

Advisory Notes



SEPTEMBER 2021

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Third Quarter in Review

Although the S&P 500 squeaked out another gain in the third quarter, some underlying turbulence in the markets has been creating volatility and short-term uncertainty. (See Market



Table.) In late September, we saw the concerns over Evergrande, the world's largest indebted property developer in China, having leverage problems which affected the global markets with the worst day in five months. Spikes in COVID-19 cases and COVID-19 variants have consumers on edge again and continued shipping logjams and the need for truckers have created shortages in inventories. In addition, we are in the midst of the U.S. government budgeting for

additional mega spending of \$1-4 trillion as well as debt ceiling measure discussions, which lead to inflation fears. All of these are culminating in the September/October time frame, which are historically two of the most volatile months.

While there are many uncertainties being juggled for the U.S. economy, one thing remains – the overall U.S. and global economies are positioned to move forward in 2022 albeit at a slower pace than 2021, due to a slowdown in quantitative easing. According to the International Monetary Fund, global economic growth is 6% for 2021 and is estimated at 4.9% for 2022. This would be the fastest growing global economy in the last 48 years. Interest rates globally are subdued in Japan and Germany, as the U.S. keeps flirting with a 1.5% 10-year Treasury, which is a historical low, but .5% higher than it was a year ago. The Fed will be looking to reduce QE and

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Market Table

Valicenti Advisory Services, Inc. Comparative Index Period Returns From 06-30-21 THROUGH 09-30-21								
	DJIA	S&P 500	NASDAQ	Russell 2000 Index	BBG Barclays AGGR Bond Index	BBG Barclays Muni Bond Index	FTSE Corporate Bond Index	U.S. Treasury Bill Index (90 day)
06-30-21 to 07-31-21	1.34	2.38	1.19	-3.61	1.12	0.90	1.39	0.00
07-31-21 to 08-31-21	1.50	3.04	4.08	2.24	-0.19	-0.40	-0.27	0.00
08-31-21 to 09-30-21	-4.20	-4.65	-5.27	-2.95	-0.87	-0.78	-1.00	0.00
Cumulative Returns 06-30-21 to 09-30-21	-1.46	0.58	-0.23	-4.36	0.05	-0.29	0.11	0.00
YTD Returns 12-31-20 to 09-30-21	12.12	15.92	12.66	12.41	-1.55	0.86	-0.97	0.06

The highest compliment our clients can give is the referral of their friends and family. Thank you for your trust!

Director's Chair

On September 12, the majority party in the House of Representatives laid out proposals to fund its spending initiatives. These tax increases will partially undo the 2017 tax reform law, which was supposed to be in effect for a decade. The crowning achievement of the tax reform law was arresting the redomesticating of American corporations to foreign jurisdictions under the promise of lower rates for ten years. For many corporations, Uncle Sam's promises will be a misrepresentation in order to deceive. In effect, they have been hustled.



Under the proposal, the corporate tax rate would rise to 26.5% from the current 21% versus the President's suggested 28% for companies making more than \$5 million in income. For businesses that make above

\$400,000 to \$5 million, the tax rate would not change and for those who make under \$400,000 the rate would be cut to 18%. This would raise approximately \$900 billion in taxes.

The top income tax rate would again rise to 39.6% from 37% for households making more than \$450,000. Individuals making more than \$5 million would pay an additional 3% surtax creating a top income tax rate not seen since the Carter administration.

Capital gains taxes for those making above \$400,000 would increase to a 25% rate from 20%. This, of course, does not include the 3.8% Obamacare surtax on capital gains that most in this income range pay.

Like the character of "Fast" Eddie Felson in *The Hustler*, Americans who were told no tax increases would be coming for those making under \$400,000, get ready to be hustled by the best "crooks" in Congress. The proposal includes tax increases for tobacco and e-cigarettes, which are mainly

paid for by the lowest earning quartile of the population.

