

March 12, 2024

HARPSWELL CAPITAL ADVISORS, LLC

An investment adviser registered with the Securities and Exchange Commission

Brokerage and investment advisory services and fees differ, and it is important for a retail investor to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers and investing.

What investment services and advice can you provide me?

- We offer investment advisory services to retail investors. For retail investors, we offer investment management services, portfolio consulting services and financial planning.
- We do not have a stated minimum account size, but our firm principally serves foundations, endowments, institutions, charitable organizations, government entities and families with investment goals and parameters that require considerable detail and customization.
- We will offer you advice on a regular basis. We will discuss your investment goals, work with you to construct a portfolio and strategy to achieve your goals, and regularly monitor your account. We will contact you to discuss your portfolio according to your needs and market conditions.
- We expect that client accounts will be **discretionary**, which allows us to buy and sell investments in your account without asking you in advance. We expect the grant of discretionary authority will not be subject to specific investment limitations, although we may agree to specific investment restrictions on a case-by-case basis.
- Our firm invests directly in fixed income securities, mutual funds, derivatives, real asset investment funds and bonds, as well as some private fund investments, which may include private equity and hedge funds. We will utilize outside managers where we see particular benefits.
- We **do not** have a relationship with any provider of financial products, we do not have any proprietary products, and our advice is never limited to particular products or types of investments.

Conversation Starters to Ask Your Financial Professional:

Given my financial situation, should I choose an investment advisory service? Why or why not?

How will you choose investments to recommend to me?

What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

For additional information, please see our Form ADV, Part 2A brochure (Items 4 and 7).

What fees will I pay?

- For an advisory account, we charge a management fee based on a percentage of the value of the assets in your portfolio, capped at a rate of 0.40% per annum of assets (an **asset-based fee**). You will pay an on-going asset-based management fee for our services at the end of each quarter.
- Our fees can vary and are negotiable. We aim to align our fees with the scope of the engagement. Our minimum fee level is \$15,000, which we may waive under some circumstances.
- You will be billed quarterly in arrears based upon end-of-quarter account value. Accounts with intra-quarter inflows/outflows are charged on a pro-rata basis. Our fees are deducted by the custodian from your individual account to be paid from account assets.
- The amount paid to our firm generally does not vary based on the type of investments we select on your behalf. Some investments (such as mutual funds) impose additional fees that will reduce the value of your investment over time and may have fees such as “surrender charges” to sell the investment.
- You will pay a transaction fee imposed by the broker-dealer or bank that will hold your assets (the “custodian”) when we buy and sell an investment for you.

- The more assets you have in your advisory account, including cash, the more you will pay us. Therefore, we have an incentive to increase the assets in your account in order to increase our fees. You pay our fee quarterly even if you do not buy or sell.
- You may be charged fees or commissions based on the type of investments in your portfolio. If you are invested in firm-selected outside managers, those managers may impose fees or expenses.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

Conversation Starter to Ask Your Financial Professional:

Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

For additional information, please see our Form ADV, Part 2A brochure (Items 5 and 12).

What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

When we act as your investment adviser, we have to act in your best interest and not put our interest 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. Here are some examples to help you understand what this means.

- Rarely, but if helpful for our clients, we might direct a transaction to a particular broker-dealer because the broker-dealer shares with us important research products or services. The broker-dealer supplying the research or services may not provide the lowest transaction rate.
- *Other firms* have proprietary investment products issued or managed by an affiliate or related company and they have an incentive to recommend these products to you. Harpswell has no such affiliates, related companies or proprietary investment products.

Conversation Starter to Ask Your Financial Professional:

How might your conflicts of interest affect me, and how will you address them?

For additional information, please see our Form ADV, Part 2A brochure (Items 5, 11 and 12).

How do your financial professionals make money?

Your financial professional at our firm is only paid a salary out of asset-based management fees collected by the firm from all clients. The financial professionals at our firm are *not* paid any commission-based compensation nor any sales-based bonuses or compensation. Our firm does not have any affiliates or related companies and our financial professionals receive no commissions from sales of products.

Do you or your financial professionals have legal or disciplinary history?

No. Visit [Investor.gov/CRS](https://www.investor.gov/crs) for a free and simple search tool to research our firm and financial professionals.

Conversation Starter to Ask Your Financial Professional:

As a financial professional, do you have any disciplinary history? For what type of conduct?

Additional Information.

For additional, up-to-date information on our advisory services or to obtain a copy of this disclosure, please visit our firm website, harpswelladvisors.com, or call (207) 926-1380.

Conversation Starter to Ask Your Financial Professional:

Who is my primary contact person? Is he or she a representative of an investment adviser or broker-dealer? Who can I talk to if I have concerns about how this person is treating me?