



LEVEL FOUR
Financial
A DIVISION OF
LEVEL FOUR GROUP, LLC

12400 Coit Road
Suite 700
Dallas, TX 75251
Main - (866) 834-1040
Fax - (866) 763-9316

LFF160

Form #

Branch #

Account #

FP#

High Risk Taxable Fixed Income Securities Client Representation Letter

In consideration for Level Four Financial, LLC permitting my account to engage in the purchase of

Face Amount	Issuer	Coupon Rate	Maturity Date	Rating (Moody's or S&P if unknown)

A taxable income security, I make the following representation to Level Four Financial, LLC I understand that:

- The decision to purchase the security noted above which is with rated below investment grade or currently trading in a range that is similar to a below investment grade security is made by me alone.
- These securities carry correspondingly higher risks, including a higher risk of default, limited liquidity, and greater susceptibility to significant and sudden price movements than traditional investment grade securities.
- There may be limited or no information available on companies or entities that issue these securities. I understand that Level Four Financial has no responsibility to inform the undersigned of anything that occurs with respect to these issues or their underlying entities.
- These securities are considered speculative and are being used for only that portion of my portfolio invested for this objective.
- I have a high tolerance for risk, including a willingness to accept significant price volatility and the potential for loss of a substantial portion or all of the principal and/or interest income on this investment.
- I have read and understand the investment characteristics and risks associated with purchasing speculative fixed income securities as described on page 2 of this letter.
- Other bond rating agencies, *other than S&P or Moody's*, may have different standards. No assurance can be taken that all risks have been disclosed.

Client Investment Profile

Date of New account form		Risk Tolerance	
Annual Income		Net Worth	
Investment Objective		Account Value	
Other Account Numbers			

I have reviewed the above client's request to engage in below investment grade taxable fixed income securities transactions.

Financial Professional Signature

Date

I hereby indemnify and hold Level Four Financial, LLC harmless from an and all claims which I may with regard to or as a result of my purchase of the referenced Fixed Income security, including but not limited to all fees and costs, which might be incurred.

I have read, understand and accept the terms and conditions set forth above.

Date Client Signature

Date Joint Client Signature (if applicable)

I have confirmed with the FA that this is an unsolicited transaction initiated by the client. This transaction appears consistent with the client's investment profile; objective and risk tolerance.

Date Branch Principal

Below Investment Grade Ratings

Ba1 Ba2 Ba3	Bonds which are rated "Ba" are judged to have speculative elements; their future cannot be considered as well assured. Often the protection of interest and principal payments may be very moderate and thereby not well safeguarded during both good and bad times over the future. Uncertainty of position characterizes bonds in this class.
B1 B2 B3	Bonds which are rated "B" generally lack characteristics of the desirable investment. Assurance to interest and principal payment or of maintenance of other terms of the contract over any long period of time may be small.
Caa	Bonds which are "Caa" are of poor standing. Such issues may be in default or there may be present elements of danger with respect to principal or interest.
Ca	Bonds which are rated "Ca" represent obligations which are speculative in a high degree. Such issues are often in default or have other marked shortcomings.
C	Bonds which are rated "C" are the lowest rated class of bonds, and issues so rated can be regarded as having extremely poor prospects or ever attaining any real investment standing.

S&P's (Standard & Poor's) Corporate Ratings

BB+ BB BB-	An obligation rated "BB" is less vulnerable to nonpayment than other speculative issues. However, it faces major ongoing uncertainties or exposure to adverse business, financial or economic conditions which could lead to obligor's inadequate capacity to meet its financial commitment on the obligation.
B+ B B-	An obligation rate "B" is more vulnerable to nonpayment than obligations rated "BB", but the obligor currently has the capacity to meet its financial commitment on the obligations. Adverse business, financial or economic conditions will likely impair the obligor's capacity or willingness to meet its financial commitment on the obligation.
CCC	An obligation rated "CCC" is currently highly vulnerable to nonpayment and is dependent upon favorable business, financial, and or economic conditions, the obligor is not likely to have the capacity to meet its financial commitment on the obligation.
CC	An obligation rate "CC" is currently highly vulnerable to nonpayment.
C	The "C" rating may be used to cover a situation where a bankruptcy petition had been filed or similar action been taken, but payments on this obligation are being continued.