



INVESTMENT MANAGEMENT AGREEMENT *(Discretionary)*

This is an agreement between _____ (Client) and Anchor Bay Capital, Inc. (“Advisor”). By this agreement, Client retains Advisor to provide investment management services to Client on the following terms:

SECTION 1. INVESTMENT MANAGEMENT SERVICES

Advisor will direct, in Advisor’s sole discretion and without first consulting Client, the investment and reinvestment of the assets in Client’s account (the Account, as defined as any and all accounts, regardless of custodian, that Client retains Advisor to provide investment management services) in securities and cash or cash equivalents. Client’s financial circumstances and investment objectives and any special instructions or limits that Client wishes Advisor to follow in managing the Account are described in the Client Data Form. Client agrees to notify Advisor promptly of any significant change in the information provided by the Client on the Client Data Form or any other significant change in Client’s financial circumstances or investment objectives that might affect the manner in which Client’s Account should be managed. Client also agrees to provide Advisor with such additional information as Advisor may request from time to time to assist it in managing the Account. Advisor’s authority under this Agreement will remain in effect until changed or terminated by Client in writing.

SECTION 2. EXECUTION OF INVESTMENT ACCOUNT TRANSACTIONS

Advisor will arrange for the execution of securities transactions for the Account through brokers or dealers that Advisor reasonably believes will provide best execution. In selecting a broker or dealer, Advisor may consider, among other things, the broker or dealer’s execution capabilities, reputation, and access to the markets for the securities being traded. Advisor generally will seek competitive commission rates but will not necessarily attempt to obtain the lowest possible commission for transactions for the Account.

As a general matter, Advisor considers it appropriate to use the execution services of Fidelity Investments Institutional Brokerage Group for the purchase and sale of securities for managed client accounts, unless there are restrictions such as customer designation or legal requirements to the contrary. Advisor reserves the right, however, to utilize other broker-dealers that provide prompt and reliable execution at favorable security prices and reasonable commission rates. The best net price, giving effect to brokerage commissions and other costs, is an important factor in this decision, but a number of other judgmental facts are important as well. These include knowledge of negotiated commission rates currently available; the nature of the security being traded; the size and complexity of the transaction; the desired timing of the trade; the activity existing and expected in the market for the particular securities; confidentiality; and the execution; clearance and settlement capabilities and other relevant and appropriate services of the broker or dealer.

Transactions for each client account generally will be effected independently, unless Advisor decides to purchase or sell the same securities for several clients at approximately the same time. Advisor 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 Advisor’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 transaction costs and will be allocated among Advisor’s clients in proportion to the purchase and sale orders placed for each client account on any given day.

Instead of allowing Advisor to select brokers or dealers for the Account, Client may direct Advisor in writing to use a particular broker or dealer to execute all transactions for Client’s Account. In that case, Client will negotiate terms and arrangements for the Account with that broker or dealer, and Advisor will not seek better execution services or prices from other broker or dealers or be able to “batch” Client transactions for execution through other brokers or dealers with orders for other accounts managed by Advisor. As a result, Client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the Account than would otherwise be the case.

Client authorizes and directs Adviser to instruct all brokers and dealers executing orders for Client to forward confirmations of those transactions to Custodian (as defined below) and Adviser. If Client wishes, Adviser will instruct the brokers and dealers that execute orders for Client's Account to send Client all transaction confirmation, and Client's monthly statements from the Custodian and the statements Adviser provides, to keep informed of the status of Client's Account.

Adviser may give a copy of this Agreement to any broker, dealer or other party to a transaction for the Account, or the Custodian (as defined below) as evidence of Adviser's authority to act for Client.

SECTION 3. CUSTODIAL ARRANGEMENTS

Custody of Account assets will be maintained with Fidelity Investments Institutional Brokerage Group, or the independent custodian selected by Client and designated as (the "Custodian"). Adviser will not have custody of any assets in the Account. Client will be solely responsible for paying all fees or charges of the Custodian. Client authorizes Adviser to give Custodian instructions for the purchase, sale, conversion, redemption, exchange or retention of any security, cash or cash equivalent or other investment for the Account. Client also authorizes and directs Adviser to instruct Custodian on Client's behalf to (i) send Client at least monthly a statement showing all transactions occurring in the Account during the period covered by the account statement, and the funds, securities and other property in the Account at the end of the period; and (ii) provide Adviser copies of all periodic statements and other reports for the Account that Custodian sends to Client.

