



MONTGOMERY INVESTMENT MANAGEMENT, INC.

Customer Agreement for U.S. Citizens

Montgomery Investment Management, Inc. ("MIM") and _____

the accounts listed above ("Client") enter into this Investment Advisory Contract (Agreement") with the following terms and conditions:

1. Client confirms MIM has furnished Client with a description of services to be provided, as well as information required by the Securities and Exchange Commission including, but not limited to: MIM's Brochure/ADVII, Privacy Policy, and any such other information as you have reasonably requested. MIM also mails on an annual basis, its current ADVII/Brochure to all existing Clients.
2. This Agreement may be terminated by Client at any time upon written notice, or by us upon fifteen (15) days written notice. Client may also terminate this Agreement within five (5) days of original acceptance with no penalties or charges.
3. Annual Fees for our management services are based upon a percentage of assets in the portfolio. The fees will be charges in quarterly installments against the cash value in the account (fee schedule pg. 2). Each quarterly fee will be based on our written valuation prepared at the time the Agreement is ratified and on a calendar quarter thereafter. If this Agreement is terminated during a quarter for which fees have been paid, a prorated portion of the fee will be refunded. All fees are subject to change with thirty days written notice. In the event an authorized Solicitor for MIM receives compensation related to Client's account, Client will receive a *Client Disclosure Notice* of such payment prior to opening the account.
4. If Client is an individual, Client represents that he or she is of the age of majority. If Client is a corporation, partnership or limited liability company, the person signing this Agreement for the Client represents he or she has been authorized to do so by appropriate action. If this Agreement is entered into by a trustee or other fiduciary, the trustee or fiduciary represents that Advisor's investment management strategies, allocation procedures, and investment advisory services are authorized under the applicable plan, trust, or law and the person signing this Agreement has the authority to negotiate and enter into this Agreement. Client will inform Advisor of any event that might affect this authority or the propriety of this Agreement. 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 MIM.
5. This Agreement will bind and be for the benefit of the parties to the Agreement and their successor and permitted assigns, except that this Agreement may not be assigned (within the meaning of the Advisors Act or applicable state securities laws) by either party without the consent of the other party. This Agreement will be governed by and construed in accordance with the laws of the State of Maryland, provided that nothing in this Agreement will be construed in any manner inconsistent with the Advisors Act, any rule or order of the Securities and Exchange Commission under the Advisors Act, and, if applicable, ERISA and any rule or order of the Dept. of Labor under ERISA. In the case of an account governed by the **Employee Retirement Income Security Act of 1974** as amended, MIM represents it is duly registered as an investment advisor with the SEC pursuant to the Investment Advisors Act of 1940, as amended, and acknowledges it is a Fiduciary with respect to Client under the Employee Retirement Income Security Act of 1974, as amended. Client represents that MIM has been furnished true and complete copies of all documents establishing and governing the ERISA plan and evidencing Client's authority to retain MIM. Client will promptly furnish to MIM any amendments to the plan, and Client agrees that, if any amendment affects the rights or obligations of MIM, such amendment will be binding on MIM only when agreed to in writing by MIM. If the ERISA account contains only a part of the assets of the plan, Client understands that MIM will have no responsibility or liability for Client assets that are not in the MIM account.
- 6.. It is understood MIM shall act in good faith and shall not be liable for any loss incurred in connection with recommendations or investments made or other action taken on behalf of the Client due to errors of judgment or by reason of its advice, including action taken or omitted prior to a written notice of termination. MIM shall not be excluded from the liability for losses occasioned by reason of its willful misfeasance, bad faith, or negligence in the performance of its duties, or by reason of its reckless disregard of its obligations and duties hereunder; provided however, that nothing in this Agreement shall constitute a waiver or limitation of any rights that Client may have under applicable federal or state law. MIM shall not be responsible for any loss incurred by reason of any act or omission of Client, a custodian, or any broker-dealer.

7. Arbitration. In the event of any dispute concerning or arising out of this Agreement, such dispute must be submitted by the parties to arbitration. Arbitration proceedings may be commenced by either party after giving the other party notice thereof, and proceeding thereafter in accordance with the commercial arbitration rules of the American Arbitration Association. Any such arbitration will be governed by and subject to the applicable substantive laws of the State of Maryland, and the then prevailing rules of the American Arbitration Association. The arbitrator's award in any such arbitration will be final and binding, and judgment upon such award may be enforced by any court of competent jurisdiction.

8. Discretion/Non-Discretion Election:

I elect to maintain a **NON-DISCRETIONARY** account(s) with Montgomery Investment Management.

