

## NEW CAPITAL MANAGEMENT, LP

Registered Investment Advisor

# INVESTMENT MANAGEMENT AGREEMENT

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This Investment Management Agreement ("Agreement") specifies the terms and conditions between **New Capital Management LP** ("Advisor"), a Texas limited partnership with offices at 4119 Montrose Boulevard, Suite 400, Houston, TX, 77006, and **Joe & Sally Sample** ("Client"), whose mailing address is 123 Elm Street. By completing and signing this Agreement, Advisor and Client agree to its terms.

**1. Advisor Services.** Advisor shall provide Client with investment and financial management services ("Services") with respect to the specific assets and accounts ("Assets" or "Accounts") assigned to Advisor's management. Advisor's Services may include but are not limited to the following:

- (1) Establishment of Client's background, financial position, personal and financial goals, risk score, investment objectives, and policies.
- (2) Production of a Financial and Investment Plan ("Financial Plan"), consisting of projected income, expenses, other cash flows, wealth, estate, risks, and probability of achieving key goals. This Plan is a result of information conveyed to Advisor by Client and subsequently arranged in a financial planning software system by Advisor. The Plan is only a representation of the future, and actual results will differ and be dependent upon circumstances both within and without Client or Advisor control. Advisor will review the Plan regularly with Client and make necessary changes.
- (3) Recommendation and implementation of a portfolio according to asset allocation principles and modern portfolio theory principles, including the principle of asset class diversification. Client's Accounts will be invested in a portfolio targeting returns and volatility similar to a custom benchmark most resembling the Client's risk score as measured by Advisor's chosen risk factor model. The recommended portfolio will reflect Advisor's best judgment at the time of the most appropriate investment products and allocations. Investments will be made reasonably subsequent to establishment of Client's investment objective and policies, and Advisor will not engage in attempts to "time" financial markets ("market timing").
- (4) Monitoring the portfolio to assure current asset allocation is in line with target asset allocation. The portfolio may be rebalanced at intervals. Advisor may also implement tactical deviations from investment targets based on the general investment environment (for example, a decision to elevate the level of cash in the portfolio based on high general asset valuation measures).
- (5) Investment of incremental cash generated from asset sales, Client additions, or dividends, with reference to Client's portfolio position and future cash needs and to the general investment environment.
- (6) Informing Client of the general investment environment and factors affecting the Client.
- (7) Regularly measuring and reporting quarterly and annual investment results to Client, with portfolio reports delivered electronically to Client's secure report vault.

**2. Authority.** Client appoints Advisor as Client's true and lawful agent with authority to act on Client's behalf for the limited purpose of purchasing, selling and trading securities for Client's Account and all actions necessary or incident to such activities, on margin or otherwise, for and at the risk of the Client. Client understands that a commission may be charged to the account each time a trade is placed. Advisor may contract with other firms for administrative services in carrying out its duties under this Agreement, including trade processing, collection of management fees, record maintenance, report preparation and research services, and Client agrees to execute a limited power of attorney in favor of such firms as required for them to carry out those services.

**3. Discretion.** Advisor is authorized by Client to manage Client's Accounts with discretionary authority, without the requirement to obtain specific Client consent prior to every transaction, unless and until such authorization is revoked or amended in writing to Advisor. While Advisor believes acting with discretionary authority is in Client's best interest, Client may amend Advisor's discretionary authority and require that Advisor seek Client consent (i.e., "limited discretion" status)

prior to any transaction or set of transactions closely related in time that exceed ten (10) percent of the aggregate value of Client Accounts. Client further acknowledges that under limited discretion (1) Client's portfolio may not timely reflect Advisor's risk targeted model portfolio; (2) additional management fees may be assessed; and (3) consistently prompt responses to Advisor communications are required, failure of which may require conversion of Client's Accounts to discretionary authority. **DO NOT INITIAL HERE IF YOU DO NOT INTEND TO LIMIT ADVISOR'S DISCRETION, INITIAL TO LIMIT DISCRETION:**\_\_\_\_\_.

