

# Advisory Notes



MARCH 2023

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## First Quarter in Review

Well, March Madness is in the books from “Uconn” University of Connecticut Huskies running the table uncontested to reach their fifth championship, 5-0 in championship

games, to “LSU” Louisiana State University women’s championship, their first after a new coach retooled their program just two years prior.

Like March Madness, the market certainly gave us some ups and downs in the first quarter. The Fed continued its path of raising rates 25 basis points to continue to fight inflation. The data points of GDP slowing down are materializing, but not at the rate the Fed has targeted. The job market is still resilient, but



Silicon Valley and other technology companies, who over hired in 2020/2021, are scaling back on employment.

The financial sector had some wild swings and the regional banking sector created weakness in banking overall as the Federal Reserve, FDIC and Treasury came to the rescue with some assurances and a loan program through the discount window (see internal article for additional information). Silicon Valley Bank and Signature Bank, both with niche markets, failed during the quarter with bank runs on cash due to “unrealized” losses on government bonds with longer durations.

Bond yields have moved down and more money has entered short to mid-term maturities. The 10-year Treasury round-trip from February 1, 2023, 3.5% to 4% at the end of February to 3.3% at the end of March.

Stock performance has been concentrated in  
*See First Quarter on Page 2*

## Market Table

| Valicenti Advisory Services, Inc.<br>Comparative Index Period Returns<br>From 12-31-22 THROUGH 03-31-23 |       |         |        |                    |                              |                              |                           |                                   |
|---|-------|---------|--------|--------------------|------------------------------|------------------------------|---------------------------|-----------------------------------|
|   | 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) |
| 12-31-22 to 01-31-23  | 2.93  | 6.28    | 10.72  | 9.75               | 3.08                         | 3.12                         | 4.15                      | -0.04                             |
| 01-31-23 to 02-28-23  | -3.94 | -2.44   | -1.01  | -1.69              | -2.59                        | -2.45                        | -3.10                     | -0.03                             |
| 02-28-23 to 03-31-23  | 2.08  | 3.67    | 6.78   | -4.78              | 2.54                         | 2.41                         | 2.63                      | -0.02                             |
| <b>Cumulative Returns</b><br>12-31-22 to 03-31-23   | 0.93  | 7.50    | 17.05  | 2.74               | 2.96                         | 3.02                         | 3.58                      | -0.10                             |

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

## Director's Chair: Not a Wonderful Banking Life

Silicon Valley Bank (SVB) dissolved into bankruptcy during this quarter, the accidental victim of the Federal Reserve's interest rate hikes. To be sure, SVB was not entirely an innocent bystander because of policy actions taken by the bank over the past year.



SVB's problems began a few years ago, fueled by hyper growth within deposits. During the pandemic, the 0% interest rate policy of the Federal Reserve (Fed) fueled private and venture capital investment, which this bank specialized in under sunny California skies. This is the region of the country that Google, Apple and Facebook call home, along with dozens of brand name technology companies. Deposits grew 69.7% in 2020 and then grew another 85% in 2021. This gain created a capital allocation problem for the bank. The bank did not take on credit risk, the risk of owning lower quality assets, because they invested heavily in United States Treasury bonds, the risk free asset of the world. Instead, they took on duration risk, which is defined as "the risk that changes in interest rates will either increase or decrease the market value of a fixed income investment." To give one example, SVB bought 3-year Treasury notes and then the Fed

raised interest rates over 400 basis points over the past year, which means the present day value of those bonds declined. Normally for investors this is not a problem because if you hold the 3-year notes until maturity, you will be paid full face value and be paid your interest. The problem for SVB was the bank began hemorrhaging deposits, which means they needed money now to pay out to customers. Just like the bank run seen in the film *It's a Wonderful Life*, where the character of George Bailey saves his building and loan bank with \$20,000 of his own money, SVB was forced to begin selling longer duration assets at a loss to cover withdrawals. This created a death spiral for the bank. Mr. Bailey and \$20,000 wasn't going to save this bank.

