

# MICHIGAN ADVISORS, INC. FINANCIAL PLANNING AND CONSULTING AGREEMENT

21415 Civic Center Drive, Suite 200, Southfield, Michigan 48076

This Contract's Date:	Frequency of Reviews and Consultations:
Client Account Name(s):	Investment Advisory Representative:
Client Contact Person:	Telephone Number(s):
Client Mailing Address:	Client Fax Number(s):

This FINANCIAL PLANNING AND CONSULTING AGREEMENT (this "**Agreement**") is made between the client named above ("**Client**," "**you**," and "**your**") and Michigan Advisors, Inc., a Michigan corporation ("**Advisor**," "**we**," "**us**," and "**our**"). Client desires Advisor to provide the services described in this Agreement. For this purpose, Client and Advisor agree as follows:

1. Financial Planning Services. We will provide you with the following services based upon the information you provide (*initial as applicable*):

- Investment product and services planning;
- Strategic tax planning;
- Financial planning with needs analysis;
- Insurance planning;
- Education planning with funding analysis;
- Estate planning (other than legal services);
- Purchase recommendations;
- Cash flow management;
- Retirement planning; and/or
- Other matters described in the box above.

2. Advisor's Fees and Billing.

a. Fees for our services will be charged to you and are payable by check in accordance with the Fee Schedule listed in Schedule A, attached hereto.

b. Our fees/rates may be modified by giving you written notice for special situations such as more frequent reviews, more specialized or complex plan design and reporting, and any other extraordinary services you may request. We may change our fee schedule from time to time upon 30 days' prior written notice to you. You may terminate the agreement at that time if you do not accept the change.

c. Our fees are not based on the financial performance or capital gains or losses experienced as a result of implementing our advice.

3. Implementation of Advice. The services necessary to implement our advice are not covered by this Agreement. You must enter into a separate

contract with a securities broker-dealer, bank, mutual fund company, insurance company, or other financial services provider to obtain such services. You may implement our advice through the financial services provider of your choice. You may choose to use an Investment advisor representative of Advisor. Advisor employs individuals who are licensed insurance agents. As such, they will receive additional compensation as a result of transactions for the purchase or sale of investments or insurance for your account, including trail commissions, insurance commissions, and other compensation.

4. Advisor's Representations. We are currently registered as an investment adviser with the State of Michigan under the Michigan Uniform Securities Act, as amended (the "**Act**").

5. Client's Representations. You represent that our engagement under this Agreement is authorized by, has been accomplished in accordance with, and does not violate any documents to which you are subject or by which you are governed. The person whose signature appears below is duly authorized to act on your behalf. We shall be permitted to rely, without independent verification, upon the directions and instructions of this person, your representative(s) named above, or any other representative with apparent authority to act on your behalf.

6. Client Information. Our financial analyses and recommendations will be based upon the information you provide to us. We will not conduct any independent investigation of background information you do or do not provide to us, nor will

we independently update your information without your express involvement, consent, and direction. You are solely responsible for the accuracy and completeness of all information provided to us about your background, circumstances, objectives, and risk tolerances. It remains your responsibility to advise us of any important changes in your personal circumstances, such as your marital status, children, other dependents, employment, other financial needs, objectives, goals, or investments held with other firms or any other changes which would impact your financial condition.

7. Best Efforts. We shall perform our obligations under this Agreement with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent man 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. YOU UNDERSTAND, HOWEVER, THAT ALL INVESTMENTS BEAR RISKS WHICH ARE AFFECTED BY EVENTS AND CIRCUMSTANCES BEYOND OUR CONTROL. THEREFORE, WE CANNOT ASSURE OR GUARANTEE THAT OUR ADVICE OR SERVICES WILL RESULT IN ACHIEVING YOUR INVESTMENT OBJECTIVES OR THAT SIGNIFICANT LOSSES OF PRINCIPAL OR INCOME WILL NOT OCCUR WITH RESPECT TO YOUR ACCOUNT. WE ARE NOT RESPONSIBLE FOR MARKET OR CREDIT RISK, OR FOR ERRORS IN THE EXERCISE OF ITS JUDGMENT MADE IN GOOD FAITH BASED UPON INFORMATION THEN REASONABLY AVAILABLE. This limitation shall not, however, be construed to deprive you of any nonwaivable right, nor relieve us of any nonwaivable liability, under the Act or any other applicable federal or state laws.

8. Confidential Information. All information and advice furnished by one party to the other party shall be treated as confidential and shall not be disclosed to third parties without prior consent, except as required by law. Upon your request, we may provide information regarding you and your account to our affiliates, your broker-dealer, its clearing broker-dealer, and to the mutual funds and insurance companies in which your account is invested in order to perform our services under this Agreement. We may also provide information to other persons as reasonably necessary in performing our services under this Agreement for your account, subject to our Privacy Policy.

9. Assignment. No "assignment" (as that term is construed under the Act) of this Agreement may be made by either party without the other party's written consent. Any corporate reorganization or change in ownership of Advisor that does not result in a change of control of Advisor is not an "assignment" for this purpose.

