



**FINANCIAL PLANNING SERVICES AGREEMENT**

This Financial Planning Services Agreement (this “Agreement”), dated \_\_\_\_\_, is between the undersigned party,

Client Name	Email Address	Mailing Address

(herein referred to as “Client”) and Penobscot Wealth Management d/b/a Penobscot Financial Advisors, a registered investment adviser, whose mailing address is One Monument Square, Suite 501, Portland, Maine 04101 (herein referred to as the “Advisor”), to provide Client with financial planning services as indicated in Item 1 of this Agreement. This Agreement becomes effective on the date in which the Advisor receives the signed Agreement. The terms and conditions of this Agreement are as follows:

- 1. Advisor Authority and Services.** The Advisor shall provide the Client with financial planning and advice services (herein “Advisory Services”) related to the Client’s key financial circumstances and objectives. Advisory Services may include investment analysis and recommendations based on their client’s objectives, goals and financial situation, however, recommendations of specific securities will not be provided. The scope of Advisory Services provided to the Client will be customized based on the needs of the Client and may include some or all of the planning topics described in Exhibit 1.

For these Advisory Services, it is expressly agreed by and between the parties that Client is free to follow, or disregard, in whole or in part, any recommendations, suggestions or advice made by the Advisor to the Client, and that the Client may choose any advisor, brokerage firm or comparable products of the Client’s choice to implement the suggestions and recommendations prepared by the Advisor. The Advisor does not have the discretionary authority to implement financial planning recommendations pursuant to this Agreement. For the implementation of investment recommendations by the Advisor, the Client must also enter into an investment advisory agreement with the Advisor.

The Client hereby acknowledges and agrees that the Advisor does not (a) provide tax, accounting or legal advice to the Client or (b) prepare any accounting, tax or legal documents for the Client in connection with the financial planning services provided by the Advisor to the Client hereunder. The Advisor may assist the Client or the Client’s other professional advisors, but the Adviser is not an accountant or attorney and the Advisor’s services hereunder should not be interpreted as tax, accounting or legal advice. The Client is urged to work closely with his, her or its accountant, attorney and/or other professional advisors in connection herewith.

- 2. Client Responsibilities.** The Client represents and confirms that the Advisor’s engagement, pursuant to this Agreement, is authorized by the governing documents relating to the Client and that the terms of this Agreement do not violate any obligations by which the Client is bound. If applicable, the Client agrees to deliver to the Advisor all account forms and corporate resolutions or similar documentation evidencing the undersigned’s authority to execute and deliver this Agreement.

The Client also agrees to deliver such organizational documents and other documents, including the written statement of the Client financial objectives, policies and restrictions, as the Advisor shall reasonably require. Such

information may include, but is not limited to, income, expenses, assets, liabilities, income tax return, insurance policies, investments, group employee benefits, and estate planning documents and information. The Client further agrees that the Client will provide to the Advisor candid and accurate information of the Client's current and future goals and objectives, including any material changes that occur from when the initial information is gathered to when the Plan is presented.

The Client further agrees to deliver promptly all amendments, updates, or supplements to the foregoing documents to ensure that the Advisor has current and accurate information regarding the Client's financial circumstances, needs and investment objectives. The Client agrees that the Advisor will not be liable for any losses, costs or claims suffered or arising out of the Client's failure to provide the Advisor with any documents required to be furnished hereunder.

3. **Expenses and Fees.** The Client will pay the Advisor, for compensation for its services under this Agreement, an annual financial planning fee of \$\_\_\_\_\_ for the first year of services. After the first year of services, the Client will pay the Advisor an annual financial planning fee of \$\_\_\_\_\_ until the Agreement is terminated (see section 8).

Financial planning fees are invoiced by the Advisor based on the payment method and frequency chosen below. The Advisor or the Client may modify the method selected in this Section prospectively on at least 30 days prior written notice.

Select Payment Method:

**Check.** The Client shall pay financial planning fees by check.

**AdvicePay.** The Client shall pay financial planning fees by AdvicePay, a secure, online-payment platform.

**Deducted from investment account.** Financial planning fees will be deducted directly from your investment account: \_\_\_\_\_.

Select a Payment Frequency:

**Monthly.** The client will be invoiced monthly and pay 1/12th of the annual rate monthly (offered for AdvicePay payments only).

**Quarterly.** The client will be invoiced quarterly and pay 1/4 of the annual rate quarterly.

**Semi-Annually.** The client will be invoiced semi-annually and pay 1/2 of the annual rate semi-annually.

**Annually.** The client will be invoiced and pay the entire annual rate immediately, in-advance. Please note that advanced payment is not required, but offered as a convenience for the Client. Approximately 80% of the financial planning work is completed within the first three months of your financial planning engagement.

