and ETFs recommended or purchased through this Agreement may be available directly without paying the Fee.

**9. Non-Exclusive Relationship; Other Compensation.** Client acknowledges and agrees that Redhawk and the Program Manager may act as investment manager to other clients and receive fees for such services. The advice given and the actions taken with respect to such clients and Redhawk's or Program Manager's own accounts may differ from advice given or the timing and nature of action taken with respect to Client's Cash Balance Plan Account. Client further recognizes that transactions in a specific security may not be accomplished for all clients' accounts at the same



time or at the same price. Client also acknowledges that in managing the Cash Balance Plan Account, Redhawk may purchase or sell securities in which Redhawk, its officers, directors, or employees, directly or indirectly, have or may acquire a position or interest.

**10. Proxy Voting.** Neither Redhawk nor the Program Manager shall have any obligation or authority to take any action or render any advice with respect to the voting of proxies solicited by or with respect to issuers of securities held by a Cash Balance Plan Account. Client expressly retains the authority and responsibility for, and Redhawk and the Program Manager are expressly precluded from rendering any advice or taking any action with respect to, the voting of any such proxies.

**11. Assignment.** This Agreement shall be binding on Client's heirs, executors, successors, administrators, conservators, and permitted assigns. This Agreement shall not be assigned by either party without the consent of the other with the exception that Redhawk may assign this Agreement in full to a successor entity resulting from the sale or transfer of all or substantially all of such Party's assets related to this Agreement, whether by sale of stock or assets, merger, change of control, operation of law, or otherwise.

**12. Termination.** Any of the parties, in writing, may terminate this Agreement in whole, or in part, at any time before the date of expiration, with 30 days written notice prior to the end of the quarter. This Agreement will automatically renew each year unless 30 days written notice is provided by either party wishing to terminate the Agreement. Such termination shall not, however, affect liabilities or obligations incurred or arising from transactions initiated under this Agreement prior to such termination, including the provisions regarding arbitration, which shall survive any expiration or termination of this Agreement.

(a) Upon termination, Client shall have the exclusive responsibility to monitor the securities in the Cash Balance Plan Account, and neither Redhawk nor the Program Manager shall have any further obligation to act or advise with respect to those assets.

(b) If Client terminates this Agreement within five (5) business days of its signing, Client shall receive a full refund of all fees and expenses. If this Agreement is terminated after five (5) business days of its signing, any prepaid fees shall be prorated and the unused portion shall be returned to Client upon receipt of written request within thirty (30) calendar days of account closing. Upon termination of this Agreement, the Cash Balance Plan Account will be charged any introducing or Custodian's customary fees and commissions, and the Custodian's fees for services provided with respect to closing the Cash Balance Plan Account and holding, transferring or liquidating the assets.

**13. Termination of Discretion.** Each grant of discretion to Redhawk or the Program Manager in this Agreement shall remain in full force and effect until terminated by Client or Redhawk pursuant to Section 12 of this Agreement, or until Redhawk or Program Manager receives notice of Client's death. The termination of any grant of discretion shall constitute a termination of this Agreement. If, in the event of Client's death, Redhawk or Program Manager has acted in good faith pursuant to a grant of discretion without actual knowledge of Client's death, any action so taken, unless otherwise invalid or unenforceable, shall be binding on Client's successors in interest.

**14. Representations.**

(a) Redhawk represents that it is registered as an investment advisor with the Securities and Exchange Commission ("SEC) under the Advisors Act of 1940 and is authorized and empowered to enter into this Agreement.





