



FINANCIAL ADVISORY AGREEMENT

This AGREEMENT entered into by and between Shilanski & Associates, Inc. (SAAI) (hereinafter called "Advisor"), whose principal office is located at 431 West 7th Avenue, Suite 100, Anchorage, Alaska, 99501, and _____ (hereinafter called "Client").

WITNESSETH:

WHEREAS the Advisor is in the business of financial service and investment advice; and the Advisor is an independent contractor in the firm, Shilanski & Associates, Inc.; and WHEREAS the Client desires the Advisor to provide financial service and investment advice; NOW, THEREFORE, in consideration of the premises and mutual promises herein contained, the parties agree as follows:

1. SERVICES

In consideration of the type of services rendered by the Advisor, the Client shall pay the Advisor the following fee. The fee will be determined according to the report or plan selected by the client, as well as, the complexity of the case.

- _____ a. "Personal Financial Plan": The fee range for the Personal Financial Plan is \$2,000.00 to \$20,000.00. 40% of the fee is payable upon signing the financial advisory agreement, or as otherwise agreed in writing between the client and Shilanski & Associates, Inc. The balance is due upon delivery of the Comprehensive Plan. The agreement renews at 80% of the price unless otherwise agreed.
- _____ b. Renewal of Financial Planning: The fee range for the Financial planning Renewal is \$2,000.00 to \$20,000.00 per year. 40% of the fee is payable upon signing the financial advisory agreement, or as otherwise agreed in writing between the client and Shilanski & Associates, Inc. This agreement is ongoing unless terminated by the client or advisor.
- _____ c. Custom services: Fees for custom services are negotiated with the client and are based on an hourly fee ranging from \$300.00 to \$500.00, for financial planning and/or consulting; Additional charges will be billed for coping, faxing, and other administration costs incurred.

Agreed upon fee: \$ _____

All fees above are negotiable. No fee shall ever be based on capital gain or capital appreciation of assets. Pursuant to Section 205 of the Investment Advisers Act of 1940, as amended, the firm shall never charge performance based fees or base any fee upon capital gains or capital appreciation of assets.

2. RESPONSIBILITIES OF THE CLIENT

The Client agrees to provide information regarding income, investments, income tax situation, wills and other pertinent matters as requested by the Advisor from time to time. The Client also agrees to discuss needs, goals, projected future needs candidly with the Advisor, and to keep the Advisor informed of changes in the Client's situation, needs and goals. The Client acknowledges that the Advisor cannot adequately perform services on the Client's behalf unless the Client performs such responsibilities on his/her part. The Advisor's analysis and recommendations are based on the information provided by the Client. The Client agrees to permit the Advisor to consult with and obtain information about the Client from the Client's accountant, attorney, and other advisors. The Advisor shall not be required to verify any information obtained from the Client, the Client's attorney, accountant or other advisors and is expressly authorized to rely thereon. The Client is free at all times to accept or reject any recommendations of the Advisor. The Client acknowledges that he/she has the sole authority with regard to the implementation, acceptance or rejection of any counseling or advice from the Advisor.

3. CONFIDENTIALITY

All information and advice furnished by either party to the other shall be treated as confidential and not disclosed to third parties except as agreed upon in writing or required by law. The Advisor is herein given absolute authority by the Client to disclose, provide copies of and communicate information obtained from the Client or developed by the Advisor to the following:

4. CONFLICT OF INTEREST DISCLOSURE

It is understood that Shilanski & Associates, Inc.'s retention of us as joint clients for financial services to be in our mutual interest and an acceptable way to deal with our concerns for various reasons including expediency and economy and which we believe may not be possible if each one of us hires separate financial advisors.

