

Is an Investment Advisory Account Right for You?

There are different ways you can get help with your investments. You should carefully consider which types of accounts and services are right for you.

Private Harbour Investment Management & Counsel, LLC is a SEC-registered investment advisory firm and provides advisory accounts and services rather than brokerage accounts and services. Brokerage and Investment Advisory services and fees are different and it is important for you to understand the difference.

Free and simple tools are available to research firms and financial professionals at www.investor.gov/crs, which also provides educational materials about broker-dealers, investment advisers, and investing.

This document gives you a summary of the types of services we provide and how you are billed. Please ask us for more information, if you wish. There are some suggested questions at the end of page 2.

Relationships and Services

What investment services can you provide me?

We offer discretionary investment management services. This means that, once you become a Private Harbour client, we interview you to discuss and determine how we should manage your investments. Once we agree on how it should be done, Private Harbour selects all investments with limited input from you. We send you quarterly reports delineating what securities you own, at what price they were bought as well as account performance, so you will know everything that we are doing on your behalf.

Your custodian (the entity that legally holds your investments in your name) will also send you monthly statements and tax reports at year-end.

Our Obligations to You

We are fiduciaries, so when we act as your investment adviser, we have to act in your best interest and not put our interests ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. For example, the more money we manage for you, the more money we earn. Therefore, we are incentivized to grow your assets. Striving for growth in markets that go both up and down carries risks, which we discuss with our clients during our initial meetings.

We must abide by certain laws and regulations in our interactions with you. We monitor the securities that we purchase in your accounts. This is done in varying frequencies relative to degree of depth. For example, price changes are monitored on all days when markets are open, while reviews of equity investment earnings reports are only available as frequently as quarterly.

If you insert your own investment ideas into your portfolio, you will be responsible for monitoring as well as the timing of sale. While we do not specifically limit ourselves to any particular type of investment, we do seek to avoid high-fee products. Generally, we find that simpler, low-or-no cost investments are wiser choices for our clients when they are available.

Our minimum asset size in order to work with clients is flexible, but we lean towards \$1 million or higher. We have a heart for helping people, so we have bent that guideline occasionally, depending on circumstances.

We select and monitor client portfolios of primarily individual securities, but occasionally mutual funds and/or exchange-traded funds in order to build and manage investment portfolios for you. We also help our clients understand how to think about their financial situation as it applies to their real-world lives relative to their expectations for earning and spending over the course of their lifetimes as well as for future generations. This is typically called financial planning and/or estate planning.

Additionally, we consider client taxes into our efforts and look for opportunities to manage-down capital gains via tax-loss selling as well as striving to take advantage of long-term capital gain treatment and qualified dividend rates, which tend to be more favorable than tax rates on shorter-term holding periods.

Fees and Costs

Fees and costs affect the value of your account over time. Please ask your financial professional to give you personalized information on the fees and costs that you will pay.

A copy of our invoice is included with our quarterly report to you. The fee for managing your investments is based on the amount of assets under management. If your asset values rise or fall, so do our fees. We believe that this more closely aligns each of our interests relative to brokerage firm employees who typically get compensated by the amount of trade commissions they generate or the products (mutual funds, insurance and/or annuities) they sell to you.

There are other fees and costs that you will pay directly or indirectly as a part of our investment relationship that do not go to us. The largest cost that you will likely pay will be taxes to federal, state, and local governments for the privilege of making money as a U. S. citizen. This amount often dwarfs our fees and any other ancillary fees that occur, though we do seek to help clients reduce the amount of taxable income within the rules of the U. S. tax code.

Other far more minor ancillary fees are brokerage trading costs, which vary among custodians to between zero and nominal levels (ask us).

Disciplinary History

Do you or your financial professionals have legal or disciplinary history? No. The website www.investor.gov/CRS has a free and simple search tool to research the disciplinary history of any financial professionals.

Additional Information

Additional information can be found in our Form ADV, parts I and II. This and this Customer Relationship Summary are available upon request from Private Harbour by calling us at 216-292-5700.

Key Questions to Ask

1. Given my financial situation, should I choose an investment advisory service? Why or why not?
2. How will you choose investments to recommend to me?
3. What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?
4. As a financial professional, do you have any disciplinary history? For what type of conduct?
5. Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?