



**MASTER BEST INTEREST CONTRACT SUPPLEMENT FOR
INVESTMENT RECOMMENDATIONS CONCERNING
INDIVIDUAL RETIREMENT ACCOUNTS AND SIMILAR
ARRANGEMENTS NOT SUBJECT TO TITLE I OF ERISA**

Name of retirement investor:

Email address of retirement investor:

Client account number(s):

Type of account:

- IRA
- Roth IRA
- Archer Medical Savings Account

Advisor name:

Effective date: This Agreement is effective:

_____, _____ 20_____

This Best Interest Contract (“BIC”) supplements the terms and conditions of the agreement(s) we have entered into with you in connection with the above referenced account(s) (“Account”) including, without limitation, any insurance or annuity contract or application, account opening agreement, investment program agreement or similar document. This BIC is entered into by you in connection with investment advice provided to you in connection with your IRA, Roth IRA, Archer Medical Savings Account, or plan described in Section 4975(e)(1)(A) of the Internal Revenue Code (the “Code”), or your status as a Retail Fiduciary of a plan described in Section 4975(e)(1)(A) of the Code or an IRA.

References in this BIC to “you” refer to the individual Retirement Investor whose name appears above, references to “us” or “we” refer to World Capital Brokerage, Inc. and Investment Research Corporation D.B.A. World Capital Brokerage Advisory Services (together the “Financial Institution”) and references to your “Advisor” refers to the individual Advisor whose name appears above, and any other Advisor who we may from time to time assign or assist you with your Account. Capitalized terms contained in this BIC shall have the meanings assigned in Section 20 except where otherwise defined.

This BIC includes a “best interest” promise and other statements that are required by the U.S. Department of Labor’s Best Interest Contract Exemption, 81 Fed. Reg. 21002 (April 8, 2016). That exemption permits your Advisor, us, our Affiliates and Related Entities to receive compensation and fees for services in connection with recommendations that we or your Advisor may from time to time make to

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you concerning the purchase, sale or holding of investments for your Account, including any related rollover or distribution recommendations, recommendations on investment policies or strategies, portfolio composition, the selection of other persons to provide investment advice or investment management services, or the selection of investment account arrangements (e.g., brokerage or advisory), without violating the prohibited transaction provisions under the Internal Revenue Code (the “Code”) that might otherwise apply.

After you sign and return this BIC to us, we will maintain a copy of it in our files. You may request a copy of it, which will be mailed to you free of charge, by calling 888-742-0631. This BIC will be available to you for the duration of your Account relationship with us and for six years thereafter. The only parties to this BIC are you and us. No one other than you is entitled to the protections of this BIC.

This BIC is made effective as of the “Effective Date” first referenced above but shall apply retroactively to any Account-related investment recommendations described in Section 3 that we or your Advisor may have provided on or after January 1, 2018 by prior to the Effective Date. In no event will this BIC apply to investment recommendations we or your Advisor may have provided prior to January 1, 2018.

1. Fiduciary Acknowledgement and Statement of Impartial Conduct Standards

We and your Advisor act as “fiduciaries” under the Code with respect to any investment advice we or your Advisor provide in connection with your Account and its holdings. When providing any such fiduciary advice to you, we and your Advisor will adhere to the standards of care described below (the “Impartial Conduct Standards”) –

1. When providing investment advice to you, we and your Advisor provide investment advice that is, at the time of the recommendation, in your “Best Interest.” Advice meeting the “Best Interest” standard is advice that reflects the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims, based on your investment objectives, risk tolerance, financial circumstances, and needs, without regard to the financial or other interests of us or the Advisor or any Affiliate, Related Entity, or other party.
2. Transactions that we or your Advisor recommend will not cause us, your Advisor, or our Affiliates or Related Entities to receive, directly or indirectly, compensation and fees for their services that is in excess of reasonable compensation and fees within the meaning of Code Section 4975(d)(2).
3. Statements by us and your Advisor to you about transactions subject to this BIC, fees and compensation, Material Conflicts of Interest, as defined and described in an appendix to this BIC, and any other matters relevant to your investment decisions, will not be materially misleading at the time they are made.