- (b) Client represents and confirms that: (i) Client has full power and authority to enter into this Agreement; (ii) the terms hereof do not violate any obligation by which Client is bound, whether arising by contract, operation of law, or otherwise; and (iii) this Agreement has been duly authorized and shall be binding according to its terms.
- (c) If this Agreement is entered into by a trustee or other fiduciary, such trustee or fiduciary represents that the services to be provided by Redhawk and the Program Manager are within the scope of the services and investments authorized by the governing instruments of, and laws and regulations applicable to Client. Such trustee or fiduciary further represents and warrants that he or she is duly authorized to negotiate the terms of this Agreement and enter into and renew this Agreement. The trustee or fiduciary shall provide Redhawk with copies of the governing instruments authorizing establishment of the Cash Balance Plan Account. The trustee or fiduciary undertakes to advise Redhawk of any material change in his or her authority or the propriety of maintaining the Cash Balance Plan Account.
- 15. Risk and Liability.** Redhawk and the Program Manager shall manage only the securities, cash and other investments held in Client's Cash Balance Plan Account. Client recognizes that there may be loss or depreciation of the value of any investment due to the fluctuation of market values. Client represents that no party to this Agreement has made any guarantee, either oral or written, that Client's investment objectives will be achieved. Redhawk shall not be liable for any error in judgment or for any investment losses in the Cash Balance Plan Account in the absence of malfeasance, negligence or violation of applicable law. Neither Redhawk nor Program Manager shall be responsible for any loss incurred by reason of any act or omission of Client, Custodian, or any other third party. Nothing in this Agreement shall constitute a waiver or limitation of any rights that Client may have under applicable state or federal law, including without limitation the state and federal securities laws.
- 16. Legal Proceedings.** Neither Redhawk nor Program Manager shall render advice or take any action with respect to securities or other investments, or the issuers thereof, which become subject to any legal proceedings, including bankruptcies. Client hereby expressly retains the right and obligation to take such legal action relating to any such investments held in the Cash Balance Plan Account.
- 17. Notices.** Any notice or other communication required or permitted to be given pursuant to this Agreement shall be deemed to have been duly given when delivered in person, or transmitted by facsimile (with hard copy sent by U.S. mail), sent by overnight courier (postage prepaid), or three days after mailing by registered mail (postage prepaid). All notices or communications to Redhawk or Program Manager should be sent to their respective Presidents, at their principal business office. All notices or communications to Client shall be sent to the address contained in Redhawk's records.
- 18. Governing Law.** This Agreement and all of the terms herein shall be construed and governed according to the laws of the State of Minnesota, without giving effect to principles of conflict of laws, provided that there is no inconsistency with federal laws.
- 19. Entire Agreement.** This Agreement represents the parties' entire understanding with regard to the matters specified herein. No other agreements, covenants, representations or warranties, express or implied, oral or written, have been made by any party to any other party concerning the subject matter of this Agreement.



- 20. Severability.** If any part of this Agreement is found to be invalid or unenforceable by statute, rule, regulation, decision of a tribunal, or otherwise, it shall not affect the validity or enforceability of the remainder of this Agreement. To this extent, the provisions of this Agreement shall be deemed to be severable.
- 21. Disclosure Documents.** Client acknowledges receipt of: (a) Redhawk's and Program Manager's Form ADV- Parts 2A and 2B; and (b) Redhawk's and Program Manager's Notice of Privacy Policies. Client also acknowledges that Client has reviewed and understands the risk factors and the fees associated with the Cash Balance Plan Account.
- 22. Amendments.** Redhawk shall have the right to amend this Agreement by modifying or rescinding any of its existing provisions or by adding new provisions. Any such amendment shall be effective as of the first calendar quarter beginning 30 days or more after Redhawk provides notice of such modification, or such later date as is established by Redhawk. All other amendments must be in writing and signed by Redhawk.
- 23. Pre-Dispute Arbitration Agreement.** Any controversy or dispute that may arise between Client and Redhawk, or Client and Program Manager, concerning the Cash Balance Plan Account, any transaction in or for the Cash Balance Plan Account, or the construction, performance or breach of this Agreement shall be settled by arbitration. Any arbitration shall be pursuant to the rules, then applying, of the American Arbitration Association, except to the extent set forth herein. The arbitration panel shall consist of at least three individuals, with at least one panelist having knowledge of investment advisory activities. The parties agree that any arbitration proceeding pursuant to this provision shall be held in a location as determined by the rules of the American Arbitration Association, and judgment upon the award rendered may be entered into in any court, state or federal, having jurisdiction.
- (a) **Arbitration is final and binding on all parties.**
  - (b) **Pre-arbitration discovery is generally more limited than and different from court proceedings.**
  - (c) **The arbitrators' award is not required to include factual findings or legal reasoning and any party's right to appeal or to seek modification of rulings by the arbitrators is strictly limited.**
  - (d) **The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.**
  - (e) **No person shall bring a putative or certified class action to arbitration, nor seek to enforce any pre-dispute arbitration agreement against any person who has initiated in court a putative class action, or who is a member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until: (a) the class certification is denied; (b) the class is decertified; or (c) the customer is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this Agreement except to the extent stated.**
  - (f) **The agreement to arbitrate does not entitle Client to obtain arbitration of claims that would be barred by the relevant statute of limitations if such claims were brought in a court of competent jurisdiction. If at the time a demand for arbitration is made or an**



