



SPRING 2016 NEWSLETTER

Reminder - June 3rd - Client Appreciation Lunch and Paper Shredding Day!

As you begin spring cleaning and sorting through your piles of paperwork, please remember that Hart & Patterson will be hosting a Shredding Day for clients on Friday, June 3rd. Lunch will be served from the local food truck Chanterelle! Start collecting any sensitive paperwork that you want to destroy and plan on joining us. An official invite will be coming soon.

Record Type:	May be destroyed after:
Bank Deposit Slips	Reconciled with the bank's statement
Tax Returns as Filed	Minimum of 7 years
Tax-Related Income and Deduction Documentation	7 years
Documents affecting the basis of asset	Life of the asset
Receipts (Major purchases)	Life of the asset
Warranties	Expiration of the Warranty or until Asset disposed of
Investment purchase confirmations and 1099s	After investment is sold and then retain with other tax documentation for 7 years.
Pay Stubs	Reconciled with W-2
Social Security Statements	Next statement is received
Brokerage and retirement statements	<ul style="list-style-type: none"> • Monthly and quarterly statements: Next statement is received. • Annual statements: After investments are sold
-Birth and Death Certificates -Marriage licenses and divorce decrees -Military Discharge Papers -Social Security Cards	Never destroy.
Vehicle Titles	After the vehicle is sold
Life-insurance policies	Never destroy (unless a term policy, then when policy's term is reached).

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Encrypted Emails

We are very happy to announce that the process for sending you encrypted email has been greatly improved. We can now send encrypted emails directly into your email inbox - no extra steps needed!

Please note:

- Any document sent from our office that includes any of your personal information (your name, address or account information) can only be sent via encrypted email or via US Mail.
- The sender's email address for encrypted emails will be addressed from Cheryl Patterson (encrypt@secure.hartpatterson.com). Please do not respond to this encrypted email address as the mailbox is unattended.

Market Update

Choppy waters, aka volatility, are an apt description of the US markets during any Presidential election year. This year is no different, so there is no need to discuss that here. However, there is one separate issue we'd like to mention that will likely add to the volatility we have been experiencing in the markets - energy company defaults.

The price of oil has been on a significant downward trend for the last 18 months. This will lead, no doubt, to some energy company defaults. Recently Vikki and I attended a conference with advisors from around the country where we heard Jason Vaillancourt, Co-Head of Global Asset Allocation for Putnam Investments, discuss this important topic. In his opinion, some energy companies will have some residual value as they default while in other cases the companies will have no value whatsoever. These defaults could cause some headwinds in the markets as their impact is absorbed.

While there is the potential of a market impact, the consumer's wallet has also been definitely impacted. It has always been assumed that low energy prices ultimately lead to more spending by consumers; they have more money in their pockets to spend. However, the data to date suggests that that has not happened this time around. Instead, savings rates in the US are starting to see a slight uptick. This may be a result of many individuals trying to sock a little extra away for either retirement or a rainy day. Or, it may be that consumers don't believe that oil prices will stay low much longer and want to have reserves in place for higher prices later. Whatever the reason, the lower oil prices are being felt in different ways than has historically been the case. We believe that this will continue to add to US markets volatility throughout this year. Although volatility is never fun, it does bring opportunity in the form of dips in the prices of high quality investment assets.

Hart & Patterson congratulates Amy Webber, President of Cambridge Investment Research!

Renae was honored to attend the *Investment News Women to Watch Awards Ceremony* on March 16 in New York. Amy and twenty other female professionals were recognized for their work in Financial Services. Amy has been the driving force behind initiatives at Cambridge that focus specifically on the upcoming generations of women working in Financial Services.

Security

We've all heard the stories. Email accounts are being hacked more and more often. This threat makes it even more important that you be very diligent when it comes to the safety of your personal financial information. Please notify us immediately if your email has been compromised and we will contact you immediately if we receive emails from your email address that seem "fishy" to us. As criminals continue to get more and more creative with their scams it will take all of us working together to protect your personal financial information.

