



## *engagement, privacy and service agreement*

Client: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ Province: \_\_\_\_\_ Postal code: \_\_\_\_\_

1. **PARTIES TO THIS AGREEMENT:** Blackburn Davis Financial Inc. offers our services to the above named client to act as a Financial Planner, and to provide financial advice after reviewing the client's financial affairs.
2. **OVERVIEW OF ENGAGEMENT:** Under the terms of this engagement, the firm will provide advice in the areas checked below.
  - ASSET MANAGEMENT AND OBJECTIVES STRATEGY** – Develop a personal or corporate Investment Policy Statement that identifies the client's target asset allocation and investment objectives and the action items needed to implement the strategy.
  - RETIREMENT PLANNING STRATEGY** – Identify changes the client needs to make in their current strategy that will allow the client to achieve their personal retirement goals and objectives.
  - EDUCATION PLANNING STRATEGY** – Identify what the client needs to do to achieve their educational funding objectives.
  - SURVIVOR NEEDS ANALYSIS** – Review the client's situation in the event of death and develop a strategy that will ensure their family is able to retain their standard of living.
  - HEALTH CARE PLANNING NEEDS ANALYSIS** – Review the client's situation in the event of disability, critical illness or long term care need and develop a strategy to ensure that their goals and objectives are achieved.
  - ESTATE PLANNING STRATEGY** – Perform a review of the estate situation to ensure that the client's wishes are carried out in the event of death. Also ensure that final estate costs and taxes are minimized.
  - COMPREHENSIVE FINANCIAL PLANNING ENGAGEMENT** – This entails a plan comprised of all of the above.
  - UNANIMOUS SHAREHOLDERS' AGREEMENT (USA) FUNDING ANALYSIS** – Review agreements and provide comments on tax efficiency and funding mechanisms.
  - OWNER/MANAGER AND EXECUTIVE COMPENSATION STRATEGIES** – Assess suitability of Individual Pension Plans (IPP), Retirement Compensation Arrangements (RCAs) and other forms of compensation.

I \_\_\_\_\_ (client name) understand that the calculations, projections, advice, and recommendations provided will be based on the information submitted by me and on assumptions which are in accordance with the Financial Planning Standards Council. I understand that these will be projections only and that actual results can and will vary depending on a number of factors and future events.



3. **TERMS OF CONTINUOUS SERVICE:** Financial planning is an ongoing process and after completion of the work covered by this agreement, it will require implementation, ongoing monitoring, and regular review. The client understands that in order to achieve their personal goals and objectives, it is important that the advice and recommendations be implemented. Not doing so may result in the client not being able to achieve the stated goals and objectives.
4. **RESPONSIBILITIES:** The success of our relationship will be dependent upon each of us fulfilling our responsibilities and being accountable to one another. The following defines these aspects of our relationship.

Your responsibilities as client are to:

- Provide your Planner with the initial information required to complete the work identified under the terms of this agreement.
- Keep your Planner apprised of any relevant information concerning your personal financial affairs that may have an impact on your situation.
- Make decisions and act on advice rendered, or seek alternative advice from your Planner that will still allow you to achieve your objectives.

Your Planner's responsibilities are to:

- Tell you what information is required to complete the work identified under the terms of this agreement and what information is required to maintain the ongoing planning activities.
- Review your financial affairs and provide professional advice in the areas covered by this agreement.
- At all times exercise reasonable professional judgment and act in your best interest.
- Provide proactive co-ordination of services for implementing the action plan.
- Although we endeavor to execute all business without error, we promise that any problems will be resolved within three business days. If that is not possible, we will provide you with a status report within that time.

