

LETTER OF INTENT

Andrew Godfrey
President & COO
Burnham Financial Group
1325 Avenue of the Americas, 26th Floor
New York, NY 10019

April 1, 2015

R. Hunter Biden
Chairman
Rosemont Seneca Advisors, RSP Investments
1010 Wisconsin, NW, Suite 705
Washington DC 20007

Dear Hunter:

The following Letter of Intent serves as a framework to add Rosemont Seneca Advisors and RSP Investments staff as employees of Burnham Asset Management or Burnham Securities and to convey the assets of RSA and RSPI to Burnham Financial. The assets of RSA will convey immediately and the assets and ownership of RSPI will convey after a one-to-two year transition period. All parties agree and acknowledge that subsequently a long-form Agreement will be executed between the parties sometime in April 2015.

The following considerations outline the proposed process and structure to accomplish this event.

1. REVENUE & CUSTOMER CONTRACTS

- a. RSA and RSPI and affiliates agree to assign all revenue from existing contracts to appropriate Burnham entities.
- b. As customer relationship renew in late 2015 and 2016, all renewal of contracts will be assigned to and/or executed directly with the appropriate Burnham entities.
- c. Develop a 2015 revenue forecast showing booked/contracted revenue and pending/identified revenue.
- d. Develop an opportunity pipeline within the Burnham platform for RSA and RSPI capabilities and develop an initial revenue forecast for 2015

2. OPERATING BUDGET/COSTS

- a. Develop a 2015 operating budget based upon the 2015 revenue forecast
- b. Identify operating cost synergies (10-15% as a target) by integrating with the Burnham platform (i.e., Health Insurance, communications, office space, etc.)

LETTER OF INTENT

3. COMPENSATION BUDGET/PLAN

- a. Develop employment agreements for new hires
 - i. 3 employees (Biden, Schwerin, & Peugh)
 - ii. Develop base/bonus structure for employees transitioning from RSA and affiliates
 1. Biden: base salary of \$800,000 plus customary Burnham benefits. Bonus is discretionary determined by the Burnham Operating Committee.
 - a. Biden to assume the title: Vice Chairman, Senior Managing Director
 2. Schwerin: base salary of \$250,000 plus customary Burnham benefits. Bonus is discretionary determined by the Burnham Operating Committee.
 - a. Schwerin to assume the title: Managing Director
 3. Peugh: base salary of \$150,000 plus customary Burnham benefits. Bonus is discretionary determined by the Burnham Operating Committee.
 - a. Peugh to assume the title: Associate
- b. Develop budget to support existing Burnham resources to support the execution of the scope of work transitioned
- c. Develop budget for new hires required to support the execution of the scope of work transitioned
- d. Burnham to assign a Controller/Financial Analyst to manage incoming cash from RSA accounts, expenses budgets associated with the scope of work transitioned and overall financial management of RSA affiliates
- e. All normal and customary business related expenses are reviewed as per Burnham Corporate Expense Policy

4. P&L

- a. Develop a Line of Business P&L
 - i. Investment Scenario - \$20k per month net loss for 12 months
 - ii. Baseline Scenario – Breakeven
 - iii. Plan Scenario – 10% EBITA/Gross Income
 - iv. Stretch Scenario – 20% EBITA/Gross Income
- b. The P&L will be monitored monthly and a formal checkpoint will be taken at the end of the 6th month to true up revenue to expenses including transitioned scopes of work as well as new business.

Biden agrees to backstop any losses beyond the \$20k per month for the first 12 months of the agreement. Losses are calculated cumulatively so that Biden only owes for any losses that are in excess of \$20k per month or \$120k on a cumulative basis. This \$120k is a draw against future earnings and will be credited to the RSA P&L.

5. PROFIT SHARE

LETTER OF INTENT

- a. 50% of net margin dollars go a Line of Business Bonus Pool
 - b. 50% of net margin dollars go to Burnham Financial
6. LONG TERM COMPENSATION
- a. Develop earned/buy-in equity plan for each employee – developed in concert with overall Burnham ESOP plan – TBD
7. ASSEST LIST
- a. RSPI Broker Dealer Entity (to be conveyed after an agreed upon transition period)
 - b. Office equipment
 - c. Office furniture
 - d. Other
8. TIMEINLINE
- a. Employment Agreements: complete 3/31
 - b. New Hire Start Date complete 4/15
 - c. P&L Development: complete 4/15
 - d. Operations/Staffing of transitioned scope of work, Controller assignment: Complete 5/1

Please review and let me know when you have time to discuss.

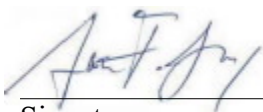
Sincerely,

Andrew Godfrey
President & COO

LETTER OF INTENT

AGREEMENT

For Burnham Financial:



Signature

Andrew Godfrey

Print Name

4/1/15

Date

For RSA and RSPI:



Signature

R. Hunter Biden

Print Name

4/1/15

Date