**4. Standard of Care.** Advisor acts as a fiduciary for the benefit of Client. The sole standard of care imposed on Advisor, its members, principals, officers, employees, and agents by this Agreement is to act with the care, prudence, and diligence under the circumstances then prevailing that a prudent investor acting in a like capacity would use. Advisor will act using its best judgment, in good faith, with candor, and in the best interests of the Client in rendering services. Advisor will be under no obligation to take actions requested by Client if Advisor believes those actions to be predominantly contrary to Client's best interests. Advisor shall provide written disclosure to Client throughout the term of the engagement, of any conflicts of interest, which will or reasonably may compromise the impartiality or independence of Advisor. Advisor, or any party in which the advisor has a financial interest, does not receive any compensation or other remuneration that is contingent on Client's purchase or sale of a financial product. Advisor does not receive a fee or other compensation from another party based on the referral of a client or the client's business.

**5. Disclaimer and Indemnification.** Advisor does not warrant or guarantee any particular level of Account performance or that the Account will be profitable over time. Client acknowledges that Client is assuming the market risk involved in the investment of Account assets in accordance with this Agreement, and investments in stocks, bonds, mutual funds, etc., will fluctuate in value and the possibility of principal loss exists. Client holds Advisor harmless for losses resulting from:

- (1) Conditions and events beyond its control such as war, strikes, natural disasters, government restrictions, general market fluctuations, tax law changes, business cycles, and widespread communications disruptions.
- (2) Other Client personal factors such as Client employment status, family circumstances, and income changes that may affect investment results.
- (3) Actions or decisions of previous investment managers.
- (4) Any act or failure to act by brokerages, custodians, funds, or other third parties relied upon by Advisor and Client for fulfillment of this Agreement.
- (5) Following Client's instructions or using inaccurate, outdated or incomplete information provided by Client.
- (6) Client withholding assets from Advisor's management and Custodian ("Held Away Assets"). Advisor has the option but not the obligation to consider Held Away Assets in determination of an appropriate asset allocation, but Advisor's Services do not extend to such assets.

**6. Client Responsibilities.** Client recognizes that the value and usefulness of the Services provided by Advisor will depend upon information provided by Client and Client's active participation in the advisory relationship. Client understands that among Client's responsibilities are:

- (1) Participation in review meetings with Advisor as scheduled.
- (2) Disclosing to Advisor all significant assets owned by Client so that Advisor can construct balanced portfolio allocations, and notify Advisor of significant cash flows (deposits and withdrawals) affecting Client's portfolio accounts if not previously part of the Client's financial plan.
- (3) Updating Advisor in writing of any material changes in Client's financial circumstances, investment objective, investment restrictions or any other factors that may alter the Client's financial situation.
- (4) Providing Advisor with all information Advisor requires to carry out investment management functions, including but not limited to (a) cost basis information, especially for taxable accounts, (b) login credentials to held away institutions for the purposes of data aggregation, and (c) account statements for analytical or transfer purposes.
- (5) Completing an annual Performance Review of Advisor.
- (6) Permitting Advisor to conduct Advisor's stated investment process with Client Accounts, including but not limited to investment philosophy, risk profiles, asset allocations, and investment trades. Client further agrees that Advisor is under no obligation to adopt alternative investment processes as directed by Client. Client may elect to maintain segregated self-directed investment accounts.

- (7) Consideration of Advisor recommendations and responding to Advisor's inquiries, proposals, calls, and correspondence on a timely basis.