With respect to investment recommendations provided by your Advisor, the “Best Interest” standard referenced in Subsection (i) above shall be deemed to have been satisfied where the warranties described in Section 2 are met; the disclosures described in Sections 3 and 4 have been provided, and the investment recommendations your Advisor provides in connection with your Account reflects the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims, based on your investment objectives, risk tolerance, financial circumstances, and needs, and is not based on the financial or other interests of the Advisor or on the Advisor’s consideration of any factors or interests other than your investment objectives, risk tolerance, financial circumstances and needs.



2. Warranties

We warrant to you that –

- i. We have adopted and will comply with written policies and procedures reasonably and prudently designed to ensure that your Advisor adheres to the Impartial Conduct Standards.
- ii. In formulating our policies and procedures described above, we have specifically identified and documented Material Conflicts of Interest; adopted measures reasonably and prudently designed to prevent Material Conflicts of Interest from causing violations of the Impartial Conduct Standards and have designated a person or persons by name, title or function who are responsible for addressing Material Conflicts of Interest and for monitoring your Advisor's adherence to the Impartial Conduct Standards.
- iii. Our policies and procedures require that neither we nor (to the best of our knowledge) any Affiliate or Related Entity use or rely upon quotas, appraisals, performance or personnel actions, bonuses, contests, special awards, differential compensation or other actions or incentives that are intended or would reasonably be expected to cause the Advisor to make recommendations that are not in your "Best Interest"¹.

3. Services Provided Subject to This BIC

We and your Advisor will from time to time provide recommendations to you for your Account concerning one or more of the following matters:

- i. The purchase, sale, exchange or holding of investments for your Account;
 - ii. Rollovers, distributions or transfers from your Account;
 - iii. Investment policies, strategies or portfolio composition;
 - iv. Other persons to provide investment advisory or investment management services;
 - v. The selection of investment account arrangements (e.g., brokerage or advisory account arrangements).
- For the avoidance of doubt, only recommendations that constitute investment advice under regulations issued by the U.S. Department of Labor at 29 C.F.R. §2510.3-21(a) shall be treated as services under this Section 3.

4. Disclosures You Are Entitled To

- i. We and your Advisor will receive compensation and fees in connection with the investment recommendations we provide to you if you choose to engage in the recommended transactions.
- ii. You will pay for the services we and your Advisor provide through the sales commissions and other Third Party Payments that we receive. When you transact on the basis of the investment recommendations we or your Advisor make to you, you will effectively be paying us indirectly through those sales commissions and other Third Party Payments.
- iii. We and your Advisor have Material Conflicts of Interest when we make investment recommendations to you. A description of these Material Conflicts of Interest is attached as Appendix A to this BIC.

¹ This warranty does not prevent us, our Affiliates or Related Entities from providing your Advisor with differential compensation (whether in type or amount, and including, but not limited to, commissions) based on the amount of assets under management or on investment decisions you make to the extent that our policies and procedures, when viewed as a whole, are reasonably and prudently designed to avoid a misalignment of the interests of your Advisor and your interests. Such compensation practices can include differential compensation based on neutral factors tied to differences in the services delivered to you with respect to different types of investments, as opposed to differences in the amounts of Third Party Payments that we receive in connection with particular investment recommendations so long as such practices are not intended and would not reasonably be expected to cause your Advisor to make imprudent recommendations, to subordinate your interests to the Advisor's own interests, or to make recommendations based on the Advisor's consideration of factors or interests other than your investment objectives, risk tolerance, financial circumstances, and needs.



are entitled to rely in good faith on information and other assurances we receive from such other entities so long as we and your Advisor are unaware of any inaccuracies in or incompleteness of such materials.

7. Exclusions

This BIC applies only to the recommendations described in Section 3 that we and your Advisor provide to you from time to time concerning your Account. The terms of this BIC do not apply to any of the following:

- i. Any other assets held by you or on your behalf other than the assets under the Account(s) indicated above,
- ii. Any assets held in your Account as to which neither we nor your Advisor has rendered a purchase, sale or hold recommendation,
- iii. Any assets for which we notify you that we will not provide any recommendations and that we hold merely as an accommodation to you at your direction, or
- iv. Any other services, such as consulting, administrative or any other services other than investment purchase, sale or holding recommendations that we or your Advisor may provide to you.