SVB then hired Goldman Sachs to help sell assets and raise capital to save the bank. When the capital raise failed to materialize, the bank inexplicably put out a press release to that effect, even though it was not required to. This is where the bank run started, but unlike *It's a Wonderful Life*, depositors didn't need to line up to get their money, they just needed to click keys on a computer to wire out the funds hastening the demise at digital speeds. During his bank run, George Bailey said, "You're thinking of this place all wrong, as if I had the money back in a safe. The money's not here. Your money's in Joe's house, that's right next to yours, and in the Kennedy house, and Mrs. Macklin's house and a hundred others." SVB would have

said, "The money's not here. Your money's in a helicopter taxi service, that's right next to your million dollar condo and an app that powers a meal delivery service for dogs, and with the crypto bros who own Dogecoin", but that didn't happen because depositors were too busy swiping right on their apps.

If Mr. Potter, the mean man whose actions almost bankrupted Mr. Bailey's bank, had known that raising interest rates over 400 basis points in a year would have destroyed Mr. Bailey, he would have hired Fed Chief Jerome Powell to do the dirty work. Sadly, regulations would not have helped SVB. If SVB had to go through the stress test under pre-2018 bank friendly rule changes, the bank still would have passed and would have met the same fatal end. Another tragedy was the intervention by the government to save SVB by declaring a systemic emergency and making all depositors whole, those above the \$250,000 FDIC limit. By declaring a systemic emergency, the government has now ignited a mini-bank crisis that has seen the value of regional banks crushed. Signature Bank has failed along with Credit Suisse being forcibly taken over. Hedge funds smell blood in the water and are trying to figure out which bank will be next to fail. Sadly, this is *Not a Wonderful Banking Life* in 2023.

Louis F. Ruize

Director of Research/Portfolio Manager

### First Quarter

(Continued from Page 1)

a few of the large cap names while the breadth of the markets remains weaker at this point (see Market Table). NASDAQ led the way at 17.05% with the likes of Apple, Amazon, Tesla, Microsoft and Nvidia. The broad index of the S&P 500 was at 7.50%, Russell 2000 (small cap index) at 2.74% and the Dow Industrial lagged at 0.93%.

While we continue to monitor the uphill battle with inflation and rising rates, we expect the market to maintain slow growth in the near future. We will monitor your investment objectives on an individual basis with your overall goals in mind.

Joseph M. Valicenti  
President/CEO



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## Last Minute Tax Filing Surprise: Excess IRA Contribution

**T**rying to plan ahead for your retirement years and also to take advantage of tax deferred savings, you have made a contribution to your IRA, only to be told by your tax preparer that you do not qualify to make all or part of that contribution – you have made an excess IRA contribution! What do you do now and how long do you have to rectify the honest mistake? (*The following information is summarized from IRS Publications 590-A and 590-B.*)

Generally, an excess contribution for tax years 2021 or 2022 is the amount contributed to your traditional IRA that is **more than the smaller of:**

**\$6,000 (\$7,000 if you are age 50 or older) – or – your taxable compensation for the year.**

The taxable compensation limit applies whether your contributions are deductible or nondeductible. An excess contribution could be the result of your contribution, your spouse's contribution, your employer's contribution or an improper rollover contribution.

### Tax on Excess Contributions

In general, if the excess contributions for a year are not withdrawn by the date your return for the year is due (including extensions), you are subject to a 6% tax. You must pay the 6% tax each year on excess amounts that remain in your traditional IRA at the end of your tax year. The tax can't be more than 6% of the combined value of all your IRAs as of the end of your tax year. The additional tax is figured on Form 5329.

### Excess Contributions Withdrawn by Due Date of Return

You won't have to pay the 6% tax if you withdraw an excess contribution made during a tax year and you also withdraw any interest or other income earned on the excess contribution. You must complete

your withdrawal by the date your tax return for that year is due, including extensions.

