

# Investment Insight: The Case for Consolidation



*By consolidating your assets with Hilliard Lyons you can rest easy in knowing that your money is being kept in a firm with a stable foundation and a history that dates back more than 150 years.*

The key to successful investing is having a diversified asset allocation that can weather the turbulence of the markets' changes. While diversification is imperative, people often confuse this strategy with placing their funds in various banks and brokerage firms.

This generally works to the investor's detriment by having their assets spread among many different financial institutions. Why? Because by doing so, no single advisor gets a clear view of the investor's total financial picture. Different advisors, working with only a portion of the investor's assets, cannot effectively devise an investment plan best suited to meet desired goals and objectives.

If you have assets spread among several different institutions, consider consolidating them all with Hilliard Lyons. The benefits are many; please read on.

## **THE SUCCESS FACTOR**

Managing a person's total financial situation encompasses myriad asset management choices and strategies to serve a variety of needs and accomplish a variety of goals. As a Hilliard Lyons Financial Consultant, I strive to find the most appropriate investments for each client...and then continue to work with each client to ensure that the strategies and investments chosen today will remain suitable for their increasingly multidimensional needs in the years ahead.

I take a holistic approach of my clients' personal finances by making use of the right blend of investment, retirement planning, insurance and estate planning services. When working with a multitude of advisors and institutions, these details often get overlooked.

## **THE CONVENIENCE FACTOR**

Leaving securities at Hilliard Lyons is very convenient. You need not worry about the location of your securities. At the time of sale, Hilliard Lyons merely removes the securities from your account by a bookkeeping entry and you receive payment on settlement date. You will no longer need to worry about safe deposit boxes or the collection of funds. Hilliard Lyons provides safekeeping for all of your securities, eliminating the need for you to hold certificates.

Another benefit of holding all your securities at Hilliard Lyons comes in the form of record keeping. All of your securities and the transactions involved in your account are reported on your monthly Hilliard Lyons Consolidated Statement. With one glance, you'll know your entire financial situation. Plus, at year end, you will receive only one IRS Form 1099\*, which will make filing your taxes much easier.

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Hilliard Lyons has several interest-earning money market fund features that can be added to your account\*\*. With a money market fund, you will no longer need to write a check for investment purchases or have a check issued on the sale of securities. Funds will be withdrawn or deposited to your account automatically. In addition, any dividend or interest payment from securities held with Hilliard Lyons can be invested in your money market funds automatically, or transferred to your bank on a regular schedule. If you need immediate access to your funds, simply write yourself a check. It's that easy!

## THE SAFETY FACTOR

As a Hilliard Lyons client, your account is protected through two institutions; The Securities Investors Protection Corporation (SIPC) and a private insurance carrier. Keep in mind, that the protection mentioned above covers your account against the unlikely insolvency of Hilliard Lyons, it does not insure against investment losses. When you invest money in financial markets, there is the risk that you may lose your principal.

Market losses are a normal part of the ups and downs of the risk-oriented world of investing. In fact, such losses may render your account to be worth less than the original amount invested.

### Securities Investor Protection Corporation

The first \$500,000 (up to \$250,000 in cash) of protection is provided through The Securities Investor Protection Corporation. The SIPC is the first line of defense in the event that a broker dealer fails. Its role is to work for the return of cash, stock and other securities. For more information on protection SIPC does and does not provide, please refer to their website at [www.sipc.gov](http://www.sipc.gov).

### Private Carrier Insurance

Above the \$500,000 threshold of SIPC coverage and its recovery services, Hilliard Lyons has excess-SIPC coverage from a third party insurance carrier. This policy carries a firm-wide maximum liability of \$100 million. Therefore, securities not recovered by the SIPC would be directed to the excess SIPC insurance and distributed on a prorated basis.

## THE COMFORT FACTOR:

By consolidating your assets with Hilliard Lyons you can rest easy in knowing that your money is being kept in a firm with a stable foundation and a history that dates back more than 150 years. Add to this the fact that you will be working with a sole advisor who has taken the time to learn your goals and objectives, as well as your tolerance for risk, to develop a financial strategy that will help you sleep well at night.

\*If you purchase or own CMOs, CDOs, or REMICs you will receive an additional 1099.

\*\* For more complete information about any money fund, including charges and expenses, obtain a prospectus from your Hilliard Lyons Financial Consultant. Please read it carefully before you invest or send money.

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