SECTION 4. MANAGER REPORTS

Adviser will provide Client quarterly and annual written statements of the assets in Client's Account, the purchase date, the cost, the current market value, and performance data for the period (or since the opening of the Account).

SECTION 5. MANAGEMENT FEES

Client will pay Adviser a fee for its investment management services. The fee will be a percentage of the market value of all assets in the Account on the last trading day of each calendar quarter (see section 22). The management fee is payable quarterly in advance. Fee calculation commences the date that this agreement is signed (i.e. Account is opened).

In any partial calendar quarter, the management fee will be pro-rated based on the number of days that the Account was open during the quarter. Any unearned fee shall be refunded to client. Client understands that in the event account assets are invested in shares of mutual funds or other investment companies ("funds"), the assets will be included in calculating the value of the Account for purposes of computing Adviser's fees and the same assets will also be subject to additional advisory and other fees and expenses, as set forth in the prospectuses of those funds, paid by the funds but ultimately borne by the investor. Anchor Bay Capital, Inc. may, in the normal course of business, compensate an investment advisor representative or a solicitor for maintaining the ongoing relationship with Client. It is hereby disclosed to Client that such compensation shall not otherwise increase any compensation that Client is obligated to pay. If Adviser is utilizing the services of a solicitor with regards to this Agreement, the solicitor shall be required to provide Client with a Solicitor's Disclosure Statement that will specify the compensation Adviser will owe the solicitor.

Client authorizes the Custodian to deduct from this Account and pay to Adviser the management fee for each calendar year quarter. Adviser will send to the Custodian a bill showing the amount of the management fee due, the Account value on which the fee is based and how the fee was calculated. The Custodian will send Client a monthly statement showing all amounts paid from the Account, including all management fees paid by Custodian to Adviser. Fees for asset management services are negotiable and generally range from 1.00% to 2.00% per year of the assets under management. The specific fee schedule for this agreement will be annotated in Section 22.

Anchor Bay Capital, Inc. generally prefers a minimum of \$1,000,000 of assets under management to establish a new advisory account. However, the minimum may be waived at the sole discretion of Anchor Bay Capital, Inc. Certain related client accounts may be grouped for the purposes of achieving the minimum account size and determining the annualized fee.

NOTE: Certain exceptions to the fees may exist. If Client directs Adviser to affect an overnight delivery on the Client's behalf wherein Adviser is charged an overnight delivery fee, Adviser will pass through that expense to the Client, and that expense will be deducted from the Client's account.

SECTION 6. VALUATION

Adviser will value securities in the Account that are listed on a national securities exchange or on NASDAQ at the closing price, on the valuation date, on the principal market where the securities are traded. Other securities or investments in the Account will be valued in a manner determined in good faith by Advisor to reflect fair market value.

SECTION 7. CONFIDENTIALITY

Except as otherwise agreed in writing or as required by law, Adviser will keep confidential all information concerning Client's identity, financial affairs, and investments. Anchor Bay Capital, Inc. Privacy Policy provides more specific information regarding confidentiality and safe-guarding of personally identifiable information (PII).

SECTION 8. OTHER INVESTMENT ACCOUNTS

Client understands that Adviser serves as investment manager for other clients and will continue to do so. Client also understands that Adviser, its personnel and affiliates ("Affiliated Persons") may give advice or take action in performing their duties to other clients, or for their own accounts, that differ from advice given to or action taken for Client. Adviser is not obligated to buy, sell or recommend for Client any security or other investment that Adviser or its Affiliated Persons may buy, sell or recommend for any other client or for their own accounts.

This Agreement does not limit or restrict in any way Adviser or any of its Affiliated Persons from buying, selling or trading in any securities or other investments for their own accounts.

Adviser or its Affiliated Persons may provide services for, or solicit business from various companies, including issuers of securities that Adviser may recommend or purchase or sell for client accounts. In providing these services, Adviser or its Affiliated Persons may obtain material, nonpublic or other confidential information that, if disclosed, might affect an investor's decision to buy, sell or hold a security. Under applicable law, Adviser and its Affiliated Persons cannot improperly disclose or use this information for their personal benefit or for the benefit of any person, including clients of Adviser. If Adviser or any Affiliated Person obtains nonpublic or other confidential information about any issuer, Adviser will have no obligation to disclose the information to Client or use it for Client's benefit.

