

# CPWM Account Fees and Lending Rates

## Account Fees

Your Citi Personal Wealth Management (CPWM) annual account fees will be based on either your Citibank Checking Account Package linked to your investment account or your total investment balances.

		Citibank Account Package			
		Citigold Private Client Account	Citigold® Account	Citi Priority Account	Citi Banking Account
CPWM Account Type	Non-Retirement Investment Account	\$0	\$0	\$0	\$75
	Individual Retirement Account <sup>1</sup>	\$0	\$0	\$0	\$75
	Corporate Retirement Plan <sup>2</sup>	\$0	\$0	\$0	\$0

The annual investment account fee is charged yearly on each CPWM investment account beginning one year after the account was opened. It is assessed to help defray our cost of servicing your account. This fee is non-negotiable, but there are exemptions, which are listed below.

## CPWM accounts exempt from annual investment account fees:

- Individual accounts with investment assets greater than \$500,000<sup>3</sup>
- Accounts with non-retirement household investment assets greater than \$500,000<sup>4</sup>
- Managed Accounts
- 529 Plans
- Portfolio Line of Credit Accounts
- Accounts where the only asset or combination of assets is:
  - Limited Partnerships
  - Insurance
  - Worthless Securities
  - Only restricted Citigroup ("C") shares
  - Annuities
- Accounts opened with a variable annuity and less than \$100 in Cash, Money Market Funds, and/or Bank Deposit Program assets
- Accounts opened less than 12 months
- Custodial Accounts

<sup>1</sup>Includes Traditional IRA, Roth IRA, SEP IRA, SIMPLE IRA, Education Savings Account, Beneficiary IRA (**Beneficiary IRA fee waived in first year only**).

<sup>2</sup>Includes 401(k), SAR SEP IRA, Profit Sharing Plan, and Money Purchase Plans. **This fee is charged at the plan level, participants of these plan types are not charged the annual fee.**

<sup>3</sup>Investment assets do not include linked Citibank checking account assets.

<sup>4</sup>Retirement Account assets are not taken into consideration in this determination.

A household is defined as accounts that include the immediate family, which is composed of spouses and children, residing at the same address that have been linked.

**INVESTMENT AND INSURANCE PRODUCTS: NOT FDIC INSURED • NOT A BANK DEPOSIT •  
NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY • NO BANK GUARANTEE • MAY LOSE VALUE**



## CPWM Annual Minimum Balance Fee

Each of your CPWM investment account(s) (“Basic Account(s)”) and each of your Traditional Individual Retirement Account(s), Roth IRA, Education Savings Account(s), SEP IRA, or SIMPLE IRA (collectively “Retirement Accounts”) with less than \$25,000 will be charged a Minimum Balance Fee of \$100.00, yearly unless one of the listed exemptions apply. The Minimum Balance Fee is assessed to help defray our cost of servicing your account(s). This fee is non-negotiable.

- Exemptions from the Minimum Balance Fee
  - Accounts which are linked to a Citigold or Citi Priority checking package
  - If one or more Basic Accounts maintained at CPWM by members of your household have total aggregated assets greater than \$25,000, then all your household accounts below the minimum balance requirement are exempt<sup>4</sup>

Important Notes:

3. No household will be charged more than \$350 per household, per fee cycle. A household is defined as spouses or domestic partners, and children residing at the same address whose accounts have been linked under the same Household ID.
4. You should consult with your tax or legal advisor about the appropriate tax treatment for any fees that are waived for a Retirement Account as CPWM does not provide legal or tax advice.

## CPWM Selected Additional Fees\*

The following fees are charged when you request these services.

Account Transfer Fee: \$95

USD Fed Wire: \$25

Safekeeping<sup>5</sup> (Up to two issues): \$50

Traditional IRA, Roth IRA, SEP IRA, SIMPLE IRA, Beneficiary IRA, Education Savings Account, & Keogh Retirement Account Termination Fee: \$95

401(k), SAR-SEP IRA, Profit Sharing, Money Purchase Plan Termination Fee: \$100<sup>6</sup>

403(b) Account Termination Fee: \$10

### **\*Other fees may apply**

*The terms, fees and conditions of accounts, products, programs and services are subject to change, modification or withdrawal at any time. Some of the fees listed above may be negotiated, waived or reduced at the discretion of CPWM.*

<sup>5</sup>\$25 for each additional issue.

<sup>6</sup>Participants of 401(k), Profit Sharing, or Money Purchase Plans are not charged a Termination Fee.



## Lending

### Margin Lending

The following represents the current interest rates charged for a margin loan. The charge is assessed on the amount of funds loaned under the margin lending program and represents the annualized interest rate charged. Your account is assessed this interest charge monthly, in arrears. Margin rates may be negotiable at the discretion of the Registered Representative.

Interest on most margin loans is calculated based on the Citi Base Rate, which is CGMI's proprietary interest rate. The Citi Base Rate is based on CGMI's blended short- and long-term funding costs, as determined by CGMI and provided to the Clearing Firm. The Citi Base Rate is subject to change; as of April 1, 2020, the Citi Base Rate was 4.75%. To obtain the current Citi Base Rate, please speak to your Registered Representative.

To determine the margin loan rate of interest, add or subtract the Standard Spread as set forth in Important New Account Information ("INAI") to/from the Citi Base Rate. For example, using the table below, an \$80,000 margin loan is charged the Citi Base Rate of 4.75% plus 0.50% for an interest rate of 5.25%.

Please refer to the Regulation T Securities-Based Credit Products section of the Regulation Best Interest Disclosure Statement, the Margin Disclosure Statement and the Important New Account Information ("INAI") Margin sections of the Customer Documents for more information about margin lending.

Current Margin Costs	
Standard Pricing Tier	Total Cost
< \$10,000	7.50%
\$10,000 - \$24,999	7.00%
\$25,000 - \$49,999	6.50%
\$50,000 - \$74,999	6.00%
\$75,000 - \$99,999	5.25%
\$100,000 - \$499,999	4.50%
\$500,000 - \$999,999	4.00%
\$1,000,000 - \$4,999,999	3.00%
\$5,000,000 +	1.00%



## Non-Purpose Lending

The following chart is an example of how non-purpose loan rates are calculated, however, the “spread” is determined on a case-by-case basis. The rate you are charged may vary from the examples below based on multiple factors, including, but not limited to, the size of the loan, tenor (length) of the loan, diversification of the collateral pool, liquidity of the collateral pool, and credit rating/quality of the collateral. The charge is assessed on the amount of funds loaned under the non-purpose lending program and represents the annualized interest rate charged. Your account is assessed this interest charge monthly. Non-purpose loan rates may be negotiable at the discretion of the Registered Representative.

Interest on most non-purpose loans is calculated based on the Citi Base Rate, which is CGMI's proprietary interest rate. The Citi Base Rate is based on CGMI's blended short- and long-term funding costs, as determined by CGMI and provided to the Clearing Firm. The Citi Base Rate is subject to change; as of April 1, 2020, the Citi Base Rate was 4.75%. To obtain the current Citi Base Rate, please speak to your Registered Representative.

In the example below, we determine the non-purpose loan rate of interest by adding or subtracting the example spread to/from the Citi Base Rate from the tier applicable for your Household Assets under Management (“AUM”), For example, using the table below, a household with AUMs of \$285,000 and a \$100,000 non-purpose loan is charged the Citi Base Rate of 4.75% minus, for example, 1.25% for an interest rate of 3.50%.

Please refer to the Regulation T Securities-Based Credit Products section the Regulation Best Interest Disclosure Statement and the Important New Account Information (“INAI”) section of the Customer Documents for more information about non-purpose lending.

Non-Purpose Costs	
Standard Pricing Tier	Total Cost <sup>7</sup>
\$ 25,000- \$ 99,999	4.75%
\$ 100,000 - \$ 499,999	3.50%
\$ 500,000 - \$ 999,999	2.40%
\$ 1,000,000 +	2.01%

<sup>7</sup>The amount of the spread is determined on a case-by-case basis based on multiple factors, including, but not limited to, the size of the loan, tenor (length) of the loan, diversification of the collateral pool, liquidity of the collateral pool, and credit rating/quality of the collateral. .

Borrowing against securities may not be suitable for everyone. If the value of the securities should decline below a minimum level, you may be subject to a collateral call without specific advance notice, requiring you to deposit additional cash or securities. If you cannot do so, all or a portion of your collateral could be liquidated, and a potentially taxable event could result. You are not entitled to choose which securities are sold or any extension of time to meet a collateral call. A concentrated portfolio holding a single or a few securities may be subject to greater risk of a collateral call than a diversified portfolio; a diversified portfolio will tend to be less subject to a sharp decline resulting from the negative performance of a single security. Availability, qualifications, and other restrictions may vary by state. Ask your Registered Representative for details.

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