At this time, it is unclear if the votes exist to pass such tax increases, with an evenly divided Senate relying on two Senate moderates to pass any financial legislation coupled with an ultra slim three-seat majority in the House. Also unclear is whether a 26.5% or even 25% corporate tax rate would incentivize American companies to once again begin redomesticating outside of the United States taking their tax revenue with them. "Just win, win, you said, win, that's the important thing. You know what winnin' is, Bert? You're a loser. 'Cause you're dead inside, and you can't live unless you make everything else dead around ya.'" Although "Fast" Eddie was talking about shooting pool, sounds like he could have been talking about Congress too.

Louis F. Ruize

Director of Research/Portfolio Manager

Third Quarter

(Continued from Page 1)

asset purchases in 2022 and 2023, opening the door for possible rate hikes in 2024, assuming the same Federal Reserve Board is in place. Focus on the Fed dot plots from the Federal Reserve projections confirms these expectations. Debt ceiling negotiations and budget appropriations normally spark market volatility as "mud" gets thrown across the aisles. We hope needed infrastructure gets included, but restrictions on economic growth that could stifle the economy are limited.

This quarter's volatility may provide for some opportunity in both equity and fixed income markets and pullbacks are normalized in bull phased markets.

As always, we will manage your portfolios in line with your overall investment objectives and goals.

Joseph M. Valicenti
President/CEO

Employee Corner

We are pleased to announce that Kevin A. Falkenberg and Samson D. Lin have joined our firm.

Kevin is a graduate summa cum laude from Ithaca College with a Bachelor degree in Fine Arts. Kevin worked as a financial services representative managing client assets and achieving record production levels. Kevin brings with him 13 years of experience. Currently, he is an owner and partner in an event planning business part-time.

As Data Manager in the Operations Department, Kevin posts and reconciles daily account transactions and monitors system information ensuring the accuracy of all data. He opens and closes accounts on the system and provides daily updates to the website.

Samson graduated summa cum laude from Syracuse University with a Bachelor of Science degree in Mathematics and a minor in Finance and Psychology. During his college career, he was a facilities supervisor at the Barnes Center and served as



Kevin A. Falkenberg



Samson D. Lin

an intramural referee for college students at Syracuse University Recreation Services. He is a member of Pi Mu Epsilon, an honors society, and was the Treasurer of the Chess Club.

As Investment Analyst, Samson will be working closely with the investment team and will provide critical support to the lead analyst and portfolio managers in the areas of research, position and risk monitoring, performance attribution and trade execution.

Please join us in welcoming our new team players.

Analyst Corner

The first two months of the third quarter saw equities continue to march higher. By early September, however, the ascent paused and the market gave back some of the quarter's early gains. The intra-quarter events of significance were a combination of refreshed Federal Reserve Open Market Committee policy guidance and contagion risk concerns emanating from China's real estate development sector. Notwithstanding these events, Q3 ended up delivering mildly positive returns for risk assets which followed the great results from the first half of the year.



The S&P 500 was up 0.6% on a total return basis for the quarter with the YTD result up an impressive 15.9%. Recalling that this is also in the wake of a 2020 total return of 18.4%, market participants may be wise to contemplate the strength of these numbers the last few years relative to longer run historical return averages. On the bond side of things, the Bloomberg Barclays U.S. Corporate Bond Index was flat in a slightly volatile rate environment throughout the quarter. Growth areas of the

Positive Market Influences

Mid Economic Cycle Dynamics
Monetary Policy Clarity

Negative Market Influences

Global Supply Chain
China Economy Transition

market were in the lead though by quarter end and, following the Federal Reserve meeting, narratives of a value driven and cyclical sector period of market leadership were once again being bandied about.

More specifically, it was the large growth names in the Information Technology and Communication Services sectors providing leadership versus the main benchmark as interest rates faded partly due to an episode of worry over the attainment of a synchronized global growth. Conversely, the cyclically sensitive areas of Energy, Materials and Industrials saw actual contractions for the quarter though not large enough to derail the S&P 500 Index overall, which is more heavily weighted towards growth exposures.

