

**Retail Client CMO Disclosure Form.**

(Used for retail client purchases of Collateralized Mortgage Obligations)

Account Registration \_\_\_\_\_

Account Number \_\_\_\_\_

Amount Invested \$ \_\_\_\_\_ CUSIP \_\_\_\_\_

(Please initial by each of the following statements. By doing so you agree that have read and fully understand the disclosure statement)

\_\_\_\_\_ I have read and understand the Cantella & Co., Inc. CMO informational fact sheet previously provided to me.

\_\_\_\_\_ I understand the characteristics and risks of CMOs including credit rating, pre-payment rates, average lives, interest rates (including their effect on value and pre-payment rates), minimum investments, transaction cost and liquidity.

\_\_\_\_\_ I understand the structure of the tranche I am purchasing and various structures of a CMO, including various types of tranches that may be issued and the rights and risks pertaining to each.

Y/N The CMO I am purchasing is backed by the U.S. Government or a government sponsored entity "GSE" either directly or in-directly. If not, in the space provided, please describe the specific materials that were provided by your representative prior to the purchase of this position that described all the characteristics and risks about the security.

Financial Professional Statement: *(Please provide a rationale for your recommendation below. Please be sure to keep in mind that all recommendations should be based on a review of the services being provided, your client's investment profile information (such as investment objectives, financial situation, level of financial sophistication, investment experience, financial goals, client preferences and expectations) relevant fees, costs and associated conflicts of interest.)*

Please provide a full explanation of what alternative products were considered during your recommendation process.

Client Signature \_\_\_\_\_ Date \_\_\_\_\_

Joint Owner Signature \_\_\_\_\_ Date \_\_\_\_\_

Representative Signature \_\_\_\_\_ Date \_\_\_\_\_

Branch Manager Signature \_\_\_\_\_ Date \_\_\_\_\_