NOW THEREFORE WE AGREE AS FOLLOWS:

Shilanski & Associates, Inc.'s full disclosure of the potential of conflict of interest ("COI") which exists or may exist if Shilanski & Associates, Inc. retains both of us in our mutual financial planning matters, by signing herein below each do hereby acknowledge a potential COI. We fully understand and, having been provided an opportunity to seek independent financial advisors, do hereby waive such potential COI in the matters in which we have requested the professional services of Shilanski & Associates, Inc., and do hereby consent to Shilanski & Associates, Inc.'s retention of each one of us as clients for financial services.

We each hereby waive any and every duty of disclosure by Shilanski & Associates, Inc. to the other one of us of any communications or confidences which may involve one but not both of us.

5. BASIS OF ADVICE

The Client acknowledges that the Advisor obtains information from a wide variety of publicly available sources and the Advisor has no sources, and does not claim to have sources, of inside or private information. The recommendations developed by the Advisor are based upon the professional judgment of the Advisor and its individual professional counselors. Neither the Advisor nor its individual counselors can guarantee the results of any of their recommendations. The Client at all times shall elect unilaterally to follow, ignore completely or in part, any information, recommendation or counsel given by the Advisor under this Agreement.

6. IMPLEMENTATION

The Client is free to obtain legal, accounting and brokerage services from any professional source to implement the recommendations of the Advisor. The Client will retain absolute discretion over all investment and the implementation of any recommendations.

7. REPRESENTATION FOR THE CLIENT

It is understood by and between the parties herein that the Advisor of Shilanski & Associates, Inc. is a registered representative/agent with Summit Brokerage Services Inc., a registered securities Broker/Dealer and Insurance Companies. The Advisor acting in such capacity as registered representative/agent may, if requested by the Client, implement the decisions of the Client and execute the corresponding transactions. In such capacity such representative may participate in and receive the usual and customary commissions or fees in which the Client invests and may receive other commissions such as new Client fee and/or insurance commissions. In the event an Advisor Affiliate of Shilanski & Associates, Inc. is acting in the capacity of registered representative/agent, he/she shall disclose any fees or commissions as are required by existing federal and state securities laws and regulations.

8. LEGAL AND ACCOUNTING SERVICES

It is understood and agreed that the Advisor and its employees are not qualified to and will not render any legal or accounting advice nor prepare any legal/accounting documents for the implementation of the Client's financial and investment plans.

The Client agrees that his personal attorney and/or accountant solely shall be responsible for rendering and/or preparation of the following, (1) all legal and accounting advice, (2) all legal and accounting opinions and determinations, and (3) all legal and accounting documents.

9. TERMINATION

The Client and/or SAAI may terminate the Financial Advisory Agreement at any time. A refund will be given for any and all unearned and/or unapplied fees. With respect to the terms of this agreement, such agreement shall continue in full force and effect, unless and until, terminated in writing by either the advisor or the client. If termination of the agreement is within five (5) business days from the date set forth in the agreement, all fees paid in advance will be refunded. Shilanski & Associates, Inc. may terminate the Agreement without penalty at any time by giving the Client written notice and refunding in full all unearned and/or unapplied fees paid under the Agreement.

10. COMPLIANCE AND RECEIPT OF DOCUMENTS

The Advisor is an investment advisor registered with the United States Securities & Exchange Commission ("U.S. SEC"). The Advisor has delivered to the Client the background and business practices

of the firm, ADV Form Part 2A & 2B for Shilanski & Associates, Inc., Privacy Statement for SAAI and their Broker/Dealer along with the firm's Disclosure Form.

In an effort to conserve the amount of paper that we generate we will send all compliance related documents electronically. By signing this agreement you are agreeing to electronic delivery. Should you prefer to receive these documents via post, please let our office know in writing so that we may comply with your request.

11. **ARBITRATION**

THIS AGREEMENT CONTAINS A PRE-DISPUTE ARBITRATION CLAUSE. BY SIGNING AN ARBITRATION AGREEMENT THE PARTIES AGREE AS FOLLOWS:

It is agreed that any controversy between us arising out of your business or this agreement, shall be submitted to arbitration conducted before the Financial Industry Regulatory Authority and in accordance with its rules. Arbitration must be commenced by service upon the other party of a written demand for arbitration or written notice of intention to arbitrate.