### How to treat withdrawn contributions.

Don't include in your gross income an excess contribution that you withdraw from your traditional IRA before your tax return is due if both of the following conditions are met.

- No deduction was allowed for the excess contribution.
- You withdraw the interest or other income earned on the excess contribution.

You can take into account any loss on the contribution while it was in the IRA when calculating the amount that must be withdrawn. If there was a loss, the net income you must withdraw may be a negative amount.

In most cases, the net income you must transfer will be determined by your IRA trustee or custodian.

**How to treat withdrawn interest or other income.** You must include in your gross income the interest or other income that was earned on the excess contribution. Report it on your return for the year in which the excess contribution was made. Your withdrawal of interest or other income may be subject to an additional 10% tax on early distributions discussed in Pub. 590-B.

**PER IRS 590-B:** You can generally make a tax-free withdrawal of contributions if you do it before the due date for filing your tax return for the year in which you made them. This means that even if you are under age 59 1/2, the 10% additional tax may not apply. One exception to distributions from traditional IRAs being taxable in the year you receive them is the return of nondeductible contributions, discussed under Distributions



Fully or Partly Taxable – If your traditional IRA includes nondeductible contributions and you received a distribution from it in 2022, you must use **Form 8606** to figure how much of your 2022 IRA distribution is tax free. Only the part of the distribution that represents nondeductible contributions is tax free – earnings and gains (if there are any) may be taxable.

**Form 1099-R.** You will receive Form 1099-R indicating the amount of the withdrawal. If the excess contribution was made in a previous tax year, the form will indicate the year in which the earnings are taxable.

### Excess Contributions Withdrawn After Due Date of Return

In general, you must include all distributions (withdrawals) from your traditional IRA in your gross income. However, if the following conditions are met, you can withdraw excess contributions from your IRA and not include the amount withdrawn in your gross income.

- Total contributions (other than rollover contributions) for 2021 or 2022 to your IRA were not more than \$6,000 (\$7,000 if you are age 50 or older).
- You didn't take a deduction for the excess contribution being withdrawn.

The withdrawal can take place at any time, even after the due date, including extensions, for filing your tax return for the year. If you filed your tax return timely without withdrawing a contribution that you made in that tax year, you can still have the contribution returned to you within six months of the due date of that tax return, excluding extensions, by filing an amended return.

**For further detail and examples, please see IRS Publications 590-A and 590-B or consult your tax professional.**

Kelly S. Diehr, FPQP®  
Administrative Assistant

**Analyst Corner**

The dominant development in the first quarter of 2023 was the manifestation of turbulence within the banking sector. While the catalysts may have been multi-fold, an ostensible driver of the situation was the rapid raising of short-term policy interest rates in order to bring down inflation. In this environment, bank deposits earning little interest may ultimately find a new home and move towards short-term money market instruments, which will pay a better return. At the same time, bank assets in the form of loans, which are funded with those very deposits, are also seeing valuation declines due to the adverse rate movements. For now, regulator and monetary policy actions have provided short-term liquidity support.



At this juncture and, in spite of the banking stress, equity and bond markets have fared better than the previous year. The S&P 500 is up 7.5% on a total return basis and has recently been range bound between 3,800 and 4,200. The NASDAQ is even stronger, registering up 17.05%. The bond world is seeing some positive momentum as well and the FTSE Corporate Bond Index is up 3.58% through the end of the quarter. While the market consensus is most likely anticipating softening in the economy as a result of the tightening of conditions, recent emergency liquidity provisions and an understanding that the hiking cycle is in the later innings may be providing support to risk assets in the present.

Not every corner of the market is in positive territory. Energy, Financials, Healthcare and Utilities equity sectors are all in negative territory this year, while Information Technology, Communication Services and Consumer Discretionary are all providing strong leadership to the

**Positive Market Influences**

- Resilient Economy
- Policy Support
- Earnings

**Negative Market Influences**

- Banking Turbulence
- Continued Tightening
- Expectations for Slowdown

upside. More acutely, the Regional Bank space was off a dramatic -30.99%.

