

**FINANCIAL PLANNING ASSOCIATES, INC. ENGAGEMENT AGREEMENT**

This agreement is entered into by and between

**FINANCIAL PLANNING ASSOCIATES, INC.  
300 OZARK TRAIL DRIVE, SUITE 215  
ELLISVILLE, MO 63011**

(Hereinafter referred to as the "Adviser" or "we" or "us")

and

Client Name _____	Co-Client Name _____
Date of Birth _____	Date of Birth _____
Phone _____	Phone _____
Email _____	Email _____
Job Title _____	Job Title _____
Employer _____	Employer _____
Household Address _____	
Household Net Worth _____	Household Annual Income _____
Investment Holding Period _____	Federal Income Tax Bracket _____ %

(Hereinafter referred to as the "Client", or "you").

The USA Patriot Act of 2001 requires that our clients provide copies of government issued photo IDs. Initial below to confirm that you have provided or will provide your ID(s) within five days.

Client Initial _____	Co-Client Initial _____
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The Client being duly authorized employs the Adviser for the following services:

**PERSONAL FINANCIAL PLANNING (PFP)**

- [ ] Hourly fee – \$250 per hour in one-hour increments. Estimated total amount payable in advance.
- [ ] Specific initial review fee of \$\_\_\_\_\_, payable in advance or in 12 equal monthly bank drafts of \$\_\_\_\_\_. Subsequent annual review fee (estimate) of \$\_\_\_\_\_, payable in advance or in 12 equal monthly bank drafts of \$\_\_\_\_\_.

**INVESTMENT MANAGEMENT (IM)**

- [ ] Less than or equal to 0.25% per quarter, minimum \$50. See attached schedule.

## I. PERSONAL FINANCIAL PLANNING (PFP)

The Client employs the Adviser as financial adviser to assist the Client in preparing a personal financial plan on the following terms and conditions:

1. **Services:** The Adviser agrees to appraise the Client's financial situation and make recommendations for the accomplishment of Client objectives. The financial analysis will consider one or more of the following elements: current position, cash flow, education funding, retirement planning, income tax planning, estate planning, risk management/insurance, and other specific financial concerns.
2. **Information:** The Client agrees to furnish the Adviser with all current information relative to the Client's financial situation and all investment recommendations shall be made in accordance therewith. The Client agrees to share equal responsibility with the Adviser in initiating and completing the annual review as discussed in paragraph 5.
3. **Procedures:** The Client shall always be at liberty to follow or disregard, wholly or partially, any information, recommendations or advice given by the Adviser. The Client shall make and be fully responsible for all decisions relating to the advice given. The Client is free to select any person, firm or company the Client desires for implementation of the ideas and recommendations made in the analysis.
4. **Fees:** The fee is based upon an hourly rate of \$250.00 for actual services performed. In most cases a specified annual fee may be substituted for the hourly fee, payable upon engagement. The Adviser will usually recommend that the Client engage the Adviser's investment management services, for which the Adviser will earn a fee, as discussed in section II, Investment Management.
5. **Annual Review:** It is important that the Client's financial plan be reviewed and revised annually. The review fee will be based upon an hourly rate of \$250.00, determined by actual services performed. In most cases a specified annual fee may be substituted for the hourly fee.

## II. INVESTMENT MANAGEMENT (IM)

The Client employs the Adviser as investment adviser, to continuously supervise the investment and reinvestment of those assets which the Client hereby puts under the Adviser's management (hereafter referred to as the "Account"), on the following terms and conditions:

