

# Maximize the Benefits

## Of Holding Securities In Your Brokerage Account



Are Your Securities in a Safe Place?

Did you know that replacing lost, stolen or destroyed certificates is complicated and costly? The process of restoring certificates involves an affidavit and an indemnity bond, and results in a considerable waiting period.

## Why Not Hold Your Securities in a Brokerage Account?

We realize that you may like the feeling of holding real certificates. For many reasons, however, we recommend “street name” registration, which allows your financial organization to hold securities in your brokerage account on your behalf.

## What Are the Benefits of Holding Securities in Your Brokerage Account?

By holding securities in your brokerage account, you can take advantage of the following benefits:

- > **Consolidation.** You will receive a comprehensive statement, reflecting all of the positions and activities in your account.
- > **Convenience.** Dividends, interest and bond redemption proceeds for domestic securities will be credited to your account on scheduled payment dates, and you can arrange to receive these proceeds automatically and on a regular basis. Your portfolio will also be monitored for possible early redemptions, tender offers, mergers, name changes and other corporate actions.
- > **Member of SIPC.** Pershing is a member of the Securities Investor Protection Corporation® (SIPC®). As a result, securities in your account are protected up to \$500,000 (of which \$250,000 can be for claims for cash awaiting reinvestment). For details, please go to [www.sipc.org](http://www.sipc.org).
- > **Excess of SIPC Coverage.** In addition to SIPC protection, Pershing provides coverage in excess of SIPC limits from Lloyd’s of London, in conjunction with other insurers.<sup>1</sup> Please note that the current excess of SIPC policy is scheduled to expire on December 10, 2011.<sup>2</sup> The excess of SIPC coverage provides the following protection for assets held in custody by Pershing and Pershing Securities Limited, its London-based affiliate:

- An aggregate loss limit of \$1 billion for eligible securities—across all client accounts<sup>3</sup>
- A per-client loss limit of \$1.9 million for cash awaiting reinvestment—within the aggregate loss limit of \$1 billion

Neither SIPC nor the excess of SIPC coverage protects against loss due to market fluctuation of investments. For more information about Lloyd's of London, please see [www.lloyds.com](http://www.lloyds.com).

- > **Simplicity.** Selling your securities is as simple as contacting your investment professional. There is no inconvenience or delay in locating and delivering your securities when they are held in your brokerage account.
- > **Tax Reporting.** You will receive a consolidated tax reporting package that will assist you in the preparation of your tax return. In addition, you will receive one annual Form 1099 covering all of the securities held in your account.

## A Short Settlement Cycle Is Another Good Reason to Hold Securities in Your Brokerage Account

The Securities and Exchange Commission (SEC) rule regarding three-day settlement requires that your securities transactions settle on the third business day following the trade.<sup>4</sup> This means that when selling securities, your certificates are required to be in your brokerage account within three business days. “Street name” registration eliminates the need to worry about your securities being delivered on time as the securities are already in your account.

## Return Your Securities and Request “Street Name” Registration Today

The sooner you send in your securities, the sooner you will begin to reap the benefits of street name registration.

To permit future securities to be held in your brokerage account, contact your investment professional and request that your account registration be changed from “Transfer & Ship” to “Hold in Street Name.”