Positive Market Influences:

- **Mid Economic Cycle Dynamics** – Pent-up demand alongside an improving labor market may continue to extend the duration of the current economic cycle.
- **Monetary Policy Clarity** – An indication that tapering of bond purchases will begin shortly and some indication that an increasing number of Fed members believe rate liftoff may be appropriate next year

may have provided a confidence boost to the idea that the economy will be strong enough to begin withdrawing emergency monetary accommodation without jeopardizing the economic recovery.

Negative Market Influences:

- **Global Supply Chain** – Supplies of key production inputs and global transportation systems are still strained. This is impacting negatively the output of manufactured goods globally and counter to the positive growth narrative, giving way to inflation concerns.
- **China Economy Transition** – China's economy and its ultimate trajectory has long been debated. It is possible the country will move towards a policy environment which reduces the growth rate in the intermediate to long term in order to rebalance internally and stabilize an unsustainable debt and investment driven growth model. If so, this would be net negative for global growth.

Daniel P. Burchill
Security Analyst

Renewable Energy

There is much talk about renewable energy, so to begin with – what is it? It's energy production that uses non-finite resources such as sunlight and wind. Acquiring and using renewable energy creates far less greenhouse gases and pollutants, which contribute to climate change.

What are the types of renewable energy?

1. Solar – using photovoltaic cells to capture and convert the sun's rays into electricity.
2. Wind – building large turbines in windy areas, the energy produced by the movement of air can be converted into electricity.
3. Hydroelectric – hydroelectric power is produced by building turbines in moving water as long as the water flow is constant.
4. Ocean Energy – also known as wave energy is the harnessing of the energy produced by the oceans.
5. Geothermal – a large amount of heat was trapped beneath the

earth's crust many years ago and by using this heat on a controlled scale, it turns water into steam, which can then provide heat or power to a turbine to generate electricity.

6. Biomass – an organic material that comes from living organisms such as plants used to create biomass. If a biomass is allowed to decompose, it creates methane gas, which can be captured and used for fuel.
7. Hydrogen – when renewable energy is produced, the excess can be used to run through tanks of water. Hydrolysis occurs and the water molecules are split into hydrogen and oxygen. The hydrogen can be captured and used in a variety of applications.

There are a number of companies or organizations working on renewable energy.

Ralph H. Roberts, Jr.
Vice President of Client Services

Insurance for College Students

Back-to-school season is upon us and whether you are taking young children to school or sending adult children off to college for the first time, it can be an exciting yet stressful event. No matter how old they get, they are still your babies and you want to protect them and their belongings in the best possible way, for as long as you can.



You will need to check with your insurance agent to confirm coverages on your policy, but most standard homeowner's policies extend a percentage of your Coverage C personal property limit to students residing in temporary housing while they are enrolled in college. Typically, the percentage is 10% of your Coverage C limit and is subject to the deductible on your policy. If your personal property limit is \$70,000 and your deductible is \$1,000, your student would have \$7,000 in personal property coverage subject to the \$1,000 deductible. Unless your homeowner's policy is endorsed with a special personal property endorsement, most standard homeowner's policies cover accidental direct physical loss to personal property as long as it is on the list of specific named perils. Please check with your insurance agent to find out what your current homeowner's policy will cover.

It may be time to purchase a renter's policy for your student if the personal property limit from your homeowner's policy is not adequate. If your student is living year-round in an off campus apartment or if the property owner requires proof of insurance in the student's name for a lease, even if it is a short-term lease, most renter's or tenant policies have a minimum personal property limit of \$25,000 and a deductible as low as \$250. Depending on the location of the apartment and any additional endorsements to the policy, a tenant's policy typically costs around \$150-\$175 per year.

If you have any questions about coverage for your college student, give us a call at (607) 215-0242.

Kate Schermerhorn
Vice President
Valicenti Insurance Services, Inc.

For ALL Your Insurance Needs

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- Customized Benefit Insurance

The mission of Valicenti Insurance Services, Inc. is to provide personalized insurance products and services with unparalleled customer service to protect the assets of individuals, families and businesses that we serve.