4. **Liability.** The Client recognizes that investment recommendations made by the Advisor are opinions only and that all investments have a potential risk of loss that Client's must understand and be willing to bear before implementing any recommendations from the Advisor. It is further understood that neither the Advisor nor any of its employees are qualified to render legal services or prepare legal documents.

The Advisor shall not be liable for expenses, losses, damages, liabilities, demands, charges and claims of any kind or nature whatsoever (including without limitation any reasonable legal expenses and costs and expenses relating to investigating or defending any demands, charges and claims) incurred: (a) as a result of the Client's failure to provide requested information that would adversely impact the Advisor's ability to provide advice under this Agreement; (b) as a result of the Client's implementation of the recommendations made by the Advisor hereunder; and/or (c) any act or failure to act by any other service provider engaged by the Client. Any stated limitations shall not relieve the Advisor from any responsibility or liability the Advisor may have under state or federal securities laws.

5. **Conflicts of Interest.** The Client understands that the Advisor may refrain from rendering any advice or services concerning securities of companies with which the Advisor has a conflict of interest, which may include companies in

which the Advisor's officers, directors, or employees serve in key positions with or have material economic interest. The Advisor has disclosed any material conflicts of interest regarding the Advisor or its representatives, which could be reasonably expected to impair the rendering of unbiased and objective advice to the Client. Such disclosure is provided in the Advisor's Form ADV Part 2A (the "Disclosure Brochure") and the applicable Form ADV2B ("Brochure Supplement(s)"). The Client is under no obligation to act upon the recommendations provided by the Advisor or implement recommendations through the Advisor.

6. **Non-Exclusive Advisory Services.** It is understood that the Advisor performs investment advisory services for various clients. The Client agrees that Advisor may give advice and take action with respect to any of its other clients, which may differ from advice given, or the timing or nature of action taken, with respect to the Client.
7. **Reliance of Information.** The Client understands that the Advisor, in the performance of its obligations and duties under the Agreement, is entitled to rely upon the accuracy of information furnished by the Client or on its behalf, without further investigation.
8. **Termination and Cancellation.** This Agreement may be terminated, at any time, by either party, by written notice to the other party. In addition, the Client may terminate within five (5) business days of signing this Agreement at no cost to the Client. After the five business-day period, the Client will be responsible for fees incurred up to the effective date of termination plus a cancellation fee if applicable. If this Agreement is terminated within the first year of services, the Client may be charged a cancellation fee of up to \$\_\_\_\_\_. The Client acknowledges the cancellation fee and agrees to pay the amount billed by the Advisor upon termination.

After the first year of services, the Client will incur charges at the reduced rate referenced in Section 3 for advisory services rendered to the point of termination and will be billed based the number of days services were rendered. The cancellation fee does not apply after the first year of services. Any pre-paid fees exceeding the amount due to the Advisor for services rendered shall be refunded to the Client. The Client may re-engage the Advisor at any time for additional advice and guidance under a new agreement.

9. **Assignment.** Neither the Client nor the Advisor may assign his, her or its rights or delegate his, her or its obligations under this Agreement, in whole or in part, without the prior written consent of the other party, provided that the Advisor may transfer its rights and obligations under this Agreement to any subsidiary, affiliate or successor by merger or consolidation or otherwise if such transaction does not constitute an "assignment" for purposes of the Investment Advisors Act of 1940, and relevant state securities laws, as they may be amended from time to time. Upon any such delegation and the assumption of obligations by such successor entity, the Advisor, shall be relieved of, and fully discharged from, all of its obligations hereunder, whether such obligations arose before or after the date of such delegation and assumption. Notwithstanding anything to the contrary contained herein, if the Advisor seeks the Client's prior written consent to assign the Advisor's rights and obligations under this Agreement, the Advisor shall send a letter to the Client requesting that the Client (a) countersign such letter evidencing the Client's consent to the assignment and (b) return such countersigned letter to the Advisor within thirty (30) days of the letter's date. If the Client does not respond to the Advisor within such thirty (30) day period, Advisor will send another letter to the Client requesting that the Client consent to such assignment within thirty (30) days of the second letter's date. If the Client does not respond to the Advisor's second letter within thirty (30) days of the second letter's date, the Client shall be deemed to have consented to the assignment (a so-called "negative consent").
10. **Governing Law Disputes.** To the extent federal law does not apply to this Agreement, it shall be construed in accordance with the laws of the State of Maine.
11. **Arbitration.** If a dispute, controversy or claim arises between the parties relating to this Agreement or the transactions contemplated hereby, the parties hereby covenant, stipulate, and agree that any dispute, controversy or claim arising out of, or relating to this Agreement or the transactions contemplated hereby, or breach thereof,

shall be settled by binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, before a single arbitrator of the American Arbitration Association in Portland, Maine.