**7. Client Representations.** Client represents that they have the full legal power and authority to enter into this Agreement and that the terms of this Agreement do not violate any obligation or duty to which they are bound, whether arising out of contract, operation of law or otherwise. If Client is an entity (e.g., corporation, partnership, limited liability company or trust), they represent that this Agreement has been duly authorized by the appropriate corporate or other action and, when so executed and delivered, shall be binding in accordance with its terms. Client agrees to promptly deliver such corporate resolution or other action authorizing this Agreement at Advisor's request. Client will inform Advisor of any event that might affect this authority or the propriety of this Agreement. If securities in Client's account are held at the instruction of Client and are not acquired or maintained for the Account pursuant to Advisor's recommendation ("non-recommended securities"), Client represents and acknowledges that Advisor has not reviewed, investigated or examined non-recommended securities, and Advisor hereby disclaims any responsibility for Client's investment decisions with respect to such securities.

**8. Client Conflicts.** If this Agreement is with more than one Client, the investment objectives for the Account shall be based upon the mutual goals communicated to Advisor by the joint-clients, collectively. Subject to the next sentence, Advisor is authorized to rely upon instructions and/or information Advisor receives from either joint-client, unless and until such authorization is revoked in writing to Advisor. Instructions regarding directing investments or transferring or withdrawing funds for a particular Account can only be made by the client who appears on the Custodian's records as the account owner. Advisor is not responsible for any claims or damages resulting from such reliance or from any change in Client's investment objectives or status of the relationship between the joint-clients.

**9. Custodial Accounts.** Advisor will not maintain possession of Client's funds or securities. Advisor will assist Client with establishing Client Accounts with a recommended third party custodian or custodians ("Custodian") for the purposes of brokerage, trading, account, lending, reporting, and other services. Client will receive monthly statements and trade confirmations directly from Custodian, which are the official record of Account transactions, and Client will designate the form desired of such documents (electronic or paper) directly with Custodian. Client authorizes Advisor to assist in establishing, consolidating, or disaggregating Client Accounts of particular type, title, and asset composition in order to appropriately and optimally execute investment strategies and/or pursue financial goals on Client's behalf. On all Custodial Accounts, including accounts managed by Advisor, Client will retain trading, disbursement, transfer, and other account authorizations and Client is solely responsible for all consequences should Client undertake such activities on a self-directed basis. Should Client wish to implement self-directed investment strategies different from those managed by Advisor, Client agrees to establish Account(s) specifically designated for such purposes.

**10. Disbursements.** Client acknowledges that Custodian provides Advisor with the capability to direct disbursement of funds for investment purposes or to Client personally; to remit checks, wire funds, and make disbursements of funds held in the Account to banks, broker-dealers, investment companies or other financial institutions to an account of identical registration or to Client at Client's last address of record. Client understands that joint accounts titled to more than one owner may only require single co-owner authorization by Custodian(s), and not joint authorization, for disbursement of funds. All Clients that are party to this Agreement understand and accept the risk that establishment of joint accounts may result in disbursement of funds from joint accounts at the request and authorization of their account co-owners and without their prior knowledge of such disbursements, and Client agrees to indemnify and hold Advisor harmless for such disbursements. Client agrees that the official record of all account disbursements, including disbursements from joint accounts, is an account statement from a Custodian, and Client agrees that it is Client's sole responsibility to regularly monitor statement activity.

**11. Release of Information.** Client acknowledges that Custodian will regularly provide copies of and/or electronic access to Client's trade confirmations and account statements to Advisor.

**12. Account Data.** Client authorizes Advisor to regularly download and transfer Client's account data from Custodian into Advisor's chosen performance reporting system. Client additionally authorizes Advisor to transfer Client data into other systems vital to the fulfillment of Advisor's services including but not limited to client relationship management

systems, portfolio analytics systems, data aggregation systems, financial planning systems, and investment policy statement generation systems.

**13. Confidentiality.** All information given by Client to Advisor and all recommendations and advice rendered by Advisor to Client will be kept confidential and will not be disclosed to anyone except those third-parties authorized by Client or as may be required by any governing law.