10. Termination. This Agreement may be terminated by either party at any time by giving five (5) days prior written notice. You may immediately give notice to terminate this Agreement after

Michigan Advisors, Inc.

receipt of any notice by us of a proposed "assignment" of this Agreement. Termination of this Agreement shall not affect liabilities or obligations incurred or arising from transactions initiated under this Agreement prior to the termination date. We will prorate and bill fees to the termination notice date. After the termination date, we shall have no further duties or obligations to Client under this Agreement.

11. Client's Acknowledgments.

a. You acknowledge receipt of our Part 2 of Form ADV on or before the date of execution of this Agreement (the "**Advisor's Disclosures**"). The Advisor's Disclosures contain important information you should consider in engaging our services, and they are incorporated into this Agreement by this reference. This Agreement shall control over any inconsistency with Advisor's Disclosures.

b. You acknowledge receipt of our Privacy Policy describing its practices for the collection and sharing of client information.

c. You acknowledge that we serve other clients and affiliates, and may give advice and take action with respect to any of them which may differ from the advice given, or the timing or nature of action taken, with respect to you and your account. We shall have no obligation to recommend any security which we, our principals, affiliates, or employees may purchase or sell for themselves or for any other client.

12. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to its subject matter. We may amend this Agreement by providing you with 30 days prior written notice. You are free to terminate this Agreement, as provided above, if the change is not acceptable. In the event that any provision of this Agreement is declared to be invalid, such declaration shall not be deemed to affect the validity of any of the other provisions of this Agreement. This Agreement shall be governed and construed in accordance with the laws of the State of Michigan without regard for conflict of laws principles.

13. Notices. All required notices shall be in writing directed to the address indicated above, or to such other address as may be designated for this purpose by Client or Advisor from time to time. Notice shall be deemed delivered and effective after seven days if sent to the last designated address by ordinary United States mail, postage prepaid.

14. Binding Arbitration.

a. **Client and Advisor each agree to final and binding arbitration, as provided be-**

**low. Client and Advisor each acknowledge that:**

- ◆ Arbitration shall be final and binding on the parties.
- ◆ The parties are each waiving their right to seek remedies in court, including the right to jury trial.
- ◆ Pre-arbitration discovery is generally more limited than, and different from, court proceedings.
- ◆ The arbitrators' award is not required to include factual findings or legal reasoning, and any party's right to appeal or to seek modification of rulings by the arbitrators is strictly limited.
- ◆ The panel of arbitrators may include a minority of arbitrators who were or are affiliated with the securities industry.
- ◆ This agreement to arbitrate does not constitute a waiver of the right to seek a judicial forum to the extent that such a waiver would be void under applicable law.

b. Client and Advisor each agree that, except as prohibited by applicable law, ALL CLAIMS OR CONTROVERSIES, AND ANY RELATED ISSUES, which may arise at any time between us (including Advisor's representatives, directors, officers, employees, and agents) concerning any investment or planning advice, recommendation, or exercise of limited discretionary authority with respect to any subject matter; any transaction or order; the conduct of Advisor or its representatives, directors, officers, employees, and agents; the construction, performance, or breach of this or any other agreement between us, whether en-

tered into prior to, on, or subsequent to the date of this Agreement; the breach of any common law or statutory duty; or the violation of any federal or state law of any nature SHALL BE RESOLVED BY BINDING ARBITRATION rather than by a lawsuit in a court of law or equity.

c. Any arbitration pursuant to this Agreement shall be in accordance with, and governed by, a mutually agreeable arbitration forum, but, in the absence of such agreement, then the arbitration procedures of the Financial Industry Regulatory Authority, Inc., and its subsidiaries, if they accept jurisdiction over a claim, and otherwise the American Arbitration Association.

d. The award of the arbitrators, or of the majority of them, shall be final and binding, and judgment upon the award rendered may be entered in any federal or state court having jurisdiction. Client and Advisor agree and consent that any state or federal court located in Michigan shall have personal and subject matter jurisdiction to enter judgment on an arbitration award.

e. Any arbitration must be commenced by delivery to the other party of a written demand for arbitration or a written notice of intention to arbitrate setting forth in detail the claim or controversy to be arbitrated.

f. The location for all arbitration proceedings shall be in a location that is convenient for Client.

Therefore, Client and Advisor have executed this Agreement as of the date indicated on page 1 above.

\_\_\_\_\_  
Client's Company Name (If Applicable)

MICHIGAN ADVISORS, INC.

By: \_\_\_\_\_  
Client Name

By: \_\_\_\_\_

\_\_\_\_\_  
Print/Type Client Name

\_\_\_\_\_  
Print/Type Name of Advisor Representative

Title or Capacity (if any): \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
Print/Type Name Advisor Principal

Title: \_\_\_\_\_

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## SCHEDULE A

The fee is predicated upon the facts known at the start of the engagement. In general, the fee will range from \$125 to \$300. The Minimal Fee is \$125. We will not require prepayment of more than \$500 in fees more than 6 months in advance of service.

The fees for Advisor's services that will be charged to the Client are set forth below.

<b>Fee Type</b>	<b>Fee Amount</b>	<b>Payment Terms</b>	<b>Other Conditions</b>
One Time	\$ _____	Paid upon completion of the services identified in Section 1.	Projects outside the scope of those identified in Section 1 are excluded from the one time fee and will require an addendum to this Agreement signed by both Client and Advisor.