

[Your firm name and logo]

[Firm name]

[Firm address]

[Date]

[Client name(s)]

[Client address]

Re: Terms of our financial planning engagement

Dear [Client name(s)],

Who we are

[Planner name], CFP®, will lead this engagement for [Firm name], [a registered investment adviser with the SEC / registered in (state) / not a registered investment adviser]. Where this letter says “you”, it means each client named above.

Type of engagement

This is a financial planning engagement. We will look at your circumstances as a whole and make recommendations that work together. As a CFP® professional, [Planner name] acts as a fiduciary, and puts your interests first, whenever giving you financial advice.

Scope of the plan

The plan will cover: [cash flow and budgeting], [retirement], [tax planning], [insurance and risk], [education funding], [estate planning] and [investments]. It will not cover [areas excluded]. We do not draft legal documents or prepare tax returns; we will tell you when you need an attorney or a CPA for that.

Joint clients (optional)

Because we serve you as a couple, we may share with each of you what either of you tells us about your joint finances. If your goals conflict, we will raise it with both of you, and we may end the engagement if we cannot serve you both fairly.

Period of services

We will start on [start date], present the written plan by [plan delivery date], and [meet with you to review it every (frequency) until (end date) / end the engagement once the plan is delivered]. The engagement renews only if we both agree in writing.

Implementation and monitoring

Option A: you will carry out the recommendations yourself or with other professionals, and we will not monitor or update them after we deliver the plan. Option B: we will put in place the recommendations listed in Schedule 1 and review them with you every [frequency], updating them when your circumstances change.

What we need from you

By [date], please send the items on the attached list: tax returns, pay stubs, account statements, insurance policies, and estate documents. Your plan will rely on what you send, and we will not verify it. Please tell us within [number] days of any material change, such as a new job, a move, a birth, a death or an inheritance. You make the final call on every recommendation.

How we are paid

Option A: a flat planning fee of [amount], half due when you sign and half when we deliver the plan. Option

B: [amount] per hour, billed [monthly]. Option C: [percentage] a year of assets we manage, billed [quarterly in advance]. We [receive / do not receive] other pay in connection with this engagement, namely: [commissions on (products), referral fees from (party), none]. Products we recommend may carry other costs that you pay, such as fund management fees, surrender charges or sales loads; we will tell you of them before you buy.

Referrals to other professionals

If we refer you to another professional, such as an attorney, a CPA or an insurance agency, we will tell you before the referral whether we, our firm or a related party receive any pay or other benefit for it. [We currently receive: (describe) / We receive none.]

Public record

[Planner name] [has no public discipline or bankruptcy to disclose / has the following public discipline or bankruptcy: (describe)]. The public record can be viewed at [CFP Board profile URL], [FINRA BrokerCheck URL] and [SEC adviser search URL]. We will tell you within 90 days of any change.

Conflicts of interest

We have the following material conflicts of interest: [describe each conflict, for example a commission on an insurance product we recommend]. We manage them by [describe]. By signing, you confirm that you understand them and agree to proceed. [Our Form ADV Part 2 brochure, delivered on (date), describes them in more detail.]

Privacy

We keep your non-public personal information confidential. We share it only as our privacy policy allows, for example with the custodian of your accounts to carry out your instructions, or with professionals you name, such as your CPA or attorney, after you agree. Our privacy notice is enclosed, and we will send it again at least once a year unless our policies have not changed. Please send documents through [secure upload method] rather than plain email.

Ending the engagement

Either of us may end this engagement by written notice. We will refund any prepaid fee for work not yet done, on a [prorated] basis, and return your original documents within [number] days.

Disputes and governing law (optional)

This letter is governed by the laws of [state]. We agree to try to settle any dispute through [mediation] before [arbitration / court] in [county, state].

Signatures

Please sign and date below to accept these terms, and keep a copy. Nothing in this letter waives a right you have under federal or state securities law.

With best regards,

[Planner name], CFP®

[Firm name]

Signature: _____ Date: _____

Accepted by [Client name]: _____ Date: _____

Accepted by [Second client name]: _____ Date: _____