

Re: Protection of Customer Accounts at FMSbonds, Inc.

Dear Client:

FMSbonds, Inc. (FMS) is a broker-dealer that is registered with the Securities and Exchange Commission (SEC) and is a member of both FINRA and the Securities Investor Protection Corporation (SIPC). As such, we adhere to the rules and regulations of these organizations as well as those promulgated by the Municipal Securities Rulemaking Board (MSRB) and the various state securities administrators.

The rules of these organizations require that customer's securities, once fully paid for, be segregated and marked in a manner that clearly identifies the interest of each individual customer. After physical securities are deposited with FMS, or when the securities are issued in book entry form, their location and the means by which they can be identified as belonging to individual customers are indicated on our books and records.

In addition to our full compliance with the segregation and record-keeping requirements described above, customer securities held by FMS in safekeeping are on deposit at our clearing bank, BNY Mellon. FMS and our clearing bank are subject to periodic audits from internal staff, independent auditors, and various regulatory agencies.

This firm is a member of SIPC, which protects securities customers of its members up to \$500,000 (including \$250,000 for claims for cash). Explanatory brochure available upon request or at www.sipc.org.

In addition to the customer account protection offered by SIPC, FMS has purchased and currently maintains an Excess SIPC Policy which provides up to an additional \$24,500,000 per account (including an additional \$1,900,000 for cash claims) in excess of the limits provided by SIPC, up to a maximum aggregate of \$150,000,000. This Excess SIPC policy is underwritten by Marsh McLennan through Lloyds of London. BNY Mellon has insurance policies in place to cover securities on deposit with their bank as well.

If you wish to obtain more information about any aspect of the coverage described above, please contact my office or your FMS representative.

Sincerely,



Michael S. Seligsohn
Chief Financial Officer