5. **THE RELATIONSHIP BETWEEN THE PLANNER, PORTFOLIO MANAGER AND BLACKBURN DAVIS FINANCIAL INC.**

- A referral is being made to a Portfolio Manager which is duly registered as a Portfolio Manager with the securities regulator in the province you live in. All activity resulting from the referral arrangement that involves advising in securities and selecting individual securities that requires registration under applicable securities laws will be provided by the Portfolio Manager. The Portfolio Manager directs trades through a third party custodian where your securities are housed.
- **It is illegal for Blackburn Davis Financial Inc. and your Planner to trade or advise in respect of securities if they are not duly registered with the appropriate registration category under applicable securities legislation. Despite a Referral Fee being paid or received from the Portfolio Manager, it remains illegal for any party not appropriately registered to trade or to advise in respect of securities if it is not duly registered under applicable securities.**
- Your Planner is not required to refer clients to the Portfolio Manager, nor is the Portfolio Manager obligated to accept all clients referred to it. Neither your Planner nor Blackburn Davis Financial Inc. can bind the Portfolio Manager in any way to accept an application made by you for services.



- The Portfolio Manager will, with your consent, provide copies of your statements of account related to the services to your Planner.
- Your Planner is, with your consent, permitted to participate in regular meetings between you and the Portfolio Manager.

**YOUR PLANNER MAY FROM TIME TO TIME PROVIDE THE FOLLOWING SERVICE AND ADVICE TO YOU AS IT RELATES TO AND ENHANCES THEIR ROLE AS FINANCIAL PLANNER:**

- Appropriate Asset Allocation and Risk Tolerance.
  - Benchmark your rates of return against the results in your plan, industry benchmarks or other Portfolio Managers.
  - Appropriate use of registered, cash and/or corporate accounts and the asset class of investments held in each of these accounts.
  - Explanation of the basic principles and attributes of sound investments WITHOUT providing specific security advice.
  - Deliver documents or instructions from the Portfolio Manager to you and vice versa as a matter of convenience only. Such documents or instructions are between you and the Portfolio Manager but geographical or time constraints can lead to this being a service of great value.
6. **IMPLEMENTATION PROCESS AND DISCLOSURE:** During the term of this agreement, the Planner will provide services to co-ordinate the implementation of the action plan. In implementing any action plan steps, at the client's discretion, the client may acquire insurance products and investments through the Planner where they are legally allowed to do so.
7. **THIRD-PARTY PROFESSIONALS:** During the process of providing financial advice it may, from time to time, be prudent to consult with other third-party professionals such as a lawyer, accountant, actuary or business valuator. In the event that such a consultation is deemed necessary, the client will be advised and requested to approve any such consultation. At that time, the client will also confirm that they are willing to accept responsibility for any professional fees incurred for this purpose. No such consultations will take place without the client's express approval and agreement.
8. **CONSENT FOR SENDING COMMERCIAL ELECTRONIC MESSAGES:** During the course of the relationship, the Planner or their support staff may wish to send the client e-mail messages containing information about financial planning, investments, or insurance products and services that will help the client meet their lifetime financial objectives. In accordance with Canada's Anti-Spam Legislation (CASL), the Planner must obtain the client's express consent in order to send commercial electronic messages.

Preferred E-mail Address(es) \_\_\_\_\_

I/We give consent to Blackburn Davis Financial Inc., my Planner, and their support staff to send commercial electronic messages to the above e-mail address(es). I/We understand I/we have the right to withdraw this consent at any time by informing the Planner that I/we no longer wish to receive commercial electronic messages.

