

**PARTICIPATION AGREEMENT FOR
FINANCIAL SPECIALIST IN
THE COLLABORATIVE LAW PROCESS**

This participation agreement is entered into by _____ (Financial Specialist's name/firm), the Financial Specialist, and _____ (participant 1) represented by _____ (Lawyer for participant 1) and _____ (participant 2) represented by _____ (Lawyer for participant 2).

In consideration of the mutual benefits to be derived from this Agreement, it is understood and agreed as follows:

1. Role

The Financial Specialist is retained to act in the role of a neutral facilitator for discussions relating to the financial issues of the Collaborative proceedings. Discussions with the Financial Specialist are for the sole purpose of resolving the financial issues presented by the participant's Collaborative case.

2. Services

The Financial Specialist may provide one or more of the following services to the participants and their Lawyers during the Collaborative process.

- a. Gather and analyze all necessary financial data;
- b. Assist the participants to the Collaborative process in understanding the impact of financial decisions upon their stated goals and objectives.

Such analysis, documentation and illustrations may include:

- a. Inventory of Assets and Liabilities (Net Worth Statement)
- b. Compilation and review of the family's Cash Flow
- c. Preparation of Budgets based upon client's historic standard of living and current goals and objectives
- d. Estimates of future needs
- e. Estimates of costs of raising a child or children
- f. Examining retirement issues
- g. Examining insurance issues and needs
- h. Analysis of income producing and non-income producing assets
- i. Tax consequences of settlement and support options
- j. Financial consequences of proposed settlement options.

The financial specialist may meet with the participants to gather the necessary data and may participate in meetings with the participants' Lawyers, accountants and other professionals and/or experts as part of the Collaborative process.

3. Responsibility of Participants in the Collaborative Process

The Participants recognize that the value and usefulness of the services rendered by the Financial Specialist will in large measure be dependent upon the completeness and accuracy of the information provided by the Participants. The Participants may be asked to complete questionnaires provided by the Financial Specialist and also to provide pertinent documents. The Financial Specialist will assist participants in the Collaborative process to generate and illustrate potential settlement options which may or may not be acceptable. As in all aspects covered by the Collaboration Process the final decision is the sole responsibility of the Participants, reached jointly and individually, and incorporated into the separate agreement or Shared Parenting Plan prepared by their Collaborative Lawyers.

4. Cancellations

Twenty-four hours notice is required for cancellation of an appointment. You will be charged the full fee for cancellation of an appointment in less than 24 hours unless we both agree that circumstances beyond your control led to the cancelled or missed appointment.

5. Representation

Both participants acknowledge by their agreement to this document that they and their Lawyers have executed a Collaborative Participation Agreement, which is incorporated herein by reference, covering all matters involved in this case.

6. Confidentiality

It is expected that members of the Collaborative Practice team included in Exhibit A of the Collaboration Contract with the Participating Lawyers, will share information freely among one another for the purposes of moving the Collaborative process forward. It is important to note that there is no guarantee of confidentiality among the members of the Collaborative Practice team.

All information and advice furnished by either participant to the other or to other team members, including agents and employees, may be disclosed to any other participant on the team including Lawyers, and the other participants to the Collaborative Practice Agreement, including any mental health professionals. All financial analysis and models provided by the Financial Specialist will be available to all team members, whether provided initially to one participant or to both simultaneously. At times facts and circumstances may require the Financial Specialist to spend more time with one participant or Lawyer than the other or to meet with one participant alone. The need for separate meetings will be discussed with the Participants before any separate meetings are held. If either participant objects to separate meetings between the Financial Specialist and the other participant or Lawyers they should so indicate. _____. If individual meetings occur, any material provided or issues discussed during the sessions will be made available to the other team members. Except for Collaborative Participating team members all information will be treated as confidential and will not be disclosed to any other third parties, except as agreed upon in writing.

The Financial Specialist has provided their Privacy Policy in a separate document.

7. Use of Information/Litigation

The provisions of the Participants Collaboration Participation Agreement, specifically but not limited to Section V and Section IX, apply and are incorporated herein. The Collaborative process requires that no participant will bring information from the Collaborative process to a court of law should the collaborative process end and litigation follow around matters pertaining to the divorce. Of course, information covered under rules of discovery which have been shared in the Collaborative process would naturally be brought into court should litigation be pursued.

No professional who is a part of the Collaborative process will offer testimony or provide legal or consultation services to either participant should the Collaborative process end and litigation begin.

