

## RETIREMENT FIDUCIARY STATUS DISCLOSURE



City National Securities ("CNS") is registered as both a broker-dealer and investment adviser with the U.S. Securities and Exchange Commission ("SEC").

When you receive investment recommendations on your retirement accounts, it is important to know whether the person giving you that advice is a "fiduciary" under Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") and the Internal Revenue Code ("the Code"); together, these are federal laws that are applicable to retirement accounts. When investment professionals are fiduciaries under Title I of ERISA or the Code, they have important obligations that are designed to protect your interests. Investment professionals who provide advice and are fiduciaries cannot receive payments that create conflicts of interest, unless they qualify for an "exemption" issued by the Department of Labor ("DOL").

The DOL issued a prohibited transaction exemption ("PTE") for fiduciary investment advice providers who have conflicts of interest that could affect their interactions with retirement investors, called *Improving Investment Advice for Workers & Retirees* ("PTE 2020-02"). Fiduciaries must satisfy important investor protections, including a best interest standard, to use the exemption. It is important to note that the protections in the exemption are (1) in addition to the legal requirements and standards imposed by other regulators, and (2) only apply when a fiduciary provides investment advice to you about your retirement accounts.

We acknowledge that when we provide investment advice to you regarding your retirement plan account or individual retirement account ("IRA") that is held at CNS, we are fiduciaries within the meaning of Title I of ERISA and/or the Code, as applicable. The way we make money creates some conflicts with your interests, so we operate under an exemption that requires us to act in your best interest and not put our interests ahead of yours. For more information on our best interest standard obligations and any material conflicts of interest we have when we provide investment advice in connection with our brokerage services, see our Client Relationship Summary, and Account Agreement and Disclosure which are included in your account opening documents and are also available on our public website at [CNB.com/BestInterest](https://CNB.com/BestInterest). For more information about our investment advisory services, including any conflicts of interest we may have, see our Client Relationship Summary and our Form ADV Part 2A Brochures (our "ADV Brochures"), which are available at [CNB.com/BestInterest](https://CNB.com/BestInterest).

If you have assets in a current or former retirement plan or IRA, you have several options available to you. These include, leaving the assets where they are, rolling into a new retirement plan or rolling or transferring into a new IRA that is held at CNS. Before a recommendation in this regard can be made, your advisor will ask you for important information about your current plan or IRA. This may include its investment options, fees and expenses, and certain provisions and features in order to compare it to the investment options, fees and expenses, and provisions and features that would apply in a new IRA. This information is used in order to provide you with investment advice and a recommendation that is in your best interest. Without this information, we may not be able to make a recommendation to you with regard to whether you should or should not take a distribution and rollover to an IRA or transfer from one IRA to another. This is because we may not be able to conduct the analysis needed to provide you with a recommendation in your best interest. If you do not receive a written document outlining why a rollover or transfer is in your best interest, we are not making an investment recommendation and encourage you to contact your advisor. When such documentation is delivered and a recommendation is made, we are a fiduciary with respect to the rollover or transfer recommendation. You will be given the opportunity to review the documentation and consider our recommendation at your convenience. Please read the documentation carefully. For more information, please speak to your advisor.

For additional information about our brokerage services, our investment advisory services, or to obtain an updated copy of this Retirement Fiduciary Status Disclosure, please visit our website at [CNB.com/BestInterest](https://CNB.com/BestInterest).

# CNS SUPPLEMENTAL FEES AND COMPENSATION SCHEDULE

August 30, 2024

City National Securities, Inc. ("CNS") provides broker-dealer and other related services to your retirement plan as a Covered Service Provider. National Financial Services, LLC ("NFS"), as a subcontractor, provides custodial, clearing and other related services to CNS to your retirement plan brokerage account ("account"). The fees and compensation earned by CNS and NFS and/or its affiliate Fidelity Brokerage Services LLC ("Fidelity"), as described herein are provided as additional information to help satisfy the Department of Labor Service Provider fee disclosure requirements. The disclosure requirements apply to qualified plans that are subject to Title 1 of ERISA. Note that if the qualified retirement plan covers "owner only," where you and/or your spouse are the only participant(s), your plan is not subject to Title I of ERISA. Qualified retirement plans are typically held at NFS in a Non-Prototype Retirement Account or a Premiere Select Retirement Plan Account. CNS as broker-dealer will serve as an investment fiduciary as defined in Section 3(21) of ERISA when providing investment recommendations to the trustee(s)/authorized agent(s) for plans subject to Title I of ERISA.

The following information is current as of August 30, 2024, unless otherwise noted, and may be subject to change. For more information about fees and compensation rates and values, contact your Advisor.