Investment Strategy

With the fall now upon us and the third quarter in the rear view mirror, we reflect on the first nine months and look ahead to the fourth quarter expectations for both the U.S. markets and the U.S. economy.



Worries from issues over U.S. monetary and fiscal policy, new COVID-19 variants, supply chain disruptions, greater than expected inflation and slowing corporate earnings growth going into the fourth quarter, have overloaded 2021 with stressors. More recently, additional concerns such as the debt-ceiling limit being reached, when the Federal Reserve will be scaling back asset purchases or “tapering”, potential future rate hikes and the employment outlook are all adding to recent market worries.

The U.S. markets have become increasingly volatile as markets look to find a clear road map through these concerns. With all of that in consideration, all eyes will start to focus on third quarter corporate earnings in the days and weeks ahead. While supply chain disruptions persist, the reopening of the economy is showing continued signs of improvement. We continue to focus on those companies that are improving in fundamentals as economic conditions continue to reopen.

In the short-term, while market volatility ticks up as markets digest the above concerns, our asset mix remains flexible with fixed income allocation in a range of 20-25%, money markets near 5% and equities 45-65% during this period. We are using market pullbacks as buying opportunities. The asset mix will vary based on client income needs, risk levels and client specific directives.

Jeffrey S. Naylor
Executive Vice President/CFO

Required Minimum Distribution for 2021

A required minimum distribution or RMD, is the minimum amount of money that the IRS requires you to withdraw from certain retirement plans such as traditional IRAs and employer-sponsored plans such as 401(k)s and Roth 401(k)s each year. Roth IRAs are subject to RMD rules once the owner has passed away.



There have been changes to the RMD rules in the past few years. Before the Setting Every Community Up for Retirement Enhancement Act (SECURE Act), if you reached 70.5 before January 1, 2020, you had to take an RMD. The SECURE Act increased the RMD age from 70.5 to 72. The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) waived the RMDs for 2020. Since RMDs are in effect for 2021 and with the many changes, how do you know if you are required to take an RMD for 2021?

First, you need to determine which set of rules apply. If you reached 70.5 on December 31, 2019, the pre-SECURE Act rules apply. The temporary waiver from the CARES Act applied to individuals who did not take their first RMD before January 1, 2020 and had to take the RMD before April 1, 2020. In 2021, the first RMD will need to be taken by the end of 2021.

The SECURE Act applies to individuals who reached 70.5 on January 1, 2020 or later. Those individuals will need to take their RMD at 72. They will have until April 1, 2022 to take their first RMD. Keep in mind that if you hold off taking your first RMD until April 2022, you will be taxed on the first RMD and the second RMD in the same year. If you are older than 72, you must take your RMD by December 31 each year.

Inherited IRAs have different RMD requirements. Different rules apply depending on when the original account owner passes away and the type of beneficiary, spouse or non-spouse. The SECURE Act changed the distribution rule from a fixed lifetime rule to a 10-year rule on certain inherited IRAs. Under the new rule, non-spouse beneficiaries that inherit an IRA from someone that passed away in 2020 or later are required to withdraw the entire account balance within 10 years. The first year for the 10-year distribution requirement starts in 2021, since it starts the year after death. Beneficiaries of persons that died in 2019 or earlier, as well as spousal beneficiaries may continue to take distributions under the prior rules. The IRS will assess a 50% penalty on the shortfall for failure to take your RMD, so be sure to take your RMD to avoid this penalty. You could make a qualified charitable contribution (QCD) to satisfy your RMD requirement from your IRA. A QCD is a direct transfer of funds from your IRA custodian, payable to a qualified charity, as long as certain rules are met. The IRS allows up to \$100,000 for a QCD.

