



Exchange Traded Fund Letter of Understanding

Print Client(s) Name: _____
 By signing below, you represent that you understand and acknowledge the following regarding the costs associated with the proposed investment and to record the reason for and anticipated benefits associated with this purchase.

Symbols of ETFs being purchased: _____

_____ You are using Exchange Traded Funds in conjunction with an investment advisory agreement. Annual Fee _____ %

Investment Objective: _____ Income _____ Growth & Income _____ Growth **Liquid and Retirement Assets \$** _____

Risk Tolerance: _____ Conservative _____ Moderate _____ Aggressive _____ Moderate Aggressive

Time Horizon: _____ 0 to 3 Years _____ 4 to 7 Years _____ 8 or more Years

Years Investing Experience _____ **Are the Investment Objective, Risk Tolerance or Time Horizon different than your Customer Investment Profile indicates?** _____ Yes _____ No

- 1. ADEQUATE INFORMATION.** You have received written information or a current prospectus for the investment(s) applied for. You understand the investment objectives and risks of the investment(s) for which you are applying. THERE CAN BE NO ASSURANCE THAT THE OBJECTIVES WILL BE ACHIEVED.
- 2. VALUE OF SHARES/FLUCTUATING YIELD.** The value of your shares or units may go up or down, and when you redeem your shares or units, you may receive more or less than you paid for them. Dividends or interest may also fluctuate, and the amount is not guaranteed.
- 3. TAXES.** Dividends and capital gains may be taxable on this investment. Please consult your tax advisor on any tax issues.
- 4. CHARGES AND FEES/REPOSITIONING.** All fees and charges are disclosed in the written information or prospectus. You may have paid a sales charge at the time of purchase and/or upon redemption of your investments and subsequent reinvestment will result in another sales charge.
- 5. MANAGEMENT RESPONSIBILITY.** Harbour Investments, Inc. does not sponsor or manage investment or insurance products. This product may be unmanaged. The performance of your investment will depend upon results of the underlying securities. Please check your confirmation statements received directly from vendors to make sure all information is correct. Confirmations and statements will come directly from the brokerage firm that holds your account.
- 6. REVENUE SHARING ARRANGEMENTS.** Certain companies pay Harbour Investments, Inc. compensation for marketing, access to Harbour Representatives and for other purposes separate from and in addition to commission and compensations paid for the sale of their products as disclosed in the prospectus of each company. This practice is further discussed and reviewed at the Harbour website <http://harbourinv.com/clients/>.
- 7. IRAs.** A tax penalty will occur when liquidating an IRA or an annuity contract prior to age 59 1/2 without reinvestment into another similar IRA contract at that time.
- 8. PURCHASE LIMITS AND REBALANCING.** Harbour Investments, Inc. suggests a limit of 10% of the "Liquid and Retirement Assets" as stated below
- 9. LEVERAGED AND INVERSE ETFs.** Leveraged and Inverse ETFs are highly complex financial instruments that are typically designed to achieve their stated objectives on a daily basis. Due to the effects of compounding, their performance over longer periods of time can differ significantly from their stated daily objective. Therefore, inverse and leveraged ETFs that are reset daily typically are unsuitable for retail investors who plan to hold them for longer than one trading session, particularly in volatile markets.
- 10. INFORMED CONSENT OF REG BI.** The client hereby makes the following representations about informed consent of the receipt of certain information from Harbour: You acknowledge receipt of Harbour's Form CRS and understand its contents. You agree to receive, and have received, delivery of Harbour's Best Interest Disclosure by visiting <https://harbourinv.com/clients/regulation-bi/>.

Client's Signature: _____ Date: _____

Joint Signature: _____ Date: _____

FINANCIAL PROFESSIONAL STATEMENT. I am appropriately licensed in the client's state of residence. I have reviewed the client's Customer Investment Profile to ensure that the information is current. This purchase aligns with their overall investment objectives and risk tolerance.

Representative Signature: _____ Rep No. _____