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# How Raymond James Protects Your Account

Our Clients Always Come First.

- | FDIC Bank Deposit Protection
- | SIPC Coverage for Securities
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Through CAPCO
- | Where to Hold Your Securities
- | Privacy Protection
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**RAYMOND JAMES®**

# Protection for the Assets You Entrust to Us

The measures we take to ensure the protection of your assets include account protection through the Federal Deposit Insurance Corporation (FDIC), the Securities Investor Protection Corporation (SIPC) and the Customer Asset Protection Company (CAPCO).

But we don't stop there. Raymond James brings state-of-the-art information technology and strict compliance standards to help protect the integrity of your accounts.

	<b>FDIC</b>	<b>SIPC</b>	<b>CAPCO</b>
<b>Covered Investments</b>	Bank deposits	Registered securities, including money market funds	Registered securities, including money market funds
<b>Available Coverage</b>	\$250,000 insurance limit per depositor per insured institution. You may qualify for more than \$250,000 in coverage if you own deposit accounts in different ownership categories (see footnote under FDIC section)	Generally insures SEC-registered securities to a maximum of \$500,000, including coverage of \$100,000 for claims for cash	"Excess coverage," designed to cover eligible holdings in above SIPC maximum
<b>Regulator/ Licenser</b>	Federal Deposit Insurance Corporation (FDIC)	U.S. Securities and Exchange Commission	Licensed by the state of Vermont

## What Is SIPC?

SIPC is a nonprofit membership corporation funded by its member securities broker-dealers. SIPC protects the cash and securities – such as stocks and bonds – held by a customer of a member brokerage firm. Among the investments that are ineligible for such protection are commodities futures contracts and investment contracts that are not registered with the U.S. Securities and Exchange Commission under the Securities Act of 1933.

## What Is CAPCO?

The Customer Asset Protection Company (CAPCO) was established in late 2003 by a coalition of financial services firms as a "captive insurer." It was founded specifically to provide securities account protection for brokerage accounts of member securities firms over the maximum offered by SIPC.

## FDIC Protection for Bank Deposits

Accounts held at Raymond James Bank (RJBank) are insured by the Federal Deposit Insurance Corporation (FDIC), an independent agency of the United States government, established by Congress in 1933.

The FDIC protects against the loss of insured deposits if an FDIC-insured bank or savings association fails. FDIC deposit insurance is backed by the full faith and credit of the United States government. Since the FDIC was established, no depositor has ever lost a single penny of FDIC-insured funds.

### Basic FDIC Deposit Insurance Coverage Limits:<sup>1</sup>

#### Single Accounts (owned by one person):

\$250,000 per owner<sup>2</sup>

#### Joint Accounts (two or more persons):

\$250,000 per co-owner<sup>2</sup>

#### IRAs and certain other retirement accounts:

\$250,000 per owner

#### Trust Accounts:

\$250,000 per owner per beneficiary subject to specific limitations and requirements<sup>2</sup>

<sup>1</sup> These deposit insurance coverage limits refer to the total of all deposits that an account holder (or account holders) has at each FDIC-insured bank. The above list shows only the most common ownership categories that apply to individual and family deposits, and assumes that all FDIC requirements are met.

<sup>2</sup> Legislation increasing deposit insurance coverage limits from \$100,000 per eligible account and account holder to \$250,000 took effect October 3, 2008, and is currently set to expire December 31, 2009. IRAs and certain other retirement accounts insured for up to \$250,000 prior to this legislation will continue to be insured for that amount after December 31, 2009, barring any further legislative changes.

If you have questions about FDIC coverage limits and requirements, please visit [myFDICinsurance.gov](http://myFDICinsurance.gov) or call 877-275-3342.

FDIC insurance covers funds in deposit accounts, including checking and savings accounts, money market deposit accounts and certificates of deposit (CDs). **FDIC insurance does not, however, cover other financial products and services that insured banks may offer, such as stocks, bonds, mutual fund shares, life insurance policies, annuities or municipal securities.**

There is no need for depositors to apply for FDIC insurance or even to request it. Coverage is automatic.

### FDIC coverage extends to:

- I Accounts held by sole proprietorships,
- I Individual retirement accounts (IRAs),
- I Joint accounts and
- I Revocable trust accounts.