I represent that I understand the terms of the arbitration clause, as follows:

- a) All parties to this agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which the claim is filed.
- b) Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.
- c) The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.
- d) The arbitrators do not have to explain the reason(s) for their award.
- e) The Panel of Arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.
- f) The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.
- g) The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this agreement.

Furthermore, all parties signing this agreement agree that all controversies which may arise between us, including but not limited to those involving any transaction or the construction, performance, or breach of this or any other agreement between us, whether entered into prior, on or subsequent to the date hereof, shall be determined by arbitration.

12. **OPT-IN COMMUNICATION**

- a. This agreement provides authorization for Shilanski & Associates Inc., to send electronic information to the Clients otherwise known as "Opting-In". If the Client no longer chooses to receive

Electronic information Shilanski & Associates Inc., will receive notice in writing letting them know the Client has "Opted-Out".

Client agrees to immediately notify from of any changes to Client's e-mail address provided or other electronic delivery address.

13. AUTOMATIC BILLING

- a. If you would like to enjoy the convenience of automatic billing, that will start with signing this agreement. Upon approval, we will automatically bill your credit card for your financial planning fee with the amount indicated and agreed upon by signing this contract. Your total charges will appear on your credit card statements. You may cancel this automatic billing authorization at any time by contacting us.

14. MISCELLANEOUS

- a. This Agreement shall be applicable only to financial advice contained in the financial analysis or investment recommendation individually prepared for the Client and shall not relate to any advice given by any person or persons not specifically designated by Advisor in writing to perform such services.
- b. Neither party hereto may assign, convey or otherwise express transfer any of its rights, obligations or interests herein without the prior express consent of the other party.
- c. This Agreement represents the complete Agreement of the parties with regard to the subject matter and supersedes any prior understanding or agreements, oral or written.
- d. This Agreement may be amended or revised only by an instrument in writing signed by the Client and by a principal of SAAI.
- e. No provision hereof or breach of any position may be incurred or discharged except by a written agreement of the party from who the discharge is sought. No waiver of any breach hereof shall in any way be construed to be a waiver of any future or subsequent breach.
- f. Any provision hereof which is prohibited or unenforceable shall be ineffective as to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof.
- g. It is further understood by the parties that the Advisor/Registered Representative is responsible for his/her actions in dealings with the client and he/she agrees to be liable for such actions and that such Advisor Representative agrees to act accordingly.
- h. The validity of this Agreement and of any of its terms or provisions as well as the rights of the parties hereunder shall be governed by the laws of the state of Alaska, except to the extent that Federal securities law shall otherwise control.
- i. This Agreement may be executed in several counterparts, each of which shall be deemed an original. This Agreement shall not become effective until acceptance by Shilanski & Associates Inc., as below.

j. THE FEDERAL AND STATE SECURITIES LAWS IMPOSE OBLIGATIONS UPON PERSONS WHO ACT IN GOOD FAITH AND AS SUCH NOTHING HEREIN SHALL RESULT IN ANY WAIVER OR RELINQUISHMENT OF RIGHTS WHICH THE CLIENT MAY OTHERWISE ENJOY UNDER EXISTING FEDERAL AND/OR STATE SECURITIES LAWS.

By signing this contract you are acknowledging that you have reviewed and agree with this contract and that you have received the Form ADV Part 2A & 2B and the Privacy Statement for Shilanski and Associates, Inc. Shall be controlled by resorting to the laws of the state of Alaska, except to the extent that federal law shall otherwise control.

1. Client Signature Date

1. Advisor's Signature Date

Printed Name

2. Advisor's Signature Date

2. Client Signature Date

Printed Name

Client Address

**Shilanski & Associates Inc.
431 W. 7th Ave. Ste. 100
Anchorage, Alaska 99501**

City, State and Zip

PH: 1-907-278-1351

Client Phone Number