SECTION 9. 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 Client's Account by Adviser are subject to various market, currency, economic, political and business risks, and that those investment decisions will not always be profitable. Adviser will manage only the securities, cash and other investments held in Client's Account and in making investment decisions for the Account, Adviser will not consider any other securities, cash or other investments owned by Client. Except as may otherwise be provided by law, Adviser will not be liable to Client for (i) any loss that Client may suffer by reason of any investment decision made or other action taken or omitted in good faith by Adviser with that degree of care, skill, prudence, and diligence under the circumstances that a prudent person acting in a fiduciary capacity would use; (ii) any loss arising from Adviser's adherence to Client's instructions; or (iii) any act or failure to act by the Custodian, any broker or dealer to which Adviser directs transactions for the Account, or by any other third party. The federal and state securities laws impose liabilities under certain circumstances on persons who act in good faith, and therefore nothing in this Agreement will waive or limit any rights that Client may have under those laws.

SECTION 10. RETIREMENT OR EMPLOYEE BENEFIT PLAN ACCOUNTS

This Section 10 applies if the Account is for a (i) pension or other employee benefit plan (including a 401(k) plan) governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"); (ii) tax-qualified retirement plan (including a Keogh plan) under section 401(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and not covered by ERISA; or (iii) an individual retirement account ("IRA") under Section 408 of the Code.

If the Account is for a plan subject to ERISA, Client appoints Adviser, and Adviser accepts its appointment, as an “investment manager” for purposes of Section 3(38) of ERISA and Adviser acknowledges that it is a “fiduciary” within the meaning of Section 3(21)(A) of ERISA and Section 4975(e)(3) of the Code (but only with respect to the provision of services described in Section 1 of this Agreement). Adviser represents that it is registered as an investment adviser under state law.

If the Account is for a plan subject to ERISA, this Agreement contains the disclosures required by ERISA Regulation Section 2550.408b- 2(c) and which disclosures Client has received reasonably in advance of entering into this Agreement. In addition, Adviser will provide the following disclosures, when required:

- (i) Adviser will disclose, to the extent required by ERISA Regulation Section 2550.408b-2(c), to Client any change to the information in this Agreement as to services, status and compensation required to be disclosed under ERISA Regulation Section 2550.408b-2(c)(1)(iv)(A) through (D), and (G) as soon as practicable, but no later than sixty (60) days from the date on which Adviser is informed of the change (unless such disclosure is precluded due to extraordinary circumstances beyond Adviser’s control, in which case the information will be disclosed as soon as practicable).
- (ii) In accordance with ERISA Regulation Section 2550.408b-2(c)(1)(vi), upon Client’s written request, Adviser will disclose all information related to the compensation or fees received in connection with this Agreement that is required for the ERISA plan to comply with the reporting and disclosure requirements of Title I of ERISA and the regulations, forms and schedules issued thereunder. Such disclosure shall be made reasonably in advance of the date upon which Client states that such information is needed (unless such disclosure is precluded due to extraordinary circumstances beyond Adviser’s control, in which case the information will be disclosed as soon as practicable); provided that the Client provides the written request to Adviser reasonably in advance of the date upon which the information is needed and any failure to do so shall be deemed to be an extraordinary circumstance beyond Adviser’s control.
- (iii) If Adviser makes an unintentional error or omission in disclosing the information required under ERISA Regulation Section 2550.408b-2(c)(1)(iv), a change to the information as described in part (i) above, or the information described in part (ii) above, Adviser will disclose to Client the corrected information as soon as practicable, but no later than thirty (30) days from the date on which Adviser learns of such error or omission.

Client represents that:

- (i) Adviser’s performance of the services described in Section 1 of this Agreement are authorized under the governing instruments of the plan,
- (ii) Client’s execution of this Agreement is authorized under the governing instruments of the plan and applicable law and Adviser does not reasonably expect to receive any compensation, direct or indirect, for its Services under Section 1 of this Agreement other than the compensation described in Schedule B of this Agreement. If Adviser receives any other compensation for such services, Adviser will:
 - a) Offset that compensation against Adviser’s stated fees, and
 - b) Will disclose to Client the amount of such compensation, the services rendered for such compensation, the payer of such compensation and a description of Adviser’s arrangement with the payer.

SECTION 11. OTHER LEGAL ACTIONS

The Client agrees that Adviser will not advise or act for Client in any legal proceedings, including bankruptcies or class actions, involving securities held or previously held by the Account or the issuers of these securities (“Legal Proceedings”).

