

Financial Security by Design

Planning and Compliance for Individuals, Trusts and Estates

January 1, 2015

Dear Valued Customer,

This legal contract is intended to define our respective responsibilities. It protects you against arbitrary pricing and informs you about my firm's privacy and confidentiality policies.

Initial Scope of Services. (For illustration only). *The initial scope is analogous to a well visit with a new physician. We begin with a "financial history." What are the issues that led you to contact me; what is the state of your health, what are your income, expenses and resources; what is your tax situation, what are your financial aspirations; are there special financial needs; what about, insurance, the status of your legal documents and your goals for the disposition of your estate?*

Based on our telephone conversation of yesterday, it seems that our emphasis should be on reviewing your investment portfolio and recommending changes as appropriate in light of your overall circumstances.

I will prepare a written report summarizing our discussions and responding to your issues to the extent that I can without extended analysis or document review. My report will recommend how we might address any follow-up issues.

My further involvement may not be necessary.

Additional Services. (For illustration only) I will also assist you in other planning tasks that you direct on a frequency that you determine.

Responsibilities. You are responsible for the accuracy of your information, for approving my assumptions and for following through on my recommendations.

ADD WHEN APPROPRIATE. You are responsible for defining the purpose(s) of your investments. You are also responsible for defining the performance expectations (return and risk) for your investments. Lest there be any

Certified Financial Planner™ - Enrolled Agent - Registered Investment Advisor

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misunderstanding, you agree to provide me purpose(s) and performance expectations in a signed document.

I am responsible for steering you towards realistic assumptions consistent with the purposes of your portfolios. I am also responsible for the accuracy of the analysis. I am not responsible for missed investment opportunities or extra costs or taxes if you do not provide me the information that I request in a timely manner or if your records are inaccurate or incomplete or if you fail to implement my recommendations.

Disclaimer. Financial planning is not an exact science. Results cannot be guaranteed because we don't know whether the underlying assumptions will be borne out by future events. Words like "largest," "best" and "maximum" are predicated on a specific set of assumptions and the actual results are likely to be better or worse than those forecast.

Confidentiality, Conflict of Interest and Privilege. You authorize me to use your information, including any information originally provided for tax preparation purposes, within the scope of this contract. "Information" is to be construed broadly and includes Social Security numbers which may have been included with your documents.

ADD WHEN CONTRACT IS EXECUTED BY A MARRIED COUPLE OR BY CALIFORNIA REGISTERED DOMESTIC PARTNERS. You direct me to represent your common interests rather than what might be better for one or the other of you. You direct me to share information and recommendations with both of you and to accept direction from either of you. If there is any possibility of conflicting interests, each spouse should be separately represented.

ADD WHEN APPROPRIATE. You direct me to share information and recommendations with both of you with respect to separate property but to accept direction only from the owner of that property.

ADD WHEN APPROPRIATE. You authorize me to share information and recommendations with your (child, attorney, accountant, partner, Insert name and address.) ADD WHEN APPROPRIATE. You also authorize me to accept direction from him/her.

I will otherwise keep your information confidential indefinitely except where

- You authorize me in writing to share your information with another.
- Disclosure is required by law, by a court, by a regulatory agency such as the California Department of Corporations, or by the Certified Financial Planner Board of Standards pursuant to a disciplinary review process.

I will not use your information to support an unsolicited sales promotion.

Federal and California laws prohibit Enrolled Agents from sharing certain communications with the tax authorities without your permission.

This "privilege" is limited. It applies to tax planning but it probably does not apply to other aspects of financial planning. It applies when an Enrolled Agent represents your interests before the tax authorities but it does not apply to the

information used to prepare your tax returns, in a criminal proceeding or in a proceeding which does not involve the tax authorities.

We agree that

- You will consult with an attorney before you share information with me if you have concerns that the information might be construed as fraudulent or criminal or that privilege might be needed for some other reason.
- You will identify in writing those communications which are to be privileged.
- You will reimburse me for costs that I incur in defending your privilege, including fees for my own attorney, and to pay for my time at my highest professional rate.

Prohibitions. You specifically WITHHOLD any authority

- to buy or sell or take custody of your investments.
This prohibition remains in force even if you execute a limited power of attorney. Some financial firms require execution of a limited power before they will provide me information about your account.
- to sell or assign this contract to another firm without your consent.

Compensation. My fees include compensation for ordinary expenses. I will obtain your approval in advance for any extraordinary expenses.

(For illustration only). *The cost of the Initial Services described above is \$1,000. This is a fixed price. This is not an estimate.*

Additional Services will be billed at \$240/hour unless we agree differently. I receive no income from products or referrals.

Invoices not paid promptly are assessed a late fee.

Term and Cancellation. You have thirty days from the date shown above to accept this proposal.

This contract, when executed by both parties, supersedes any existing contract and expires one year from the date shown above. It may be canceled by either party upon written notice for any reason.

You may cancel within five business days of signing this contract without cost or obligation and with a full refund of any deposit. This grace period is intended to give you time to review the information about my business which is on file with the California Department of Corporations, (916) 445-7205. This information is also available at www.sec.gov by clicking on "Check Out a Broker or Advisor" under the "Education" tab. My CRD number is 136345.

ADD WHEN APPROPRIATE. I am not registered with the agency overseeing investment advisers in your state because I have no physical presence in your state and less than six customers in your state.

If you cancel for any reason after this grace period, you agree to compensate me for services rendered through the cancellation date and I agree to promptly refund all unearned fees in the event that your account shows a credit balance.

Tax Engagements. I prepare tax returns for individuals, trusts and estates but you are under no obligation to engage me for these services. Tax engagements require a separate contract.

Acceptance. If this letter accurately reflects your understanding of our future relationship, please sign and date below.

I appreciate your confidence in me. I look forward to assisting you towards financial security!

Sincerely,

Peter James Lingane

We wish to engage *Financial Security by Design*. We accept the conditions described above and acknowledge receipt of the SEC-mandated "brochure" dated xxxx, 2015.

(signature) _____ (date) _____

(signature) _____ (date) _____