You may qualify for more than the maximum per-account coverage if you own deposit accounts in different ownership categories. Depositors with funds in excess of \$250,000 may also receive a portion of their uninsured funds.

Deposits belonging to employee benefit plans such as pension plans and profit sharing plans receive “pass-through insurance,” meaning that each participant’s identifiable interest in a deposit is insured up to \$250,000.

For a pension or profit sharing plan to receive pass-through insurance, the deposit account records must specifically indicate that an employee benefit plan owns the funds. Coverage for an employee benefit plan’s deposits is based on each participant’s share of the plan. Because plan participants normally have different interests in the plan, insurance coverage cannot be determined by simply multiplying the number of participants by \$250,000. In addition, please note that special aggregation rules apply to different types of retirement plans, including IRAs.

As a federal savings bank, Raymond James Bank, member FDIC, is regulated and audited by the Department of the Treasury’s Office of Thrift Supervision.

For more about the Office of Thrift Supervision, please visit [ots.gov](http://ots.gov) or call 202-906-6000.

## Brokerage Account Coverage Through the Securities Investor Protection Corporation (SIPC)

The Securities Investor Protection Corporation (SIPC), established as a nonprofit entity by Congress in 1970, protects client assets in the event of a member firm's bankruptcy or insolvency. Raymond James & Associates is a member of the Securities Investor Protection Corporation (SIPC), which protects securities customers of its members up to \$500,000 (including \$100,000 for claims for cash).

SIPC protects the net equity of securities such as stocks, bonds, notes, options, CDs, money market funds, bonds, warrants and rights. The statute that created SIPC provides that customers of a failed brokerage firm receive all non-negotiable securities – such as stocks or bonds – that are already registered in their names or in the process of being registered. In addition, SIPC has reserve funds available to satisfy the remaining claims of each customer up to a maximum of \$500,000. This figure includes a maximum of \$100,000 on claims for cash.

**SIPC coverage excludes securities not registered with the U.S. Securities and Exchange Commission under the Securities Act of 1933. Such securities include commodity futures contracts, investment contracts and fixed annuity contracts, currency, and precious metals.**

Account protection applies when a SIPC-member firm fails financially and is unable to meet obligations to securities clients, but it does not protect against market fluctuations. An explanatory brochure is available upon request or at [sipc.org](http://sipc.org) or by calling 202-371-8300.

## Excess SIPC Coverage Through CAPCO

In addition to SIPC coverage, Raymond James provides excess SIPC coverage through the Customer Asset Protection Company (CAPCO). This coverage extends to the net equity of all cash, money market funds and other securities positions for each separately registered account. Unlike SIPC, no predetermined limit on coverage exists. Instead, coverage reflects the value of your account(s) at the time of the broker/dealer's insolvency.

CAPCO was established in late 2003 by a coalition of financial services firms specifically to offer securities account protection for brokerage accounts of member securities firms in excess of the maximum offered by SIPC.

Like SIPC, CAPCO coverage applies to money market funds (considered to be securities) while money market accounts (considered to be deposited accounts) are typically insured by the protection extended through the FDIC-member institutions in which they are held.

More information on CAPCO is available at [capcoexcess.com](http://capcoexcess.com) or through your financial advisor.

## Additional Protection

### Money Market Mutual Funds

On September 29, 2008, the U.S. Treasury opened a temporary guarantee program to protect shareholders of eligible money market mutual funds. Eligible money market funds include publicly offered funds that are registered with the SEC, are regulated under Rule 2a-7 of the Investment Company Act of 1940 and seek to maintain a stable \$1 net asset value (NAV). Both taxable and tax-exempt money market funds may participate; however, eligible money market funds must apply and pay a fee to participate in the program.

If a money market mutual fund that participates in the guarantee program fails to maintain a stable \$1 NAV, the program will provide coverage to shareholders up to the amount they owned as of September 19, 2008, the date the program was announced. If a customer closes his or her fund account, any future investment in the fund through a new account will not be guaranteed.

Any increase in the number of shares held in an account after the close of business on September 19, 2008 will not be guaranteed. If the number of shares held in an account fluctuates over the period, investors will be covered for either the number of shares held as of the close of business on September 19, 2008 or the current amount, whichever is less.

