



XML
FINANCIAL GROUP

TRUE INDEPENDENCE.™

Spotlight on Finance

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View on the Market—3rd Quarter

We have reached the halfway point for 2017 and so far it has been a solid year. It's hard to believe, but the Brexit vote and subsequent global equity sell-off was a year ago. That was also the last time the S&P 500 Index saw a 5% correction; marking the past year among one of the calmest in history for the U.S. stock market. We are sure not too many people (ourselves included) would have (or did) expect that a year ago. As we cross the midway point of 2017, there is yet another incredible sign of how non-volatile things have been. The S&P 500 hasn't posted a weekly decline of 2% or more since September of 2016. What does it mean? Tranquility doesn't last forever, and we expect equity market volatility to pick up during the second half of this year as the economic cycle continues to age. And, that wouldn't necessarily be a bad thing. In fact, volatility can be healthy for markets. We view any pullbacks as an opportunity to add to positions.



We have also seen important shifts in the economic cycle. The Federal Reserve was finally able to start following through on its projected rate hike path; raising rates twice in just over a three-month period. The post-election rally has slowed down a bit but has seemed to continue to move forward as the U.S. equity markets continued to reach all-time highs. Even though global growth, corporate earnings and business sentiment appear supportive for equities over the next six months, there is a sneaking suspicion among investors that something is askew. The markets have reached new highs in 2017 and it is hard to find any broad asset classes that are truly undervalued.

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Safeguarding Your Personal Information Using Email Encryption

Your Information. Our Responsibility.

We have heard from some of our clients that receiving encrypted email from us is both frustrating and annoying. So why do we send it that way?

Each day, your Personal Identifiable Information (PII) is used by numerous entities, from department stores to banks. Financial advisors are also entrusted with sensitive personal information related to your accounts, including:

- > Income
- > Demographic Information

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View on the Market

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Across the pond, Europe seems to finally be coming out of its economic doldrums. We are starting to see better rates of growth, while not robust; it is growing a little better. The banking system is finally starting to show signs of recovery from the 2008 recession. In Washington, it is politics as usual and as we have seen a little more political drama around the world in recent months. We view most of this as noise and posturing. Nevertheless, political uncertainty can create volatility.

We know there is always risk in the markets but right now, we are not sure where it will show up. We do believe technology might be getting a little ahead of itself as we have seen slightly bigger pullbacks vs the broad market. As always, we feel a properly diversified portfolio can help manage volatility when it does appear.

A diversified portfolio does not ensure a profit or guarantee against loss.

9 Things to Never Do to Your Car

Be honest: Are you good to your car?

There are many ways to show your car some love...and then there are some things you should *never* do to your car. Here is what they are—and what to do instead.

Running your gas tank down to empty cuts the life of the fuel pump.



1. **Putting off recommended maintenance.** It sounds obvious, but plenty of people rarely, if ever, check their car's maintenance guidelines. By following the recommendations for the age and mileage on your car, you can keep your car running smoothly and safely—and save on paying for big repairs later on.
2. **Skipping air filter changes.** A fresh air filter keeps your engine running smoothly and improves your car's fuel efficiency. Most manufacturers suggest you replace your filter every 12,000 to 15,000 miles. (err on the lower side if you drive in dusty conditions or in stop-and-go circumstances).
3. **Neglecting to check your tires' air levels.** Not having the right tire pressure makes for unsafe driving and reduced fuel efficiency. If you don't have a tire pressure monitoring system, it's likely that your car lists tire pressure requirements on the driver side door post.
4. **Having an unqualified person work on your car.** Take the time to find a qualified car mechanic. (Keep in mind that you could qualify as "unqualified" if a repair is beyond your skill level).
5. **Running your gas tank down to empty.** Doing so cuts the life of the fuel pump.
6. **Rarely washing your car.** A good wash helps preserve the exterior of your car, which can help preserve your car's resale value.
7. **Not stashing an emergency kit.** With any luck, you'll never have to use it. But it could be a real lifesaver if you do.
8. **Using home glass cleaner on your rear car window.** The glass cleaner you use in your home contains ammonia, which can break down those thin red lines that defrost your back window. Use window cleaner designed for cars instead.
9. **Driving when the engine is overheated.** Overheated engines are especially common when temperatures rise. If your car displays telltale signs of overheating, like steam coming out of the hood or the temperature gauge hovering in the "H" territory, stop driving ASAP. Continuing could cause serious damage.

