

**Van Der Noord Financial Advisors, Inc.**  
**Client Advisory Agreement**

PRINT CLIENT NAME \_\_\_\_\_

PRINT CLIENT NAME \_\_\_\_\_

Agreement, made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ between the below signed party (or parties) (hereinafter referred to as the "Client"), and Van Der Noord Financial Advisors, Inc. ("VFA"), a registered investment adviser firm whose mailing address is The Village at Thornblade, 420 The Parkway, Suite G2, Greer, SC 29650, (hereinafter referred to as the "Adviser").

**1) Scope of Engagement.**

- a) The Client hereby appoints the Adviser as an Investment Adviser to perform the services hereinafter described, and the Adviser accepts such appointment. The Adviser shall be responsible for the implementation of the services for which it is engaged regarding those assets (which assets, together with all additions, substitutions and/or alterations thereto are hereinafter referred to as the "Assets" or "Account") designated by the Client to be subject to the terms and conditions of this agreement;
- b) The Adviser is authorized, on a non-discretionary basis, to buy, sell, and trade in stocks, bonds, mutual funds, direct participation programs, other securities and/or contracts relating to the same, and/or other financial/investment products, on margin (only if written authorization has been granted) or otherwise, and to give instructions in furtherance of such authority to a registered broker-dealer, other financial institution, and/or the Custodian (see paragraph 3 for further information regarding Custodian) of the Assets;
- c) The Adviser may allocate, as authorized by Client, all or a portion of the Assets, based upon the Client's stated investment objectives, among various investment alternatives, without restriction or limitation unless specifically stated in writing;
- d) The Adviser may select or recommend other advisers;
- e) The Adviser may prepare and provide Client with a written financial plan; and/or
- f) Other services. Adviser may provide services and/or advice related to matters not involving securities or investment products such as insurance, mortgage financing, etc.

**2) Client Acknowledgements.**

- a) The Client agrees to provide information and/or documentation requested by Adviser in furtherance of this Agreement as it pertains to Client's objectives, needs and goals, and to keep Adviser informed of any changes regarding same. The Client acknowledges that Adviser cannot adequately perform its services for the Client unless the Client diligently performs his responsibilities under this Agreement. Adviser shall not be required to verify any information obtained from the Client, Client's attorney, accountant or other professionals, and is expressly authorized to rely thereon;
- b) Client authorizes Adviser to respond to inquiries from, and communicate and share information with, Client's attorney, accountant and other professionals to the extent necessary in furtherance of Adviser's services under this Agreement; and
- c) Client acknowledges and understands that the service(s) to be provided by Adviser under this Agreement is limited to individual investment advisory services on a "fee for service" basis.

**3) Custodian.**

- a) The Assets shall be held by an independent, Qualified Custodian, not the Adviser. At no time shall the Adviser be considered the Custodian of any client Assets.
- b) The term "Qualified Custodian" for purposes of this Agreement shall mean the financial institution designated by the Client such as a broker-dealer or other financial institution maintaining Assets of the Client.
  - i) The Adviser is authorized to give instructions to Qualified Custodian with respect to all movements of money regarding the Assets and Custodian is hereby authorized and directed to effect such movements, distribute monies, and otherwise take such actions as the Adviser shall direct in connection with the performance of the Adviser's obligations in respect of the Assets held by Qualified Custodian.
  - ii) Either Adviser or Qualified Custodian will send, at a minimum, quarterly statements showing all transactions occurring on behalf of the Client, if transactions occur monthly, such statements will be provided monthly to Client.

**4) Adviser Compensation.**

- a) Fee Assessment and Calculation.
  - i) No increase in Adviser's fees shall be effective without prior written notification of at least thirty (30) days to the Client;
  - ii) In addition to Adviser's administrative and/or service fee(s) and any custodial fees, the Client may also incur, relative to certain investment

products (such as mutual funds, variable contracts, direct participation programs), charges imposed directly at the investment product level (e.g. advisory fees, administrative fees, and/or other expenses).

iii) Any custodial fee(s) charged to the Client by the Qualified Custodian are exclusive of, and in addition to, Adviser Compensation as defined herein.

iv) Commission fees for securities trade executions may be billed to the Client by the broker-dealer and/or custodian of record for the client account, not Adviser. Should the transaction be a block trade for securities to be apportioned over various suitable accounts, the commission(s) may be billed pro rata according to the portion of the trade placed in each Client's account(s).

v) Client has designated a Qualified Custodian.

(1) Client authorizes Qualified Custodian of the Assets to charge the Account(s) for the amount of the Adviser's fee(s) and to remit such fee(s) to the Adviser in accordance with applicable regulatory procedures as follows;

- (a) Adviser will request that the Qualified Custodian debit on the Client account for service fees and annual fees.
- (b) The administrative fee can be debited from the account by Qualified Custodian or paid directly by Client.