## I. New Issues, Primary Purchases (all other fixed income securities except U.S. Treasury)

CNS and NFS make available certain new issue products available without a separate transaction fee. CNS and NFS may receive compensation from issuers for participating in the offering as a selling group member and/or underwriter. The compensation CNS and NFS receive from issuers when acting as a selling group member is reflected in the "Range of Fees from Participation in Selling Group" column ("Selling Group Fees") in the tables below. The compensation CNS or NFS receives from issuers when acting as both an underwriter and a selling group member is reflected in the "Range of Fees from Underwriting" column ("Underwriting Fees") in the tables below. When NFS acts as an underwriter but securities are sold through other selling group members, NFS receives the Underwriting Fees minus the Selling Group Fees.

In certain circumstances, NFS will also earn additional compensation from SIMON Markets, LLC for structured products purchased by you on the SIMON website.

### CNS COMPENSATION

Securities	Range of Fees from Participation in Selling Group	Range of Fees from Underwriting
Municipal Bonds	0.001% to 3% of the investment amount	0.01% to 3% of the investment amount

### NFS COMPENSATION – BONDS

Securities	Range of Fees from Participation in Selling Group	Range of Fees from Underwriting
Agency/GSE	N/A	0.05% to 1% of the investment amount
Corporate Notes	0.01% to 2.5% of the investment amount	0.01% to 3% of the investment amount
Corporate Bonds	0.01% to 2.5% of the investment amount	0.05% to 3% of the investment amount
Municipal Bonds <sup>1</sup> and Taxable Municipal Bonds	0.001% to 2.5% of the investment amount	0.001% to 2.5% of the investment amount
Structured Products	0.025% to 5% of the investment amount	N/A
Preferred Securities	2% of the investment amount	2% to 3% of the investment amount

<sup>1</sup> When NFS acts as a selling group member, NFS may receive a flat annual fee from a third-party underwriter for access to certain channels.

### NFS COMPENSATION – CDs

Securities	Range of Fees from Participation in Selling Group	Range of Fees from Underwriting
CDs, including CDIPs (inflation protected)	0.1% to 2% of the investment amount	0.1% to 2.5% of the investment amount
Structured Products	0.05% to 5% of the investment amount	N/A

A more detailed explanation of fees is available in the underwriting document for the specific security, which is available upon request to your Advisor.

## II. Fixed Income Secondary Market Transactions

The offering broker, which may be CNS or NFS, may separately mark up or mark down the price of the security and may realize a trading profit or loss on the transaction. Compensation may be used to offset expenses incurred in trade processing and may not result in a profit to the firm. If CNS or NFS is not the offering broker, CNS or NFS compensation is limited to the prices in Section I. For fixed income securities, CNS mark-ups and mark-downs range from 0.01% to 3%.

## III. Mutual Funds, Alternative Investment Funds, and ETFs

Fidelity receives fees from certain unaffiliated product providers to compensate Fidelity for maintaining the infrastructure required to accommodate unaffiliated product providers' investment products in one or more of Fidelity's distribution channels, including retail, workplace and intermediary channels. These fees vary by providers, but in each case the fee is a fixed amount that is less than 0.07% of the product provider's assets in the Fidelity distribution channel(s) for which it applies. In addition, certain unaffiliated product providers pay Fidelity an annual maintenance fee and other fees as well as a flat, uniform, annual fee related to an exclusive marketing, engagement, and analytic program. As such fees are not in connection with Fidelity services to the plan, they should not be considered indirect compensation under the 408(b)(2) regulation.

Fidelity may also receive annual payments from other fund families, including American Funds Distributors ("AFD"), to compensate Fidelity for other services, including providing access to financial intermediaries and investors in certain Fidelity channels and providing a platform to support the provision of investment guidance and service to financial intermediaries and investors, and promoting operational efficiencies. It is anticipated that payments from AFD will not

exceed 0.08% annually of American Fund assets in all retail, workplace and intermediary channels maintained by Fidelity subject to certain exclusions. As described in American Funds prospectuses, AFD has discretion as to the amount of any payment, if any. The criteria to determine any payment includes sales, assets, and cash flows as well as qualitative factors.

CNS and Fidelity have contracted with certain mutual funds and other investment products, their investment advisers or their affiliates in connection with access to, purchase or redemption of, and/or the ongoing maintenance of positions in mutual fund shares and other investment products ("funds"). Some funds or their affiliates pay Fidelity, sales loads and 12b-1 fees described in the prospectus or other offering documents as well as additional compensation for shareholder services, platform infrastructure support and maintenance, advisor education, and other programs. Fidelity may receive annual product maintenance fees of up to \$2,000 and may charge certain fund families a minimum monthly payment of \$500 to \$1,000 per fund.

- A. **No Transaction Fee Funds and Exchange-Traded Funds.** For mutual funds participating in Fidelity's FundsNetwork® No Transaction Fee ("NTF") Program, certain exchange-traded funds ("ETFs"), and certain alternative investments, NFS typically receives compensation that can typically range from 1 to 70 basis points based on average daily assets. As of December 31, 2023, 50% of the mutual funds currently in the NTF Program were in the 15 basis point range, 46% of the mutual funds in the NTF Program were in the 35 to 40 basis point range, and less than 1% of the assets held in these funds were in the range above 50 basis points.

All or a portion of NTF compensation may be funded with 12b-1 or shareholder service fees as described in the respective fund's prospectus. CNS receives a portion of these fees, based on an average daily dollar balance in the funds.

- B. **Transaction Fee Funds.** For funds participating in Fidelity's FundsNetwork® Transaction Fee ("TF") Program, NFS or CNS typically receives compensation based on: (1) per position fees that typically range from \$3 to \$25 per brokerage account or (2) administrative fees of 1 to 20 basis points based on average daily assets. As of December 31, 2023, (1) 98% of the mutual funds participating in the TF Program were in the \$10 to \$19 per position fee range and (2) 81% of the mutual funds participating in the TF Program that have an asset-based fee were in the 5 to 10 basis point range.

TF compensation is in addition to 12b-1 or shareholder Service fees as described in the respective fund's prospectus.

Sales loads described in a mutual fund's prospectus are paid to CNS and all or a portion of the other described mutual fund compensation described above may be paid to CNS. If you would like more information, contact CNS.

- C. **Mutual Fund Servicing Fees.** CNS and its affiliates may receive additional reasonable compensation through investment management and shareholder servicing from mutual funds (e.g., 12b-1 fees and/or shareholder servicing fees) for services to those mutual funds in which account assets are invested. City National Rochdale Funds (the "Affiliated Funds") is an open-end management investment company, offering several portfolios. The Affiliated Funds are advised by City

National Rochdale, LLC ("CNR"), an SEC-registered investment adviser and affiliate of CNS. CNS and City National Bank ("CNB") act as shareholder servicing agents for the Affiliated Funds. The City National Rochdale Funds are distributed by SEI Investments Distribution Co. ("SIDCO" or the "Distributor"), which is unaffiliated with CNS. SIDCO has entered into a Distribution Coordination Agreement with City National Rochdale Funds and CNR Securities LLC ("CNRS"), an Affiliate of CNR, pursuant to which CNRS acts as Sub-Distribution Coordinator for the City National Rochdale Funds and receives the entirety of the fees received by SIDCO pursuant to the Distribution Plan. CNRS then reallows those fees to broker-dealers and service providers, including CNR and other Affiliates, for payments for distribution services of the type identified in the Distribution Plan, and retains any undistributed balance of fees received from the Distributor.

#### AFFILIATED FUND FEE TABLE

City National Rochdale Fund	Fees Paid to CNR and its Affiliates and Subcontractors for Fund Management	Fund Management Fee Rebate	Fees Paid to CNS and its Affiliates for Shareholder Servicing	Fees Paid to CNB and its Affiliates under Rule 12b-1
Government Money Market Fund – Servicing Class	0.26% <sup>1</sup>	100%	0.25%	None

<sup>1</sup> City National Rochdale (the Fund's investment adviser (Adviser)) has contractually agreed to waive its management fee for the Government Money Market Fund such that the fee charged is 0.15% through January 31, 2025. Prior to that date, the arrangement may be terminated without penalty (a) by the Fund's Board of Trustees, or (b) by the Adviser effective no earlier than January 31, 2025, upon at least 60 days' prior written notice. Management fees waived by the Adviser pursuant to this arrangement will not be eligible for reimbursement by the Fund to the Adviser. (Please see the Fund's prospectus for more information.)

**Shares of the City National Rochdale Funds or any mutual funds are not insured by the Federal Deposit Insurance Corporation or any other federal government agency, are not a deposit or other obligation of, or guaranteed by, City National Bank, Royal Bank of Canada, or any of their subsidiaries or affiliates or any banking or financial institution, and are subject to investment risks, including possible loss of the principal amount invested. Although the City National Rochdale Government Money Market Fund seeks to preserve the value of the investment at \$1.00 per share, it is also possible to lose money by investing in the fund.**

**For additional information about the City National Rochdale Funds, please visit [www.citynationalrochdalefunds.com](http://www.citynationalrochdalefunds.com).**

#### IV. Use of Funds Held Overnight

As compensation for services provided with respect to accounts, NFS receives use of: amounts from the sale of securities prior to settlement; amounts that are deposited in the accounts before investment; and disbursement amounts made by check prior to the check being cleared by the bank on which it was drawn. Any above amounts will first be netted against outstanding account obligations. The use of such amounts may generate earnings (or "float") for NFS or instead may be used by NFS to offset its other operational obligations. CNS receives a portion of these earnings. Information concerning the timeframes during which NFS may have use of such amounts and rates at which float earnings are expected to accrue is

provided as follows:

- A. *Receipts*. Amounts that settle from the sale of securities or that are deposited into an account (by wire, check, ACH (Automated Clearing House) or other means) will generally be invested in the account's core account investment vehicle (core account) by close of business on the business day following NFS' receipt of such funds. NFS gets the use of such amounts from the time it receives funds until the core account purchase settles on the next business day. Note that amounts disbursed from an account (other than as referenced in Section B below) or purchases made in an account will result in a corresponding "cost" to NFS. This occurs because NFS provides funding for these disbursements or purchases one day prior to the receipt of funds from the core account. These "costs" may reduce or eliminate any benefit that NFS derived from the receipts described previously.
- B. *Disbursements*. NFS gets the use of amounts disbursed by check from accounts from the date the check is issued by NFS until the check is presented and paid.
- C. *Float Earnings*. To the extent that such amounts generate float earnings, such earnings will generally be realized by NFS at rates approximating the Effective Federal Funds Rate.

#### **V. Premiere Select Retirement Plan Accounts (including Profit Sharing, Money Purchase, and Self-Employed 401(k) plans) for Customers that Reside Outside the United States**

If you reside outside of the United States in any country other than Canada (as described in the Core Options for non-U.S. Customer section of the Retirement Customer Account Agreement ("Agreement")), deposits to your Fidelity retirement account may be held in the Intra-Day Free Credit Balance as more fully described in the Agreement. To the extent such amounts generate earnings, such earnings will be realized by NFS at rates approximating the Effective Federal Funds Rate. NFS' compensation is the amount of earnings reduced by any interest paid to CNS or your Account.

#### **VI. City National Securities CNB Deposit Sweep Program**

CNS has contracted with NFS to use CNS' affiliated CNB Deposit Sweep Program as a core sweep vehicle. The CNB Deposit Sweep Program is the default core sweep vehicle for all eligible accounts. You may select as an alternative to the CNB Deposit Sweep Program a money market mutual fund as described below.

The CNB Deposit Sweep Program may create financial benefits for CNS, CNB, their affiliates and NFS. CNS and NFS will receive a fee from CNB in connection with the CNB Deposit Sweep Program (equal to a percentage of all participants' average daily deposits at CNB). Amounts will vary, but in no event will the total fee paid to NFS be more than 0.06% on an annualized basis as applied to the CNB Program Deposit Account. In CNS' and NFS' discretion, the fee may be reduced and the amount of the reductions may be factored into the rate of interest earned on your CNB Deposit Sweep Program balance. The fee paid to NFS is for recordkeeping and other services with respect to amounts invested in the CNB Deposit Sweep Program. In addition to these fees, other service providers with respect to the CNB Deposit Sweep Program may receive fees from CNS, CNB and NFS.

For additional information regarding these fees, please see the City National Securities CNB Deposit Sweep Program Disclosure or contact CNS.

#### **VII. Money Market Sweep Program**

CNS has contracted with NFS to use CNS' affiliate's proprietary money market fund, the CNR Government Money Market Fund, or a third-party money market fund as a core sweep vehicle. For CNS' affiliate's proprietary money market fund, NFS may receive fees up to 3 basis points for integration and administrative support (e.g., maintaining cash sweep systems, sub-accounting services, dividend and interest calculation and posting, accounting, reconciliation, client statement preparation and mailing, etc.). For a third-party money market fund, NFS may receive fees that range from 5 to 42 basis points. A majority of the assets held in third-party money market funds pay NFS either 5 or 12 basis points, a portion of which covers integration and administration support similar to CNS' affiliate's proprietary money market fund. Rule 12(b)(1) and certain shareholder services fees as disclosed in the respective fund's prospectus may be paid to CNS. For details regarding these fees, please see the respective money market fund prospectus or contact CNS.

#### **VIII. Equities**

NFS receives remuneration, compensation, or consideration for directing orders in equity securities to particular broker-dealers or market centers for execution. The payer, source and nature of any compensation received in connection with your particular transaction will vary based on the venue that a trade has been routed to for execution. Review NFS' annual disclosure on payment for order flow policies and order routing policies by requesting a copy from CNS. If you require further information in advance of a transaction, contact CNS.

#### **IX. Unit Investment Trusts**

NFS makes certain new issue products available without a separate transaction fee. NFS may receive compensation for reaching certain sales levels, which range from 0.035% to 0.175% of the monthly volume sold. CNS also may receive compensation in the form of sales loads and fees as outlined in the respective prospectus.

#### **X. CNS Commission and Transaction Fee Schedule**

The CNS Commission and Transaction Fee Schedule is enclosed.