Both participants in this divorce agree not to subpoena or in any other manner force participation in litigation by any member of the Collaborative team. Should litigation occur, neither participant will call the Financial Specialist as a witness or enter into evidence or subpoena the notes or work product of the Financial Specialist. These discussions are confidential and not subject to disclosure by way of subpoena, deposition, or any other form of disclosure.

Interim agreements reached in the Collaborative process are not binding and of no legal effect.

8. Financial Models

The Participants both recognize that the Financial Specialist is working for them as part of a team, to generate settlement options for the participants to facilitate reaching a settlement agreeable to each participant. Any particular option may have differing financial consequences for each participant. It is the responsibility of each participant and their Lawyer to independently evaluate the acceptability of such consequences. The Participants, jointly and individually, have final authority for any and all resolutions reached.

Developing models to illustrate settlement proposals requires the use of assumptions including inflation rates, rates of return, tax assumptions, etc. Models will be developed using assumptions believed to be reasonable, based on industry practices, but there are no guarantees that any particular result will actually be achieved, and in fact, actual results may differ dramatically from models presented. The Financial Specialist will exercise reasonable care in preparation of the models, but clerical or mathematical errors may cause unexpected results. Participants are advised to carefully review results and ask questions about assumptions, illustrations and models.

9. Conflicts with the Financial Specialist

The Participants also recognize that seeking to or offering to enter into a business relationship (investment, insurance, tax, business consulting, or any other) with the

Financial Specialist during or subsequent to the engagement significantly damages the Financial Specialist's ability to maintain their objectivity and cannot be permitted. Likewise the Financial Specialist recognizes that soliciting other business from either Participant during the engagement or soliciting business to be commenced following the engagement is a significant conflict of interest and is not permitted under the terms of this engagement.

10. Legal, Financial and Accounting Services

The Participants understand that investment advice will not be provided during the engagement and that should investment advice be needed and desired by either Participant, the Participant will have to engage an Investment Consultant of their own choosing.

The Participants understand that the Financial Specialist will not provide legal advice nor prepare any legal documents including any Qualified Domestic Relations Order (QDRO) or similar document.

Should the Participants need tax services a separate CPA or tax preparer of their own choosing will need to be engaged.

The scope of services rendered by the Financial Specialist does not include valuation services (including, but not limited to, business valuation, pension benefit valuation, stock option valuation, etc.). Any such values provided by the Financial Specialist are strictly to facilitate discussions. Clients and counsel are advised to secure independent, professional valuation for all assets that could be material to the agreement. Any conclusions reached with regard to valuation issues will be agreed to between the Participants, and is solely their responsibility.

The Participants are urged to work closely with their Lawyer, accountant and all other professionals as deemed necessary.

11. Future services

Both participants are advised to obtain independent financial advice to implement the strategies that are identified or formulated in the collaborative process. No investment management fees, commissions, referral fees, or fee splitting, of any kind for insurance or investment implementation will be accepted by the Financial Specialist. Hourly services may continue, however, as needed to facilitate the smooth completion of the settlement process, including basis allocation and preparation of letters and forms for account transfers, etc.

12. Fees

The Participants will pay the Financial Specialist an hourly fee of \$_____. It is important that fees be kept current to avoid development of potential biases. Full details of the financial obligations, including retainer requirements and terms, between the Participants and the Financial Specialist are included in the Engagement Agreement which is executed separately. If any provisions of the engagement agreement conflict with provisions of this participation agreement, the terms in this agreement will supercede that agreement. This agreement is

subordinate to any US and/or State administrative or licensing rules which govern the Financial Specialist in his or her jurisdiction and practice area. Any rules or standards promulgated by those agencies shall supercede these provisions to the extent that they conflict with this agreement.

13. Termination

If either participant decides that the Collaborative process is no longer viable and elects to terminate the status of the case as a Collaborative matter, he/she agrees to inform every member of the collaborative team in writing. The collaborative team is listed in Exhibit A of the Collaboration Contract and consists of the participants in this matter, the Financial Specialist and Lawyers for each participant.

The Financial Specialist reserves the right to withdraw from the case for any reason. Any member of the collaborative team who chooses to withdraw will provide written notice to other members of the team. The remaining members of the team will subsequently decide whether to replace a resigning member of the team or to discontinue the collaborative process.

The clients or the Financial Specialist may terminate this Agreement without penalty within five (5) business days from the date set forth below. All fees incurred to the date of termination are due and payable under the normal payment terms.

14. Incorporation of Collaboration Contract

All provisions of the participants' Collaboration Participation Agreement dated _____ are incorporated herein. A copy of the agreement is attached.

Participant to the divorce (1)

Participant to the divorce (2)

Date

Date

Financial Specialist

For (firm)

Date

Copies to be provided to all participants.