In the fixed income arena, the important risk free asset, the U.S. Treasury 10 Year Note, has seen its yield fall from 3.87% at the beginning of the year to a current level 3.47%. Shorter yields have fallen even more dramatically, given the banking issues and spreads over treasuries for credit products have not yet seen excessive widening this year and are holding at levels where investors can achieve some yield pick-up.

**Positive Market Influences:**

- Resilient Economy – Real GDP growth in the fourth quarter of last year was 2.6% and the Atlanta Fed GDPNow estimate for Q1 of 2023 currently sits at 2.2%. These growth rates are near long-term trend levels and without significant job losses in the economy, risk of an imminent contraction is likely lower.
- Policy Support – While not exactly an easing, policymakers acted in a way which provided liquidity support to distressed bankers. Discount window usage increased and a new Bank Term Funding Program was created in order to offer loans of up to one year in length to eligible depository institutions. The Fed is serving as lender of last resort in these capacities.
- Earnings – S&P 500 earnings expectations for Q1 and Q2 of 2023 are mildly negative with expectations for low single digit declines in earnings, through the first half of the year. Expectations for the whole year are, however, currently at +1%. While this is a very low level of earnings growth, expectations currently baked in are at least on the more modest side.

**Negative Market Influences:**

- Banking Turbulence – Silicon Valley Bank, the 16th largest bank in the United States, failed in Q1 of 2023, igniting a concern about possible systemic issues in the banking sector. Additionally, Signature Bank headquartered in New York, was forced to close amid scrutiny. This caused bank stocks to fall and pitched regulators and large banking players into coordinated action in order to restore confidence in the sector.
- Continued Tightening – The FOMC meeting in March produced a 0.25% rate hike even amidst the banking woes. This has brought the Federal Funds rate to a range of 4.75% to 5.0% with some additional hiking beyond this level currently priced in. The rate-hiking channel for tightening monetary policy is continuing without a pause, which gives rise to concerns about the ultimate effect on the economy’s strength.
- Expectations for Slowdown – With deposit flight out of banks and interest rates higher on a year-over-year basis, there is an expectation that the credit supplied to the economy will begin to tighten further from here. If this happens and should labor market strength wane, then the economy could abruptly move into contraction at some point later in the year or into 2024, as consumption falters. These types of risk appear to be more elevated at present and the wait and see attitude can weigh on risk assets.

Daniel P. Burchill  
*Security Analyst*

## Investment Strategy

The first quarter of 2023 showed continued economic and market resiliency.

The U.S. employment picture, while moderating, is still in a position of strength. Inflation also appears to be moderating but at a slower pace than the Federal Reserve was targeting. This leaves a question - will the Federal Reserve pause the rate hikes in May or continue to raise rates yet again? In addition, the Federal Reserve stepped in to aid the banking sector as concerns over bank liquidity hit a couple of U.S. banks. The global economic picture appears to be moderating, with modest growth expectations and restrictive global monetary policy in many parts of the world.

The markets will continue to digest the actions of the Federal Reserve in the months and quarters ahead. With slower economic growth likely going forward, our asset mix remains nimble:

- Money Markets and Treasury ranges between 5-15%
- Fixed Income target ranges 35-45%
- Equity target ranges 45-55%

These targets will depend upon client specific goals such as risk levels and need for income.

Jeffrey S. Naylor  
*Executive Vice President/CFO*



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## Stock Buybacks

There is much debate about stock buybacks. In 2021, total stock buybacks were \$850 billion dollars and then reached \$1.22 trillion dollars in 2022. At the beginning of February 2023, companies had announced \$173.5 billion worth of planned buybacks.