**14. Communication Authorization.** Client authorizes Advisor to communicate with Client's third-party professional advisors such as Client's attorney, CPA and insurance representatives for information necessary for the financial and investment process. For major planning initiatives, Advisor agrees to coordinate such third-party contact with the Client to make certain the Client's costs for such contact are reasonably anticipated.

**15. Regulation.** Advisor is a Registered Investment Advisor with the US Securities and Exchange Commission under the Investment Advisor's Act of 1940. Nothing in this Agreement will waive or limit any rights that Client may have under federal and state securities law. Advisor also complies with state regulations where Advisor conducts investment management services. Simultaneous with the execution of this Agreement, Advisor has delivered Part II of Form ADV (describing background and business practices of the Advisor) to the Client as its "brochure" pursuant to Rule 204.3 of the Advisor's Act. Client acknowledges receipt of Part II of Form ADV; a disclosure statement containing the equivalent information; or a disclosure statement containing at least the information required by Schedule H of Form ADV, if the client is entering into a wrap fee program sponsored by the investment adviser. If the appropriate disclosure statement was not delivered to the client at least 48 hours prior to the client entering into any written or oral advisory contract with this investment adviser, then the client has the right to terminate the contract without penalty within five business days after entering into the contract. For the purposes of this provision, a contract is considered entered into when all parties to the contract have signed the contract, or, in the case of an oral contract, otherwise signified their acceptance, any other provisions of this contract notwithstanding."

**16. ERISA Accounts.** If Client is a retirement plan (the "Plan") subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), Advisor agrees and acknowledges that, as investment manager to the Plan, Advisor is a fiduciary under ERISA with respect to the Plan. Client represents that the Plan's sponsor has appointed Advisor and any Independent Manager engaged on Client's behalf to (a) manage the Plan's assets solely according to the directions of the Plan sponsor and other named fiduciaries of the Plan, and (b) transmit trading instructions on the Plan's behalf. Client understands and acknowledges that Advisor is not the "administrator" of the Plan as defined by ERISA. The Client represents that the Plan's sponsor and trustees have read this Agreement and have determined that Advisor fees are reasonable in light of the services contemplated by this Agreement. Client agrees to provide Advisor with accurate and timely information on all Plan matters essential to the performance of Advisor duties under this Agreement. Client acknowledges that Advisor shall not incur any liability in connection with any action that it takes (or does not take) at the written direction of the Plan's authorized representatives or their agents or in reliance upon any written information supplied by any of such persons, in each case expecting any damage or loss arising solely from Advisors breach of its fiduciary duty under this Agreement, negligence, willful misconduct or bad faith. The federal and state securities laws impose liabilities under certain circumstances on persons who act in good faith, and therefore nothing in this Agreement with waive or limit any rights that the Client may have under those laws.

**17. Other Advisory Activities.** Advisor provides advice and manages accounts for many types of clients and also conducts a broad range of other advisory and brokerage activities. The advice given to, or action taken for, any other clients or accounts, including Advisor's own accounts or the accounts of affiliates or related persons, may differ from the advisory services provided or action taken for Client's Account. Advisor is not obligated to recommend to Client any investment that may be recommended to, or bought or sold for, any other clients or accounts, including Advisor's own accounts or those of affiliates or related persons.

**18. Tax and Legal Compliance.** Client may have an economic and taxable gain or loss when securities are sold or redeemed. In the case of a tax-advantaged retirement account, distributions may be taxable as ordinary income. Except where Advisor or its affiliates are serving as trustee, Client is responsible for all tax liabilities arising from transactions in Client Account, for the adequacy and accuracy of any positions taken on Client tax returns, for the actual filing of Client tax returns and the remittance of tax payments to taxing authorities. Client acknowledges that Advisor does not provide

legal advice or prepare legal documents. It is further understood by Client that Advisor does not prepare or amend tax returns of any kind including income, gift or estate tax returns. Client acknowledges it is the Client's responsibility to consult with other Advisors such as an attorney or CPA for such services.