I elect to maintain a **DISCRETIONARY** account(s) with Montgomery Investment Management, Inc. and authorize and confirm the following **Limited Power of Attorney for Discretionary Accounts**

I hereby authorize and empower *Montgomery Investment Management, Inc.*, to trade with the firm of my choice, in my name, on my behalf and for my account(s) risk, and to that end, to buy, sell, exchange and otherwise deal in any and all kinds of stocks, bonds, securities, rights with respect to securities, covered options and limited partnership investments. Notwithstanding the foregoing, no officer, employee or other representative of Montgomery Investment Management, Inc. shall have the power to trade, buy, sell, exchange, hold, or otherwise deal in or vote, in my name, on my behalf or relating to my account, any securities of a company of which such officer, employee or representative is an officer, director or employee. I hereby ratify and confirm any and all action of any kind herein authorized, which may have been heretofore taken by Montgomery Investment Management, Inc. The authority hereby given shall remain in full force and effect until you shall receive written notice from me of its revocation. If client listed multiple accounts, check here if DISCRETIONARY authority applies to all accounts listed

9. Fees: Annual fees are based on the portfolio asset value, and charged to the account on a quarterly basis, in advance, for all non-institutional accounts. These fees cover both Discretionary and Non-Discretionary accounts. Payment authorization is located on page 3.

| <u>U.S. Client Annual Fee Schedule</u> | | |
|---|----------|-------------------------------------|
| 1.20% | On First | \$ 500,000.00 |
| 0.6% | On next | \$ 1,500,000.00 |
| 0.5% | On next | \$ 3,000,000.00 |
| 0.4% | On next | \$ 15,000,000.00 |
| Negotiable | Above | \$ 20,000,000.00 (or Institutional) |
| Minimum annual fee..... \$3,600.00 | | |
| **All fees are subject to change** | | |

10. Proxies: Montgomery Investment Management, Inc. shall vote proxies for securities held in **Discretionary accounts** unless you notify us, in writing, that the power and authority to vote those proxies has been reserved for another person. If MIM receives such notice from you, MIM will arrange to have proxies for securities held in your account forwarded to you or such other person as you direct.

I DO NOT authorize MIM to vote proxies for my **DISCRETIONARY** account. I request my proxy materials be directed to:

_____ .
List name & address

I've elected a **NON DISCRETIONARY** account, but request proxy voting to be executed and voted by MIM for my account(s).

Upon Client request, MIM will provide the firm's Proxy Voting Policy, and if applicable, information concerning the voting of shares held in the client's account.

11. Duplicate Statements: Authorization is given to mail ALL DECEMBER ONLY duplicate statements to:

Please indicate whom you wish to use as your Broker/Dealer to handle purchase and sell transactions:

Account Executive: _____

Please indicate whom you wish to use as Custodian for your account: _____

To My Appointed Custodian:

I am authorizing and direct my accounts under the management of my advisor, Montgomery Investment Management, Inc. utilize "SELECT LOT METHOD" to comply with Cost Basis regulations, and I /we give Montgomery Investment Management authority to execute trades identifying which lots are to be selected on any given sale transaction.

My/Our signature below authorizes & instructs my/our custodian to issue payment for fees from my/our account balance upon receipt of Montgomery's quarterly invoice. This Agreement confirms my/our authorization to issue payment to Montgomery Investment Management, Inc. for advisory fees in the following manner:

| | |
|---------------------|---------------------------------|
| Account name: _____ | Charge Fees to Account #: _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |

Invoicing is on a quarterly basis with payments sent to: **Montgomery Investment Management, Inc.
6550 Rock Spring Drive Suite 600A
Bethesda, MD 20817**

If this authorization is to be revoked, advance written notice must be provided. Only with written requests from clients will invoices be sent to clients in order to have payments sent directly to MIM.

NOTE: Montgomery urges our clients to read and regularly compare statements they receive from their custodian with the monthly statements they receive from MIM. Any unexplained variations should be questioned and discussed with a member of Montgomery's management staff. Immediately notify MIM management in the event you do not receive monthly statements from your custodian or from MIM. Client is responsible for providing 'cost basis' information for positions transferred into a Montgomery account.

Please sign this Agreement indicating your acceptance of these conditions, and return it to us at your earliest convenience. A completed and signed copy will be provided to you for your records.

| | | | |
|------------------------|------------|--|------------|
| Client Signature _____ | Date _____ | Client Signature (if applicable) _____ | Date _____ |
|------------------------|------------|--|------------|

| | |
|--------------------|--------------------|
| Printed Name _____ | Printed Name _____ |
|--------------------|--------------------|

Mailing Address: _____

Residential Address(if different from above) _____

Wk ph # _____ Hm ph # _____ E-mail _____

Tax ID# 1 _____ Tax ID #2 _____ Birthdate(s) _____

Objectives/NOTES: _____