What is a stock buyback? It is when a company declares that its board has authorized the repurchase of a certain amount of its stock. Investors like stock buybacks because they reduce the number of outstanding shares and enhance the company's per share profitability measures such as cash flow per share. Note that the buyback is not taxed until the stockholder sells his shares. From the company's perspective, buybacks are done for two reasons:

1. The company has excess cash.
2. Its share price is cheap and it may use buybacks as a way to improve its share price.

There are some disadvantages to some stock buybacks:

1. The company does not see a better use of its cash.
2. The buyback process can be time consuming and expensive as a company must provide stock exchanges and regulators many disclosures and it may have to hire investment bankers.
3. The company might use the stock buybacks to disguise the number of shares it is giving out to its top executives as stock options.

Timing is important because the company wants the buyback to look like a show of strength.

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



## Welcome to the Firm

We are pleased to announce that Nate Adams has joined the firm as Data Manager. This position requires excellent computer skills, accuracy and attention to detail and the ability to multi-task and to work independently. Nate 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.

Nate graduated from Corning Community College with an Associates of Science degree in Business Administration and from Keuka College with a Bachelor of Arts degree in Organizational Management.

Nate brings with him six years of experience in the banking industry having been a consumer loan officer, a consumer loan processor and a mortgage specialist.

"Welcome to the team! We are thrilled to have you at our office. We know how much of an asset you will be to the firm and we look forward to growing alongside you for years to come." said Jeffrey Naylor, Executive Vice President/CFO/CCO.



*Nate Adams*

## Valicenti.com!

We are giving our website a fresh look! The last time we did this was in 2016, so we felt it was time. Please go to Valicenti.com to check it out. We plan to go live during the month of April.



One of our initiatives for 2023 is to go electronic with our Valicenti statements. If you have not already, you will be receiving a call from us to discuss this process. With our clients and the environment in mind, we encourage you to think about signing up for electronic delivery of your documents from both Valicenti and Charles Schwab. Rather than having your statements pile up from year to year, you may electronically keep your records to view and to print at any time. If you have any questions, please contact Melissa Mickley at mickleymb@valicenti.com or (607) 734-2665.

Please share with us your feedback on the updated website. It helps us to understand your needs and to make positive changes, as we are always striving to put our clients first!

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Melissa B. Mickley, FPQP®  
Administrative and Marketing Assistant

## Extension of Time To File Your Tax Return

The tax deadline for the 2022 tax year is April 18, 2023. Taxpayers needing more time to file their taxes can get an automatic six-month extension from the IRS. If you need more time to prepare your federal tax return, this page provides information on how to apply for an extension of time to file. Please be aware that:

- An extension of time to file your return does not grant you any extension of time to pay your taxes.
- You should estimate and pay any owed taxes by your regular deadline to help avoid possible penalties.
- You must file your extension request no later than the regular due date of your return. ~ Filing Form 4868 gives you until October 15 to file a return. If October 15 falls on a Saturday, Sunday, or legal holiday, the due date is delayed until the next business day. Your return is considered filed on time if the envelope is properly addressed, postmarked, and deposited in the mail by the due date.

There are three ways to request an automatic extension of time to file a U.S. individual income tax return.

1. You can pay all or part of your estimated income tax due and indicate that the payment is for an extension using Direct Pay, the Electronic Federal Tax Payment System, or using a credit or debit card.
2. You can file Form 4868 electronically by accessing IRS e-file using your tax software or by using a tax professional who uses e-file.
3. You can file a paper Form 4868 and enclose payment of your estimate of tax due.

### Late Payment Penalty

The late payment penalty is usually ½ of 1% of any tax (other than estimated tax) not paid by the regular due date of your return, which is April 18, 2023. It is charged for each month or part of a month the tax is unpaid. The maximum penalty is 25%.

### Late Filing Penalty

A late filing penalty is usually charged if your return is filed after the due date (including extensions). The penalty is usually 5% of the amount due for each month or part of a month your return is late. The maximum penalty is 25%. If your return is more than 60 days late, the minimum penalty is \$450 (adjusted to inflation) or the balance of the tax due on your return, whichever is smaller. You might not owe the penalty if you have a reasonable explanation for filing late. Attach a statement to your return fully explaining your reason for filing late.

