

SECURITYMAXX AGREEMENT

This Agreement is entered into by Spectrum Financial, Inc., a Registered Investment Adviser (“RIA”) and _____ (“Client”). In consideration of the mutual benefits to be derived from this Agreement, it is understood and agreed as follows:

SERVICES

RIA shall provide the Client with asset management in an investment program using money market, stock, and/or bond mutual funds, annuities or variable life insurance products. The purpose of the program is to attempt to have downside protection in a falling market and appreciation possibilities in a rising market by exchanging between the types of funds as buy/sell signals are generated. It is recognized that short-term capital gains or losses may be realized. Depending upon the types of mutual funds used, receipt of dividends might be only incidental to the purpose of the program and may be received only on an irregular basis.

Client hereby authorizes the RIA to effect exchanges between the specific mutual funds indicated in accordance with the receipt of the buy/sell signals. In the event that an exchange is missed due to a clerical error with material losses resulting therefrom, the Client understands that future management fees may be offset. Client should carefully review the prospectus for possible fund restrictions on exchanges, as RIA will not be responsible for losses resulting from any such restriction. A client should understand that RIA may require 2-4 weeks to establish an account, i.e., review the documents for proper form and to implement computer and other procedural inputs. Delays may occur due to an improper account number, spelling of name or other matters. If a signal is generated during the initial processing, a client may or may not be moved into the signaled position and thus possible losses may occur during this period for which RIA assumes no responsibility. ***Please review firm brochure ADV Parts 2A & B for further clarification of services.***

RIA makes no promises, representations, warranties or guarantees that any of the services to be rendered hereunder will result in a profit to the Client. The mutual fund management decisions of the RIA are based on techniques and indicators that have been well researched and have produced profitable buy/sell signals in the past. However, ***there can be no guarantee that they will produce profitable results in the future.*** Client agrees to hold RIA harmless for any losses in Client accounts due to any decrease in net asset value of mutual funds owned by Client or due to management decisions made by RIA, which prove to be unprofitable.

ANNUAL FEE STRUCTURE*

<u>INVESTMENT</u>	<u>RATE %</u>
Amounts under \$100,000	2.5%
Amounts \$100,000 and over	1.9%
Leveraged High Yield Bond	2.5%
Market Phase Plus Strategy	1.5%

* In addition to the above structure each account will also be charged a \$100 administrative retainer fee annually. The administrative fee will be reduced to \$50 for multiple accounts after the initial \$100 fee is satisfied.

First year fee is due upon signing the contract. If additional amounts are contributed, a pro-rata fee will be due at the time of the deposit or on the next anniversary date of the agreement. This fee will be due even if the contract is not renewed. For renewal accounts a billing will be generated on the first day of the anniversary month. Fees will be due within thirty days of the anniversary month and RIA reserves the right to continue managing the account following the anniversary month even if no payment is received. Fees will continue to accrue until notice is given as outlined under Termination information on page 2. Management fees still apply to positions in money market funds.

Legal and Accounting Services

It is expressly understood and agreed between the parties of this Agreement that the RIA will not provide accounting or legal advice nor prepare any accounting or legal documents for the implementation of the Client's agreement. The Client is urged to work closely with his/her accountant concerning the tax treatment of the advisory fee, capital gains or losses, dividends or interest.

Termination

This agreement shall remain in effect until such time as either party to this agreement receives written notice from the other party of his or her desire to cancel this agreement. *Non-payment of fees or monies being withdrawn does not serve as notification of cancellation.* Upon written cancellation of this agreement, all funds will be exchanged into the money market fund unless otherwise instructed in the notification of cancellation. In the event of termination, the percentage fee will be refundable on a monthly pro-rata basis (5-day grace period). The retainer of \$100/\$50 is non-refundable. Upon termination by the client, RIA will have five (5) business days to implement the removal of the client from any internal/external trading documents. Due to possible processing time delays at the mutual fund company, should a signal be given during this time period the client's account may or may not be moved to the current position for which RIA assumes no financial responsibility or liability.