The program will be in effect for an initial three-month term. The Secretary of the Treasury has the option to extend the program up to the close of business on September 18, 2009. If the Secretary chooses not to extend the program at the end of the initial three-month period, the program will terminate on December 18, 2008.

To determine whether your money market mutual fund qualifies for this protection, please contact your financial advisor. For more information about this temporary guarantee program, visit [ustreas.gov](http://ustreas.gov).

*Investments in money market funds are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the funds seek to preserve the value of your investment at \$1 per share, it is possible to lose money by investing in money market funds.*

### Securities-holding Practices

We adhere to state-of-the-industry securities-holding practices, which means that Raymond James typically does not hold client securities. Most investors today do not take physical ownership of stock or bond certificates. Indeed, relatively few companies and transfer agents even offer that option. Instead, most securities are held electronically in "street name." If your account is custodied by Raymond James & Associates, street name registration means that we hold your securities in an account on your behalf. This practice helps to ensure timely delivery when selling an investment and helps to avoid penalties when you purchase or sell a security.

It also enables us to maintain your securities and report current positions and transactions to you on your monthly statement, accessible online. Interest and dividend payments go directly to your account and are credited in the manner you have specified.

Domestic securities are held through qualified Federal Reserve System members, primarily the Depository Trust Company (DTC), a subsidiary of the Depository Trust & Clearing Corporation (DTCC). The Depository Trust Company, established in 1973, is custodian of approximately 2.8 million securities issues.

Securities issued outside the United States are held at major foreign securities depositories or at local foreign banks that the SEC has approved as custodians.

Although you may hold physical ownership of your securities certificates, or you may direct Raymond James to hold them in our vaults on your behalf, we do not recommend this course of action. Holding securities in your own name rather than in street name through DTCC delays settlement should you sell your securities. That delay may in turn delay the distribution of your funds, since the certificate must be processed before the trade is cleared. Therefore, clients typically hold securities in street name.

### Protecting Your Privacy

More than 750 Raymond James professional associates work exclusively in information technology and security management. From technological safeguards to employee policies and operating procedures, we maintain constant vigilance where your privacy is concerned.

### Technological Security

Our technological systems are continuously monitored for signs of tampering or unauthorized activity. We employ cutting-edge firewall and anti-virus technology as well as specialized programs to prevent and detect intrusion. We also maintain strict controls to limit and monitor employee access to systems.

Our information technology professionals constantly research and develop enhancements to keep us at the vanguard of data security. A team of independent auditors reviews our technological systems quarterly, biannually and annually.

### Employee Training

Our employee policies emphasize the importance of preserving confidentiality, while our regulatory compliance specialists strive to ensure that we meet federal requirements to preserve your privacy.

All financial advisors affiliated with Raymond James also receive training at our national conferences, including an FBI presentation on information security.

### Business Continuity

The Raymond James professional business continuity team focuses on preparing for potential business disruptions due to unforeseen circumstances such as natural disasters. Its goal is to ensure that critical operations continue and data remains secure during emergencies. The team oversees management of our remote operations center and emergency functions such as data retention, backup procedures and off-site information storage.

### Industry-wide Coordination

Raymond James executives play an active role in industry-wide organizations devoted to sharing information about physical and cyber security. Thomas A. James, chairman and chief executive officer, holds leadership positions in key national associations.

### Preventing Identity Theft

Raymond James restricts access to nonpublic personal information to those employees, associates and others who must have that information to service your account. In addition, we maintain physical, electronic, contractual and procedural safeguards to protect your nonpublic personal data.

For information on how to protect yourself from identity theft, please visit [raymondjames.com/safeguarding\\_your\\_identity.htm](http://raymondjames.com/safeguarding_your_identity.htm).

### Regulatory Compliance

As a registered broker/dealer, Raymond James is subject to the rules and regulations of the U.S. Securities and Exchange Commission (SEC), the Financial Industry Regulatory Authority (FINRA) and the Municipal Securities Rulemaking Board (MSRB), as well as the securities exchanges to which it belongs.

Raymond James monitors its compliance with regulatory entities daily. In addition, those agencies strictly enforce compliance standards, which are also audited annually by an independent public accounting firm.

For more information on how Raymond James protects your account, please contact your financial advisor.

# RAYMOND JAMES®

**Individual solutions from independent advisors**

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