Due to longer life expectancies, the IRS released new tables for calculating the 2022 RMD. The New Uniform Life Tables for calculating RMDs will take effect January 1, 2022. Calculating the 2022 RMDs using the new tables will mean less required distribution than if using the current tables. This may not be the end of the RMD changes. Currently, there is proposed legislation to phase-in and increase the RMD age to 75 years old. We will keep you posted on any new tax legislation.

Elizabeth A. Zarnoch, EA
Vice President of Tax and Business Services

Schwab Updates - Tips for Preventing Fraud

October is Cybersecurity Awareness month. Cybercrime and fraud are serious threats and constant vigilance is key. While Valicenti plays an important role in helping protect your assets, you can also take action to protect yourself and help secure your information. This checklist summarizes common cyber fraud tactics, along with tips and best practices. Many suggestions may be things you are doing now, while others may be new. We also cover actions to take if you suspect that your personal information has been compromised. If you have questions, we are here to help.

Cyber criminals exploit our increasing reliance on technology. Methods used to compromise a victim's identity or login credentials – such as malware, phishing and social engineering – are increasingly sophisticated and difficult to spot. A fraudster's goal is to obtain information to access to your account and assets or sell your information for this purpose. Fortunately, criminals often take the path of least resistance. Following best practices and applying caution when sharing information or executing transactions makes a big difference.

How we can work together to protect your information and assets

Safe practices for communicating with our firm

- Keep us informed regarding changes to your personal information.
- Expect us to call you to confirm email requests to move money, trade, or change account information.

How Schwab protects your account

Schwab takes your security seriously and leverages protocols and policies to help protect your financial assets. Below are actions you can take to reinforce their efforts and resources to assist you in keeping your account safe:

1. Confirm your identity using Schwab's voice ID service when calling the Schwab Alliance team for support.

2. Use two-factor authentication, which requires you to enter a unique code each time you access your Schwab accounts.
3. Review the Schwab Security Guarantee, which covers 100% of any losses in any of your Schwab accounts due to unauthorized activity.

To learn more, visit Schwab's Client Learning Center at <http://content.schwab.com/learningcenter>

Follow general best practices

- Be suspicious of unexpected or unsolicited phone calls, emails, and texts asking you to send money or disclose personal information. If you receive a suspicious call, do not accept it, hang up, and call back using a known contact number.
- Be cautious when sharing sensitive information and conducting personal or confidential business via email, since it can be compromised and used to facilitate identity theft.
- Do not disclose personal or sensitive information on social media sites, such as your birthdate, contact information, and mother's maiden name.
- Be cautious when receiving money movement instructions via email. Call the sender at their known number (not a number provided in the email) to validate all instruction details verbally before following instructions or providing your approval.
- Protect yourself from phishing attempts and malicious links (see glossary for additional information).
- Check your email and account statements regularly for suspicious activity.
- Do not verbally disclose or enter confidential information on a laptop or mobile device in public areas where someone could potentially see, hear, or access your information.
- Verify payment requests you receive by phone or email. Requests for you to make payments using prepaid debit cards, gift cards, or digital currency are frequently associated with fraud or scams.

Keep your technology up to date

- Keep your web browser and operating

system up to date, and be sure you are using appropriate security settings. Old software, operating systems, and browsers can be susceptible to attack.

- Install anti-virus and anti-spyware software on all computers and mobile devices.
- Enable the security settings on your applications and web browser.
- Do not use free or found USB thumb drives—they could be infected with viruses or malware.
- Turn off Bluetooth when it is not needed, to protect against individuals gaining access to your devices using Bluetooth connections.
- Safely and securely dispose of old hardware.

Be cautious with public networks

- Avoid using public computers. If you must use one, go to the browser settings and clear the browser history and cookies when you are finished.
- Only use wireless networks you trust or that are protected with a secure password.
- Use your personal Wi-Fi hotspot instead of public Wi-Fi.
- Do not accept software updates if you are connected to public Wi-Fi.

Be strategic with your login credentials and passwords

- Do not use personal information such as your Social Security number or birthday as part of your login ID.
- For each financial institution you do business with, create a unique password that is long and contains a combination of characters, numbers, and symbols. Consider using a password manager to create, manage, and store passwords that are unique and secure.
- Do not share your passwords.
- Use two-step verification whenever possible.