1. **Investment and Management Authority:** We will supervise and direct the investment of the Account, as agent. In fulfillment of our duties to you we may buy, sell or exchange between, and otherwise trade in any security that we believe will support your investment goals. We may place orders for the execution of such transactions with or through such brokers, dealers or issuers as we may select. In most cases we will use Charles Schwab and Company to provide custody of and trading services for the Account. We will not take possession of your securities or other assets. We will manage the account on a discretionary basis in accordance with your investment objectives.
2. **Services of Adviser:** By the execution of this Agreement, the Adviser accepts the appointment as adviser and agrees to supervise and direct the investments of the Account in accordance with the investment objectives of the Client.
3. **Transaction Procedures:** The Adviser shall not act as Custodian for the Account but may issue instructions to the Custodian as may be appropriate in connection with the settlement of transactions initiated by the Adviser pursuant to Paragraph #1.
4. **Fees:** We will draw a quarterly investment management fee from the Account as shown on the schedule below. The fee is payable in advance for the coming calendar quarter or portion of a quarter and is computed and deducted from your Account on or about the first day of each calendar quarter. The amount of the fee is based on the aggregate value of your Account at the end of the preceding calendar quarter. A prorated fee is charged for additions to the Account between quarterly fee payment dates, and prorated fee refunds are credited to the Account for distributions from the Account between quarterly fee payment dates. Prorated fees and refunds are collected or dispersed on or about the next billing date, generally within five business days. The fees set forth above are to compensate the Adviser for its services and are in addition to other costs associated with the acquisition, disposition, or ownership of investment assets. In some cases, advisory fees are negotiable or may be waived. The fee schedule is subject to change upon 30 days prior written notice to you. The following fee schedule will apply to investments managed by us:

Value of the Account	Per Quarter	Per Year	Aggregate Per Year
First \$500,000	0.2500%	1.00%	1.00%
\$500,000+	0.1875%	0.75%	<1.00%
\$750,000+	0.0875%	0.35%	<0.9167%
\$1,000,000+	0.0625%	0.25%	<0.7750%
\$2,000,000+	0.0075%	0.03%	<0.4413%
\$3,000,000+	0.0075%	0.03%	<0.3042%

6. **Risk of Investment:** You understand that there are risks inherent in every investment. It is our intent to manage those risks appropriately. We cannot assure that your objectives will be met. Our investment recommendations and decisions are based on your current situation, resources, and goals in addition to our current expectations of the behavior of the securities included in the portfolio. Your situation and goals will change over time, as will reasonable performance projections. More suitable securities may become available. Your situation should be re-evaluated annually to confirm that your strategic plan is appropriate, and you should inform us whenever substantial changes in your goals or situation take place. The performance of the securities selected for your portfolio will be monitored on an ongoing basis. Periods of underperformance are not unusual or alarming for a security or an asset class. At times, out performance of some securities and underperformance of others may result in the need to rebalance your portfolio to maintain an appropriate level of risk. To the extent possible we will avoid the sale of assets where such sale would result in taxable gains, however at times taxable gains may be unavoidable in the interest of minimizing portfolio losses or participating in anticipated gains. We will continuously monitor and adjust your holdings to the best of our ability in order to implement your strategy. At times our actions may diverge from the stated plan if we consider those actions to be in your interest. **We will in all instances and at all times operate solely to further your objectives.**

## COMMON PROVISIONS

**CONFIDENTIAL RELATIONSHIP:** All information and advice furnished by either party to the other hereunder, including their respective agents and employees, shall be treated as confidential and shall not be disclosed to third parties, except as required by law, or as permitted in writing by both parties, or as required to maintain certain technical capabilities of the Adviser for the benefit of the Client.

The Client hereby permits, and the Adviser agrees, that information may be divulged to the following person or persons:

1. \_\_\_\_\_ (initials) \_\_\_\_\_  
Name, Relationship
2. \_\_\_\_\_ (initials) \_\_\_\_\_  
Name, Relationship

**CONFLICTS AMONG CLIENTS / SPOUSES:** Where the Adviser provides services to two or more individuals (example: husband and wife), recommendations will be based on the specific goals stated by the Client and will assume that the relationship between the individuals will continue. The individuals agree to hold the Adviser harmless concerning any conflicts of interest between them and any adverse effect which results from a change in their relationship.

