

Re: Protection of Customer Accounts at FMSbonds, Inc.

Dear Valued Customer:

FMSbonds, Inc. (FMS) is a securities firm registered with the Securities and Exchange Commission (SEC) and a member of both the Financial Industry Regulatory Authority (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).

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

In addition to our full compliance with the segregation and record-keeping requirements described above, customer securities held by FMS and the above mentioned depositories and banks are subject to periodic audits from internal staff, independent auditors, and various regulatory agencies.

Customer securities which are in safekeeping at FMS are on deposit at The Bank of New York Mellon (BONY). BONY has insurance policies in place to cover potential losses.

All customer accounts are insured by SIPC up to \$500,000 (including \$100,000 for cash claims). 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 is underwritten by Lloyd's of London.

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

Sincerely,



Michael S. Seligsohn

Chief Financial Officer