**19. Consent to Electronic Delivery of Documents.** Client hereby acknowledges and agrees to Advisor delivering communications and documents ("Client Communications") by electronic means rather than traditional mailing of paper copies. By consenting to electronic delivery of Client Communications, Client authorizes Advisor to deliver Client Communications by email at the email address specified by Client, and through reporting systems provided to Client by Advisor. Client acknowledges possessing the technical ability and resources to receive electronic delivery of documents. Client further consents that Advisor may provide in any electronic medium (including email) any disclosure or document that is required by applicable securities laws to be provided by Advisor. Client agrees to contact Advisor should there be a discrepancy as to the contents therein. The consent granted herein will last until revoked in writing and signed by Client. Client agrees to hold Advisor free from any damages related to or arising from the delivery of Client Communications via email.

**20. Proxy Voting.** Advisor does not exercise proxy voting authority over securities held in Client's Account. Client retains proxy voting authority over securities held in Client's Account, and will be responsible for all voting decisions or other actions solicited through issuer-related communications, including directions regarding proxies, tender offers, proposed mergers, rights offerings and exchange offers.

**21. Other Legal Actions.** Client agrees that Advisor 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. Client hereby expressly retains the right and obligation to take such legal action relating to any such investments held in the Account.

**22. Meetings.** Regular (approximately annual) meetings to review Client accounts and current circumstances will take place at Advisor's offices, or via videoconference. Occasionally, Advisor's principals may travel to a Client's location and may arrange a meeting there with Client; however, Advisor is under no obligation to undertake such meetings. Clients who reside outside of Houston should contact Advisor in advance of travel to Houston to schedule meetings in person.

**23. Fees.** Client will pay Advisor a quarterly advisory fee based on an annualized percentage of the market value of assets on which the fee is calculated. A \$2000 minimum annual fee applies. Advisor's fees are calculated according to an asset-based fee that aggregates the Client's portfolio valuation (i.e., Client Accounts) and applies a sliding scale for fee determination as follows:

<b>Breakpoint</b>	<b>Fee basis (annual)</b>
\$1 million and less	0.75%
\$1 million - \$3 million	0.70%
\$3 million - \$5 million	0.60%
\$5 million - \$8 million	0.50%
\$8 million - \$20 million	0.40%
\$20 million - \$100 million	0.30%
\$100 million +	0.20%

Asset market values and the associated fee are calculated at the beginning of each quarter based on the Accounts' beginning balances, and are paid in advance. Advisor reserves the right but not the obligation to offer a professional courtesy fee discount based on specific conditions or circumstances such as: Client ability and willingness to refer others; Client tenure; Client grant of discretion; Client participation in Annual Performance Survey; Client attendance at Annual Conference. Advisor also reserves the right but not the obligation to offer discounts based on general economic or market conditions. All fees are subject to change.

The advisory fee covers Advisor's ongoing management of Client Account assets. The fee does not cover Custodian charges, which may vary; underlying fees and expenses charged by funds and investment companies in which Client Account may be invested; commission costs for trades; partial or full costs of additional required data systems or services; direct out-of-pocket expenses incurred by Advisor on behalf of Client such as express mail service, fund wires, re-registration fees, notary services, travel costs, special reports, mailings, data feeds, account aggregation systems, software, or any such expenses incurred on Client's behalf by Advisor, brokerage firms, transfer agents, banks, etc.

**24. Payment.** Advisor and Client will determine to which Client Accounts fees will be allocated and in what proportion. Client authorizes Advisor to receive fee payments directly from Client's account, and if necessary to liquidate securities at Advisor's discretion to pay fees. Client will receive a quarterly billing statement.

**25. Additional Services.** Additional services not specified in "Advisor Services" and performed by Advisor for Client will be charged on either an hourly or project rate. Advisor will notify Client prior to performing such services that additional charges will apply.