SECTION 12. PROXY VOTING

The SEC has recently amended the Investment Advisers Act of 1940 to require investment advisors to notify their clients of its policy of the voting of proxies. As a firm policy, Anchor Bay Capital, Inc. does not vote proxies on client positions. It is the responsibility of each client to vote their proxies should they desire.

SECTION 13. TERMINATION

This Agreement will continue in effect until terminated by either party by written notice to the other. 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). Any fees collected in advance that are unearned will be refunded upon termination of this Agreement, which is defined to be 30 days from the date the non-terminating party receives written notice that the other party terminates. 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. An Advisory client will have a period of five (5) business days from the date of signing the investment advisory agreement to unconditionally rescind the agreement and receive a full refund of all fees.

SECTION 14. CLIENT AUTHORITY

If Client is an individual, Client represents that he or she is of the age of majority. If Client is a corporation, the person signing this Agreement for the Client represents that he or she has been authorized to do so by appropriate corporate action. If this Agreement is entered into by a trustee or other fiduciary, the trustee or fiduciary represents that Adviser's investment management strategies, allocation procedures, and investment management services are authorized under the applicable plan, trust, or law and that the person signing this Agreement has the authority to negotiate and enter into this Agreement. Client will inform Adviser of any event that might affect this authority or the propriety of this Agreement.

SECTION 15. DEATH OR DISABILITY

If Client is a natural person, 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.

SECTION 16. BINDING AGREEMENT

This Agreement will bind and be for the benefit of the parties to the Agreement and their successors and permitted assigns, except that this Agreement may not be assigned (within the meaning of the Advisers Act) by either party without the prior consent of the other party.

SECTION 17. GOVERNING LAW

This Agreement will be governed by and construed in accordance with the laws of the State of California without giving effect to any conflict or choice of law provisions of that State, provided that nothing in this Agreement will be construed in any manner inconsistent with the Advisers Act, any rule or order of the Securities and Exchange Commission under the Advisers Act and, if applicable to the Account, ERISA and any rule or order of the Department of Labor under ERISA.

SECTION 18. ARBITRATION

To the extent permitted by law, all controversies which may arise between the Client and Adviser concerning any transaction arising out of or relating to this Agreement, or the construction, performance, or breach of this or any other agreement between us whether entered into prior to, on, or subsequent to the date hereof, shall be submitted to arbitration under the then prevailing Securities Arbitration Rules of the American Arbitration Association. Judgment upon the award rendered in any such arbitration may be entered in any court having competent jurisdiction. Nothing stated herein shall constitute a waiver of any rights of which the Client may have under federal or state securities laws. Any such arbitration shall be held in San Diego, CA.

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: (i) the class certification is denied; or (ii) the class is decertified; or (iii) Client 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 herein.

SECTION 23. DISCLOSURES

Receipt of Disclosure Documents

I affirm that the following documents have been provided for my review:

- _____ Business Continuity Plan
- _____ Anchor Bay Capital, Inc. Privacy Policy
- _____ Anchor Bay Capital, Inc. Firm Brochure & Proxy Policy
- _____ Fiduciary Rule Disclosure

This Agreement contains a provision requiring that all claims arising out of transactions or activities affecting Client’s account be resolved through arbitration. The Client is aware and understands that: arbitration is final and binding on all parties; the parties are waiving their right to seek remedies in court, including the right to trial by jury; pre-arbitration discovery is generally more limited than and different from court proceedings; the arbitration award is not required to include factual finding or legal reasoning and any party’s right to appeal or to seek modification of a ruling by the arbitrators is strictly limited; and the panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.

By signing this Agreement the Client agrees to its provisions and acknowledges receipt of the Advisor’s disclosure documents. The Client certifies that all information provided on the Client Data Form is true and correct. The client accepts the investment management fees disclosed in Section 22.

Print Client Name	SSN or Tax ID	Signature	Date
-------------------	---------------	-----------	------

Print Client Name	SSN or Tax ID	Signature	Date
-------------------	---------------	-----------	------

Print Advisor Name	Signature	Date
--------------------	-----------	------

* If the Account is administered by one or more fiduciaries, each should sign and indicate the capacity in which he or she is acting. If the Account is an IRA, the person signing on Client’s behalf represents that he or she is the sponsor of the IRA. If the Account is for a pension or other employee benefit plan, each person signing on Client’s behalf represents that he or she is a named fiduciary of such plan.