

Life-Wealth Planning Letter of Engagement

Advisory Client(s) _____

Tax ID# _____ - _____ - _____ Tax ID# _____ - _____ - _____

Address: _____

City: _____ State _____ Zip _____

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1. **Our overall objective**, at Security First Advisors (SFA), is to assist you, our clients, in understanding and taking personal control of overall and specific financial issues. SFA's intent is to function as a coach and advisor. At no time shall SFA have discretionary authority. SFA provides process and structure to assist in the control of financial decisions and their impact on your life plans. This Letter of Engagement, along with the attached Scope of Work, will outline the working relationship agreed to between SFA and you, our clients. At no time shall SFA have discretionary authority.
2. **Confidentiality** - All information given to SFA and all recommendations furnished by SFA will be kept in strict confidence and will not be disclosed to any person or entity, except as the client may request in writing. This will not prevent employees of SFA from having access to this information as a normal course of their duties with SFA. The client understands that confidentiality is an important foundation of our professional standards, but SFA possesses no privilege of confidentiality under the law.
3. **Security First Advisors Life-Wealth Planning Process** - SFA will provide advisory services as described generally in this section and specifically in the attached Scope of Work.
 - A. **Discovery & Data Collection** - SFA and the client will have an in-depth discussion regarding the advisory client's goals and objectives and collect needed data. The client will furnish SFA with complete and up-to-date information pursuant to undertaking the specified and engaged services, and inform SFA of material changes in such information as needed. The client's original papers and documents will be returned. Selected copies will be kept in SFA client files and are the property of SFA.
 - B. **Confirmation & Strategy** - SFA and client will discuss and confirm data and discuss options for meeting goals and objectives.

- C. **Planning Implementation** - SFA and client will review findings, analysis, schedules and documents as listed on the Scope of Work. Upon completion of the work, it will be the client's decision as to where or when to implement the recommendations.

Work provided under this agreement is based on judgment. Any projected tax rates, investment returns, and inflation factors are provided as examples or estimates only, and cannot be guaranteed. SFA can offer no guarantee or general assurance that certain financial objectives, tax ramifications, legal objectives or investment results will be achieved. SFA will make recommendations based on information provided by the client.

4. **Fee Schedule and payment terms:**

- A. SFA will provide initial and ongoing client work, as requested, at the following scheduled rates: Advisor at \$295. Administrative at \$125 per hour. The client will provide a retainer of 50% of the estimated initial billing. Balances will be billed periodically or in full at the conclusion of the Scope of Work. SFA may charge 1.5% per month (18% /year) on balances due past 30 days. While it may not be possible to ascertain an exact fee for these services until more specific client data has been reviewed, the proposed fee for rendering the investment advice is \$295 per hour.
- B. The approximate average cost for an initial financial plan is \$2,500 to \$8,000. The actual amount will be determined by the total combination of hours of Advisor and Administrative expense and the complexity of the plan.

5. **SFA does not provide Legal or Accounting services or opinions** - SFA is not engaged in the practice of law. Information provided by SFA concerning tax consequences of any investment plan does not constitute legal analysis or opinion. It is the client's responsibility to retain, at the client's own expense, attorneys, certified public accountants, tax advisors, or other professionals as may be necessary to conduct the client's affairs.

6. **Receipt of ADV Disclosure** - The client acknowledges by their signature below that SFA has provided Form ADV Part 2a informing the client of SFA's potential conflict of interest in recommending certain types of insurance products. The client is under no obligation to purchase insurance products through any individual or entity affiliated with SFA. All compensation will be disclosed to the client upon request.

7. **Disclosure** - To facilitate clear understanding, clients are provided the following information regarding products, services or proposed services offered by SFA affiliates and/or employees as individuals. SFA Affiliates and/or employees as individuals may also be agents of an insurance company and may receive both an investment advisory fee and an insurance sales commission from the same client. The investment advice you receive may include recommendations to purchase products or services for which the investment advisor or agent receives additional compensation in the form of commissions. This creates a monetary incentive for the investment advisor or agent that could bias his or her recommendations. This monetary incentive to make biased recommendations while charging a fee for such recommendations constitutes a substantial conflict of interest. Investment advisors or agents nevertheless undertake to provide objective and unbiased recommendations for their clients. Any actual bias in the investment advice would constitute a breach of the undertaking to render objective advice for which the fee is paid. SFA operates a life, disability and health insurance agency. There is no obligation to implement any transaction through this affiliated business.

- 8. **Termination and Assignment** - Either party may terminate this agreement at any time by written notification. Until such time, this agreement will remain in effect. In the event of such termination, however, the client is entitled to a refund of any “unearned” portion of fees already paid on a prorated basis. This agreement may not be assigned by either party. SFA will make a full refund of any fees paid if the contract is terminated within five (5) business days of the date of the signing without penalty.
- 9. **Governing Law** - The validity, interpretation, and performance of this Agreement shall be governed by and under the laws of the State of Washington.
- 10 **Entire Agreement** - This agreement and any attachments, together define the terms and conditions of the advisory services chosen by the client. Additional addenda may be added for the provision of services by SFA to the client, and such addenda will become part of the agreement and will not alter the existing terms and conditions.
- 11 **Fee Estimate** - SFA’s estimate for the work discussed and outlined in the attached Scope of Work is determined not to exceed \$_____. To proceed with work, SFA accepts \$_____ as a prepaid fee upon the signing of this Letter of Engagement. SFA will work in an efficient and thorough manner with clear communication and understanding as our goal. Billings will be on a periodic basis with final payment due upon completion of work. The Advisory Client may terminate this agreement by written notification at any time whereby SFA will stop processing the client’s work and will refund 100% of fee.

WITNESS: IN WITNESS WHEREOF, we have executed this agreement;

<u>Advisory Client:</u>	Client Signature	Date
	Client Signature	Date
<u>Security First Advisors:</u>	Investment Advisor	Date
Accepted by Security First Advisors		Date