

# **SAFETY OF YOUR MONEY**

Protecting client exchange funds has been our first priority for all of our 20 years in business.

## **SEPARATE ACCOUNTS**

Every exchange has a separate account established bearing the Exchangor's taxpayer identification number. Funds have never been pooled or co-mingled. Funds are accessible on an daily basis.

## **U.S. GOVERNMENT PROTECTION OF YOUR EXCHANGE FUNDS**

Your exchange funds are fully protected by the United States Government in one of three ways:

1. All interest bearing accounts under \$250,000 are insured by the FDIC;
2. All non interest bearing checking accounts over \$250,000 are insured by the FDIC up to the full amount of the account; or
3. A Treasury Bill backed by the full faith and credit of the United States Government.

## **QUALIFIED ESCROW**

All exchange funds are placed in a Qualified Escrow with a Bank Depository acting as the Escrow Agent. This account requires your written authorization for any withdrawals.

## **VERIFICATION OF ACCOUNT**

Bank statements verifying your separate account are available upon request.

## **ALL INTEREST PAID TO YOU**

All interest earned on the Exchange Funds is paid to you at the end of the exchange.

## **VERIFICATION OF ACCOUNT**

Our Primary Deposit Relationship is with the Commerce Bank of Washington, a subsidiary of Zions Bank. At your request, we can make arrangements for a deposit relationship with another bank.



**Exchange Facilitator Corporation**

2627 Eastlake Ave. E. Seattle WA 98102 206-324-1350 FAX 329-6801

## Who Receives the Earnings From the Exchange Money? Or "Whose Money is it Anyway?"

Who should get the benefit from the interest earned on the Customer's Money, the Customer or the Facilitator?

Our Company believes it is the Customer's money and the Customer should get every dime of interest earned.

The theoretical exchange-related justification for the Facilitator to retain the interest vanished with the adoption of the 1031 Regulations in 1991.

The Facilitator performs a unique and valuable service for the exchange customer. The Facilitator should be paid a fair fee for such service.

But the amount of interest earned on the customer's money bears no relationship to the level of service required from the Facilitator for that customer's exchange.

If the Facilitator is depending on the interest earned on the customer's money as the revenue source, the Facilitator may emphasize the Return on Principal more than the Return of Principal.

Risk and Return go hand in hand. The greater the investment risk the greater the return. The lower the investment risk, the lower the return.

At Exchange Facilitator Corporation we believe it is important to focus on return of principal rather than just the return on principal.



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