

Engagement Agreement for Professional Services

Identification of Parties:

"Client"

"Firm"

C. Geraci & Company
Wealth and Investment Advisors
12721 Sawmill Road, Suite 100
The Woodlands, Texas 77380

Scope of Service:

This Contract, including the Addendum, "Conditions of Service and Disclosures", will evidence the employment of C. Geraci & Company for the professional planning and advisory services to be rendered to the Client. The professional services C. Geraci & Company are to provide are generally described in this Contract. Client recommendations are specifically customized to each client. The scope of our work includes, but is not limited to, investment, estate retirement and tax planning strategies. Please carefully review this Contract prior to signing it; as well ask any questions you may have.

Addendum: Conditions of Service and Disclosures:

This Addendum provides specific terms and conditions which materially affect this engagement. Your acceptance of this Contract will indicate that you have read, and agree to, the disclosures, terms and conditions stated in the Contract and the Addendum. Once you sign this Contract, you will be presumed to have read it and it will be a binding contract.

Contract Term:

The term of this Contract will begin on the date this Contract is signed and returned to C. Geraci & Company together with payment of the retainer fee and will end 120 days after the beginning date of this Contract.

Delivery of Information:

Your obligation to us is to provide complete and accurate family information and information requested in the following forms, as applicable:

- ◆ Discovery Data
- ◆ Investor Profile
- ◆ Summary of Assets Available for Investment
- ◆ Document Receipt
- ◆ Investment Advisor Contract
- ◆ Client Investment Criteria
- ◆ Picture in Your Mind Referral Listing
- ◆ Application Form(s)

This information is to be provided to C. Geraci & Company no later than 30 days after acceptance of this Contract. Upon receipt of completed data, we will review the information for overall effectiveness and efficiency as it relates to the Client goals and objectives.

Billing Rates:

Engagement for services is for a fixed fee in the amount of Two Thousand Two Hundred Fifty Dollars (\$2,250) and includes the following:

- ◆ A complete Financial Review
- ◆ Recommendations as they relate to client goals and objectives
- ◆ Analysis and review of investment alternatives

Compensation for additional services will be at an hourly rate, which will not exceed the rates described below. These rates are fixed for a period of six months following the effective date of this Agreement, but are subject to change thereafter.

TIMEKEEPER CATEGORY	RATE
Managing Partner	\$ 275
Senior Associates	\$ 200
Paraprofessional	\$ 75

Our fixed fee *does not include* the following:

- ◆ Valuation and business services.
- ◆ Preparation and filing of any gift and generation skipping transfer tax returns (Form 706 and 709), which may be required as a result of the estate planning undertaken by Client.
- ◆ Services provided by persons or organizations other than employees of C. Geraci & Company.
- ◆ Courier, long-distance telephone charges, photocopies and overnight mail delivery.
- ◆ Phone Consultations other than those stated above.
- ◆ Client meetings other than those stated above.

Fees for the aforementioned services are invoiced on a quarter hour basis per the above schedule (ie fifteen minute increments) and may be deducted from clients account with TD Ameritrade.

Travel: Time and Costs:

Travel consumes working time that we would otherwise use to produce income for the Firm. We charge for this time. Travel time will be billed at the applicable hourly rate, with a day rate cap. Travel time after 5 P.M. will be charged at 1/2 of the applicable hourly rate. We charge for the associated out-of-pocket costs of travel, including automobile, air travel, taxi, lodging and meals.

Resolution of Conflicts:

Any communication made by a Client is subject to disclosure to any other Client with regard to the scope of the service defined above.

Additional employment of C. Geraci & Company by any individual Client cannot be undertaken to the extent the scope of additional employment is related to a prior matter and which might cause the use of privileged information obtained in prior representation to be used to the disadvantage of another member of the group.

Should a conflict develop that cannot be resolved promptly and/or satisfactorily to all parties, we will have the right to immediately resign. The delivery of original records, entrusted to our care, to any one Client will be considered as a delivery to all.

This Contract shall be governed by the laws of the State of Texas. The parties agree that all claims arising out of this representation shall be litigated only in Montgomery County, Texas, but only after either mediation or arbitration has failed to resolve any disputed claim.

Before You Sign This Contract:

Any question or doubt you may have about this Contract should be resolved before you sign. Please do not hesitate to ask us about any term or provision in this Contract prior to signing, as this document will be a legally binding contract once you sign it.

Acceptance:

Each person or organization identified as Client should communicate a written acceptance of this Contract. Delivery and acceptance may be by regular mail or facsimile. An instrument delivered by facsimile will be considered to be an original and as best evidence of the original.

