

A young woman with long brown hair is smiling and hugging a graduate from behind. The graduate is wearing a black cap and gown and holding a rolled-up diploma tied with a red ribbon. The background is a stone wall.

# INVESTOR UPDATE

We're sending you this newsletter to stay in touch with some of our thoughts and ideas. Let us know if you have any questions about information in this newsletter or if you want to discuss anything about your account.

JULY  
2017

## It's Graduation Season

### A Good Time to Talk to Your College-Bound Graduates about Managing Debt

Hats off to all of the graduates! Now, it's time for the university-bound student in your family to enjoy the summer and plan for that first year of college... and all of the expenses that come with it. So we want to give you a few tips that you can share about minimizing student debt as you send your freshman off to school.

#### 1. Allocate loans for the necessities.

Naturally, financial aid isn't there for pizza nights in their dorm rooms, but temptation is powerful. Talk to your freshmen about using debt wisely, because to a young person, loans can look like free money. They may not know that it will come back to haunt them later. So take the time to define what is and isn't okay to use loan-money for. Tuition, books, housing, and maybe food plans are in—dates, trips to the mall, or pitching in for a keg are out.

#### 2. Ask them to get a job.

If your coed wants to fund a social life, they may want to think about doing it with a part-time job, rather than student loans. Work-study positions often offer flexibility and the convenience students need, and can help teach your child to have a pay-now policy for nonessential purchases—so they won't pay for them later with interest.

#### 3. Pay down debt.

Talk to your student about adding loan payments into their budget. They may be able to use funds from a part-time job or from gifts to help pay down debt. Most student loans aren't due until after graduation, but paying them off early can save serious money when it comes to long-term interest.

## Did you know?

About  
**70%** of students use the help of loans to pay for school?

So if you're reading this and planning to send your freshman off to school, it's likely that a loan is fitting somewhere into the college planning. It's also important to know that today the average amount of student loan debt is quickly approaching a whopping \$40,000.



## Oppenheimer Provides Several Layers of Protection for Your Assets

We know that asset protection is one important topic you have in mind when you invest with Oppenheimer & Co. Inc. So we want to take a moment to show you the measures taken to help protect your accounts.

First, we are one of the oldest and most established firms in the investment industry. Oppenheimer is a financially sound institution, one that manages its balance sheet very conservatively.

Stockholders' equity of our consolidated parent company is in excess of \$500 million, while excess capital (defined as the capital we hold against total assets) exceeds regulatory requirements by approximately \$100 million.

Additionally, we maintain robust record-keeping and control systems. This should make you confident that the assets you entrust to us are protected and secure, and that your account statements will be accurate, reliable and timely.



The market volatility that resulted in the disappearance of some of the best known names on Wall Street has emphasized the critical importance of selecting an investment firm that you can rely on when it comes to protecting your assets.

## Here is More on How Your Assets are Protected:

### Segregation of Customer and Firm Assets

Oppenheimer is required to abide by the Securities and Exchange Commission's (SEC's) Customer Protection Rule, which is designed to ensure that customers' securities and funds in the custody of Oppenheimer are adequately safeguarded.

The Firm is also required to be in compliance with the internal controls over financial reporting provisions of the Sarbanes-Oxley Act of 2002, as well as the rules and regulations of numerous regulatory authorities. The Firm's CEO is required to certify compliance with these rules.

In the unlikely event that Oppenheimer were to become insolvent, these segregated client securities and balances would not be available to the general creditors of Oppenheimer or to any other Oppenheimer affiliate.

### FDIC<sup>1</sup> Coverage

The funds you have invested through the Advantage Bank Deposit Program ("ABD Program") are eligible for FDIC insurance coverage up to the ABD Program limits of at least \$5 million per account (up to at least \$10 million per joint account), subject to applicable limitations. FDIC insurance coverage is available at each participating deposit bank up to the FDIC standard maximum deposit insurance amount, which is currently \$250,000 (including principal and accrued interest) per depositor for deposits held in the same right and capacity (or \$500,000 if the deposit account is held jointly), which amount includes any other deposits you may have at that same bank. Information on FDIC insurance limits is available at [www.fdic.gov](http://www.fdic.gov).

### SIPC<sup>2</sup> Protection

We are a member of the Securities Investor Protection Corporation ("SIPC"). As such, securities held in your Oppenheimer account are protected up to a maximum of \$500,000 per client, which includes a cash limit of \$250,000. Securities that are the subject of a repurchase program are not covered by SIPC. In addition, we maintain an excess insurance policy, which means that securities held in your Oppenheimer account(s) are protected up to \$100 million per client. Further information about SIPC may be found at [www.sipc.org](http://www.sipc.org) or by calling 202-371-8300.

### Excess Insurance Coverage

We have obtained excess insurance coverage from underwriters at Lloyd's of London.

<sup>1</sup> For additional details, visit [www.fdic.gov](http://www.fdic.gov).

<sup>2</sup> SIPC and excess SIPC coverage are subject to certain requirements. For more details go to [www.opco.com/how-your-assets-are-protected](http://www.opco.com/how-your-assets-are-protected).

 [facebook.com/opcoinc](https://facebook.com/opcoinc)

 [linkedin.com/company/oppenheimer](https://linkedin.com/company/oppenheimer)

[www.opco.com](http://www.opco.com)

©2017 Oppenheimer & Co. Inc. All Rights Reserved. Oppenheimer Transacts Business on All Principal Exchanges and Member SIPC. This brochure is for informational purposes only. All information provided and opinions expressed are subject to change without notice. This newsletter is not and is under no circumstances to be construed as an offer to sell or buy any securities. No part of this brochure may be reproduced in any manner without the written permission of Oppenheimer & Co. Inc. Oppenheimer & Co. Inc., nor any of its employees or affiliates, does not provide legal or tax advice. However, your Oppenheimer Financial Advisor will work with clients, their attorneys and their tax professionals to help ensure all of their needs are met and properly executed.

If you select one or more of the advisory services (ie: Financial Planning Services) offered by Oppenheimer & Co Inc. or its affiliate Oppenheimer Asset Management Inc., we will be acting in an advisory capacity. If you ask us to effect securities transactions for you, we will be acting as a broker-dealer. Please see the Oppenheimer & Co. Inc. website, [www.opco.com](http://www.opco.com) or call the branch manager of the office that services your account, for further information regarding the differences between brokerage and advisory products and services. MKT062917SM1.