Be sure you are on a secure website

- Check the URL to see if it is a secure connection. Secure sites begin with

See Preventing Fraud on Page 7

Preventing Fraud

(Continued from Page 6)

- https rather than http, and are generally considered safer.
- Check the address bar for site validity indicators whenever you log in to a Schwab website. Some browsers use green text or security symbols to indicate a secure and verified site.
- Download apps only from the Google Play™ Store or the Apple App Store®.
- Do not visit websites you do not know—for example, websites advertised on pop-up ads and banners.
- Log out completely to terminate access when you have completed a secure session, such as with online banking or a credit card payment.

Beware of phishing

- Do not click on links or attachments in emails and text messages if you question the validity of the sender. Instead, type the real web address, for example <https://www.schwaballiance.com>, in your browser.
- Hover over questionable links to reveal the site's full URL and see where the link really goes. Do not click on links that do not match the sender or do not match what you expect to see.
- Be suspicious of emails that have grayed-out Cc: and To: lines—they may have been sent to a mass distribution list.
- Check the sender's domain name in the email address (john.doe@schwab.com) to see if it matches what you would expect to see.
- Activate the spam filters in your email settings tab. This will help prevent unsolicited emails from coming to your inbox.
- If you suspect an email that appears to be from Schwab is a phishing email, forward it to phishing@schwab.com.

- If you have questions about an email from Schwab or personal information you entered about your Schwab account after clicking an email link, call your advisor or the Schwab Alliance team immediately at (800) 515-2157.

What to do if you suspect a breach

Call our office at (607) 734-2665 or your Schwab Alliance team immediately at (800) 515-2157 so that they can watch for suspicious activity and collaborate with you on other steps to take.

Request Schwab's "How to Respond to a Data Breach" flyer for more information.

Glossary

Two-step verification (aka multi-factor authentication)

A method of confirming your identity using a second step to verify who you are. For example, the first step might be to enter your username and password, and the second step might be to enter a randomly generated number sent to you via email, text, phone call, or token.

Phishing

The fraudulent practice of sending emails or text messages appearing to be from reputable companies or trusted individuals in an attempt to get individuals to reveal personal information such as passwords and credit card numbers. Phishing attempts are usually urgent-sounding, legitimate looking emails or texts designed to trick you into disclosing personal information or installing a virus on your device. These scams can be sent as attachments or links that, when opened

or clicked, may trigger malicious activity or take you to fake sites that resemble the real business websites.

Password manager

An encrypted online or cloud-based program that generates, retrieves, and keeps track of random passwords across countless accounts and protects information such as passwords, PINs, credit card numbers and their three-digit CVV codes, and answers to security questions.

Domain name

As it relates to an email address, this is the information that comes after the @ symbol—for example, schwab.com in jane.doe@schwab.com.

Spam filter

A program that detects unsolicited and unwanted emails and prevents them from reaching your email inbox. Usually these types of emails are instead sent to a spam folder.

Malware

Software that is intended to damage or disable computers and computer systems.

Learn more

Visit these sites for more information and best practices:

- StaySafeOnline.org:** Review the STOP. THINK. CONNECT™ cybersecurity educational campaign.
- OnGuardOnline.gov:** Focused on online security for kids, it includes a blog on current cyber trends.
- FDIC Consumer Assistance & Information, <https://www.fdic.gov/consumers/assistance/index.html>.
- FBI Scams and Safety provides additional tips, <https://www.fbi.gov/scams-and-safety>.



Asset management
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Cultivating Relationships for Over 35 Years
Our Clients Come First

Difficult Conversations

As we age, we need to come to some realization about our elder years and make some decisions that may not be comfortable to talk about. While families often have conversations about estate planning and the need for a will, health care proxy, living will and power of attorney, we rarely discuss what would happen if we can no longer take care of ourselves and need help with daily living.