election or notice of intention to arbitrate is served, the claims sought to be arbitrated would have been barred by the relevant statute of limitations or other time bar, any party to this Agreement may assert the limitations as a bar to the arbitration by applying to any court of competent jurisdiction. Client expressly agrees that any issues relating to the application of a statute of limitations or other time bar are referable to such a court. The failure to assert such bar by application to a court, however, shall not preclude its assertion before the arbitrators.

**24. Miscellaneous.**

- (a) The effective date of this Agreement shall be the date of its acceptance by Redhawk.
- (b) All paragraph headings are for convenience of reference only, do not form part of this Agreement, and shall not affect in any way the meaning or interpretation of this Agreement.
- (c) All principals of Client must sign. Corporate officers, limited liability company members, partners, and fiduciaries must indicate the capacity in which they are acting. This Agreement may be executed in counterparts and shall be binding on the parties as if executed in one document.
- (d) Client Acknowledges receipt of a copy of this Agreement, including the Pre-Dispute Arbitration Clause under Section 23.
- (e) Any dividends paid in the Cash Balance Plan Account will automatically be reinvested.

**25. Interest Crediting Rate**

Please provide us with information regarding the Cash Balance Plan as indicated below.

What is the annual interest crediting rate for the Cash Balance Plan?

\_\_\_\_\_





**CLIENT ACKNOWLEDGEMENT**

The Client acknowledges that the Suitability Information provided to Redhawk Wealth Advisor is complete, accurate, and is specified in the Cash Balance Plan Document.

**PORTFOLIO MODEL**

Please complete the following for the model portfolio selected.

\_\_\_\_\_

Cash Balance Account Name

\_\_\_\_\_

Account Number

\_\_\_\_\_

Symbol

**ADVISOR FEE (please write in the amount in 25% increments):**

<b>Account Size</b>	<b>Advisor Fee</b>
\$100k - \$250k	
\$250k - \$500k	
\$500k - \$1MM	
\$1MM plus	

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All principals of Client must sign. Corporate officers, limited liability company members, partners, and fiduciaries must indicate the capacity in which they are acting. This Agreement may be executed in counterparts and shall be binding on the parties as if executed in one document.

**CLIENT ACKNOWLEDGES RECEIPT OF A COPY OF THIS AGREEMENT, INCLUDING THE PRE-DISPUTE ARBITRATION CLAUSE UNDER SECTION 23.**

\_\_\_\_\_  
**Cash Balance Account Name**

\_\_\_\_\_  
**Cash Balance Account Number**

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

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

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

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

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

\_\_\_\_\_  
**Advisor Name (please print)**

\_\_\_\_\_  
**Co-Advisor Signature**

\_\_\_\_\_  
**Co-Advisor Name (please print)**

\_\_\_\_\_  
**Redhawk Wealth Advisors, Inc. Signature**

\_\_\_\_\_  
**Redhawk Wealth Advisors, Inc. Name  
(please print)**



**EXHIBIT A**

**ADV PART 2 DISCLOSURE DOCUMENT**

Enclosed are copies of the following:

- Form ADV - Part 2 of Redhawk Wealth Advisors, Inc. and
- Form ADV – Part 2 of Sage Advisory Services, Ltd. or

These disclosure documents are required under the Investment Advisors Act and rules of the Securities and Exchange Commission (or applicable state law) to be provided to any Client or prospective Client before establishing an investment advisory relationship with Redhawk for the Program.

If you should have any questions about these relationships, please let us know.

Thank you for your cooperation.

Sincerely,

Dan E. Hunt - CEO

Kindly sign, date, and return the attached copy of this letter to acknowledge receipt of the Form ADV - Part 2 of Redhawk. This will confirm for SEC (or state) purposes that you have received this information above.

**CLIENT:**

**REDHAWK WEALTH ADVISORS, INC.**

Print Name: \_\_\_\_\_

By: \_\_\_\_\_

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

Title: \_\_\_\_\_

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

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