12. **Disclosure.** The Advisor represents it is registered as an investment adviser, or exempt from such registration with the necessary securities commission(s) in accordance with applicable securities law(s). The Client acknowledges receipt of the Advisor's Form ADV 2A ("Disclosure Brochure") and Form ADV2B ("Brochure Supplement(s)"), which contain information regarding the Advisor's services, fees, business practices and the background of its advisory person(s). By signing this Agreement, the Client is confirming receipt and review of the Advisor's Disclosure Brochure and Brochure Supplements.
13. **Privacy.** Except as otherwise agreed in writing or as required by law, the Advisor will keep confidential all information concerning the Client's identity, financial affairs, or investments; provided, however, that the Client authorizes Advisor to contact the Client's accountants, attorneys and other consultants as deemed necessary by the Advisor. By signing this Agreement, the Client is confirming receipt and review of the Advisor's Privacy Policy, which is incorporated herein by reference.
14. **Notices.** Any notice given to a party in connection with this Agreement must be in writing and shall be effective upon receipt by the other party, if delivered to such party at either its mailing address or through email (at the email addresses provided in this Agreement or at a substitute email address provided by the respective party). By signing this Agreement, the Client hereby consents to communications from the Advisor via email without also receiving written copies from the Advisor. The Client may revoke this consent to email delivery at any time by providing advance written notice to the Advisor.
15. **Entire Agreement.** This Agreement and the Privacy Policy contain the entire Agreement of the parties relating to the rights granted and obligations assumed in this Agreement. Any oral representations or modifications concerning this Agreement shall be of no force or effect unless contained in a subsequent written modification signed by all parties.

In the event that any sentence or paragraph is declared by a court of competent jurisdiction to be void, that sentence or paragraph shall be deemed separate from the remainder of this Agreement and the balance of the Agreement shall remain in effect.

By executing this Agreement, the parties acknowledge and accept their respective rights, duties, and responsibilities.

**Client(s):**

Signature: \_\_\_\_\_ Signature: \_\_\_\_\_

Date: \_\_\_\_\_ Date: \_\_\_\_\_

**Advisor: Penobscot Wealth Management d/b/a Penobscot Financial Advisors**

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Chief Compliance Officer

# Exhibit 1

The bullets indicate the Advisory Services that may be provided to the Client, as appropriate.

## Cash/Debt Management

- Budget/Cash flow analysis
- Debt Payoff Plan
- Emergency Fund Planning
- Establishing & Managing Savings Plans
- Interest Rate Evaluations
- Student Loan debt analysis and strategy
- Financing Decisions (Education/Home Purchase)
- Lease vs. Buy Analysis
- Credit Analysis (Establishing & Improving Credit)
- Behavioral Coaching

## Risk Management

- Life Insurance needs analysis
- Long Term Care needs analysis
- Disability Insurance needs analysis
- Health Insurance Planning
- Business Owner's Liability Assessment
- Buy/Sell & Business Insurance Planning

## Retirement & Financial Goal Planning

- Retirement goal-based planning
- Retirement Income Planning
- Social Security planning
- Annuity & Guaranteed Income Planning
- Pension Distribution Strategies
- Education goal-based planning
- Large Purchase Goal-Based Planning
- Coordination of Employer Retirement Benefits
- Medicare/Medicaid Planning
- Legacy Goal-Based Planning
- Small business retirement plans
- Sole Proprietor retirement plans
- Employer Stock

## Asset Allocation & Investment Planning

- Risk Tolerance Measurement
- Risk Tolerance Monitoring
- Asset Allocation Analysis vs. Risk Tolerance & Goals
- Analysis of Held Away Accounts
- Investment Cost Analysis
- Investment Analysis & Recommendations
- Concentrated Stock Analysis
- Tax Loss Harvesting Analysis
- Performance Reporting of Held Away Assets

## Estate Planning

- Identification of basic needs – wills, trusts, etc.
- Beneficiary Elections
- Coordination with Family Members
- Probate Avoidance
- Estate Tax Mitigation
- Asset Protection
- Advanced Estate Strategies (ILITs, CRTs, etc.)

## Tax Planning

- Asset Location Tax Efficiency Planning
- Roth Conversion Planning
- Tax Deferral Planning
- Income Distribution Strategy
- 1031 Exchange Analysis
- NUA Modeling
- State of Domicile Planning (tax & cost of living analysis)
- Legacy Planning
- Planning Bequests
- Charitable giving
- 83(b) Election Planning