Email Encryption

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- > Account Balances
- > Tax Documents
- > Quarterly Statements

Ensuring the security of this private information is of paramount importance to your advisory team and the regulatory bodies that oversee us. Because of increased vigilance in protecting private consumer information, many states across the country have implemented “encryption” requirements.

What is E-mail Encryption?

E-mail Encryption involves using computer software to allow emailed content to be securely delivered to the recipient without being intercepted, accessed and read by unauthorized persons.

Why is E-mail Encryption Important?

Whether obtaining a mortgage or visiting a physician, you are asked to provide personal information as a matter of course. The gathering of such information is commonplace; unfortunately, today’s technologies have made it easier to unlawfully access another’s personal information. As a result, criminals can obtain information on, or steal the identity of, a person as means to commit various crimes including robbery, identity theft, and phishing schemes.

How Are We Safeguarding Your PII?

At the national level, legislation has been enacted to address the collection and safeguarding of PII. We ensure the security of your private information by using an e-mail encryption process that protects information from being read by unintended recipients.

While we know accessing encrypted email can sometimes be challenging, the security of your personal information is a responsibility we take seriously. Using email encryption allows us to communicate sensitive information safely and is an invaluable tool to help prevent unauthorized access to your personal information.

If you have any questions or concerns regarding e-mail encryption, please contact your advisor.

PERSONAL DATA
• Date of Birth
• Social Security #
• Account Numbers
• Passwords
• Payroll Statements
• Bank Account Statements
• Tax Forms

Oops...Sorry If We Missed Your Call!

We recently replaced and upgraded the **XML** phone system to a new VoIP (Voice over Internet Protocol). This new system is more robust with many capabilities for our team members in multiple locations.

Our apologies if we dropped or missed your call while we were getting up to speed with the new bells and whistles!



Executors Inherit Important Title

Being named as the executor of a family member's estate is generally an honor. It means that person has been chosen to handle the financial affairs of the deceased individual and is trusted to help carry out his or her wishes.

Trust assets can typically be disbursed right away and without court approval. With a will, you generally must wait until the probate process ends.

Settling an estate, however, can be a difficult and time-consuming job that could take several months to more than a year to complete. Each state has specific laws detailing an executor's responsibilities and timetables for the performance of certain duties. A thoughtfully crafted estate plan with up-to-date documents tends to make the job easier for whomever fills this important position.

If you are asked to serve as an executor, you may want to do some research regarding the legal requirements, the complexity of the particular estate, and the potential time commitment. You should also consider seeking the counsel of experienced legal and tax advisors.

Duties and Details

If the deceased created a letter of instruction, it should include much of the information needed to close out an estate, such as a list of documents and their locations, contacts for legal and financial professionals, a list of bills and creditors, login information for important online sites, and final wishes for burial or cremation and funeral or memorial services.



An executor is responsible for communicating with financial institutions, beneficiaries, government agencies, employers, and service providers. You may be asked for a

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XML Staff News

XML was proud to be a hole sponsor of the Brave Dave Open on June 9th. The Brave Dave Foundation (www.bravedave.org) has been a leading contributor in the effort to cure all auto-immune diseases. Founded by Dave Gearing who has battled multiple sclerosis for nearly 30 years, the foundation has grown to be a year-round charitable organization.



The **XML** sponsored charity fundraiser on May 7th to benefit *So What Else*, assisted in raising nearly \$20,000. *So What Else* is a non-profit that provides after-school and summer programs to children who do not otherwise have access to certain activities, skills, and perspectives.