The chance of being admitted to a nursing home increases with age and the need

to be admitted can cause stress and shock throughout the entire family structure. At times, family members may have to make the decisions quickly and possibly without much input from the person being admitted. Having the conversation ahead of time of what to do about senior care will help alleviate some of the concerns.

Start by looking at your current living situation. Is your home a safe environment to be in while aging? Look for ways to make your current home safer for senior living, such as adding stair lifts or converting a bathroom with a tub to a walk in shower. Some home renovations can allow you to remain in your home for a much longer time.

If you feel you may need assistance with daily care, educate yourself about the care options, which range from home care to assisted living to nursing homes. Your quality of life is greatly influenced by where you live as you age and you may want to consider a place that will give you the greatest social interaction.

Above all, have the conversation with your family as early as possible, so that everyone is on the same page, rather than waiting until a health or memory crisis forces you or your family to make a decision.

Ann S. Nolan, FPQP™
Administrative Assistant

For ALL Your Tax and Business Services Needs

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- Analysis of business direction and strategic planning
- Fringe benefit evaluation

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- Trust and estate accounts
- Endowment and Foundation accounts
- Business retirement plans
- Agent for the Fiduciary

Planning and Consulting

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- 401(k) review and analysis
- Income
- Retirement
- Taxes

Please remember that past performance may not be indicative of future results. Different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment, investment strategy, or product (including the investments and/or investment strategies recommended or undertaken by Valicenti Advisory Services, Inc. ["VASI"]), or any non-investment related content, made reference to directly or indirectly in this commentary will be profitable, equal any corresponding indicated historical performance level(s), be suitable for your portfolio or individual situation, or prove successful. Due to various factors, including changing market conditions and/or applicable laws, the content may no longer be reflective of current opinions or positions. Moreover, you should not assume that any discussion or information contained in this commentary serves as the receipt of, or as a substitute for, personalized investment advice from VASI. VASI is neither a law firm, nor a certified public accounting firm, and no portion of the commentary content should be construed as legal or accounting advice. A copy of the VASI's current written disclosure Brochure discussing our advisory services and fees continues to remain available upon request or at www.valicenti.com. Please Remember: If you are a VASI client, please contact VASI, in writing, if there are any changes in your personal/financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services, or if you would like to impose, add, or to modify any reasonable restrictions to our investment advisory services. Unless, and until, you notify us, in writing, to the contrary, we shall continue to provide services as we do currently. Please Also Remember to advise us if you have not been receiving account statements (at least quarterly) from the account custodian. Historical performance results for investment indices, benchmarks, and/or categories have been provided for general informational/comparison purposes only, and generally do not reflect the deduction of transaction and/or custodial charges, the deduction of an investment management fee, nor the impact of taxes, the incurrence of which would have the effect of decreasing historical performance results. It should not be assumed that your VASI account holdings correspond directly to any comparative indices or categories. Please Also Note: (1) performance results do not reflect the impact of taxes; (2) comparative benchmarks/indices may be more or less volatile than your VASI accounts; and, (3) a description of each comparative benchmark/index is available upon request. Please Note: Limitations: Neither rankings and/or recognitions by unaffiliated rating services, publications, media, or other organizations, nor the achievement of any professional designation, certification, degree, or license, membership in any professional organization, or any amount of prior experience or success, should be construed by a client or prospective client as a guarantee that he/she will experience a certain level of results if VASI is engaged, or continues to be engaged, to provide investment advisory services. Rankings published by magazines, and others, generally base their selections exclusively on information prepared and/or submitted by the recognized adviser. Rankings are generally limited to participating advisers (see link as to participation criteria/methodology, to the extent applicable). Unless expressly indicated to the contrary, VASI did not pay a fee to be included on any such ranking. No ranking or recognition should be construed as a current or past endorsement of VASI by any of its clients. ANY QUESTIONS: VASI's Chief Compliance Officer remains available to address any questions regarding rankings and/or recognitions, including the criteria used for any reflected ranking.