<i>Party</i>	<i>Signature</i>	<i>Date</i>
Advisor	/s/ _____	_____
Client	/s/ _____	_____
Client	/s/ _____	_____

ADDENDUM: CONDITIONS OF SERVICE AND DISCLOSURES

The Engagement Agreement for Professional Services, to which this Addendum is a part, and the continuation of service to you, is subject to the following conditions and disclosures:

1. IDENTIFICATION OF CLIENT:

The Client will be the person or persons (including any business entity or enterprise) expressly identified as "Client" in the Contract. We assume no duty whatsoever to any other person or enterprise, nor any other member of your family, not identified as a client in the Contract. We will not disclose any information whatsoever to anyone other than to a Client except as specifically permitted by you or as otherwise authorized in order to fulfill our representation. We reserve the right to refuse disclosure of confidential and privileged information under any condition or circumstances.

2. MULTIPLE-PARTY REPRESENTATION:

If the identified Client is more than one person, including husband and wife, parent and child, business entity and owners:

- ◆ An advisor is required to be impartial, loyal, and to exercise independent judgment with regard to the Client group as a whole. He or she may not promote the interest of any one member of a group to the disadvantage of another in the group of clients. An advisor may act as the common representative for more than one person in a common enterprise or endeavor for so long as their interests do not differ or potentially differ.
- ◆ Each separate Client is advised to obtain the service of independent legal counsel to insure that his, her, or its interests are best protected.
- ◆ Each Client affirmatively represents that he, she or it has the affirmative duty to C. Geraci & Company to report any fact or circumstance which may affect the Firm's impartial representation of all those identified as Client, and any fact or circumstance which indicates that his, her, or its interest is in conflict with another.
- ◆ One member of a family or business organization may serve as the spokesman for all. It is not uncommon for those who are passively involved in an estate or business planning endeavor to sign documents without thoroughly reading or understanding what they have signed. This cannot be permitted in this engagement. At least one court has held that documents signed by a wife, who did not read or understand them and who relied upon the judgment of her husband alone, were revocable by the wife because she did not receive effective legal representation. In signing the Contract, each person identified as Client affirmatively represents and promises that he or she will read the documentation, will ask questions when in doubt as to the meaning of any document or term, and will not sign the documentation until he or she understands the documents and the investment, estate, retirement or business plan.

3. CLIENT'S COMPLETION OF CONFIDENTIAL INVESTMENT, ESTATE AND RETIREMENT PLANNING WORKSHEETS:

You will have received various forms and data requests. These worksheets are important, and we may have the duty to obtain this detailed information as a part of our service. In fact, an advisor can operate only upon the information the Client elects to provide, and must assume that the information provided is complete and accurate. You should also know that it is important that property which passes under a beneficiary designation, such as a life insurance policy, employee benefit plan, buy-sell or redemption agreement, retirement plan, or annuity, should be coordinated with the overall estate plan. The depository contracts with financial institutions should be reviewed to make sure that survivorship language is excluded if the account, money market fund, or other deposit is to pass under the terms of the controlling estate planning instruments. Again, this is a task which you must coordinate. We will make every effort to be available to assist you if you need help

4. LIMITATIONS AS TO SCOPE OF FIRM'S ENGAGEMENT:

The engagement evidenced by this Contract is limited to the time prescribed by the Contract and to the scope of the service to be provided as described by this Contract. There is no implied representation that we can or will provide any further service beyond the engagement period and the scope of service without first negotiating a new contract in writing. Any change as to scope of work or extension of the engagement period must be in writing and signed by both the Client and Charles Geraci.

5. CLIENT'S DUTY TO REVIEW INVESTMENT, ESTATE AND RETIREMENT PLANNING DOCUMENTS:

The planning documents will be complex to read and understand. It will be your affirmative duty to give the planning documents a comprehensive review both before and after they have been signed and before the engagement ends, and to consult with us as to any document or provision you do not understand. In any event, it will be your affirmative duty to read and review the documents thoroughly after the planning documents are signed.

No advisor is error-proof. Your thorough review of the planning and transfer documentation is important to insure that we have followed your investment, estate and retirement planning objectives and that we have properly recorded family and financial information. Any changes made due to our error will be made without cost to you.

Certain sensitive provisions are usually included in the planning documentation. These include a no-contest clause and language which exonerates a personal representative, other than a bank trustee, from ordinary negligence in the course of settling an estate and the administration of an estate or trust. The final documentation will include these provisions unless you specifically require a deletion of one or both of them.

6. TERMINATION OF REPRESENTATION BY FIRM:

We reserve the right to withdraw and terminate employment in the event it becomes apparent that the motive for the planning is unlawful; a conflict of interest develops; if invoices for services and costs are not paid within a reasonable time after delivery; or, if we deliver notice of an impediment which materially affects the service which we are to provide and if the impediment or issue is not resolved within a reasonable time after delivery of notice.