(2) Qualified Custodian will:

- (a) No less than frequently than on a quarterly basis, send to the Client
  - (i) A statement indicating
    - 1. the amount of fees owed to Adviser;
    - 2. all amounts charged to the Client during the previous billing cycle;
    - 3. the amount(s) of advisory fees paid to the Adviser by the Client during the previous billing cycle; and
    - 4. that it is the client's responsibility to verify the accuracy of Adviser's fee calculation and that the Custodian will not determine whether the fee has been properly calculated.
  - (b) Minimum Fee. Adviser, in its sole discretion, shall generally impose a minimum fee of \$1200.00 annually for its investment advisory services.
  - (c) Client acknowledges s/he will be solely and directly responsible for Adviser fees billed directly to Client.
  - (d) Service and Fee Selection.

Service Type	Service Description	Discretion (F=Full; N=none)
1 <input type="checkbox"/>	Investment Supervisory Services	<input type="checkbox"/> F <input type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>
2 <input type="checkbox"/>	Non-supervisory Investment Management	<input type="checkbox"/> F <input type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>
3 <input type="checkbox"/>	Financial Planning	N/A
4 <input type="checkbox"/>	Non-Securities related Advisory Services	<input type="checkbox"/> F <input type="checkbox"/> N <input type="checkbox"/> N/A
Fee Type	Fee Description	Billing Method and Frequency (Q= quarterly; M=monthly; AR=arrears; AD=advance; C=custodian; D=direct)
<input type="checkbox"/> Annual %	<input type="checkbox"/> Q - <input type="checkbox"/> M; <input type="checkbox"/> AR - <input type="checkbox"/> AD; <input type="checkbox"/> C - <input type="checkbox"/> D <input type="checkbox"/>	%
		%
		%
		%
<input type="checkbox"/> Fixed	\$ /Year	<input type="checkbox"/> Q - <input type="checkbox"/> M; <input type="checkbox"/> AR - <input type="checkbox"/> AD; <input type="checkbox"/> C - <input type="checkbox"/> D <input type="checkbox"/>
<input type="checkbox"/> Hourly	\$ /Hour	<input type="checkbox"/> Q - <input type="checkbox"/> M; <input type="checkbox"/> AR - <input type="checkbox"/> AD; <input type="checkbox"/> C - <input type="checkbox"/> D <input type="checkbox"/>
<b>Client 1 Initials:</b>		
<b>Client 2 Initials:</b>		

**5) Execution of Brokerage Transactions (when applicable).** Adviser is not a broker-dealer. If requested, Adviser will arrange for the execution of securities brokerage transactions for the Account through broker-dealers that Adviser reasonably believes will provide "best execution". In seeking best execution, the determinative factor is not always the lowest possible commission cost but whether the transaction represents the best qualitative

execution, taking into consideration the full range of a broker-dealer's services including the value of research provided (if any), execution capability, commission rates, and responsiveness. Commissions and/or transaction fees are generally charged for effecting securities transactions (Any such fees are not charged by Adviser);

- 6) **Risk Acknowledgment.** Adviser does not guarantee the future performance of the Account or any specific level of performance, the success of any investment recommendation or strategy that Adviser may take or recommend for the Account, or the success of Adviser's overall advisory services related to the Account. Client understands that investment recommendations for the Account by Adviser may be subject to various market, interest rate, currency, economic, political and business risks, and that those investment decisions will not always result in profitable performance.
- 7) **Directions to the Adviser.** All directions, instructions and/or notices from the Client to the Adviser shall be in writing, including notification of a change in the Client's investment objective(s). The Adviser shall be fully protected in relying upon any direction, notice, or instruction until it has been duly advised in writing of changes therein.
- 8) **Adviser Liability.** Except as otherwise provided by federal or state securities laws, the Adviser, acting in good faith, shall not be liable for any action, omission, investment recommendation/decision, or loss in connection with this Agreement including, but not limited to, the investment of the Assets, or the acts and/or omissions of other professionals or third-party service providers recommended to the Client by the Adviser, including a broker-dealer and/or custodian. If the Account contains only a portion of the Client's total assets, Adviser shall only be responsible for those assets that the Client has designated to be the subject of the Adviser's investment management services under this Agreement without consideration to those additional assets not so designated by the Client.
- 9) **Proxies.** Unless the Client directs otherwise in writing, the Client shall be responsible for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the Client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other types of events pertaining to the Assets. Adviser is authorized to instruct the Custodian to forward to Client copies of all proxies and shareholder communications relating to the Assets.
- 10) **Assignment.** This Agreement may not be assigned (within the meaning of the Investment Advisers Act of 1940) by either the Client or the Adviser without the prior written consent of the other party. The Client acknowledges and agrees that transactions that do not result in a change of actual control or management of the Adviser shall not be considered an assignment pursuant to Rule 202(a)(1)-1 under the Investment Advisers Act of 1940.
- 11) **Termination.** This Agreement will continue in effect until terminated by either party by written notice to the other (email notice will not suffice), which written notice must be signed by the terminating party and received by the other party at least thirty days in advance of the requested termination date. Termination of this Agreement will not affect (i) the validity of any action previously taken by Adviser under this Agreement; (ii) liabilities or obligations of the parties from transactions initiated before termination of this Agreement; or (iii) Client's obligation to pay advisory fees (prorated through the date of termination). Upon the termination of this Agreement, Adviser will have no obligation to recommend or take any action with regard to the securities, cash or other investments in the Account.
- 12) **Non-Exclusive Management.** Adviser, its officers, employees, and agents, may have or take the same or similar positions in specific investments for their own account(s), or for the accounts of other clients, as the Adviser does for the Assets of Client. Client expressly acknowledges and understands that Adviser shall be free to render investment advice to others and that Adviser does not make its investment management services available exclusively to Client. Nothing in this Agreement shall impose upon the Adviser any obligation to purchase or sell, or to recommend for purchase or sale, for the Account any security which the Adviser, its principals, affiliates or employees, may purchase or sell for their own accounts or for the account of any other client, if in the reasonable opinion of the Adviser such investment would be unsuitable for the Account or if the Adviser determines in the best interest of the Account it would be impractical or undesirable.
- 13) **Death or Disability.** The death, disability or incompetence of Client will not terminate or change the terms of this Agreement. However, Client's executor,

