
CLIENT ADVISORY

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SIPC PROTECTION FOR CASH AND SECURITIES HELD BY STOCK BROKERS

Recently, there has been substantial media coverage as to the amount and types of coverage provided by the Federal Deposit Insurance Corporation (FDIC) for accounts at banks and savings and loans. However, not much information has been provided as to the coverage provided by the Securities Investor Protection Corporation (SIPC) for cash and securities (stocks, bonds, etc.) held by securities brokers (stock brokers). There is a \$100,000 limit for cash and a combined \$500,000 limit for cash and securities. Coverage is for most types of securities, such as stocks, mutual funds and bonds, but commodities futures contracts are not covered, nor are limited partnerships, annuity contracts and other investment contracts that are not registered with the Securities and Exchange Commission (SEC).

SIPC, in addition to providing coverage for customer losses when a securities broker goes out of business, also provides coverage for unauthorized transactions.

The SEC has advised “you can also protect yourself by making payments only to firms that are members of SIPC.” Always make checks payable to the SIPC member broker, not an individual broker, and only send checks to the SIPC member broker’s address.

BENEFIT DINNER-SARAH MOORE HOME SERVICE BOARD

Manos, Martin, Pergram & Dietz is one of the locations selling tickets for the Spaghetti Dinner Benefit for the Sarah Moore Home Service Board, which provides services and goods not covered by Medicaid or other programs for needy residents of the Sarah Moore Home and Health Center in Delaware. The dinner is on Monday, October 20, from 4 to 8 p.m. at 1502 West William Street in Delaware. You can obtain tickets (adults - \$6; children ages 5-12 - \$3; children under 5 - free) by contacting Chris at 740-363-1313 or chris@mmpdlaw.com.

PRESIDENTIAL ELECTION LIKELY TO AFFECT UNITED STATES SUPREME COURT

The President of the United States makes lifetime appointments to the United States Supreme Court. The outcome of the upcoming election is almost certain to affect the Supreme Court, as five of the nine Justices are 70 years old or older. Consequently, it appears to be likely that the next President will be making these lifetime appointments. The present members of the Supreme Court will be tackling some new cases before the new administration takes office. One of the cases to be addressed by the Supreme Court is whether the FTC can impose a monetary penalty for one-time celebrity vulgarities uttered on television or radio. The last time the Supreme Court addressed the issue of vulgarity on the public airwaves was 30 years ago when it allowed a fine against a radio station that broadcast George Carlin’s “Seven Filthy Words” routine.