

(iii) to pay bills and fees of third parties, on behalf of the Client, for goods or services which the Client has received or authorized.

ARTICLE TWO: TERMS AND CONDITIONS

A. *Independent Contractor.* The Manager shall be an independent contractor and not an agent or employee of the Client, and the Manager shall have no authority to act for, represent, bind or obligate the Client except as specifically provided herein.

B. *Compliance with Law.* All investments of the Client shall conform to, and be in accordance with, the requirements imposed by any provisions and applicable law.

C. *Compensation.* The Client shall pay the Manager as full compensation for the services performed hereunder an annual fee based on the Manager's fee schedule in effect from time to time. The Client hereby acknowledges receipt of the Manager's fee schedule in effect on the date hereof (a copy of which is attached as Schedule B), and agrees that such compensation may be deducted directly from the Fund by the Manager and paid when due.

D. *Reports.* The Manager will report to the Client from time to time with respect to transactions in, and valuation of, the Fund. If within 30 days from the sending of such report the Client does not notify the Manager of any objections thereto, such report shall be deemed approved by the Client.

E. *Liability.* The Manager shall not be liable for any error of judgment or for any loss suffered by the Client in connection with the subject matter of this Agreement, except loss resulting from willful misfeasance, bad faith or gross negligence in the performance of the Manager's obligations and duties, or by reason of the Manager's reckless disregard of its obligation and duties hereunder. The Manager shall not be liable for the acts or omissions of any bank, trust company, broker or other person with whom or into whose hands any assets of the Fund may be deposited or come, pursuant to the provisions of this Agreement, nor shall it be liable for any defects in title of any property acquired.

F. *Term.* This Agreement shall continue in effect for one year from its effective date and shall thereafter be automatically renewed for successive one-year periods, unless terminated by either party upon thirty days written notice.

G. *Amendment; assignment.* This Agreement shall not be amended or modified, except in writing signed by both parties, nor assigned by either party without the consent of the other party.

H. *Notices.* All notices and instructions to the Manager shall not be effective until actually received by the Manager.