

**Part 2A Appendix 1 of Form ADV: Wrap Fee Program Brochure (this “Brochure”)**

**Item 1 – Cover Page**



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This Brochure provides information about the qualifications and business practices of City National Rochdale, LLC (“City National Rochdale”, “CNR” or the “Adviser”). If you have any questions about the contents of this Brochure, please contact us by telephone at (212) 702-3500 or by email at Rochelle.Levy@cnb.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

City National Rochdale is registered as an investment adviser with the SEC. Registration with the SEC or with any state securities authority does not imply a certain level of skill or training. Additional information about City National Rochdale is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

The advisory services described in this brochure are: not insured by the Federal Deposit Insurance Corporation (“FDIC”); not a deposit or other obligation of, or guaranteed by, City National Bank, a national banking association, or any of its affiliates; and subject to investment risks, including possible loss of principal amount invested.

## **Item 2 – Material Changes**

This section of the Brochure discusses specific material changes that have been made to the Brochure since the firm's last annual update on January 26, 2024.

CNR's most recent update to the Brochure was made on January 27, 2025. The following material changes were made:

- **Item 4: Services, Fees, and Compensation**
  - **Introduction**
    - The description was updated to clarify that the Wrap Fee included custodial services.
  - **City National Rochdale Wrap Program**
    - *Services*
      - The description was updated to include CNR's custody of client accounts because CNR can authorize the custodian to deduct Wrap Program Fees from custodial accounts.
      - A description of the Wrap Program fees was expanded to discuss administrative services that can be offered by the Custodian, and which would not be included in the Wrap Program fees.
  - **Fees and Compensation**
    - A description of the fees and compensation was added to accompany the fee tables and charts. This discussion includes annual program fees, and how the Referring Partner is compensated.
  - **Investment Advisory Fee**
    - Clarifications were made to the fee table to ensure it was more clearly a cumulative tiered fee table.
    - City National Rochdale clarified that it does not pay any portion of the Investment Advisory Fee to Portfolio Managers responsible for managing Wrap Program Accounts.
  - **Program Fee**
    - This section was added to clarify the transaction and custodial costs for Wrap Program Accounts.
  - **Fee Paid to Referring Partner**
    - This section was updated to ensure a clear discussion of the fee paid to the Referring Partner. That fee covers certain additional services that the client and Referring Partner agree the Referring Partner will provide to the Wrap Program Account. This fee is negotiated by each client pursuant to a separate agreement between the client and the Referring Partner that does not include City National Rochdale.
    - It is recommended that clients review the Referring Partner's Form ADV Part 2A disclosure brochure or other comparable disclosure statement provided by Referring Partner, which should contain additional information about the Referring Partner, services provided, fees, and other important information.
    - This section was also updated to explain that CNR does not pay its employees performance fees.
  - **General Information Regarding "Wrap Fees" or "All-Inclusive Fees"**

- The discussion was expanded to clarify that CNR Securities has not considered commissions from other client-directed brokerage trades in its development of the Wrap Program.
  - This section was also updated to explain that CNR does not pay its employees performance fees.
- Trading Away and Other Associated Costs
  - Descriptions of equity and fixed income trading were condensed and edited for clarity.
- Affiliated Fund Fees
  - CNR no longer recommends the use of affiliated Royal Bank of Canada Funds, so the related disclosure was retired.
  - CNR no longer offers the CNR Private Funds, which were liquidated. The related disclosure was retired.
- Shareholder Servicing Fees
  - A section on shareholder servicing fees was added to disclose fees that will be paid by the Funds to CNR, CNB, and affiliate City National Securities. This disclosure includes a rebate made to ERISA qualified and other tax-deferred retirement accounts that other Wrap Program clients will not receive.
- Distribution (12b-1) Fees
  - The disclosure of 12b-1 fees in affiliated CNR Funds was expanded to discuss share classes, including share classes where a client may pay less in fees but which the Wrap Program is not eligible for. The disclosure of CNR's practice of rebating 12b-1 fees was edited for clarify.
- Affiliated Fund Fee Table
  - The fee tables were updated to include both the fees charged and the rebates given. The management fee waivers were updated with current dates. Footnotes were updated to specify whether the listed fees were based on net or gross.
  - The discussion was expanded to include miscellaneous fees for transactions in the mutual funds by CNR's affiliated broker-dealer, CNR Securities, LLC.
- Non-Managed Assets
  - A disclosure was added to this section notifying clients that they can direct City National Rochdale to maintain certain securities or assets as a "Non-Managed Asset" in their managed account.
  - City National Rochdale cannot exercise investment discretion over or charge a management fee on Non-Managed Assets.
- Cash Balances and the Sweep Arrangements: Program
  - This section was updated to ensure that disclosures regarding CNR's incentives to invest client assets in cash sweep products where the sponsor and/or fund manager shares revenue with CNR.
  - Clarifying edits were made to ensure that the cash sweep programs available to clients who utilize Pershing as a custodian.
- How the Sweep Program Works

- This is a new section added to explain what a Cash Sweep product is and the conflicts of interest CNR experiences through its participation in cash sweep programs.
    - A discussion was added outlining how CNR mitigates these conflicts of interest, including monitoring of Sweep Fund yields to ensure that a reasonably competitive yield is received by Wrap Program Accounts, and monitoring the cash allocations of Wrap Program Accounts.
  - Unaffiliated Fund and Private Investment Fund Fees and Expenses
    - This is a new section added to ensure disclosure of embedded Fund fees that will be paid by Funds and will reduce performance. These fees are not a part of the Wrap Program.
    - City National Rochdale has a material conflict of interest in recommending to clients that they invest in funds that pay it and/or its affiliates fees. This is because City National Rochdale has a financial incentive to recommend funds based on the fees that City National Rochdale and/or its affiliates will earn rather than on a client's needs
  - Fees Incurred from Unaffiliated Fund Transfers (Surrender Charges or CDSCs)
    - Discussion was added to address the treatment of securities transferred in-kind and liquidated within a period of time specified by the Funds' prospectus.
    - If CNR determines that any mutual fund, annuity, or alternative investment that was transferred into the account to be inconsistent with the Client's investment objectives and strategy, CNR will sell such holdings, and Client may be subject to a CDSC charge.
  - Closed-End and Private Investment Fund Fees and Compensation
    - This is a new section added to ensure disclosure of embedded Fund fees that will be paid by Funds and will reduce performance. These fees are not a part of the Wrap Program.
    - City National Rochdale has a material conflict of interest in recommending to clients that they invest in funds that pay it and/or its affiliates fees. This is because City National Rochdale has a financial incentive to recommend funds based on the fees that City National Rochdale and/or its affiliates will earn rather than on a client's needs
  - Other Aspects of City National Rochdale's Investment Advisory Business
    - The disclosure was clarified to state that CNR reserves the discretion to accept clients below the \$1 million threshold.
    - Edits for clarity were made to the discussion on CNR's "Intelligently Personalized" advisory services.
- Item 5: Account Requirements and Types of Clients
  - The discussion was updated to clarify that City National Rochdale offers the Wrap Program to Clients custodied through CNR Securities with Pershing, LLC.
  - Retirement Accounts
    - An update was made to the discussion of CNR affiliate Royal Bank of Canada ("RBC") Trust Company (Bahamas) Limited ("RBCTC Bahamas") conviction and

RBC's subsequent filing for long term QPAM relief from the U.S. Department of Labor.

- Item 6 – Portfolio Manager Selection and Evaluation
  - Clarifications were made to the description of the annual account review.
- Item 7 – Client Information Provided to Portfolio Managers
  - Removed references to a new client on-boarding questionnaire that is no longer utilized.
- Item 8 - Client Contact with Portfolio Managers
  - Clarifying edits were made disclosing the materials that clients would receive from their custodian, such as trade confirmations and account statements.
- Item 9 – Additional Information
  - Other Financial Industry Activities and Affiliations
    - A disclosure was added explaining that certain officers and/or directors associated with City National Rochdale serve as officers, directors, analysts and/or Portfolio Managers with listed affiliates.
  - Proprietary Research and Other Brokerage Services
    - This section was added to clarify the proprietary research that CNR receives from broker-dealers which execute trades for CNR's clients.
    - This section now includes a list of the broker-dealers from whom CNR receives proprietary research.
  - Hard and Soft Dollar Arrangements
    - This new section clarifies that, in addition to proprietary research, CNR receives third-party research, and brokerage and non-brokerage services and/or credits from certain broker-dealers that execute trades for CNR's clients under "soft dollar" agreements or arrangements.
    - A chart showing the hard and soft dollar commissions received by CNR was added.
  - Third Party Research Services
    - A description of third party research services was added to this brochure.
  - CNR Securities
    - A description of affiliate CNR Securities, LLC was added to this brochure.
  - City National Bank
    - A description of affiliate City National Bank was added to this brochure.
  - City National Securities
    - A description of affiliate City National Securities was added to this brochure.
  - Affiliated Funds
    - A description of CNR's Affiliated Funds was added to this brochure.
  - Client Transactions in Securities where Adviser has a Material Financial Interest
    - This section was edited to remove references to excessive trading which do not apply to wrap clients.
  - Affiliated Transferred-In Securities
    - This section was added to describe the process used to mitigate conflicts related to securities issued by a CNR affiliated that are transferred-in by a new client.
    - To prevent conflicts of interest, CNR does not exercise investment discretion over or charge a management fee on Affiliated Securities. This disclosure outlines the steps CNR will take to liquidate the securities, and the steps clients must take if they wish to keep the securities.
  - Review of Accounts
    - Updated the description to include details regarding initial and annual account reviews.
  - Client Referrals and Other Compensation
    - *Referrals from Third Parties*

- Added a disclosure stating that referring partners are compensated for introductions to CNR.
- *Co-Advisory Arrangements*
  - Clarified that Referring Partners charge a fee in addition to City National Rochdale's fees. The Client is responsible for determining the extent and value of Additional Services provided by Referring Partners, if any.
- *Revenue Sharing*
  - Expanded on the discussion regarding CNR's relationship with the Independent Advisor and/or intermediary.
  - Clarified that CNR's arrangements with the Independent Advisor and/or intermediary are tailored to the respective firms and will vary. These arrangements create a conflict of interest as they directly incentivize these firms and their affiliated Independent Advisors to promote City National Rochdale's investment management services and Affiliated Funds. This conflict is typically mitigated by the firms not sharing such compensation directly with their affiliated Independent Advisors. The firms' affiliated Independent Advisors do, however, benefit indirectly from these arrangements through educational opportunities, support services, and other assistance provided by CNR.
- Methods of Analysis and Investment Strategies
  - *Alternative Investments*
    - The discuss of alternative investments was added to include CNR's classification of alternative strategies and assets.
- Financial Information
  - A more fulsome disclosure was added, stating that CNR is not aware of any financial condition that is reasonably likely to impair its ability to meet contractual and fiduciary commitments to clients.

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## **Item 4 – Services, Fees and Compensation**

### ***Introduction***

City National Rochdale is a wholly-owned subsidiary of City National Bank, a national banking association (“City National Bank” or “CNB”). City National Bank is a wholly-owned subsidiary of RBC USA Holdco Corporation, which is a wholly-owned indirect subsidiary of Royal Bank of Canada.

City National Rochdale is registered as an investment adviser with the SEC. City National Rochdale acquires clients in a variety of ways. The majority of clients, including clients that participate in the Wrap Program, are introduced to City National Rochdale by affiliated and unaffiliated third parties, including independent brokers, financial planners, investment advisors, consultants, CPAs, attorneys, and representatives of broker-dealers (referred to as “Referring Advisors”). Referring Advisors provide services directly to clients and clients pay fees for such services. Any such services are provided solely by Referring Advisors and not by, or on behalf of, City National Rochdale. Additionally, Referring Advisors are compensated for introductions to City National Rochdale. (See Item 9 in this Brochure for further information about the activities of Referring Advisors.)

City National Rochdale’s investment advisory services include sponsoring a wrap fee program that bundles investment advisory services with brokerage services and custodial services for a consolidated fee (“Wrap Program”).

### ***City National Rochdale Wrap Program***

#### **Services**

City National Rochdale’s Wrap Program offers management of client accounts (“Account(s)”) on a fully discretionary basis including all security purchase and sale decisions. Equity securities transactions are executed through the Adviser’s broker-dealer affiliate, CNR Securities LLC (“CNR Securities”), a member of the Financial Industry Regulatory Authority (“FINRA”). Clients participating in the Wrap Program are required to use CNR Securities as their broker-dealer.

CNR Securities clears all of its transactions on a fully disclosed basis through Pershing LLC (“Pershing”), however separate trade commissions are not charged for securities transactions under the Wrap Program. Pershing also serves as the custodian for all client Accounts in the Wrap Program. The City National Rochdale Wrap Program is not available for accounts maintained at and custodied by City National Bank or for accounts managed outside of CNR Securities other.

CNR does not have custody of the assets in Custodial Accounts. CNR, however, could be deemed to have custody over client assets because clients authorize Pershing as the custodian to deduct the Wrap Program Fees from their Custodial Accounts. Clients receive statements at least quarterly from Pershing as the qualified custodian for Wrap Program Accounts. CNR urges clients to carefully review the information in these statements against any statements provided by CNR.

The Wrap Program does not include additional fees that can be charged by Pershing for administrative services provided by the Custodian. Clients are responsible for any miscellaneous administrative fees that may be charged by the Custodian, Pershing, such as retirement account custodial fees, safekeeping fees, wire transfer fees, exchange fees, transfer taxes, and other such administrative fees. Additionally, clients who are invested in a pooled investment vehicle, mutual fund, and/or any other money market account will bear the expenses of that fund separate from fees charged by City National Rochdale for the Wrap Program.

In addition to actively managing client accounts, the Wrap Program helps clients set investment objectives and determine appropriate asset allocations. A variety of investment styles can be employed, with client consultation, to establish the investment style most appropriate for the client’s investment. In providing advisory services under the Wrap Program, City National Rochdale invests in a variety of asset classes including small-, mid-, and large-cap

equities and fixed income securities in domestic and international markets. As with any investment program, there is no guarantee that a client's objective will be achieved.

The Wrap Program also offers the following services and reporting:

- a) Meetings with the Adviser's Portfolio Managers;
- b) Confirmations of purchases and sales in the Account (confirmations are not sent for purchases into money market funds processed on the sweep platform);
- c) Monthly statements showing activity in the Account, securities held, and month-end market value. ;
- d) Quarterly evaluations of the Account, reporting cost basis as well as market values of securities owned ;
- e) A comprehensive year-end report and other reports or information that clients may reasonably request.

### ***Fees and Compensation***

Under the Wrap Program, the client pays an annual investment advisory fee, an annual program fee, and (if applicable) an annual fee that is paid to the client's Referring Partner. These fees are paid in accordance with the fee schedules shown below calculated on the market value of the assets in the Account, including cash held in the cash sweep program, determined as of the close of business on the last business day of the previous calendar quarter. The annual investment advisory fee and annual program fee are bundled into one total management fee (the "Wrap Fee").

#### **Investment Advisory Fee**

The Investment Advisory Fee covers investment management services provided by City National Rochdale to Wrap Program Accounts.

<b>Account Value</b>	<b>Investment Advisory Fee<sup>1, 2</sup></b>
First \$500,000	1.00%
Next \$500,000	1.00%
Next \$1,000,000	1.00%
Next \$1,000,000	0.80%
Next \$2,000,000	0.80%
Next \$5,000,000	0.60%
\$10,000,000 and above	0.50%

<sup>1</sup>The Investment Advisory Fee is based on a tiered schedule (cumulative). Therefore, the account will be charged the respective fee listed. Therefore, on the first \$2 million of assets, the account will be charged 1.00%; on the next \$3 million of assets, the account will be charged 0.80%; etc.

<sup>2</sup>City National Rochdale does not pay any portion of the Investment Advisory Fee to Portfolio Managers responsible for managing Wrap Program Accounts.

#### **Program Fee**

The Program Fee covers transaction costs of and custodial services for Wrap Program Accounts.

<b>Account Value</b>	<b>Program Fee<sup>1, 2</sup></b>
\$0 to \$500,000	0.11%
\$500,000 to \$1,000,000	0.10%
\$1,000,000 to \$2,000,000	0.07%
\$2,000,000 to \$3,000,000	0.07%
\$3,000,000 to \$5,000,000	0.04%
\$5,000,000 to \$10,000,000	0.03%
\$10,000,000 and above	0.01%

<sup>1</sup>The Program Fee is based on a breakpoint fee schedule where the fee is determined by the aggregate assets in the Account. Therefore, if the account value is under \$500,000, the Program Fee is 0.11%. If the account value is \$500,000 to \$1,000,000, the Program Fee is 0.10%, and so forth.

<sup>2</sup>City National Rochdale does not pay any portion of the Program Fee to Portfolio Managers responsible for managing Wrap Program Accounts.

### ***Fee Paid to Referring Partner (if applicable)***

The Fee paid to the Referring Partner covers certain additional services that the client and Referring Partner agree the Referring Partner will provide to the Wrap Program Account. This fee is negotiated by each client pursuant to a separate agreement between the client and the Referring Partner that does not include City National Rochdale and therefore, City National Rochdale does not have the necessary information to provide a definitive range of fees paid to Referring Partners.

The annual investment advisory fee, annual program fee, and (if applicable) annual fee paid to the Referring Partner are addressed in the investment advisory agreement between City National Rochdale and the client. Under certain circumstances, the annual investment advisory fee and annual program fee can be negotiated on a case-by-case basis and can be different from, but not higher than, the above Investment Advisory Fee Schedule and Program Fee Schedule.

As noted above, the fee paid by a client to a Referring Partner is negotiated by each client pursuant to a separate agreement between the client and the Referring Partner that does not include City National Rochdale. Any fees charged by a Referring Partner are separate from the fees charged by City National Rochdale and are not considered part of the Wrap Program annual investment advisory fee or annual program fee.

It is recommended that clients review the Referring Partner's Form ADV Part 2A disclosure brochure or other comparable disclosure statement provided by Referring Partner, which should contain additional information about the Referring Partner, services provided, fees, and other important information. Clients should note that City National Rochdale performs limited due diligence with respect to Referring Partners; therefore, clients are responsible for carefully reviewing any and all information and/or material provided by the Referring Partner, and for determining the appropriateness of the relationship and value of the services being provided and reasonableness of related fees.

Clients who participate in the Wrap Program will not be charged commissions on a transaction-by-transaction basis. Securities transactions are effected "net" (i.e., without transaction based commissions) and a portion of the Program Fee is considered as being in lieu of commissions. This program can cost the client more or less than if management fees and commissions were charged separately.

Custody fees payable to Pershing are not separately charged to client Accounts. Clients are responsible, however, for miscellaneous administrative fees that Pershing charges (e.g., retirement account custodial fees, safekeeping fees, wire transfer fees, IRA / ERISA account fees, annual maintenance and mark-up fees, and any other administrative fees, a list of which is available upon request). Additionally, clients who are invested in any pooled investment vehicle or mutual fund will bear the expenses of that vehicle or fund. Fund expenses vary depending upon the fund selected (See "Types of Investments" below).

City National Rochdale's investment advisory programs do not pay City National Rochdale or its employees performance fees. Accordingly, City National Rochdale does not believe that these arrangements give rise to any conflict of interest or offer any incentive for any of the firm's investment personnel, including the Portfolio Manager responsible for managing client Accounts in the Wrap Program, to favor any vehicle over any other Account. Client facing portfolio managers are paid based on the account level fees that their clients generate. They are not paid bonuses on any performance fees or wrap fee revenue.

## ***General Information Regarding “Wrap Fees” or “All-Inclusive Fees”***

In establishing the Wrap Program fee schedules set forth above, City National Rochdale considered a variety of factors including costs to provide investment management services, direct communication with the Portfolio Managers, detailed client reporting, trading and clearing costs for trades executed through CNR Securities, as well as custody of client assets through Pershing. Depending, however, upon the level of the Program Fee, the amount of trading in the client’s account, the value of custodial and other services in the Wrap Program, and other factors, the cost of participating in the Wrap Program can be higher than the aggregate cost of such services if they were to be separately purchased.

In the Wrap Program, securities transactions will be executed through CNR Securities without a trade commission. This means that City National Rochdale at times will receive higher fees from clients in the Wrap Program whose accounts trade infrequently than from other clients whose accounts trade frequently, or than from clients who pay an investment advisory fee plus trade commissions.

Similarly, CNR Securities’ fees under the Wrap Program can be higher than fees it receives under traditional commission-based arrangements. This is because CNR Securities will receive a fee regardless of the number of trades in a client’s account during the quarter. In evaluating any wrap fee arrangement, clients should recognize that CNR does not negotiate brokerage commissions or the execution terms of trades in client accounts not executed through CNR Securities, and has not considered those commissions in the development of our Wrap Program

Some clients favor an advisory (also known as an asset-based) fee arrangement because the fee sets their brokerage cost at a predetermined level. Other clients favor a commission arrangement because they anticipate their accounts will have little trading activity. Clients who plan to follow a buy and hold strategy for the account, or do not wish to receive ongoing investment advice or management services, should consider opening a brokerage account rather than an advisory account. Please note that City National Rochdale does not offer a traditional brokerage arrangement, so clients will open such accounts elsewhere.

When assessing a wrap fee program’s cost, a client should consider the amount of anticipated trading activity and factors such as commission rates. City National Rochdale makes no guarantees that the aggregate cost of a particular program is lower than other programs. Clients should evaluate whether an advisory (asset-based fee) or brokerage (transaction-based fee) arrangement is appropriate for their needs.

City National Rochdale’s investment advisory programs do not pay City National Rochdale or its employees performance fees. Accordingly, City National Rochdale does not believe that these arrangements give rise to any conflict of interest or offer any incentive for any of the firm’s investment personnel, including the Portfolio Manager responsible for managing client Accounts in the Wrap Program, to favor any vehicle over any other Account.

## ***Trading Away and other Associated Costs***

### **Equity Trading**

City National Rochdale’s clients do not pay additional trading costs to execute equity trades when CNR Securities is the broker-dealer that executes a trade order in a Wrap Program account. Portfolio, however, Portfolio Manager Portfolio Manager

### **Fixed Income Trading**

City National Rochdale’s fixed income portfolio managers Portfolio Managers trade away and adhere to CNR’s best execution policies and procedures. Clients should expect that all fixed income trades in the Wrap Program will be executed by broker-dealers other than CNR Securities and that the client will incur transactional costs for these trades in addition to any Wrap Program fees charged by CNR.

Fixed income securities are primarily traded in dealer markets. These securities are directly purchased from or sold to a financial services firm acting as a dealer or principal. A dealer can apply a commission, a markup (on securities it sells), a markdown (on securities it buys) or a spread (the difference between the price it will buy or “bid” for the security and the price at which it will sell or “ask” for the security) in the net price at which transactions are executed, which is not typically disclosed to CNR. The bid and ask are prices quoted by the dealer, so the client should understand that a dealer’s bid price would be the price at which a client is selling their security, and the dealer’s ask price would be the price at which a client is buying the security. As a result, fixed income managers and their strategies could be more costly to a client than managers that primarily place commission-based client trade orders with CNR Securities for execution. CNR's fixed income portfolio managers are not compensated based on trading and do not generate any fees, transaction costs or commissions for CNR.

### ***Affiliated Fund Fees***

Depending on the objectives of a particular client, City National Rochdale recommends the use of various investment funds sponsored and advised by City National Rochdale. These funds include the City National Rochdale Funds, an open-end management investment company registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”), consisting of mutual funds (the “City National Rochdale Funds”). City National Rochdale is the investment adviser for and receives a management fee from each of the City National Rochdale Funds. City National Rochdale has retained sub-advisers for the City National Rochdale Fixed Income Opportunities Fund.

City National Rochdale also provides investment advisory services to the City National Rochdale Select Strategies Fund (“CNRLX”) and City National Rochdale Strategic Credit Fund (“CNROX,” and together with CNRLX, the “City National Rochdale Interval Funds”), each a Delaware statutory trust registered under the Investment Company Act as a closed-end management investment company. City National Rochdale offers its clients, who satisfy certain suitability and eligibility requirements, interests in the City National Rochdale Interval Funds. City National Rochdale has retained a sub-adviser for CNROX.

City National Rochdale manages the Special Opportunities Fund Ltd., an investment vehicle that is not registered under the Investment Company Act (the “Offshore Fund”). The Offshore Fund is domiciled in the British Virgin Islands. The Offshore Fund is currently in liquidation with an expected closure date on or around March 31, 2025 and is no longer offered to City National Rochdale clients.

The City National Rochdale Funds and City National Rochdale Interval Funds are collectively referred to as the “Affiliated Funds”. City National Rochdale and/or its affiliates receive fees for investment management and other services to the Affiliated Funds. All Affiliated Funds are subject to an annual audit by an independent auditor and audited financial statements are sent to investors annually...

City National Rochdale will recommend the following City National Rochdale Funds Affiliated Funds in the table below for an Account if they are appropriate, unless the client requests otherwise. City National Rochdale believes the Affiliated Funds are appropriate investments because they offer a variety of investment objectives and investment strategies and provide professional investment management, investment diversification, and convenience.

When City National Rochdale buys shares of Affiliated Funds for an Account, City National Rochdale earns a management fee, City National Rochdale and/or its affiliates receive shareholder servicing fees and, for the City National Rochdale Funds, City National Rochdale’s affiliates also earn distribution (12b-1) fees.

Using Affiliated Funds presents City National Rochdale with a conflict of interest, because City National Rochdale could buy similar unaffiliated funds for an Account that do not pay management fees, shareholder servicing fees, distribution (12b-1) fees, or all of them, to City National Rochdale or its affiliates. Those unaffiliated funds sometimes have lower overall fees than similar Affiliated Funds. Some of the Affiliated Funds have share classes that do not charge shareholder servicing and/or distribution (12b-1) fees, but those share classes are not available to

City National Rochdale Wrap Fee Program clients. Those share classes are only available to City National Rochdale clients whose accounts are maintained at CNB, advised by CNB or CNS, and sub-advised by City National Rochdale.

City National Rochdale mitigates its conflict of interest by rebating all of City National Rochdale's portion of the fund-level management fees for the Affiliated Funds and by CNR Securities rebating all of CNR Securities' portion of the distribution (12b-1) fees for the Affiliated Funds as shown in the Affiliated Fund Fee Table below on a quarterly basis in arrears for all client Accounts in advisory programs, including Wrap Program Accounts.

CNR will provide advance notification of any changes to the Affiliated Funds management fee and distribution (12b-1) fee rebate schedule.

### ***Shareholder Servicing Fees***

Shareholder servicing fees compensate City National Rochdale, CNB, and City National Securities, Inc., ("CNS") for responding to shareholder inquiries, processing shareholder purchases and redemptions; performing shareholder account maintenance; sending fund proxy statements, annual reports and other correspondence to shareholders; and providing office space, equipment, facilities and personnel to provide these services. These and other fees are described in greater detail in the Funds' prospectuses and statements of additional information ("SAI").

City National Rochdale and/or its affiliates retain the shareholder servicing fees received from Affiliated Funds, with the exception of ERISA qualified and other tax-deferred retirement accounts invested in the City National Rochdale Interval Funds, which are rebated entirely.

### ***Distribution (12b-1) Fees***

Distribution (12b-1) fees compensate CNR Securities, CNR, CNS, and CNB for paying their own personnel who are involved in distribution-related activities with respect to the applicable Affiliated Funds. CNR Securities and CNS also use distribution (12b-1) fees that they receive to pay other broker-dealers who sell Affiliated Fund shares. These and other fees are described in greater detail in the Funds' prospectuses and SAI. These fees directly benefit CNR Securities, CNR, CNS, and CNB.

City National Rochdale or its related persons receive for services to the Affiliated Funds, see **Item 9 – Additional Information - Other Financial Industry Activities and Affiliations**.

### Affiliated Fund Fee Table

City National Rochdale Funds and City National Rochdale Interval Funds	Fund Management Fee	Fund Management Net Fee Rebate	Shareholder Servicing Fee	Shareholder Servicing Fee Rebate	Distribution (12b-1) Fee	Distribution (12b-1) Fee Rebate
Government Money Market Fund – Servicing Class	0.26% <sup>1</sup>	100%	0.25%	N/A	None	N/A
Municipal High Income Fund – Class N	0.50%	100%	0.25%	N/A	0.25%	100%
Fixed Income Opportunities Fund – Class N	0.50% <sup>3</sup>	100% <sup>4</sup>	0.25%	N/A	0.25%	100%
U.S. Core Equity Fund – Class N	0.40%	100%	0.25%	N/A	0.25%	100%
Equity Income Fund – Class N	0.50%	100%	0.25%	N/A	0.25%	100%
Select Strategies Fund – Class Y	0.50% <sup>2</sup>	100%	0.25%	100% <sup>5</sup>	None	N/A
Strategic Credit Fund – Class Y	1.50% <sup>2,3</sup>	100% <sup>4</sup>	0.25%	100% <sup>5</sup>	None	N/A

<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, 2026. 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, 2026, 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.

<sup>2</sup> The Adviser has contractually agreed to waive its management fee and/or reimburse expenses to the extent necessary to ensure that the Select Strategies Fund's total annual operating expenses will not exceed 1.00% and the Strategic Credit Fund's total annual operating expenses will not exceed 1.95% (after fee waivers and/or expense reimbursements, and exclusive of front-end or contingent deferred loads, taxes, interest, brokerage commissions, acquired fund fees or expenses, extraordinary expenses such as litigation expenses, and other expenses not incurred in the ordinary course of the respective Fund's business). These arrangements will continue until July 27, 2025 for the Select Strategies Fund and until October 1, 2025 for the Strategic Credit Fund, and will automatically renew for an additional one-year period unless sooner terminated by the respective Fund or by the Fund's Board of Trustees upon 60 days' written notice to the Adviser or termination of the advisory agreement between the Fund and the Adviser.

The Adviser may recoup fees waived and expenses reimbursed for a period of three years following the date such reimbursement or reduction was made if such recoupment does not cause current expenses to exceed the expense limit for the respective Fund in effect at the time the expenses were paid/waived or any expense limit in effect at the time of recoupment.

<sup>3</sup> Sub-advised Fund – The Fund Management Fee reflected in the table above is the total management fee paid by the Fund. The management fee received by City National Rochdale and Affiliates is lower. If applicable per fee schedule, only the amount received by City National Rochdale is rebated to the Account.

<sup>4</sup> The Management Fee Rebate percentage reflected in the table above is applied against the net fee (net of fees paid to third party sub-advisers) paid by the Fund to City National Rochdale. Management Fees paid to third party sub-advisers are not rebated by City National Rochdale.

<sup>5</sup> The Shareholder Servicing Fee for the Select Strategies Fund and the Strategic Credit Fund is rebated only for all ERISA qualified and other tax-deferred retirement accounts.

Clients who invest in the Funds will pay management fees, Rule 12b-1 fees and/or shareholder servicing fees, as applicable, to City National Rochdale and/or its affiliates, as well as other expenses of those Funds, in addition to the City National Rochdale investment advisory fees. Some of these fees are credited back to clients based upon client agreement or regulatory requirements.

Certain Funds offer a fund share class that does not include a shareholder services fee. This means that you should not assume that you will be invested in the share class with the lowest possible expense ratio that the fund provider makes available to the investing public. In addition, the share class of money market funds available as part of the cash sweep option for certain types of accounts will not necessarily be the lowest cost share class available from the money market fund.

12b-1 fees, shareholder servicing fees, or all of these fees, to City National Rochdale or its affiliates. Those unaffiliated funds can have lower overall fees than similar Affiliated Funds. Some of the Affiliated Funds have share classes that do not charge 12b-1 fees, but those share classes are not available to City National Rochdale wrap fee program clients. They are available only to City National Rochdale clients whose accounts are maintained at CNB, advised by CNB or CNS and sub-advised by City National Rochdale.

City National Rochdale mitigates its conflict of interest by rebating all of City National Rochdale's portion of the fund-level management fees and distribution (12b-1) fees for the Affiliated Funds, for all client Accounts in advisory programs as shown in the chart above.

Certain Affiliated Funds have a share class that does not charge distribution (12b-1) fees or shareholder servicing fees, but that share class is not available to City National Rochdale wrap fee program clients. That share class is available only to certain accounts maintained at CNB that meet a minimum initial investment requirement of \$1,000,000 and certain tax- deferred retirement plans held in plan level or omnibus accounts.

Periodically City National Rochdale intends to add new/additional funds to the Affiliated Funds offering. At the time a client's Account is invested in one of these additional funds, City National Rochdale will notify the client of its intent to add the fund and will deliver the fund's prospectus or summary prospectus to the client. Failure to object will be treated as consent to the investment in the new fund. A client can terminate approval for these additional funds by notifying City National Rochdale in writing.

For ERISA qualified plans, prior to investing assets in one of these additional funds, we will provide the Plan Sponsor: (1) notice of our intent to add the fund and (2) certain disclosures in writing, including the fund's prospectus or summary prospectus. At the time of such notice, Plan Sponsor will have the opportunity to terminate approval. Failure to provide written notification of Plan Sponsor's intent to terminate within thirty (30) days of the notice will be deemed to be approval of the investment in the new fund.

Please note that City National Rochdale may remove current Affiliated Funds. City National Rochdale may do so in its sole discretion and without providing notice.

Clients should be advised that City National Rochdale's affiliated broker-dealer, CNR Securities, may receive miscellaneous fees for transactions effected in the Affiliated Funds. In addition, City National Rochdale has an incentive to invest client assets in products of sponsors and fund managers that share their revenue with City National Rochdale, over other products or sponsors or fund managers that do not share their revenue or who share less. City National Rochdale has a conflict of interest in earning more fees for itself and its affiliates. A client's total cost to own such funds may be higher than the cost of owning similar funds that are equally appropriate for a client's account that do not share their revenue with City National Rochdale. Higher costs reduce performance and therefore account performance.

City National Rochdale or its related persons receive for services to the Funds, see Item 9 – Additional Information - Other Financial Industry Activities and Affiliations and Item 9 – Additional Information - Brokerage Practices.

### **Non-Managed Assets**

At the time that assets are transferred into an account, clients can direct City National Rochdale to maintain certain securities or assets as a "Non-Managed Asset" in their managed account. City National Rochdale may accommodate this request after receiving written instructions via a CNR and CNRS Client Directive expressly noting that the position is to be maintained in the client's managed account as a Non-Managed Asset. City National Rochdale cannot exercise investment discretion over or charge a management fee on Non-Managed Assets.

### **Cash Balances and the Sweep Program**

City National Rochdale has an incentive to invest client assets in products of sponsors and fund managers that share their revenue with us, over other products of sponsors or fund managers that do not share their revenue or who share less. City National Rochdale has a conflict of interest in earning more fees for itself and its affiliates. A client's total



cost to own such funds may be higher than the cost of owning other, similar funds that are equally appropriate for a client's account that do not share their revenue with us. Higher costs reduce performance and therefore account performance. City National Rochdale seeks to mitigate this conflict through disclosure in this Brochure.

### Pershing Custodied Accounts

For accounts custodied at Pershing, City National Rochdale will automatically sweep cash balances into non-affiliated money market funds available to those accounts custodied at Pershing ("Sweep Fund"). City National Rochdale receives compensation as part of a revenue sharing arrangement for City National Rochdale client assets invested in the Sweep Funds. Interest rates received on Sweep Funds are generally lower than the interest rates available if clients make deposits directly with a bank or other depository institution or invest other money market funds or cash equivalents.

City National Rochdale maintains a cash sweep arrangement with Pershing that allows Wrap Program Accounts to earn interest on cash awaiting investment ("Sweep Program"). Under this arrangement, Pershing provides Wrap Program Accounts with an automated sweep to non-affiliated money market funds ("Sweep Funds") available on BNY Pershing's Cash Management Choice platform. The Sweep Program is offered at no additional charge or cost to the Account.

Available Sweep Funds include: Federated Hermes Government Reserves Fund – P Share Class (GRFXX); Federated Hermes Government Obligations Fund – Service Share Class (GOSXX); Federated Hermes Government Obligations Fund – Capital Share Class (GOCXX); and Federated Hermes Treasury OB – Service Shares (TOSXX) based on Account eligibility. Sweep Funds may be added or removed without prior notice.

### ***How the Sweep Program Works***

At the end of each business day, the client's cash balance is automatically "swept" into a Sweep Fund based on Account eligibility, unless the client instructs City National Rochdale otherwise in writing.

### Conflicts

City National Rochdale has a conflict of interest in offering or utilizing the Sweep Funds because City National Rochdale's affiliate CNR Securities receives compensation on City National Rochdale client assets invested in the Sweep Funds through a revenue sharing arrangement with Pershing. This compensation is typically based on client cash balances in the Sweep Program. In addition, CNR Securities receives distribution (12b-1) fees and shareholder servicing fees from client cash balances invested in the Sweep Funds, and may receive other related compensation from Pershing or the Sweep Funds. The asset based fee charged City National Rochdale CNR is charged on all account assets, including cash held in the cash sweep program.

This creates an incentive for City National Rochdale to offer and utilize the Sweep Program. City National Rochdale believes that these conflicts are addressed through: (1) the client being able to obtain the prospectus or summary prospectus for each Sweep Fund, (2) online disclosure pertaining to the Sweep Funds and yields at <https://www.federatedhermes.com/us/products>, (3) this Brochure provided to the client annually and when material changes occur, (4) City National Rochdale monitoring Sweep Fund yields to ensure that a reasonably competitive yield is received by Wrap Program Accounts, and (5) City National Rochdale monitoring the cash allocations of Wrap Program Accounts.

Clients are advised that returns on Sweep Funds will vary and may be higher or lower than if clients invest in other comparable money market funds or cash equivalents or the interest rates available if clients make deposits directly with a bank or other depository institution outside of the Wrap Program.

Clients should carefully review the Sweep Fund prospectuses or summary prospectuses and obtain current yield and additional information regarding the Sweep Program from their Portfolio Manager. Your Portfolio Manager can also provide you with a list of currently available Sweep Funds and eligibility requirements. Clients may opt out of the Sweep Program at any time by providing written notice to City National Rochdale. For additional information,

please refer to BNY Pershing's Cash Management Solutions page at:  
<https://www.pershing.com/us/en/what-we-provide/investment-solutions/cash-management-solutions.html> .

### ***Unaffiliated Fund and Private Investment Fund Fees and Expenses***

Clients invested in unaffiliated funds and private investment funds through this Wrap Program will bear a proportionate share of the fees and expenses of any fund in which their assets are invested. The fund fees and expenses are in addition to Wrap Program fees reflected in the above fee schedules. These fees and expenses typically include investment advisory, administrative, transfer agent, custodial, legal, audit and other customary fees and expenses charged by the funds. City National Rochdale has a material conflict of interest in recommending to clients that they invest in funds that pay it and/or its affiliates fees. This is because City National Rochdale has a financial incentive to recommend funds based on the fees that City National Rochdale and/or its affiliates will earn rather than on a client's needs. City National Rochdale seeks to mitigate this conflict through disclosure in this Brochure. The client is encouraged to read the prospectuses or offering documents of the funds in which the account assets are invested for a more complete explanation of these fees and expenses.

### ***Fees Incurred from Unaffiliated Fund Transfers (Surrender Charges or CDSCs)***

If a client transfers a previously purchased investment into a City National Rochdale account, such as a mutual fund, annuity or alternative investment, or liquidates the previously purchased investment and transfers the proceeds into a City National Rochdale account, clients may incur a fee (sometimes called a "surrender charge," "contingent deferred sales charge" or "CDSC") upon the sale or redemption in accordance with the investment product's prospectus. In many cases, the CDSC is only charged if a client does not hold the security for a minimum period of time. If a client transfers a previously purchased mutual fund into an account that is subject to a CDSC, then the client will pay that charge when the mutual fund is sold, unless the client instructs otherwise. These fees are disclosed in separate disclosure documents clients will receive from the third-party mutual fund, annuity, or alternative investment. If CNR determines that any mutual fund, annuity, or alternative investment that was transferred into the account to be inconsistent with the Client's investment objectives and strategy, CNR will sell such holdings, and Client may be subject to a CDSC charge.

### ***Closed-End and Private Investment Fund Fees and Compensation:***

Clients invested in closed-end funds and private investment funds will bear a proportionate share of the fees and expenses of any fund in which their assets are invested. The fund fees and expenses are in addition to Wrap Program fees reflected in the above fee schedule. These closed-end fees and expenses typically include investment advisory, administrative, transfer agent, custodial, legal, audit and other customary fees and expenses. City National Rochdale has a material conflict of interest in recommending to clients that they invest in closed-end and private funds that pay it and/or its affiliates fees, which are credited back based upon client agreement and/or regulatory requirements. This is because City National Rochdale has a financial incentive to recommend funds based on the fees its affiliates will earn rather than on a client's needs.

### ***Other Aspects of City National Rochdale's Investment Advisory Business***

City National Rochdale provides investment management services other than the Wrap Program. Portfolio managers responsible for Wrap Program Accounts are also involved in providing investment management services to accounts that are outside of the Wrap Program. Advisory programs available through City National Rochdale are described below. In managing Accounts in the Wrap Program and in providing services in connection with the advisory programs noted below, City National Rochdale seeks to customize client portfolios, based upon the individual circumstances and requirements of the client, taking into consideration such factors as the type of client, age of the client, time horizon for investments, investment goals, cash flow needs, tax concerns and sensitivity to risk. Each advisory program is described in more detail in the City National Rochdale Form ADV Part 2A, "Firm Brochure", which can be obtained from the client's Portfolio Manager or the SEC's website at [www.adviserinfo.sec.gov/IAPD](http://www.adviserinfo.sec.gov/IAPD).

City National Rochdale provides investment advisory services to clients with portfolios of \$1 million and above, primarily on a discretionary basis. CNR reserves the discretion to accept clients below the \$1 million threshold. City National Rochdale works with each client to determine their portfolio needs and limitations and designs an asset

allocation and investment objective plan to meet their goals. Thereafter, City National Rochdale Portfolio Managers implement each plan, working directly with the client and their financial advisor. A typical client relationship will also have a third-party financial advisor to assist the client through the implementation process and work with City National Rochdale on the on-going portfolio management of the client's assets. This includes working with a client's already existing portfolio to efficiently build out what City National Rochdale believes to be an appropriate portfolio (i.e. utilizing existing securities where appropriate), managing across multiple types of accounts (IRA, trust, personal, joint, etc.), allowing clients to place restrictions on securities (industry, sector, etc.), types of securities (options, derivatives, etc.), and investment strategies (large cap, international, alternative, etc.), and managing a client's portfolio in seeking to meet a client's specific distribution needs and tax goals. To the extent the client elects to invest in pooled vehicles to implement an asset allocation program, pooled vehicles cannot accommodate a client's restrictions. Except for the portion of each client's account that is invested in pooled vehicles, the account is managed separately from other clients of City National Rochdale (i.e., not commingled, securities are purchased for each client's personal account).

**Investment Advisory Program** Intelligently personalized and customized portfolio implementation and management for clients that meet City National Rochdale's minimum relationship requirement of \$1 million or more in portfolio assets across all accounts managed. Clients pay a commission for security trades in a separately managed account. "Intelligently personalized" refers to the integration of each client's personal preferences, goals, financial situation and behavioral factors as part of the portfolio construction process. These considerations are based on consultative discussions among the Client, Financial Advisor, Senior Investment Consultant, and/or Portfolio Manager.

**Sub-advisory Services:** Where City National Rochdale acts as a sub-advisor, City National Rochdale is retained by an investment adviser or bank who, in turn, has entered into an investment management agreement or comparable agreement directly with the client. Under a sub-advisory arrangement, City National Rochdale will manage accounts according to the instructions of the investment adviser who has retained City National Rochdale to act in a sub-advisory capacity. In these relationships, City National Rochdale has limited contact with clients.

City National Rochdale's investment advisory programs do not pay City National Rochdale or its employees performance fees. Accordingly, City National Rochdale does not believe that these arrangements give rise to any conflict of interest or offer any incentive for any of the firm's investment personnel, including the Portfolio Manager responsible for managing client Accounts in the Wrap Program, to favor any vehicle over any other Account. Client facing portfolio managers are paid based on the account level fees that their clients generate. They are not paid bonuses on any performance fees or wrap fee revenue.

## **Item 5 – Account Requirements and Types of Clients**

City National Rochdale offers the Wrap Program to Clients custodied through CNR Securities with Pershing, LLC. The Wrap Program is not available for accounts custodied with City National Bank.

City National Rochdale generally requires a minimum of \$1 million of assets under management for a separately managed account relationship but can waive this minimum in its sole and absolute discretion. If the account size falls below the minimum requirement due to market fluctuations only, a client will not be required to invest additional funds with City National Rochdale to meet the minimum account size.

City National Rochdale will request that clients provide proof of authority, directed trading letters, qualified client or qualified purchaser status, or accredited investor certifications as required, and/or other information according to its sole and absolute discretion. Other clients include institutional clients, such as pensions and profit-sharing plans, charitable organizations, and a limited number of municipalities.

### ***Retirement Accounts***

City National Rochdale has a fiduciary duty in managing its clients' accounts, which means that we act in your best interest in accordance with your investment objectives, financial situation and other circumstances when providing investment advice and eliminate or make full and fair disclosure of all material conflicts of interest. In addition, to the extent that City National Rochdale provides services that constitutes "investment advice" to retirement plans or

individual retirement accounts subject to the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), City National Rochdale is a “fiduciary” as defined under Section 3(21) of ERISA or the Internal Revenue Code, as applicable.

City National Rochdale also acts as a fiduciary to “Retirement Investors” under Title I of ERISA or the Internal Revenue Code (as applicable), as described under Section II(a)(1) of Department of Labor Prohibited Transaction Exemption 2020-02 (“PTE 2020-02”). A Retirement Investor is (1) a participant or beneficiary of an employee benefit plan with authority to direct the investment of assets in his or her account or to take a distribution; (2) the beneficial owner of an IRA acting on behalf of the IRA; or (3) a fiduciary of a plan as defined under Section 3(3) of ERISA (a “Plan”) or an IRA. City National Rochdale is a fiduciary under PTE 2020-02 with respect to recommendations we make for these accounts. This means that we comply with Impartial Conduct Standards (as defined in PTE 2020-02), including a best interest standard, when providing fiduciary investment advice to you as a Retirement Investor.

When providing services to clients that are subject to the ERISA, we rely on various Prohibited Transaction Exemptions (“PTEs”) available under ERISA, including PTE 84-14, which is only available to qualified professional managers (the “QPAM Exemption”). On March 5, 2024, the French Court of Appeal rendered a judgment of conviction (the “Conviction”) against CNR affiliate Royal Bank of Canada Trust Company (Bahamas) Limited (“RBCTC Bahamas”), an affiliate of RBC GAM-US, and other parties regarding a charge of complicity in estate tax fraud relating to actions taken relating to a trust for which RBCTC Bahamas serves as trustee. In 2016, Royal Bank of Canada was granted an exemption by the U.S. Department of Labor that allows Royal Bank of Canada and its current and future affiliates to continue to qualify for the QPAM Exemption under ERISA despite any potential conviction of RBCTC Bahamas in the French proceeding for a temporary one-year period from the date of conviction. As a result of the Conviction of RBCTC Bahamas, the temporary one-year period commenced on March 5, 2024. Royal Bank of Canada has sought longer term relief from the U.S. Department of Labor.

## **Item 6 – Portfolio Manager Selection and Evaluation**

All of the Portfolio Managers responsible for client Accounts that participate in the Wrap Program are City National Rochdale professionals. Portfolio managers are selected to handle Accounts based on City National Rochdale’s assessment of the client’s individual circumstances, taking into consideration such factors as the type of client, age of the client, time horizon for investments, investment goals, cash flow needs, tax concerns and sensitivity to risk.

In general, City National Rochdale hires professionals internally as Portfolio Managers on client accounts. City National Rochdale generally requires that Portfolio Managers hold an MBA (or equivalent advanced degree) and/or the Chartered Financial Analyst designation (in most cases both) and have substantial industry experience. Portfolio managers are trained in all areas of a client’s portfolio (e.g., stocks, bonds, alternatives). A critical part of the Portfolio Manager selection process is based on individual style and compatibility with the client. The performance of client portfolios is evaluated against appropriate benchmarks for their specific asset class. Additionally, adherence to client established risk parameters, personalized objectives, and tax considerations are factors in performance expectations.

Securities positions are subject to constant re-evaluation and Accounts are reviewed, on at least an annual basis, . triggered by any one of a number of events including, but not limited to: (1) changes in general economic or investment market conditions; (2) a change in City National Rochdale’s portfolio strategy or its outlook regarding the prospects of a particular portfolio holding or the consideration of the purchase of a new portfolio holding; (3) changes in the client’s investment objectives or financial condition; and/or (4) the deposit or withdrawal of funds from a client’s Account. Consideration will be given to replacing a Portfolio Manager if it is determined that the client is not satisfied with the performance of the Account or level of service provided by the existing Portfolio Manager.

## **Item 7 – Client Information Provided to Portfolio Managers**

Portfolio managers use information regarding each client’s risk tolerance, investment objectives, and financial condition to construct a customized investment portfolio for the client. As indicated above, in-person or telephonic

conferences with clients are generally conducted at least annually. Clients are strongly encouraged to contact their Portfolio Manager directly and to notify City National Rochdale immediately if there is any change in their risk tolerances, investment objectives or financial condition.

### **Item 8 – Client Contact with Portfolio Managers**

Clients are strongly encouraged to contact their Financial Advisor(s) and/or Portfolio Managers directly when needed. Portfolio managers are available during normal business hours. City National Rochdale imposes no additional restriction or limitation on a client's access to their Portfolio Manager. Clients are also encouraged to notify City National Rochdale immediately, either through the client relationship team, Financial Advisor(s) or by contacting their Portfolio Manager, if there is any change in their risk tolerances, investment objectives or financial condition.

Clients receive regular and continuous communications concerning the activity and status of their Accounts directly from the custodian of record. Clients also receive trade confirmations from the custodian for every security transaction that occurs as well as a periodic summary Account statement showing all activity in the Account during the previous period as well as the month-end market value. Clients also receive a quarterly evaluation report from City National Rochdale that details the cost basis and current market value for each security in the portfolio and each asset class. This quarterly report also summarizes gains, losses, and provides the time-weighted net return of the portfolio. In-person or telephonic conferences with clients are generally conducted at least annually. Clients also have the ability to view their Accounts at City National Rochdale's website, [www.cnr.com](http://www.cnr.com). Various other reports are also available through the website from time to time. In appropriate cases, and as directed by clients, Referring Advisors can receive copies of quarterly performance results through their access to Portfolio Managers assigned to specific client Accounts.

### **Item 9 – Additional Information**

#### ***Disciplinary Information***

On March 3, 2022, City National Rochdale and the SEC entered into a settlement regarding conduct that City National Rochdale self-reported to the SEC in September 2020. The SEC order made findings, which City National Rochdale neither admitted nor denied, and City National Rochdale consented to the entry of the order finding that City National Rochdale violated Sections 206(2) and 206(4) of the Investment Advisers Act of 1940 and Rule 206(4)-7 thereunder (the "Order"). The SEC alleged that from 2016 through 2019, City National Rochdale did not adequately disclose that, where it was not prudent or possible to invest a client's assets in the individual securities and bonds that comprise City National Rochdale's internally developed model portfolios, City National Rochdale would invest the client's assets in City National Rochdale's proprietary mutual funds — which are designed to track the respective asset class allocations used in City National Rochdale's model portfolios. City National Rochdale and its affiliates received fees from such investments. The SEC further alleged that from 2016 until January 2019, City National Rochdale received 12b-1 fees from certain clients, such as those who invest with City National Rochdale through their third-party financial advisors, without adequately disclosing to such clients that a lower-cost share class was available to them. The SEC also alleged that City National Rochdale failed to implement policies and procedures reasonably designed to detect and prevent conflicts of interest. Under the terms of the Order, City National Rochdale was censured and agreed to pay a total of \$30.4 million in disgorgement, prejudgment interest, and civil penalty, and to use those monies to establish a Fair Fund to repay affected clients. City National Rochdale has enhanced its disclosures regarding potential conflicts of interest and, as part of the Order, retained an independent compliance consultant to review its policies and procedures regarding the use of proprietary mutual funds.

#### ***Other Financial Industry Activities and Affiliations***

As noted above, City National Rochdale is an SEC-registered investment adviser, an affiliate of CNS and CNR Securities, and a wholly-owned subsidiary of CNB. City National Rochdale provides investment management services to its clients, including Wrap Program Accounts.

Certain officers and/or directors associated with City National Rochdale serve as officers, directors, analysts and/or Portfolio Managers of City National National Rochdale and/or CNR Securities LLC, a FINRA registered broker-

dealer. City National Rochdale's relationship as an investment adviser to the City National Rochdale Funds, and the City National Rochdale Interval Funds are material to City National Rochdale's advisory business. As described above, certain clients invest in the City National Rochdale Funds, and the City National Rochdale Interval Funds, and/or affiliated mutual funds. City National Rochdale and/or its officers, employees and directors can also be investors in these vehicles.

Although there is some potential for conflicts of interest, City National Rochdale believes these are not material in light of the requirements of the Code of Ethics adopted by City National Rochdale.

### ***Proprietary Research and Other Brokerage Services***

CNR receives proprietary research and brokerage services from certain broker-dealers that execute trades for CNR's clients, including Program Accounts. Proprietary research generally includes access to internal investment research, economic analysis, industry and company reviews, and investment performance publications that assist CNR in its investment decision-making process. This type of research does not have an identifiable value and is provided based on total trading activity of CNR for all of its clients, including Program Accounts.

### ***Hard and Soft Dollar Arrangements***

In addition to proprietary research, CNR receives third-party research, and brokerage and non-brokerage services and/or credits from certain broker-dealers that execute trades for CNR's clients, including Program Accounts, under hard and soft dollar commission agreements or arrangements. As a result of these agreements or arrangements, clients may pay commissions higher than those charged by other broker-dealers. The hard and soft dollar commission arrangements are as follows:

CNR has soft and hard dollar commission arrangements with the following broker-dealers:

Broker-Dealer	Soft Dollar Commission Per Share	Hard Dollar Commission Per Share
Instinet	\$0.028	\$0.0070
SEI/SIDCO	\$0.0238	\$0.0112

In this regard, the Sub-Advisor has determined that amount of the commissions paid in relation to Program trades is reasonable in relation to the value of the brokerage and research services provided and that the Sub-Advisor's clients as a group, including Program Accounts, benefit from the services.

### ***Third-Party Research Services***

In CNR's last fiscal year, CNR utilized the above noted hard and soft dollar commission arrangements to obtain third-party research services including, but were not limited to, analyses or reports concerning issuers, industries, securities, economic trends, and portfolio strategy. The research services were not provided to CNR with respect to any specific CNR client or investment product. As a result, an estimate of the value of the research services received by CNR in connection with a specific client is not calculable with any level of precision and CNR does not attempt to allocate soft dollar benefits proportionately across its clients.

When CNR utilizes client commissions to obtain research and brokerage services, CNR receives a benefit because CNR does not have to pay (or pays a reduced rate) for the research and brokerage services. As a result, CNR may have an incentive to select or recommend a broker-dealer based on CNR's interest in receiving research and brokerage services from that broker-dealer, rather than CNR's clients' interest in receiving the best price or commission (most favorable execution). This presents CNR with a conflict of interest. CNR believes that its use of hard and soft dollar commission arrangements provide appropriate assistance to CNR in its investment decision-making process and benefit clients. and CNR mitigates its conflict of interest by following certain related policies and procedures.

Please refer to **Item 4 – Services, Fees and Compensation** above, as well as other disclosure throughout this Brochure for additional information regarding the services provided by City National Rochdale, fees related to these services, potential conflicts of interest, and how these conflicts are mitigated. For additional information regarding the research and brokerage services that CNR obtains, please refer to **CNR’s Form ADV Part 2A, Firm Brochure**.

### ***CNR Securities***

CNR Securities is a FINRA-registered broker-dealer, an affiliate of CNR, and a wholly-owned subsidiary of CNB. CNR Securities provides a variety of broker-dealer services to its clients, including but not limited to, serving as an introducing broker to Pershing, the clearing broker and custodian for Wrap Program Accounts. In addition, CNR Securities serves as a Sub-Distribution Coordinator for the Affiliated Funds. The Affiliated Funds are distributed by SEI Investments Distribution Co. (“SIDCO” or the “Distributor”), which is unaffiliated with CNR Securities. SIDCO has entered into a Distribution Coordination Agreement with the Affiliated Funds and CNR Securities pursuant to which CNR Securities acts as Sub-Distribution Coordinator for the Affiliated Funds and receives the entirety of the fees received by SIDCO pursuant to the Distribution Plan. CNR Securities 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. Please refer to disclosure throughout this Brochure and in the Affiliated Funds’ prospectuses and statement of additional information regarding the services provided by CNR Securities, potential conflicts of interest, and how these conflicts are mitigated.

### ***City National Bank***

City National Bank is an FDIC member; the parent company of City National Rochdale, CNR Securities, and City National Securities; and a subsidiary of Royal Bank of Canada. CNB provides a wide range of financial services to its clients. Please refer to **Item 4 – Services, Fees and Compensation** above for additional information regarding the services provided by CNB, potential conflicts of interest, and how these conflicts are mitigated.

### ***City National Securities***

CNS is registered with the SEC as a broker-dealer and investment adviser, and is a member of FINRA, an affiliate of CNR, and a wholly-owned subsidiary of CNB. In addition to sponsoring two wrap fee programs which City National Rochdale serves as sub-advisor for, CNS’ primary business is providing brokerage services to its clients. Conflicts may exist due to CNS’ affiliation with CNR, CNR serving as sub-advisor to CNS wrap fee program clients, and CNS’ use of the Affiliated Funds. CNS’ efforts to mitigate these conflicts are discussed under **Item 4 – Services, Fees and Compensation**.

### ***Affiliated Funds***

City National Rochdale is the sponsor of and investment adviser to the City National Rochdale Funds and City National Rochdale Interval Funds. As discussed above, certain clients, as well as City National Rochdale and/or its employees, directors, and officers invest in the Affiliated Funds. When City National Rochdale buys shares of Affiliated Funds for an Account, City National Rochdale earns a management fee, City National Rochdale and/or its affiliates receive shareholder servicing fees and, for the City National Rochdale Funds, City National Rochdale’s affiliates also earn distribution (12b-1) fees.

Using Affiliated Funds presents City National Rochdale with a conflict of interest. City National Rochdale mitigates its conflict of interest by rebating all of City National Rochdale’s portion of the fund-level management fees for the Affiliated Funds and by CNR Securities rebating all of CNR Securities’ portion of the distribution (12b-1) fees for the Affiliated Funds on a quarterly basis in arrears for all client Accounts in advisory programs, including Wrap Program Accounts. In addition, City National Rochdale believes that its conflict is also addressed through: (1) the Affiliated Fund prospectuses, (2) this Brochure provided to the client annually and when material changes occur, and (3) to the extent that City National Rochdale or any employee, director or officer is an investor in the Affiliated Funds, each shares in any gains or losses proportionally with all other investors. For additional information on the



Affiliated Funds and conflict mitigation, please see **Item 4 – Services, Fees and Compensation, Affiliated Fund Fees** above.

### ***Code of Ethics, Participation or Interest in Client Transactions and Personal Trading***

#### **Code of Ethics**

City National Rochdale has adopted a Code of Ethics (the “Code”) expressing the firm’s commitment to ethical conduct. City National Rochdale’s Code of Ethics describes the firm’s fiduciary duties and responsibilities to clients and sets forth the practice of supervising personal securities transactions of employees. Individuals associated with City National Rochdale can buy or sell securities for their personal accounts identical to or different than those recommended to clients. It is the expressed policy of City National Rochdale that no person employed by City National Rochdale shall place his or her own financial interest over that of an advisory client or make personal investment decisions based on the investment decisions of advisory clients.

To supervise compliance with the Code, City National Rochdale requires that employees with access to advisory recommendations (“Access Persons”) or other inside information provide annual securities holdings reports and quarterly transactions reports to the Compliance Department. City National Rochdale also requires all such employees receive prior approval from the Compliance Department prior to effecting transactions meeting certain criteria. All individuals employed by City National Rochdale must sign, no less than annually, an attestation confirming their receipt and comprehension of the Code.

City National Rochdale requires that all individuals must act in accordance with all applicable federal and state regulations governing registered investment advisers. Certain employees are also subject to the ethics rules for broker-dealers, professional designation practices and other ethics rulemaking bodies. City National Rochdale’s Code further includes the firm’s policy prohibiting the use of material non-public information. Any individual not in observance of the Code is subject to discipline. City National Rochdale will provide a complete copy of its Code of Ethics to any client upon request.

#### ***Client Transactions in Securities where Adviser has a Material Financial Interest***

City National Rochdale has discretionary authority over its clients’ Accounts and initiates the transactions in such Accounts.

City National Rochdale and CNR Securities can facilitate the purchase and sale of a security between two or more clients without either City National Rochdale or CNR Securities being the seller or the buyer. This is known as an “internal cross” transaction and is only performed under client authorization. Prior to engaging in an internal cross transaction, City National Rochdale and CNR Securities will ensure that the transaction is in the best interest of all client parties involved by ensuring the price is fair and properly disclosing all known potential conflicts. Neither City National Rochdale nor its affiliates will receive compensation for effecting internal cross transactions.

City National Rochdale and CNR Securities do not enter into transactions where client securities are purchased from or sold to brokerage customers of CNR Securities in what is known as an “agency cross” transaction.

#### ***Investing in Securities Recommended to Clients***

City National Rochdale and/or related persons can purchase, sell or hold positions in certain investments that are recommended to, or implemented for, any of its clients. If City National Rochdale holds securities for itself that it also recommends to or implements for clients, the following restrictions and disclosure procedures are maintained for the protection of clients:

- City National Rochdale will recommend to or implement for its clients the purchase or sale of the same securities held, purchased or sold by City National Rochdale or any associated person only if such transaction is consistent with the objectives of the client.
- The clients’ interest will be placed before City National Rochdale in such purchases and sales to assure that, on any given day, (a) the timing of the transaction will not put the client at a disadvantage, and (b) the price



obtained for the client will be the same or more advantageous than that obtained for City National Rochdale or any associated person.

- Employees deemed to have knowledge of client trading activities will be regarded as Access Persons and will be required to gain approval for all personal securities transactions.

### ***Affiliated Transferred-In Securities***

The ultimate parent company of City National Rochdale and CNR Securities is Royal Bank of Canada ("RBC"). Securities issued (1) by or for RBC and its affiliates or (2) by a company where an officer, director, or employee of CNR or one of CNR's affiliates serves on the Board of Directors or Board of Trustees ("Affiliated Securities") create a conflict of interest for CNR and/or CNRS as the investment manager of and broker-dealer for your portfolio. Due to this conflict of interest, CNR cannot exercise investment discretion over or charge a management fee on Affiliated Securities. To retain an Affiliated Security in your portfolio and avoid a conflict of interest, we must characterize the security as a "Non-Managed Asset" in your managed account.

As a result, if a position in a portfolio is a security issued by or for RBC or an RBC affiliate, or by a company where an officer, director or employee of CNR or CNR's affiliates serves on the Board of Directors or Board of Trustees, unless you promptly provide CNR written instructions via a CNR and CNRS Client Directive at the time the assets are transferred into the account expressly noting that the position is to be maintained in your managed account as a Non-Managed Asset, CNR will liquidate the affiliated position as soon as reasonably practicable. Please be advised that CNR and CNRS cannot guarantee trade execution at a specified price. All trade executions are subject to market conditions and other circumstances. In no event will CNR and/or CNRS be responsible for any loss related to the liquidation.

For a Non-Managed Assets, CNR and CNRS:

- will not provide any investment advice related to the security,
- will not charge a management fee on the position (or will rebate/credit back to you any management fees assessed on the position and paid to CNR),
- will not vote proxies for the security,
- must receive written direction from you for any future transactions on the security, and
- will issue a trade confirmation for any client directed trading in the Non-Managed Asset.

### ***Review of Accounts***

City National Rochdale conducts an initial and annual investment review of all Wrap Program Accounts. In addition, each Wrap Program Account is reviewed by the Account's Portfolio Manager or his or her designee on an ongoing and regular basis to determine whether securities positions should be maintained in view of current market conditions. Matters reviewed include specific securities held, adherence to investment guidelines, and the performance of each client account. Factors prompting an immediate review of Wrap Program Accounts include significant market events affecting the prices of one or more securities in clients' Accounts, changes in the investment objectives or guidelines of a particular client, or specific arrangements with particular clients that trigger reviews of a client's Accounts on an immediate basis.

### ***Nature and Frequency of Reports***

Clients receive communications concerning the activity and status of their Accounts. Clients receive trade confirmations for every buy and sell that occurs, as well as a monthly summary account statement, showing all activity in the account during the previous month as well as the month-end market value. In addition to this brokerage information, City National Rochdale provides a quarterly evaluation report that details the cost basis and current market value for each security in the portfolio and each asset class. This quarterly report also summarizes gains, losses, income and expenses, transactions and provides the time-weighted net total return of the portfolio. Clients also have the ability to view their Accounts at City National Rochdale's website, [www.cnr.com](http://www.cnr.com). Various other

reports can be made available through the website from time to time. In appropriate cases, and as directed by clients, Referring Advisors can receive copies of and results through their access to Portfolio Managers assigned to specific client Accounts.

## ***Client Referrals and Other Compensation***

### **Referrals from Third Parties**

The majority of clients are introduced to City National Rochdale by affiliated and unaffiliated third parties including independent brokers, financial planners, investment advisors, consultants, CPAs, attorneys, and representatives of broker-dealers (previously referred to in this Wrap Fee Brochure as “Referring Partners”). Clients referred to City National Rochdale by a Referring Partner, enter into an investment advisory agreement directly with City National Rochdale.

Referring Partners are compensated for introductions to City National Rochdale.

### **Co-Advisory Arrangements**

Some Referring Partners provide to clients (but are not required by City National Rochdale to do so) other services such as researching investment advisory services, assisting clients with financial planning and investment objective setting, coordinating communications between the client and the CNR portfolio manager City National Rochdale, and monitoring performance and services to ensure that clients’ needs are being met. Clients should review with Referring Partners those additional services and their fees, which can be deducted by City National Rochdale for remittance to Referring Partners. may or may not provide these services. Any such services are provided solely by Referring Partners and not by, or on behalf of, City National Rochdale. Clients should confirm what services are being provided by Referring Partners charge a fee in addition to City National Rochdale’s fees and the fee for such services. Fees charged by Referring Partners are separate from and in addition to City National Rochdale fees. If clients elect, the fee for services provided by Referring Partners to clients can be deducted by City National Rochdale for remittance to Referring Partners. The Client is responsible for determining the extent and value of Additional Services provided, if any.

### **Compensation Received by Us and/or Our Affiliates**

Separate and apart from the Wrap Program, City National Rochdale may suggest or recommend that clients use a brokerage account at an Affiliate and/or other services for their brokerage investment activity. Similarly, City National Rochdale may suggest or recommend that clients purchase our products and/or those of our Affiliates, including City National Bank. When clients use or purchase our and/or our Affiliate’s services or products, we and/or our Affiliates will receive fees and compensation. We address the conflicts of interest presented by these affiliated transactions by maintaining certain policies and procedures reasonably designed to prevent the compensation received from affecting the nature of the advice that we provide. These policies and procedures do not eliminate such conflicts of interest.

### **Revenue Sharing**

Independent Advisors are typically affiliated with large regional or national financial intermediaries which include brokerage and registered investment advisor firms. These firms generally provide, among other things, to the Independent Advisor the respective regulatory, compliance, and operational infrastructure necessary for the Independent Advisor Advisors to operate their business. City National Rochdale and its affiliates compensate certain brokerage or registered investment advisor firms for services such as, but not limited to, placing City National Rochdale’s investment management services and/or the Affiliated Funds on the firm’s preferred or recommended list, granting City National Rochdale access to the firm’s associated affiliated Independent Advisors, providing assistance in training and educating the firm’s personnel, allowing sponsorship of seminars and/or information meetings, and furnishing marketing support and certain other services. City National Rochdale also compensates these firms in order to support their ability to provide administrative support services required when the firm’s affiliated Independent Advisors conduct business with their clients through the use of City National Rochdale’s investment management services. These payments from CNR to the Independent Advisor and/or intermediaries are

typically based on average net assets of City National Rochdale's investment management business with each firm. The terms of these arrangements are tailored to the respective firms and will vary. These arrangements create a conflict of interest as they directly incentivize these firms and their affiliated Independent Advisors to promote City National Rochdale's investment management services and Affiliated Funds. This conflict is typically mitigated by the firms not sharing such compensation directly with their affiliated Independent Advisors. The firms' affiliated Independent Advisors do, however, benefit indirectly from these arrangements through educational opportunities, support services, and other assistance.

## Methods of Analysis, Investment Strategies and Risk of Loss

City National Rochdale uses a variety of methods and strategies to make investment decisions and recommendations in connection with client Accounts in the Wrap Program, as well as in connection with other investment advisory programs. These methods entail an evaluation of investment opportunities using fundamental, technical, quantitative, and qualitative analyses to determine the intrinsic value of securities and other types of instruments. These methods, strategies and investments involve risk of loss to clients and clients must be prepared to bear the loss of their entire contribution/investment. City National Rochdale employs the following investment strategies that can be constructed as a separately managed account or using proprietary or non-proprietary pooled investment vehicles.

Equity City National Rochdale's equity strategy focuses on a broad range of equity investment styles, including growth, core, and value, as well as portfolios designed to be "style-neutral." Some client accounts focus on specific ranges on the capitalization scale, from micro-cap, through small-cap, mid-cap and large-cap, to mega-cap. Other client accounts will focus on investment opportunities in more than one capitalization category or across all capitalization levels.

US Large Cap Core Equities City National Rochdale pursues capital appreciation strategies by taking long positions in quality companies with above average growth potential in highly ranked industries.

Large Cap Select Core Equities City National Rochdale seeks to provide capital appreciation, with current income as a secondary objective, through investments in the equity securities of companies with large and middle capitalizations.

Equity Income City National Rochdale pursues dividend and income strategies by taking long positions in companies with dividend growth potential.

Emerging Markets City National Rochdale may pursue investment strategies in Emerging Markets.

Municipal High Income City National Rochdale pursues an investment strategy that seeks to provide a level of current income that is not subject to federal income tax.

Opportunistic Fixed Income Seeks to invest in income yielding securities, primarily focusing on high yield bonds (commonly known as "junk" bonds) issued by corporations, fixed and floating rate loans made to U.S. and foreign borrowers, domestic and foreign corporate bonds, asset backed securities such as collateralized loan obligations, structured investments, insurance and reinsurance investments and bank loans. The fund is invested in life insurance policies. Foreign investments include investments in companies that are operating principally in emerging market or frontier market countries.

Stock Options City National Rochdale will use individual stock options to manage concentrated stock positions in a client portfolio. City National Rochdale can utilize a covered call option strategy as a means to manage concentrated stock positions and to potentially generate premium income for the client. Long put options can also be used to limit the potential decline of an individual stock held in a client portfolio.

Hedging The Adviser utilizes a variety of financial instruments such as derivatives and options for risk management purposes.

Alternative Investments The Adviser utilizes Alternative Investments for suitable clients. City National Rochdale classifies Alternative Investments as either Income-Based or Growth-Based strategies which include segments such as Private Credit and Private Equity. This alternative investment classification includes assets or strategies outside of traditional stocks, bonds, or cash. Alternative investments can be used to diversify portfolios, provide a unique return or hedge against risk, with the overarching goal of benefitting a client's portfolio. Investing in Alternative Investments may involve risk such as illiquidity, valuation, regulatory, market and manager risk. Investments in Alternative Investments are subject to minimum investment sizes and other qualification requirements.

### ***Voting Client Securities***

City National Rochdale has adopted proxy voting policies and procedures. These policies and procedures require City National Rochdale to vote proxies received in a manner consistent with its fiduciary duties. In certain circumstances, City National Rochdale may determine that it is in the clients' best interest not to vote securities.

In the client's investment advisory agreement, clients are given the option to delegate proxy voting to City National Rochdale. City National Rochdale will only vote proxies where clients give City National Rochdale discretionary authority to vote on their behalf.

City National Rochdale seeks to vote proxies in a prudent and diligent manner intended to enhance the economic value of client assets. City National Rochdale has hired a third-party proxy advisory firm (the "Proxy Advisory Firm") to vote proxies on behalf of its clients. In most instances, City National Rochdale votes in accordance with the Proxy Advisory Firm's recommendation. However, if City National Rochdale believes that the recommended vote is not in the clients' best interest it will vote against such recommendation. As part of its procedures, CNR has established a Proxy Voting Oversight Committee to monitor the effectiveness of CNR's proxy voting process and to address potential conflicts of interest as they arise.

City National Rochdale has a conflict when it or an affiliated person has a financial interest in a proxy proposal that may compromise City National Rochdale's independence of judgment and action in voting the proxy. When City National Rochdale's Proxy Voting Committee determines a proxy proposal raises a material conflict of interest between City National Rochdale's interests and those of City National Rochdale Funds or City National Rochdale's clients, City National Rochdale will seek to resolve the conflict in accordance with its adopted procedures. The Proxy Voting Committee will determine how to address any such material conflicts of interest, such as suggesting to clients that they engage another party to vote the proxy on their behalf or disclosing the conflict to clients and/or obtaining their consent before voting.

For client accounts over which City National Rochdale has proxy voting authority and that hold shares of a City National Rochdale Fund, City National Rochdale has delegated authority for voting City National Rochdale Fund proxies to the proxy firm Glass Lewis. City National Rochdale will not, under any circumstances, reassume proxy voting authority over any City National Rochdale Fund shares or otherwise direct the vote of those shares. City National Rochdale will oversee Glass Lewis, and can replace Glass Lewis with a new third party should City National Rochdale find that Glass Lewis is failing to perform in manner consistent with the best interests of City National Rochdale's clients. The Proxy Firm's voting policies have been approved by CNR.

Clients can obtain a copy of City National Rochdale's proxy voting policies and procedures and information about how City National Rochdale voted a client's proxies by contacting Rochelle Levy (Chief Compliance Officer) by email at Rochelle.Levy@cnb.com or by telephone at (212) 702-3500.

### ***Class Actions***

From time-to-time, City National Rochdale receives notices with respect to securities held or previously held in client portfolios that are subject to legal proceedings, including class actions or bankruptcies. Usually, client custodians also receive these notices and therefore generally City National Rochdale does not forward these notices to its clients or their custodians. In addition, City National Rochdale does not take legal action on behalf of or provide legal advice to clients.

### ***Financial Information***

CNR is not aware of any financial condition that is reasonably likely to impair its ability to meet contractual and fiduciary commitments to clients.