



**To:** All Correspondents  
**From:** Global Clearing Services  
**Date:** December 19, 2003  
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## **Excess SIPC Account Protection**

Please be advised that effective February 16, 2004 Bear, Stearns Securities Corp. will provide account protection for the net equity of a customer's funds and securities positions ("Excess SIPC") through commercial insurer Customer Asset Protection Company ("CAPCO"), a licensed New York insurance company.

The message below will appear on your customer's December month end statement.

Should you have any questions regarding the new Excess SIPC coverage, please feel free to contact your Relationship Management Team or Broker Dealer Services at (347) 643-1484.

### **I. Statement Message**

#### Excess SIPC Account Protection Update

Bear, Stearns Securities Corp. ("BSSC"), a member of the Securities Investor Protection Corporation ("SIPC"), provides account protection for the net equity of a customer's funds and securities positions. SIPC provides \$500,000 of primary net equity protection, including \$100,000 for claims for cash ("SIPC Coverage"). Visit [www.sipc.org](http://www.sipc.org) for more information about SIPC Coverage. BSSC provides the additional protection ("Excess SIPC") through a commercial insurer. Effective February 16, 2004, the commercial insurer for Excess SIPC will change to Customer Asset Protection Company ("CAPCO"), a licensed New York insurance company. Account protection applies when a SIPC member firm fails financially and is unable to meet its obligations to its securities customers, but does not apply to losses from the rise or fall in the market value of investments or to SIPC ineligible assets such as options, futures, foreign exchange transactions, or any investment contracts that are not registered as securities.