7. DISCLOSURES RELATING TO MARITAL PROPERTY:

The following disclosures pertain to marital property agreements, transfers, and family gifts.

- ◆ In a community property state, a partition of community property into separate property may deny a step-up in the income tax basis of the surviving spouse's separate property upon the death of the other spouse. Internal Revenue Code Section 1014 provides a step-up in the income tax basis of a surviving spouse's ownership interest in community property. A step-up in basis may provide a material income tax advantage if the property appreciates in value and is sold by the surviving spouse after the death of the other. You are also advised that a marital partition of community property will substantially change the ownership, management and control of the property, and significant rights of one spouse to the other's community interest will be significantly altered. The same result may occur in a state or jurisdiction which is not a community property state if one spouse makes gifts to another in order to equalize the value of the estates of the spouses. Likewise, property equalization gifts in a common law state will not, as to the interest of the donee spouse, be entitled to an income tax step-up in basis upon the death of the donor.
- ◆ In any state, irrevocable gifts of property to a spouse, to children, to charity, or to a trust for a spouse, a child, charity or another cannot be reached or controlled by the transferor.

8. DISCLOSURES RELATING TO LEGAL POSITION:

The investment, estate and retirement plan will be formed under state and federal law now existing. We affirmatively represent that there is precedent in the law for every procedure used with regard to each estate planning trust, partnership or other organization having sites or location in the United States. You should know that the interpretation of existing law may vary from lawyer to lawyer and from court to court. You should also know that both federal and state laws are subject to change and subject to new and different interpretations.

The ultimate resolution of factual issues by a Court, jury, or an agency of a state or federal government cannot be known in advance and is beyond the control of the advisor. No representation, guarantee or warranty is made, nor can be made, with regard to the ultimate resolution of issues of fact. Such issues may include: (1) as in Estate of Murphy, T.C. Memo 1990-472 (August 30, 1990), that the only purpose of a trust, partnership, or transfer ". . . was solely to reduce Federal tax. *** Transactions with no purpose or effect other than to reduce taxes are to be disregarded for Federal tax purposes." or (2) that, in the view of a jury or judge, a trust, partnership, or transfer was motivated by an intent to hinder or defraud creditors; or, (3) that a client lacked the required mental capacity at the time a planning document was executed; or, (4) the ultimate resolution of an attack on a trust, partnership, transfer or other procedure, despite clear directives prohibiting contests by the instrument. The motivation issue is a difficult one because it involves a state of mind--not what the client actually intended at the time, but what the Court or a jury perceives the client's intent to have been at the time.

9. DISCLOSURES RELATING TO TEXAS REPRESENTATION:

If planning services are to be provided to a Client who is not a resident of Texas, or involves property not situated in Texas (*including Louisiana*), it is highly recommended that the Client employ an advisor in the jurisdiction of the Client's residence or in the jurisdiction in which out-of-state property is located to review all documents pertaining to the plan and transfers of ownership. We will work with firms employed by the Client for work which pertains to a jurisdiction other than Texas.

10. DISCLOSURES RELATING TO FIDUCIARIES:

Your choice of executor, trustee, and any other person (or institution) who is to have a custodial or administrative responsibility, will govern our preparation of the documents. You need to know that the authority vested in the estate planning documents is comprehensive in nature. Select your candidate wisely. A spouse, a child, or another who has your trust may not have the experience or ability to serve in a fiduciary capacity. An improper choice can destroy a good plan, and substantially damage family relationships.

11. FINANCE CHARGES FOR PAST DUE ACCOUNTS:

In attempting to control and reduce the cost of the professional fees this Firm provides, we have found that a major overhead factor for Charles Geraci is the cost of carrying past due accounts. These costs unfairly penalize the majority of our clients who pay for services on a current basis. *Accordingly, balances unpaid after twenty (20) days from the date of the invoice may bear interest at a rate equal to the lesser of (i) one and one-half percent (1 ½%) per month, or (ii) the maximum lawful rate of interest.*

12. ACKNOWLEDGEMENT OF FORM ADV:

Client acknowledges receipt of Part II of form ADV, a disclosure statement containing at least the information required by Schedule H of Form ADV if the client is entering into a wrap fee program sponsored by the investment advisor. If the appropriate disclosure statement was not delivered to the client at least 48 hours prior to the client entering into any written or oral advisory contract with this investment adviser, then the client has the right to terminate the contract without penalty within five business days after entering the contract. For the purposes of this provision, a contract is considered entered into when all parties to the contract have signed the contract, or in the case of an oral contract otherwise signified their acceptance, any other provisions of this contract notwithstanding.

13. ASSIGNMENT CLAUSE:

This agreement is non assignable by either party.

14. PRIVACY POLICY:

Client acknowledges receipt of *Privacy Policy* of C. Geraci and Company