**26. General Provision.** The Agreement is governed by the laws of the State of Texas. Should any section, paragraph or provision of the Agreement prove invalid or unenforceable, this will not affect the balance of the Agreement. The Agreement, plus any addendum attached and initialed, constitutes the entire Agreement between Advisor and Client, and supersedes all prior written or oral negotiations and agreements, or representations with respect to the subject matter hereof. Each party acknowledges that no representation, inducement or condition not set forth herein has been made or relied upon by either party. This Agreement may only be amended, revised, or modified with Advisor's written consent. Advisor 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 thirty (30) days after Advisor has notified the Client in writing of any change or such later date as is established by Advisor.

**27. Term of Agreement.** The Agreement term shall commence on date of signing and run for a period of one year. On the anniversary of the Agreement, the Agreement shall be automatically renewed for one (1) year terms.

**28. Dispute Resolution.** If a dispute arises which is in any way related to this Agreement or any other agreement between Advisor and Client ("Parties"), and the dispute cannot be resolved by negotiation, the Parties agree to try in good faith to resolve the dispute in a mediation administered by the American Arbitration Association before resorting to arbitration. The Parties agree that any dispute or controversy between them that is in any way related to this Agreement or any other agreement between them that cannot be resolved through negotiation and/or mediation shall then be resolved through arbitration. Either mediation or arbitration shall be conducted in Houston, Texas. The prevailing Party shall be entitled to reasonable attorneys' fees, costs and expenses. Either Party may commence arbitration proceedings after giving the other Party notice thereof and proceeding thereafter under the Securities Arbitration Rules of the American Arbitration Association then in effect. The arbitration panel shall consist of at least three individuals, with at least one panelist having knowledge of investment advisory practices. The Parties agree that the award of the arbitrators will be final and binding, and judgment upon the award rendered may be entered into any court, state or federal, having jurisdiction. In agreeing to arbitration, Client understands: (a) the Parties are waiving their right to seek remedies in court, including the right to jury trial, except to the extent such a waiver would violate applicable law; (b) pre-arbitration discovery is generally more limited than, and different from, court proceedings; (c) the arbitrators' award is not required to include findings of fact or legal reasoning and any Party's right to appeal or to seek modification of rulings by the arbitrators is strictly limited. This pre-dispute arbitration agreement shall survive the termination of this Agreement.

This agreement to arbitrate does not entitle the 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 of this agreement may assert the limitations as a bar to the arbitration by applying to any court of competent jurisdiction, and the 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.

**29. Waiver.** No failure by Advisor to exercise any right, power, or privilege that Advisor may have under this Agreement shall operate as a waiver thereof. Further, no waiver of any deviation from, or breach of, this Agreement by Client shall be deemed to be a waiver of any subsequent deviation or breach.

**30. Assignment.** Neither party may assign the Agreement without the other party's consent. Both parties acknowledge and agree that transactions that do not result in a change of actual control or management shall not be considered an assignment. Advisor may maintain contingent Succession Agreements with other firms under which they may assume responsibility for New Capital's clients and their accounts in the event of the death or disability of New Capital's principal(s). Client shall execute a separate Consent to Assignment of this Agreement for the purpose of including Client in any such contingent Succession Agreements.

**31. Change in Partnership.** Advisor will notify Client of any change in the membership of its partnership within a reasonable period of time, not to exceed one month, after such change.

**32. Termination.** Either party may terminate this Agreement at any time upon written notification by the other at the address of record of Advisor or Client. If Client cancels the Agreement within five (5) business days of acceptance, Client will receive a full refund of any fees paid. Thereafter, refunds will be pro-rated based on the date written notice of termination is received. Upon suspension or termination of this Agreement, Advisor will discontinue management of Client Account and Advisor will have no obligation to recommend or take any action with regard to the securities, cash or other investments in the Account. Any Client Account encoded with Advisor's Custodian Code will become a self-directed brokerage account over which Client will have exclusive control and responsibility, subject to the terms and conditions of Custodian. Termination of this Agreement will not affect (a) the validity of any action previously taken by Advisor under this Agreement; (b) liabilities or obligations of the parties from transactions initiated before termination of this Agreement; or (c) Client's obligation to pay advisor fees (prorated through the date of termination).