For more information please go to IRS.gov or call our office.



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## Check-up Time

We like to take the time to remind clients that the below items should be reviewed on an annual basis.

The documents that I am referring to are as follows:

- ✓ Durable Powers-of-Attorney
- ✓ Healthcare Proxy
- ✓ Last Will and Testament
- ✓ Living Will
- ✓ Trusts

In addition, certain items, as listed below, need to be reviewed from time to time:

- ✓ Beneficiaries of Retirement Plans
- ✓ 401(k), 403b Plans, etc.
- ✓ Pension Benefits
- ✓ Health Insurance
- ✓ Life Insurance
- ✓ Business Insurance
- ✓ Refinance of Mortgage

Planning for now and the future will not only benefit you but also your heirs. As any of the following may apply to you, we suggest that you address them:

- ✓ Educational Expenses
- ✓ Gifting
- ✓ Major Repairs to Your Home
- ✓ Purchase/Lease of a Car
- ✓ Purchase of a Home/Second Home

If you should require banking or legal advice, etc., for any of the above listed items, we would be happy to furnish you the names of appropriate professionals.

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



## VALICENTI INSURANCE SERVICES, INC.

### For ALL Your Insurance Needs

#### Personal Insurance

- Auto
- Homeowners
- Umbrella
- Recreational Vehicles
- Motorcycle
- Watercraft

#### Life & Health Insurance

- Life
- Long Term Care
- Disability

#### Business Insurance

- Property
- Liability
- Automobile
- Professional Coverages
- Workers Compensation
- NYS Disability

#### Group Benefits Plan

- Health Insurance
- Dental Insurance
- Life Insurance
- Disability Insurance
- 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.*



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### For ALL Your Wealth Management Services Needs

#### Portfolio Management

- Individual and joint accounts
- Individual retirement accounts (IRA's)
- Trust and estate accounts
- Endowment and Foundation accounts
- Business retirement plans
- Agent for the Fiduciary

#### Planning and Consulting

Estate • Financial • Income • Retirement Taxes • 401(k) review and analysis

### For ALL Your Tax and Business Services Needs

#### Taxation

- Personalized tax preparation: Individual, Partnership, Corporation, Estates, Trusts and exempt organizations
- Tax planning for individuals and businesses
- Audit assistance or representation before tax authorities
- Online research capabilities for Federal and all 50 states
- Semi-annual client newsletter

#### Accounting Services

- Financial statement analysis and preparation
- Bookkeeping
- Sales tax returns

#### Business Consulting

- Business entity design: Sole Proprietor, Partnership, Corporation and Limited Liability Company (LLC)
- Business plan design and execution
- Analysis of business direction and strategic planning
- Fringe benefit evaluation

Please remember that past performance is no guarantee 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. ["Valicenti"]), 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 Valicenti. Valicenti 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 Valicenti's current written disclosure Brochure discussing our advisory services and fees continues to remain available upon request or at [www.valicenti.com](http://www.valicenti.com). **Please Remember:** If you are a Valicenti client, please contact Valicenti, 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 Valicenti 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 Valicenti accounts; and, (3) a description of each comparative benchmark/index is available upon request. **\*Please Note: Ranking Limitations.** Neither rankings nor 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 the client will experience a certain level of results if the investment professional or the investment professional's firm is engaged, or continues to be engaged, to provide investment advisory services. A fee was not paid by either the investment professional or the investment professional's firm to receive the ranking. The ranking is based upon specific criteria and methodology (see ranking criteria/methodology). No ranking or recognition should be construed as an endorsement by any past or current client of the investment professional or the investment professional's firm. **ANY QUESTIONS:** Valicenti's Chief Compliance Officer remains available to address any questions regarding rankings and/or recognitions, including the criteria used for any reflected ranking.