In an effort to promote a healthy work environment, **XML** has implemented a corporate wellness program. Soft drinks and candy have been replaced with bottled water, naturally flavored sparkling water and snacks, such as pretzels, nuts and dried fruit.

Rob Kantor and **Todd Kullen** attended the Focus Chief Investment Officer Summit/Partner meeting in Deer Valley, Utah, June 2nd through June 6th.

Executors Inherit Important Title

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copy of the will or court-certified documentation that proves you are authorized to conduct business on behalf of the estate.

Here are some of the specific duties that often fall on the executor:

- ⇒ **Arrange for funeral and burial costs to be paid from the estate.** Collect multiple copies of the death certificate from the funeral home or coroner. They may be needed to help you fulfill various official obligations, such as presenting the will to the court for probate, claiming life insurance proceeds, reporting the death to government agencies, and transferring ownership of financial accounts or property to the beneficiaries.
- ⇒ **Notify agencies such as Social Security and the Veterans Administration as soon as possible.** Federal benefits received after the date of death must be returned. You should also file a final income tax return with the IRS, as well as estate and gift tax returns (if applicable).
- ⇒ **Protect assets while the estate is being closed out.** This might involve tasks such as securing a vacant property; paying the mortgage, utility, and maintenance costs; changing the name of the insured on home and auto policies to the estate; and tracking investments.
- ⇒ **Inventory, appraise, and liquidate valuable property.** You may need to sort through a lifetime's worth of personal belongings and list a home for sale.
- ⇒ **Pay any debts or taxes.** Medical bills, credit-card debt, and taxes due should be paid out of the estate. The executor and/or heirs are not personally responsible for the debts of the deceased that exceed the value of the estate.
- ⇒ **Distribute remaining assets according to the estate documents.** Trust assets can typically be disbursed right away and without court approval. With a will, you generally must wait until the end of the probate process.

The executor has a fiduciary duty — that is, a heightened responsibility to be honest, impartial, and financially responsible. This means you could be held liable if estate funds are mismanaged and the beneficiaries suffer losses.

If for any reason you are not willing or able to perform the executor's duties, you have a right to refuse the position. If no alternate is named in the will, an administrator will be appointed by the courts.

If you need help setting up or updating your estate documents, give us a call. We'll be happy to provide referrals.

The information in this article is not intended as tax or legal advice, and it may not be relied on for the purpose of avoiding any federal tax penalties. You are encouraged to seek tax or legal advice from an independent professional advisor. The content is derived from sources believed to be accurate. Neither the information presented nor any opinion expressed constitutes a solicitation for the purchase or sale of any security. This material was written and prepared by Emerald. Copyright 2015 Emerald Connect, LLC.

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We value our client relationships and appreciate you sharing your opinion about our firm. Any suggestions? Ways for us to improve? Let us know!

2017 So What Else Charity Gala

So What Else will be hosting its 7th Annual Gala Fundraiser on Friday evening, November 3, 2017 at 7:00 pm at Lakewood Country Club, 13901 Glen Mill Road, Rockville, MD 20850. It will be an evening of fantastic food, great drinks and amazing entertainment with renowned comic and hypnotist, **Flip Orley**.

Brett Bernstein is the co-chair of the So What Else Gala and President of the Board of Directors. So What Else is a grassroots humanitarian organization focused on providing a broad range of out-of-school time programs for at-risk youth in the Baltimore-Washington Metro area. During the school year, there are 40 after-school programs per week at various schools and centers throughout our region. In addition, So What Else provides 10 weeks of summer camp, with an average of 4 different sites per day throughout the area. Because of your support, all of its programming remains free to the youth it serves. The needs of youth in our area are great and the resources are too few!

It is anticipated this event will sell out, so for more details on the gala, please visit the website at www.sowhatelse.org/2017-gala. If you want to make a donation online, you can do so here: <http://sowhatelse.org/donations>.

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