



Group Retirement Plan Letter of Understanding

Municipality Name: _____

Plan Type: Governmental 457

Print Participant Name: _____

Participant Address: _____ City: _____ State: _____ Zip: _____

Participant Social Security Number: _____ Participant Date of Birth: _____

Investment Objective: _____ Income _____ Growth & Income _____ Growth

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

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

Due to a participant's ability to change asset selections without representative's assistance or knowledge, the above noted risk tolerance only applies to the initial investment.

By signing below, you represent that you understand and acknowledge the following:

- 1. ADEQUATE INFORMATION.** You have attended the Governmental 457 meeting and/or received the educational materials and Retirement Plan investment line up selected by your employer. You also received a toll-free number that can be used to order a current prospectus regarding each of the investment choices. The charges and fees outlined in the current prospectus may differ from the fees and charges arranged through your Employers Retirement Plan. 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. INVESTMENT SELECTIONS/RE-ALLOCATIONS.** You understand that Harbour Investments, Inc. Representatives are available for guidance with regard to your Retirement Plan investment selections and decisions. **HOWEVER**, you are responsible for any and all decisions with regard to investment selections and any charges that may occur. You have received a toll-free number along with a web site address that will allow you to access your retirement plan account and complete any investment allocation changes.
- 4. MANAGEMENT RESPONSIBILITY.** Harbour Investments, Inc. does not sponsor or manage investment or insurance products. The performance of your investment will depend upon results achieved by the fund managers, general partners, or insurance companies responsible for managing your investment.
- 5. 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 at the Harbour website <https://harbourinv.com/clients/>
- 6. MUTUAL FUND SHARES WITH CDSC.** You understand that by purchasing B or C shares, you will not receive any breakpoints. This may result in higher sales charges than A shares. You also acknowledge that by redeeming B or C shares, you may incur a back-end sales charge.
- 7. ANNUITIES.** There are no additional tax benefits when using Annuities in IRA's and Qualified accounts as these plans already have tax-deferred status. The purchase of a variable annuity for an IRA or Qualified account should be based on the benefits chosen.
- 8. DISTRIBUTIONS.** Any distribution made to you, except in the case of rollovers, will be fully taxable as ordinary income and subject to 20% federal tax withholding. 457 plan distributions are not subject to the IRS 10% early withdrawal penalty tax. Amounts rolled from a governmental 457 plan into another retirement plan may be subject to the 10% early withdrawal penalty tax if distributions are made from the plan prior to age 59 1/2 (unless another exception applies.)
- 9. 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: _____

Investment(s) Purchased: _____

FINANCIAL PROFESSIONAL STATEMENT. I am appropriately licensed in the Client's state of residence. I have reviewed the completed Group Retirement Plan Letter of Understanding and can attest that investments have been chosen according to their above listed investment objectives.

Financial Professional signature: _____ Rep. No.: _____