**RIGHT OF RESCISSION:** The Client shall have five business days from the execution date of this Agreement to unconditionally rescind this Agreement and receive a full refund of fees collected hereunder. Upon receipt of written notification from the Client within said five business days, the Adviser will provide a full refund within five additional business days.

**TERMINATION:** Once this agreement has been in force for five business days, it may be terminated by either party by sending written notice to the other party. The effective date of termination shall be the date of receipt of the written notice by the other party. Investment Management Fees for the quarter in which termination of this Agreement occurs shall be payable as stated in Section II, Paragraph 4. For all other services, the balance due from the Client to the Adviser, or vice versa, will be based on actual time expended by the Adviser on behalf of the Client as of the date of termination, at the hourly rate of \$250, not to exceed the specified amount.

**ACCOUNTING AND LEGAL ADVICE:** It is understood and agreed that the Adviser and its employees are not qualified to and will not render any legal or accounting advice, nor prepare any legal or accounting documents for the implementation of the Client's financial and investment plan. The Client agrees that his personal attorney and/or accountant solely shall be responsible for the rendering and/or preparation of the following: (i) all legal and accounting advice; (ii) all legal and accounting opinions and determinations, and (iii) all legal and accounting documents.

**RECEIPT OF FORM ADV PART II (Brochure):** You acknowledge by the signature(s) affixed below that you have received Form ADV, Part II in its most recent form, as filed by Financial Planning Associates, Inc. with the Missouri Secretary of State, Securities Division. A link to this document is available on our website, at [www.fpai.net](http://www.fpai.net).

**ARBITRATION:** Client and Adviser agree that all controversies between the parties concerning any transaction or the construction, performance or breach of this or any agreement between us, whether entered prior, on, or after the date hereof, shall be determined by arbitration. You understand that this agreement to arbitrate does not constitute a waiver of the right to seek a judicial forum where such waiver would be void under the federal securities laws. Such arbitration shall be before three arbitrators and conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association then applying. The award of the arbitrators shall be final. Judgment upon any arbitration award rendered may be entered in any court, state or federal, having appropriate jurisdiction.

**BASIS OF ADVICE:** The Client acknowledges that the Adviser obtains information from a wide variety of publicly available sources, and that the Adviser has no sources, and does not claim to have sources of inside or private information. The recommendations developed by the Adviser are based upon the professional judgment of the Adviser and its representatives, and neither the Adviser nor its representatives can guarantee the results of their recommendations. The Client always shall elect unilaterally to follow or ignore, completely or in part, any information, recommendation or counsel given by the Adviser under this Agreement.

**ASSIGNMENT:** Pursuant to the provisions of the Investment Advisers Act of 1940, as amended, and the Missouri Securities Act, neither party hereto may assign, convey, or otherwise transfer any of its rights, obligations, or interests herein without prior express written consent of the other party. Subject to the provision regarding assignment, this Agreement shall be binding on the heirs, executors, administrators, legal representatives, successors, and assigns of the respective parties.

**CHANGES/ADDITIONS/MEMOS:** This agreement is changed as stated below if initialed by all parties.

\_\_\_\_\_  
(initials)

**MISSOURI CONTRACT:** This Agreement shall be deemed a Missouri contract and shall be governed and construed according to the laws thereof.

**ENTIRE AGREEMENT:** This Agreement constitutes the entire agreement and understanding of Adviser and Client and may not be amended or modified except by written instrument executed by both Adviser and Client.

**ENFORCEABILITY:** Any provision of this agreement which is prohibited or unenforceable shall be ineffective as to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof.

**EFFECTIVE DATE:** The effective date of this contract shall be the date of execution.

**INITIAL DEPOSIT RECEIVED:** \$ \_\_\_\_\_

**IN WITNESS WHEREOF,** the parties hereto have executed this Agreement on the date first written below.

\_\_\_\_\_  
Client, Date

\_\_\_\_\_  
Co-Client, Date

\_\_\_\_\_  
Adviser, Date  
Carl Goodin, Pres.  
Financial Planning Associates, Inc.