

## CUSTODY OF ASSETS...WHERE'S MY MONEY?

Clients want to know where their money is invested. Our independent Registered Investment Advisory firm utilizes custodians, such as T. Rowe Price and Fidelity Investments, that also offer 24/7 on-line access to your accounts.

Before we can manage your assets, our firm instructs you to transfer your assets to a separate financial institution or custodian. The custodian will hold the assets physically or may convert them into "street name", where your assets exist only as electronic data. In addition, the custodians have the legal authority to hold your assets and are also responsible for reporting tax and legal implications to the appropriate government agencies.

In essence, the custodian is the company that has physical possession of your assets. For example, our independent investment firm uses T. Rowe Price and Fidelity Investments as the custodians for our client assets. Although our firm manages the investments, we do not have custody or possession of a client's money. When you make deposits to any type of account, your checks are made payable and deposited directly to the custodian. It is the responsibility of the custodian to keep your money from getting into someone else's hands.

A Custodian Bank is a specialized financial institution responsible for safeguarding an individual's financial assets. So the specific role of a custodian would be to hold in safekeeping the assets/securities such as stocks, mutual funds, bonds, commodities, and currency. They will also arrange settlement of any purchases, sales, and deliveries of securities and currency. Custodians will also perform additional services for particular clients such as mutual funds which would include fund accounting, administration, compliance, and tax support services. Other services may include foreign exchange transactions, maintenance of bank accounts, and the collection of dividends and interest.

In Conclusion:

The vast majority of investment fraud occurs when you make out your check directly to the investment management company rather than the custodian. So it is imperative to send your money directly to the custodian and let the investment company handle the management of your financial assets.

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