Notwithstanding anything else with this agreement, the Client has the unilateral, uncontrolled right to terminate this agreement within 5 business days of its execution without penalty. Fees will be refunded in full if termination of the agreement is requested within five (5) business days of the agreement date.

Assignment

This Agreement shall not be assigned by the RIA to anyone without the written consent of the Client.

Governing Law

The asset management services performed by the RIA shall be in compliance with the Investment Advisers Act of 1940, rules and regulations thereunder, and applicable laws of the Commonwealth of Virginia and other states in which RIA provides services under this Agreement.

Confidentiality

All information, recommendations and advice furnished by the RIA to the Client under this Agreement shall be regarded as confidential by the Client and shall not be disclosed to any person, firm or corporation without prior written consent of the RIA. RIA honors the Client's right to privacy in accordance with Regulation S-P. RIA's Privacy Notice is provided as part of this contract.

Arbitration Clause

Client and RIA agree that all controversies between the parties concerning any transaction or the construction, performance or breach of this or any agreement between us, whether entered into prior, on or subsequent to the date hereof, shall be determined by arbitration within the Commonwealth of Virginia. 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 the federal securities laws. Such arbitration shall be before three arbitrators and conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association then applying. The arbitrators will have no authority to award punitive or other damages not measured by the prevailing party's actual damages, except as may be required by statute. The award of the arbitrators or the majority of them shall be final. Judgment upon any arbitration award rendered may be entered in any court, state or federal, having appropriate jurisdiction.

Acknowledgement

The Client acknowledges receipt of RIA's firm brochure ADV Parts 2A & B disclosure statement under the Investment Advisers Act of 1940 and the Privacy Notice under Regulation S-P. Client also acknowledges completion of the Client Profile.

REGISTRATION: (Please Print)

Client's Name

Tax ID/SSN _____

Business Phone #: _____

Home Phone #: _____

Joint Name

Email Address: _____

Address

Type of Account: _____ Individual/Joint

_____ IRA

_____ Pension/Profit Sharing

_____ Corporate

_____ Trust

Address

Other _____

INVESTMENT INFORMATION

AMOUNT INVESTED: _____

ADVISORY FEE (First Year): _____

Indicate Method of Payment: _____ Check

_____ Fee Liquidation

Anniversary Month: _____ Representative: _____

Custodian: _____

Account # _____

(Mutual Fund Family, Trust Co., Brokerage Firm)

Current Position: _____

Account # _____

(Please provide if different from acct # indicated above.)

MANAGEMENT STRATEGIES

Bond Strategies – These strategies invest in a variety of bond and/or bond products as an aggressive position and use cash or cash equivalents as a defensive position.

- High Yield** **Leveraged High Yield** **Dynamic High Yield**

Domestic Equity Strategies – These strategies invest in a variety of US domestic equity products as an aggressive position and use cash or cash equivalents as a defensive position.

- Equity Matrix** **Market Phase Plus** **ST Modified**

International Equity Strategies – These strategies may invest in a variety of international equity products as an aggressive position and use cash or cash equivalents as a defensive position. These securities may involve leveraged mutual funds with higher market risk and clients may experience greater price volatility.

International Sectors uses a combination of technical indicators and exchange among a variety of US stock and international mutual funds. It may incur a higher degree of risk since the funds selected may not be diversified.

- Emerging Markets** **International Sectors**

IN WITNESS WHEREOF, the parties have executed this agreement as of the date set forth below and the agreement shall be effective on the date accepted by Spectrum Financial, Inc. *Client Signature also required on back page.*

SIGNATURE INDIVIDUAL ACCOUNT: (X) _____ DATE: _____

SIGNATURE OF JOINT OWNER (if any): (X) _____ DATE: _____

Spectrum Financial, Inc. Accepted By: _____ DATE: _____

Supplemental Disclosure

International Sectors – This strategy utilizes various international and domestic stock and bond funds in geographic areas or industry sectors showing the highest relative strength. These funds may be specialized and non-diversified and occasionally uses enhanced beta funds or funds that are designed to move up in value when the stock market moves down. Investors should be aware this strategy trades 8-12 times per month and therefore may be better suited for retirement accounts. Minimum account size is \$100,000.