Important Notice Regarding Diminished Capacity

Diminished capacity (a term used to describe memory issues) can be the result of many different issues; these causes can include age or a brain injury; or, sometimes, Diminished Capacity is a side effect of medication. Difficulties with money and math are oftentimes the first signals that something has changed in the brain. There have been times when Hart & Patterson has been the first to recognize that a client's memory is not what it used to be. We have had to involve family members and, in some cases, attorneys, because we knew a request from a client was not in line with his or her past behavior and goals. Our goal is to be as sensitive as possible in these situations while still insuring that instructions given by clients are made with a full understanding of their consequences. Hart & Patterson is working to put new internal policies in place to insure that a framework is in place for each client in the event of his or her Diminished Capacity.

As a first step, we have started using a CIDA (Client Information Disclosure Authorization) form. This form grants us permission to talk with whomever you have listed on that form. This form is a good first step but not nearly enough as it does not allow action on your accounts; it just allows an exchange of information. We hope this authorization will facilitate timely communications between a client's family and our office.

The second step for each client is assuring that the proper legal documents are in place. When these documents (i.e. DPOA – durable power of attorney and trusts where applicable) are not in place, instructions can be delayed or, in some cases, denied. This wreaks havoc for the client and his or her family, often at a time when they are trying to deal with other urgent concerns. Without these legal documents, it is difficult for us to act on your behalf if you are exhibiting signs of diminished capacity - i.e. confusion, forgetfulness, radical change in your behavior etc. To avoid this situation we are strongly recommending that everyone, especially those over the age of 70, have proper legal documents in place. For those clients who opt not to put these legal documents in place, we will request a signed acknowledgement form stating that by opting not to put legal documents in place the client understands that his or her investment accounts may become frozen or his or her investment instructions could be greatly delayed in case of his or her Diminished Capacity.

It has always been our priority to do everything we can do to help you with your financial plans and goals. Memory issues are serious and have serious consequences. The best way to move forward is to properly prepare for the future so that the impact of memory issues will be somewhat mitigated. Planning for the future will mean more energy can be spent on the person suffering from this affliction rather than wasting energy on detangling a financial mess because instructions cannot be followed. While we recognize that these documents are not a cure-all, we want to do what we can to assure clients are as prepared as possible for life's challenges.

Later this year we will start contacting clients who do not have legal documents on record with our office. We will work with you to make sure you are prepared for the future.

As always, please contact us with any concerns or questions that you may have.

From Lorraine's Kitchen

These muffins are a terrific way to make use of the rhubarb making its way to the market in the spring. Be sure to heed the warning about buttering the top of the muffin tins.

Rhubarb Muffins

Active Time: 25 minutes, 45 minutes start to finish

For Topping:

3/4 C flour
2/3 C packed brown sugar
1/2 teaspoon (t) cinnamon
1/8 t salt
5 tablespoons (T) butter, softened
1/2 lb fresh rhubarb stalks, cut into 1/4 inch dice
3T confectioners sugar

For Batter:

1 1/4 C flour
1t baking powder
1t salt
1 stick unsalted butter, softened
3/4 C sugar
2 large eggs
1/2 t vanilla
1/2 C whole milk

Preheat oven to 375. Generously butter muffin cups and top of pan or it will be very difficult to remove muffins.

Make streusel:

Whisk together flour, brown sugar, cinnamon and salt in a bowl. Blend in butter with your fingertips until mixture forms small clumps.

Make batter:

Whisk together flour, baking powder and salt in a medium bowl. Beat together butter and sugar in a large bowl with an electric mixer at medium speed until blended, about 2 minutes. Add eggs and vanilla to the butter and sugar mixture and beat until fluffy, about 1 minute. Reduce speed to low and add flour mixture and milk alternately in 2 batches, beginning and ending with flour mixture and mixing until just combined. Don't over mix.

Top and Bake Muffins:

Divide batter among muffin cups (each will be about 1/2 full). Toss rhubarb with confectioners sugar and sprinkle batter with rhubarb, then crumble streusel topping evenly on top. Bake in middle of oven until tops are golden and a tester inserted in center comes out clean, 22-25 minutes. Cool muffins in pan on a rack for 3 minutes, then loosen edges of muffins with a small, sharp knife or small metal spatula. Remove muffins from pan and cool on rack. Best served warm.

Muffins keep in airtight container at room temperature for 3 days.

We'd like to take this opportunity to wish you all a wonderful spring and to thank you for your relationship with us. Our pledge to you is that we will always work hard to earn the trust you have placed in us. Thank you for referring your friends, colleagues, and family members to Hart & Patterson. You and your client referrals allow us to do what we love - do our best for each of you every day.

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