Client Initials \_\_\_\_\_



- 9. CONFIDENTIALITY:** During the course of the relationship, it will be necessary for the client to provide a variety of very personal financial information. The quality of the work that is done will be dependent upon this personal information being accurate and complete. The Planner commits that all information will be held in strictest confidence and that no information shall be divulged about the client's personal situation to any outside organization or government agency without their consent, unless as directed by law. It is further understood that due to the Personal Information Protection and Electronic Documents Act (PIPEDA), you directly authorize us to maintain information within your files of a personal and private nature that could reasonably be considered pertinent or necessary in the provision of financial advice until requested by you in writing to destroy such information.
- 10. CONFLICT OF INTEREST:** During the Planner-client relationship there may be occasions where a conflict of interest may occur. The Planner commits to disclose any such conflicts if and when they occur, whether they are conflicts of interest in reality or a matter of perception.
- 11. ACKNOWLEDGEMENTS:** The client acknowledges that the advisory firm has disclosed the following material facts:
- SECURITIES LICENSING** – Stephen MacDonald, CFP, is licensed through the Alberta and BC Securities Commission for the sale of mutual funds and related securities products. Kelley Doerksen, CFP is licensed only through the Alberta Securities Commission for the sale of mutual funds and related securities products. Both of these licenses are sponsored through the Investment Industry Regulatory Organization of Canada (IIROC) dealer, Aligned Capital Partners Inc. Portfolio Manager referrals are made available through contracts between Blackburn Davis Financial Inc. and the Portfolio Manager directly in only the case of John Davis. Portfolio Manager referrals for Stephen MacDonald and Kelley Doerksen are made through Aligned Capital Partners Inc.
- INSURANCE LICENSING** – The Planners are licensed through the Alberta Insurance Council. John Davis and Stephen MacDonald are also licensed with the British Columbia Insurance Council.
- PROFESSIONAL MEMBERSHIPS** – All Planners are currently licensed by the Financial Planning Standards Council of Canada to use the Certified Financial Planner (CFP) designation, and are currently members in good standing of the Financial Advisors Association of Canada (Advocis). Additionally, John Davis is authorized to use its Chartered Life Underwriter (CLU) designation. John Davis also holds the Chartered Investment Manager (CIM) and Trust and Estate Practitioner (TEP) designations.
- PROFESSIONAL LIABILITY INSURANCE** – John Davis maintains professional liability insurance coverage in the amount of \$3,000,000. Stephen MacDonald and Kelley Doerksen maintain life insurance coverage in the amount of \$3,000,000 and securities-related insurance coverage in the amount of \$2,000,000.
- 12. CLIENT REDRESS:** If, throughout the professional relationship, the client has any complaints or disputes that cannot be resolved directly with the Planner, the client understands that there are a number of options to be heard and seek resolution. The Planner agrees to make the client aware of what the complaint process is and whom to contact.
- 13. ADVISOR COMPENSATION DISCLOSURE:** The firm may be compensated through fees based on the time and complexity of the planning needs and will also receive compensation through commissions or referral fees.



The Planner may be eligible for additional compensation, bonuses, or non-monetary benefits, such as travel incentives, depending on various factors such as volume or persistency of the business placed with a company during a given period.

- Any fees or commissions earned in relation to investment products or referrals will be disclosed at the time of recommendation.
- Being an independent advisory firm, Blackburn Davis Financial Inc. places business with companies that are best suited for the client’s individual needs. As an independent broker, the Planner places the majority of business through the following companies: Manulife, Great West Life, Canada Life, RBC, Industrial Alliance, Empire Life, and Equitable Life.
- Life, Disability, Critical Illness, Long-Term Care insurance – average compensation is 6.4% of premium over the lifetime of the contract.

**14. INTRODUCTIONS ARE APPRECIATED**

**FINANCIAL PLANNING AFFECTS US ALL.** To one degree or another we all must address retirement, health care or estate planning issues. Some may require complex plans while others may just need to ask a few questions to ensure they are on track.

If you are satisfied with the honest dependable advice of Blackburn Davis Financial Inc. we ask that you introduce us to a family member, friend or associate you feel may benefit from the level of advice we have provided you. They have to go somewhere for help, it should give you comfort it is with us.

Agreements are particularly critical in relationships as sensitive and potentially intimate as those involving personal financial affairs. Accordingly, it is necessary and appropriate for all of us to clearly understand the nature of our relationship. That is the purpose of this agreement.

Signed this \_\_\_\_\_ day of \_\_\_\_\_.

I understand the nature of this agreement and agree to its terms.

\_\_\_\_\_  
Client

\_\_\_\_\_  
Client

\_\_\_\_\_  
John Davis, BA, CFP, CLU, CIM, TEP, Stephen MacDonald, B.Comm, CFP, or Kelley Doerksen, CFP