guardian, attorney-in-fact or other authorized representative may terminate this Agreement by giving thirty (30) days advance written notice to Adviser in accordance with the termination provisions described herein. The Client recognizes that the Custodian may not allow any further Account transactions until such time as the necessary documentation is provided to the Custodian.

- 14) **Arbitration.**
  - a) Subject to the conditions and exceptions noted below, and to the extent not inconsistent with applicable law, in the event of any dispute pertaining to Adviser's services under this Agreement, both Adviser and Client agree to submit the dispute to arbitration in accordance with the auspices and rules of the American Arbitration Association ("AAA"), provided that the AAA accepts jurisdiction. Adviser and Client understand that such arbitration shall be final and binding, and that by agreeing to arbitration, both Adviser and Client are waiving their respective rights to seek remedies in court, including the right to a jury trial.
  - b) Client acknowledges that he/she/it has had a reasonable opportunity to review and consider this arbitration provision prior to the execution of this Agreement. Client acknowledges and agrees that in the specific event of non-payment of any portion of Adviser Compensation pursuant to paragraph 2 of this Agreement, Adviser, in addition to the aforementioned arbitration remedy, shall be free to pursue all other legal remedies available to it under law, and shall be entitled to reimbursement of reasonable attorneys fees and other costs of collection of any monies due Adviser.
- 15) **Disclosure Statement.** The Client hereby acknowledges prior receipt of a copy of the Disclosure Statement of the Adviser as same is set forth on Part II of Form ADV. Client further acknowledges that he has had a reasonable opportunity (i.e. at least 48 hours) to review said Disclosure Statement, and to discuss the contents of same with professionals of his choosing, prior to the execution of this Agreement. If the Client has not received a copy of the Adviser's Disclosure Statement at least 48 hours prior to execution of this Agreement, he/she/it shall have 5 business days from the date of execution of this Agreement to terminate Adviser's services without penalty under this Agreement.
- 16) **Severability.** Any term or provision of this Agreement which is invalid or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms or provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in such jurisdiction or any other jurisdiction.
- 17) **Client Conflicts.** If this Agreement is between the Adviser and related clients (i.e. husband and wife, life partners, etc.), Adviser's services shall be based upon the joint goals communicated to the Adviser. Adviser shall be permitted to rely upon instructions from either party with respect to disposition of the Assets, unless and until such reliance is revoked in writing to the Adviser. The Adviser shall not be responsible for any claims or damages resulting from such reliance or from any change in the status of the relationship between the clients.
- 18) **Privacy Notice.** The Client acknowledges prior receipt, understanding, and acceptance of the Adviser's Privacy Notice.
- 19) **No Legal, Tax or Accounting Advice.** Nothing in this agreement shall require Adviser to provide legal, tax or accounting advice. Client is responsible for consulting, and is encouraged to consult legal, tax and accounting advisers of Clients' choosing.
- 20) **Emergency Contact Information.**
  - a) Name: Richard Van Der Noord
  - b) Phone: (864) 801-1977
  - c) Email: rick@vandernoordfinancial.com
- 21) **Applicable Law.** This Agreement supersedes and replaces, in its entirety, all previous investment advisory agreement(s) between the parties. To the extent not inconsistent with applicable law, this Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina.
- 22) **Authority.** The Client acknowledges that s/he/they/it has (have) all requisite legal authority to execute this Agreement, and that there are no encumbrances on the Assets. The Client correspondingly agrees to immediately notify the Adviser, in writing, if either of these representations should change.

IN WITNESS WHEREOF, the Client and Adviser have each executed this Agreement on the day, month and year written above, by signing below.

Customer's signature:	Date:	Joint owner's signature:	Date:
Associated person's signature:	Date:	Authorized supervisor's signature:	Date: