

CLIENT FAQs

Q: How are the funds in the Sweep Deposit Accounts insured?

A: As more fully described in the [Disclosure Document](#), brokerage accounts with Commonwealth are generally protected, up to applicable limits, by SIPC. At the time funds are deposited with a Program Bank(s), your cash is eligible to be insured, up to applicable limits, by the FDIC. Most deposits are insured up to \$250,000 in principal and accrued interest per depositor in most insurable capacities when aggregated with all other deposits held in the same insurable capacity at a Bank.

For example, funds in the Deposit Accounts at a Bank held by an individual are insured up to \$250,000, and those held jointly by two or more individuals are insured up to \$250,000 per joint owner. In that case, a joint account owned by two persons would be eligible for FDIC coverage of up to \$500,000. For IRAs and certain other self-directed retirement accounts, funds in the Deposit Accounts at each Program Bank are eligible for deposit insurance of up to \$250,000 principal and accrued interest per depositor in the aggregate. Any additional funds would not be covered by the FDIC. Funds deposited in Deposit Accounts are not eligible for coverage by the SIPC.

Q: Will I pay a fee for the Program?

A: No, there are no fees for the FDIC-insured Bank Deposit Sweep Program.

Q: Which of my accounts is eligible for the Program?

A: For an account to be eligible for the Program, each beneficial owner of a brokerage account, including any beneficiary of a trust account, must be a living person or his or her estate. Entities organized to make a profit, such as corporations, are not eligible. A complete listing of eligible accounts can be found at www.commonwealth.com/investors/sweep_program.asp.

Q: How will my funds be deposited into the Bank Deposit Sweep Program?

A: Commonwealth will automatically deposit available cash from your brokerage account into the Program on a daily basis.

Q: Can I choose the banks in which my funds are deposited?

A: No, but you may opt out of a specific bank for any reason by contacting your advisor's office. In addition, it is your responsibility to inform your advisor's office or Commonwealth if you have other deposits (including CDs) at any of the Program Banks to ensure that the limits are not exceeded.

Q: What are the Program Banks?

A: A current list can be found at www.commonwealth.com/investors/sweep_program.asp.

Q: How will I know which banks are holding my Program cash?

A: Your brokerage statement lists the banks where your cash is held.

Q: Will the list of banks change, and, if so, how will I know?

A: Yes, it may change, and if there is a change, it will be posted at www.commonwealth.com/investors/sweep_program.asp. You will be notified via a message on your brokerage account statement.

Q: How is the interest rate calculated?

A: Interest rates are based on a number of factors, including general economic, market, and business conditions. Interest is accrued daily, compounded monthly, and is reflected on brokerage account statements as of the last business day of the statement period.

Q: What are the current interest rates?

A: The current rates are available at www.commonwealth.com/investors/sweep_program.asp.

Q: Are the interest rates fixed?

A: No, the interest rates are based on general economic, market, and business conditions. Interest rates are subject to change at any time at Commonwealth's discretion. Your brokerage statement reflects the estimated yield on your funds with the Program.

Q: Can I link multiple accounts or accounts with other family members to determine my Interest Rate Tier?

A: No, the Interest Rate Tier is determined at the account level, based on the cash available in the particular account.

Q: Will my statements show the estimated yield?

A: Yes; however, because fractional interest cannot be credited to an account, interest is rounded down to the nearest cent. This can cause a reduction in the APY calculation. Please note that the fractional interest carries over to the next day, so you are always receiving the interest to which you are entitled.

Q: Is there a tax-exempt option for new accounts?

A: For nonqualified accounts only, FERXX may be used as an alternative sweep vehicle. Some state-specific options are also available for brokerage portfolio accounts.

Q: Where can I find more information on the Bank Deposit Sweep Program?

A: Go to www.commonwealth.com/investors/sweep_program.asp for more information.