8. Limitation of Liability

Notwithstanding anything to the contrary in this Agreement or any of the other documents and instruments governing your relationship with us or your Advisor, we do not disclaim or otherwise limit our or any Advisor's liability for a violation of the terms of Section 1 or Section 2.

Neither we nor your Advisor will have any liability for any losses, costs, expenses, fees, taxes, or penalties whatsoever arising by reason of:

- i. The Advisor's or our reliance on any information you provide to us concerning your investment objectives, risk tolerance or financial circumstances,
- ii. Any breach of law caused by the Retirement Investor, or
- iii. Any breach of law caused by any other fiduciary with respect to the Account.

You knowingly agree to waive any rights you may otherwise have to obtain punitive damages or rescission of recommended transactions to the extent such a waiver is permitted under applicable state or federal law.

9. Dispute Resolution; Arbitration

Subject to the provisions of this Section, we agree that we will not require you to arbitrate or mediate individual claims in venues that are distant or that otherwise unreasonably limit your ability to assert claims regarding this BIC; provided however, that to the extent that such agreement does not violate the preceding sentence, you agree to arbitrate or mediate all individual claims in connection with this BIC in Denver, Colorado.

If the provision on pre-dispute arbitration agreements for class representative claims of the Best Interest Contract Exemption (Best Interest Contract Exemption, Section 11(f)(2), 81 Fed. Reg. 21002, 21078 (Apr. 8, 2016)) is ruled invalid by a court of competent jurisdiction, you agree to arbitrate all claims in connection with this BIC within such ruling court's jurisdiction unless or until the court's decision is reversed.

All parties to this agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.

Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.

The ability of the parties to obtain documents, witness statements, and other discovery is generally more limited in arbitration than in court proceedings.

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The arbitrators do not have to explain the reason(s) for their award, unless, in an eligible case, a joint request for an explained decision has been submitted by all parties to the panel at least 20 days prior to the first scheduled hearing date.

The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.

The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.

The rules of the arbitration forum in which the claim is filed. And any amendments thereto, shall be incorporated into this agreement.

Any controversy between you or Pershing and the Financial Institution shall be submitted to arbitration before and only before the Financial Industry Regulatory Authority. No person shall bring punitive or certified class action to arbitration, nor seek to enforce any predispute 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; (ii) the class is decertified; or (iii) the customer is excluded from 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.

10. Notice

All notices, disclosures, instructions and other communications with respect to any matters contemplated by this BIC will be deemed duly given when delivered to the respective parties as follows:

- To the Financial Institution: World Capital Brokerage, Inc. or
Investment Research Corporation
- To the Retirement Investor: pblum@worldcapitalbrokerage.com

Any such notice will be effective (a) if sent by first class, certified, or registered U.S. mail or by courier service, when actually received; (b) if delivered by email, telecopier or other facsimile transmission, on the date sent, (c) if delivered by hand, on the date so delivered. The address or addressee to receive notice for any party may be changed by such party from time to time by giving notice in the foregoing manner. Any notice required under this BIC may be waived only in a writing signed by the person entitled to notice.

11. No Tax or Legal Advice

Any investment recommendations that we or your Advisor provide to you in connection with your Account should not be considered tax or legal advice to you or to the Account. You should engage a tax or legal advisor who can provide tax or legal advice based on the particular facts and circumstances at issue.

12. Amendment

This BIC may be amended by a written notice by us to you to the extent permitted by law.

13. Assignment

Neither party may assign this BIC, in whole or in part, nor delegate all or part of the performance of duties required of it by this BIC without the written consent of each other party, and any attempted assignment or delegation without such consent shall be void. For this purpose, the term "assignment" has the same meaning as under the Investment Advisers Act of 1940.



14. Choice of Law

The parties agree that this BIC will be governed and interpreted according to the laws of Colorado, without regard to choice or conflict of laws provisions, except to the extent preempted by the Employee Retirement Income Security Act of 1974, as amended (“ERISA”).