**33. Section or Paragraph Headings.** Section headings herein have been inserted for reference only and shall not be deemed to limit or otherwise affect, in any matter, or be deemed to interpret in whole or in part any of the terms or provisions of this Agreement.

**34. Signature Authorizations and Instructions**

THIS CONTRACT CONTAINS A BINDING ARBITRATION PROVISION THAT MAY BE ENFORCED BY THE PARTIES.

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. The execution of this Agreement may be by actual or facsimile signature. Client acknowledges that the Agreement has been read, understood and agreed to as evidenced by the Client signature(s) below:

X \_\_\_\_\_ Date: \_\_\_\_ / \_\_\_\_ / \_\_\_\_ X \_\_\_\_\_ Date: \_\_\_\_ / \_\_\_\_ / \_\_\_\_  
**Client** **Advisor**

X \_\_\_\_\_ Date: \_\_\_\_ / \_\_\_\_ / \_\_\_\_  
**Client**

# NEW CAPITAL

## Our Privacy Policy

In providing financial services and products to you, New Capital Management collects certain non-public personal information about you. Our policy is to strictly safeguard and keep confidential this information, and to use or disclose it only as necessary to provide our services or products to you, or as permitted or required by law. Our privacy policy applies equally to our clients, prospective clients, and former clients. Your privacy, our professional ethics, and the ability to provide you with quality financial services are all vitally important to us.

**INFORMATION WE COLLECT.** “Nonpublic personal information” is personally identifiable financial information about you as an individual or your family that is provided to us by you or obtained by us with your authorization. The nonpublic personal information we collect includes the information you give us when you first meet with us or open an account with us, and includes information such as your name, address, telephone number, your employment, family, and personal financial situation, your financial details, your background and personal history, and your investment objectives. We also have information about your investment account assets and transactions, including your holdings and transactions in fund shares, the brokerage and custodial arrangements for your account, and your relationship with New Capital Management.

**INFORMATION WE DISCLOSE.** We do not disclose any non-public personal information obtained in the course of our practice except as required or permitted by law (for example, by our primary regulator the US Securities & Exchange Commission). Permitted disclosures also include providing information to our staff, and in limited situations, to unrelated third parties who need to know that information to assist us in providing services to you (for example, an estate attorney or insurance agent working on your behalf). Permitted disclosures also include our data entry and data transfers into third party systems for the fulfillment of our services including but not limited to client relationship management systems, portfolio analytics systems, data aggregation systems, financial planning systems, and investment policy statement generation systems. In all such situations, we stress the confidential nature of information being shared and rely on service providers whom we believe to be qualified based on our knowledge of them.

**HOW WE SAFEGUARD YOUR INFORMATION.** We retain records relating to professional services that we provide so that we are better able to assist you with your professional needs and, in some cases, to comply with professional guidelines. We limit access to your nonpublic personal information to those persons who need to know it or who are permitted by law to receive it. In order to guard your nonpublic personal information, we maintain physical, electronic, and procedural safeguards that comply with our professional standards.

**WHEN WE WILL NOTIFY YOU.** If you are a current client, we will provide an annual Privacy Policy notice to you. If you no longer have a client relationship with us, we will continue to follow our Privacy Policy and practices, but you will not receive future notices from us.

**CHANGE IN PRIVACY POLICY.** We reserve the right to modify or supplement our Privacy Policy at any time. If we make material changes, we will provide current clients with a revised notice that describes our new practices.

If you have any questions regarding our Privacy Policy, please contact our office:

4119 Montrose Blvd., Suite 400, Houston, TX 77006  
Phone (800) 724-9866 Fax (888) 220-8580