

Clients Can Earn More with High-Yield Cash Solutions



As we embark on a new year having learned our fair share of lessons in unpredictability, many clients are searching for every opportunity to create a future safety net. Orion's integration solution? Multiple high-yield savings accounts with MaxMyInterest.

The 2020 Impact

The volatility of the stock market in 2020 coupled with the Federal Reserve's actions to lower rates (and keep them low for the foreseeable future) is driving significant interest in an often-overlooked asset class. Where clients keep their cash—once seen as an afterthought—is now a key question for many advisors. It is therefore fitting that Orion has chosen to integrate a compelling new solution for client cash directly into its platform: Max for Advisors.

The impact of the pandemic has highlighted, more than ever, the importance of keeping an emergency fund, and with money market funds and cash sweep rates at historic lows, more and more clients are looking for better answers of where to keep their cash. Portfolio cash is often kept in Money Market Funds (MMFs) and cash sweep programs that today deliver barely any yield. There's a lot of inertia and practicality keeping funds there, at least for smaller balance clients, but larger, high net worth clients and more forward-thinking advisors have found a better solution for cash.

Since it turns out that most clients don't keep the majority of their cash in their brokerage account, but rather in checking, savings and CDs at their banks, it's important to factor in these held-away assets when evaluating the totality of your clients' holdings.

No matter where your clients' cash is held, in all likelihood it is under-earning its potential. The average U.S. savings account pays just 5 basis points, government money market funds average 2 basis points, and most brokerage cash sweeps pay a paltry 1 basis point, or 0.01%.

How Max Helps Clients

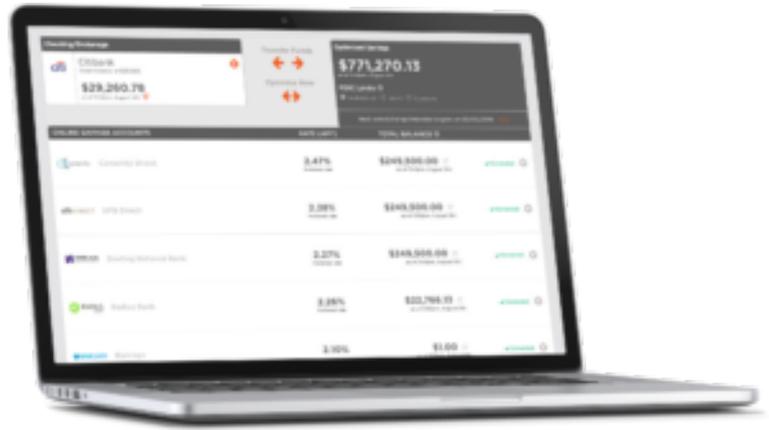
Since 2015, the fintech leader, MaxMyInterest has offered a service for advisors and their high net worth clients called Max, which helps clients earn more on cash by making it easier to open and manage multiple high-yield savings accounts with access to increased FDIC insurance coverage and preferred rates and terms.

Max is different from other solutions that rely on brokered deposits (or program bank solutions) and therefore can't deliver the high yield that's possible through Max. Instead of relying on "pass-through" FDIC coverage, where you need to read the fine print to know where your funds are and can't contact the banks where your funds are held or access funds same day, Max offers a solution that's much easier to explain to clients. A few key features offered with Max are:

- Client funds are held directly in their own names at the banks they choose.
- Cash can be accessed same day and never leaves the client's own bank accounts.
- Clients can allocate their funds across their own bank accounts - by default, keeping balances below FDIC limits at each bank.
- No middleman: Earn much higher yield as compared to any other cash solution.
- Take advantage of the best rates, even as rates change.

Max can be used for a set amount of cash, or it can be configured to automatically restore the client's checking account to a target balance each month. Then excess funds are swept to earn more in high-yield savings accounts or topping off the checking account as needed.

How Max Helps Advisors



Max is *inherently flexible*. Advisors can use Max as a ‘tool in the toolkit’ with clients, large or small. Many of the thousands of advisors using Max choose to integrate it into their firm’s business or as part of new client onboarding. A few of the benefits include:

- No minimum balance requirements.
- Use as an asset discovery tool to identify held-away assets.
- Help clients who hold large amounts of cash.

Typical clients who respond well to Max include doctors, lawyers, business owners, engineers, and those in financial services who like to make every dollar count and don’t like leaving money on the table. There are no minimums at Max, but the value proposition is linear: those with more cash often find it more appealing - especially given Max’s ability to help clients obtain increased FDIC insurance coverage.

How Max Works with Orion

Using the Max For Advisors integration available from Orion, firms and individual advisors can readily report on Max balances directly within Orion. The Orion integrations page has all the details you need to get started, but one of the most appealing features is the reporting of the client’s online bank account balances within Orion, without ever having to ask clients to share any credentials with you.

- Easy Single-Sign-On (SSO) from Orion Connect to MAX Advisor Dashboard
- Access collateral and support information
- Kick off the account opening process for clients

Get started today

- You can find out more at MaxForAdvisors.com/Orion or contact your Orion administrator for more information about the integration.
- Orion client? Request a demo today at MaxForAdvisors.com
- Current rates are always available at MaxForAdvisors.com/FactSheet.

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