15. Counterparts

This BIC may be executed in any number of separate counterparts, each of which will be deemed an original, but the several counterparts will together constitute but one and the same agreement of the parties hereto.

16. Severability

Any term or provision of this BIC which is invalid or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms or provisions of this BIC or affecting the validity or enforceability of any of the terms or provisions of this BIC in any other jurisdiction. This BIC shall not apply and shall not be enforceable during any period that the U.S. Department of Labor’s Definition of the Term “Fiduciary” Final Rule, 81 Fed. Reg. 20946 (April 8, 2016), ceases to be in effect.

17. Waiver

Failure by any party at any time to require full performance by another party or to claim a breach of any term of this BIC will not be (a) construed as a waiver of any right under this BIC, (b) affect any subsequent breach, or (c) affect the validity of this BIC or any part thereof.

18. Retirement Investor Representation

You represent and warrant that you are legally authorized to enter into this BIC on behalf of the Account. During the term of this BIC, you agree that you will comply with all applicable law.

19. Force Majeure

Each party will be excused from any failure or delay of performance caused by the occurrence of any contingency beyond the control of the parties including, but not limited to, work stoppages, fires, civil disobedience, riots, rebellions, accident, explosion, flood, storm, terrorist attacks, acts of God and similar occurrences.

20. Definitions

The following capitalized terms shall have the meanings indicated when used in this BIC.

i. “Affiliate” of an Advisor or Financial Institution means:

- 1) Any person directly or indirectly through one or more intermediaries, controlling, controlled by, or under common control with the Advisor or Financial Institution. For this purpose, “control” means the power to exercise a controlling influence over the management or policies of a person other than an individual;
- 2) Any officer, director, partner, employee, or relative (as defined in ERISA Section 3(15)), member of family (as defined in Code Section 4975(e)(6)) of, or partner in, the Advisor or Financial Institution; and
- 3) Any corporation or partnership of which the Advisor or Financial Institution is an officer, director or partner.



ii. A “Material Conflict of Interest” exists when an Advisor or Financial Institution has a financial interest that a reasonable person would conclude could affect the exercise of its best judgment as a fiduciary in rendering advice to you.

iii. “Related Entity” means any entity other than an Affiliate in which the Advisor or Financial Institution has an interest which may affect the exercise of its best judgment as a fiduciary.

iv. “Retail Fiduciary” means a fiduciary of a Plan or individual retirement account (“IRA”) that is not described in Section (c)(1)(i) of the Regulation (29 CFR 2510.3-21(c)(1)(i)).

v. “Retirement Investor” means—

- 1) A participant or beneficiary of a Plan described in Section 4975(e)(1)(A) of the Code, with authority to direct the investment of assets in his or her Plan account or to take a distribution,
- 2) The beneficial owner of an IRA acting on behalf of the IRA, or
- 3) A Retail Fiduciary with respect to a Plan described in Section 4975(e)(1)(A) of the Code or IRA.

vi. “Proprietary Product” means a product that is managed, issued or sponsored by the Financial Institution or any of its Affiliates.

vii. “Third Party Payments” include sales charges when not paid directly by the Plan, participant or beneficiary account, or IRA; gross dealer concessions; revenue sharing payments; Rule 12b-1 fees; distribution, solicitation or referral fees; volume-based fees; fees for seminars and educational programs; and any other compensation, consideration or financial benefit provided to the Financial Institution or an Affiliate or Related Entity by a third party as a result of a transaction involving a Plan, participant or beneficiary account, or IRA.

In witness whereof, the parties hereto, through their duly authorized officers, have executed this BIC effective as of the day and year first set forth above.

Financial Institution

By: _____

Title: _____

Retirement Investor:

By: _____



WORLD CAPITAL
Brokerage, Inc.



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Appendix A

Description of Material Conflicts of Interest

Available upon Request

Appendix B

Fees and Charges Imposed Upon You or Your Account

Available upon Request

Appendix C

Third Party Compensation and Fees Received By Us and Your Advisor

Available upon Request