

# Who Are Exchange's Custodians?

By: Exchange Capital Management

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When working with any wealth management firm, you'll hear the word "custodian" frequently. A custodian is a financial institution that holds your assets for safekeeping. Their main task is to keep your assets safe from theft or misuse. Custodians are necessary to have and extremely valuable to those that invest, but their value extends farther than just keeping your assets safe.

## What Does a Custodian Do for Me?

While a custodian's primary responsibility is to custody your assets, they are also responsible for trade processing. Once we pick the trades and submit them, our custodian processes them. They track, settle, and reconcile assets that are bought or sold by an account. Secondly, they manage the collection of dividends and interest payments, making sure you get the money you deserve. Lastly, they provide our clients with important administrative support. This includes a portal where you can view your account daily, monthly statements, tax reporting, and money movement capabilities.

## Who Are Exchange's Custodians?

At Exchange, we have two primary custodians: Charles Schwab and Fidelity Investments. Since these are well-known custodians, there's a chance that our prospective clients are already working with one of them. If not, we will assess and recommend which one will be the best fit for your assets.

## Why Isn't Exchange a Custodian?

The main reason Exchange can't custody your assets is because we aren't a financial institution permitted or regulated to do so. We are not a brokerage firm or a bank. Secondly, the process of clearing and settling a security properly while meeting all regulations is time-consuming. Separating the two jobs allows us to dedicate our time to your financial plan and portfolio. Our focus should be on building your financial plan and finding assets that are personalized to your goals.

## **The Bottom Line**

Custodians are necessary for your portfolio's security. Their main task is to protect your assets from misuse, providing extra reassurance that your money is where it belongs. Consider scheduling a discovery meeting with one of our advisors to learn what our custodians can do for you.