Leveraged High Yield – This strategy uses high yield bond funds and a money market fund. It has access to margin investing and is charged margin interest when used. There may be transaction fees charged by the custodian on all purchases and redemptions. Minimum account size is \$250,000.

Emerging Markets / Equity Matrix – These strategies may use indexed mutual funds which have enhanced beta. This could mean the exposure to the index will be greater than 100% long. The Emerging Markets strategy trades 8-12 times per month and therefore may be better suited for retirement accounts. Minimum account size is \$50,000.

All strategies may use brokerage platforms to custody assets, which provide integrated data processing, trading platforms and information management strategies. There may be an annual custodial fee for use of these services. RIA does not participate in these fees.

*******ACKNOWLEDGEMENT STATEMENT - SIGNATURE PAGE*******

Disclosure Statement - Pursuant to Reg. 275.206 (4)-3

1. Name of Advisor: Spectrum Financial, Inc.
2. Address/Phone#: 2940 N. Lynnhaven Rd., Suite 200, Virginia Beach, VA 23452 Phone #: (757) 463-7600
3. Broker-Dealer or Registered Investment Advisor: _____
4. Registered Rep: _____
5. The above named Broker-Dealer (BD) or Registered Investment Advisor (Advisor) and/or Registered Representative (RR) shall act for Spectrum Financial, Inc. (RIA) for the sale of Spectrum's management services. The BD/Advisor or RR will be compensated for its solicitation activities through payment by RIA of a solicitation fee equal to a percentage of the annual fee not to exceed 50%. The BD/Advisor and RR thus has a financial interest in your selection of RIA as your investment advisor.
6. You will be charged a fee by RIA for the management service as provided in the Asset Management Agreement between you and RIA. You will not be charged any fee in excess of the advisory fee because of the solicitation services of the BD/Advisor or RR.

The undersigned hereby acknowledges receipt of this Disclosure Statement, RIA's firm brochure ADV Parts 2A & B under Rule 204-3, the Privacy Notice under Regulation S-P, and RIA's Proxy Voting Notice in connection with his/her entry into an agreement with RIA. Client also acknowledges completion of RIA's Client Profile.

Date: _____ Signature: _____ Joint: _____

(Revision 3/27/2012)

Solicitor Disclosure Statement – Rule 206(4)-3(b)

Registered Investment Advisor Information:

Name of Advisor: Spectrum Financial, Inc.
Advisor Address: 2940 N. Lynnhaven Rd., Suite 200
Virginia Beach, VA 23452
Advisor Phone #: (757) 463-7600

Solicitor Information:

Name of RR/Solicitor: _____
Solicitor Address: _____

Broker-Dealer or Registered Investment Advisor:

The above named Broker-Dealer (BD) or Registered Investment Advisor (Advisor) and/or Registered Representative (RR) or Solicitor shall act for Spectrum Financial, Inc. (RIA) for the solicitation of Spectrum's management services. The BD/Advisor or RR/Solicitor will be compensated for its solicitation activities through payment by RIA of a solicitation fee equal to a percentage of the annual fee not to exceed 50%. The fee is paid to the BD/Advisor or RR/Solicitor when the management fee is paid by the client. The BD/Advisor and RR thus has a financial interest in your selection of RIA as your investment advisor. RIA and BD/Advisor or RR/Solicitor are unaffiliated.

You will be charged a fee by RIA for the management service as provided in the Asset Management Agreement between you and RIA. You will not be charged any fee in excess of the advisory fee because of the solicitation services of the BD/Advisor or RR/Solicitor.

Date: _____ Signature: _____
Joint: _____

RR/Solicitor acknowledges that the client was provided and retained the RIA's Form ADV, Part 2 and a copy of this Disclosure Statement:

RR/Solicitor Signature: _____