

Altruist Cash Program Disclosure Statement



Altruist Financial LLC
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Introduction

Altruist Financial LLC's ("Altruist") Altruist Cash program provides you the ability to instruct Altruist to deposit certain cash balances in your account into Federal Deposit Insurance Corporation ("FDIC") insured bank deposit accounts among multiple FDIC-insured banks ("Participating Banks"). The Altruist Cash program is only available to clients who have instructed Altruist that they wish to participate in the Altruist Cash program as set forth in your customer agreement and disclosures. Under the Altruist Cash program, Altruist will open a separate Altruist Cash account for you at Altruist that will be used solely for depositing cash that has been transferred into the Altruist Cash account for purposes of participating in the Altruist Cash program. The Altruist Cash program is different from Altruist's Bank Sweep Program that you may be separately enrolled in. Cash that has been transferred into the Altruist Cash account will be used specifically for participation in the Altruist Cash program. We may, upon prior notice to you, modify the terms and conditions of the Altruist Cash program.

Participating in the Altruist Cash program provides you the opportunity to earn a higher interest on your cash in the Altruist Cash account, though cash may be redeemed as needed to satisfy obligations arising in connection with your other Altruist brokerage account(s). FDIC Insured Deposits are intended only as a short-term use of cash and should not be viewed as a long-term investment strategy.

If you make a deposit to your account (by check, ACH, wire, etc.) that you wish to have included in the Altruist Cash program, you must instruct Altruist to make the appropriate subsequent transfers which may take up to two business days after the required holding period before your cash is deposited under the Altruist Cash program into an interest-bearing account at a Participating Bank, and such deposits will constitute Free Credit Balances until they are transferred.

FDIC Insured Deposit Accounts

When you enroll in the Altruist Cash program and thereby open an Altruist Cash account, per your instructions, cash balances in your Altruist Cash account are transferred into one or more FDIC interest-bearing accounts at Participating Banks. The Altruist Cash program has a network of FDIC-insured Participating Banks to which cash can be spread to offer you access to increased FDIC coverage. Participating Banks may be added to or removed from the Altruist Cash program without prior notice to you. A list of current Participating Banks is available at altruist.com/legal.

Altruist acts as an agent with respect to all transactions relating to the interest-bearing accounts and has established a separate account for the benefit of customers at each Participating Bank as evidenced by a book entry on the account records on each such Participating Bank. Each such deposit account maintained at the Participating Banks is insured by the FDIC within certain applicable limits, as described below.

Altruist maintains records of your interest in each deposit account at each Participating Bank. No evidence of ownership, such as a passbook or a certificate, will be issued to you from a Participating Bank, thus all transactions in the interest-bearing accounts must be made through Altruist.

All questions regarding the interest-bearing accounts should be directed to Altruist and not the Participating Banks. The Participating Banks will not accept any instructions concerning your deposits in a Participating Bank through the Altruist Cash program unless such instructions are sent by Altruist. Funds swept into interest-bearing accounts will begin earning interest from the day they are received by the Participating Bank up to, but not including, the date of withdrawal.

Altruist receives payment from each Program Bank in connection with its participation in and operation of the Program. Altruist's payment from the Program Banks, which is a portion of the interest earned on the deposit amounts under the Program held at the Program Bank, represents compensation for services provided to you and other customers in connection with the Altruist Cash program, which you authorize to be directly remitted to us on your behalf. This payment is typically based on the average aggregate amount of funds held under the Altruist Cash program at each Program Bank and the current interest rate environment. The payment to Altruist by one Program Bank may differ from the payment of another Program Bank, even if the deposit amounts are identical. Altruist may pay to its administrator or third-party an amount for facilitating the operations of the Program, which may be a portion of the payment made to Altruist by the Program Banks.

Interest will accrue daily and be credited to your account monthly and appear on your periodic brokerage account statement. The daily rate of interest described below is $1/365$ of the applicable interest rate. You will receive a Form 1099-INT from Altruist indicating the amount of interest income.

The amount of interest you will receive on your deposits will vary based upon a number of factors, including the aggregate amount of deposits by all participants in the interest-bearing accounts, the interest rates paid by the Participating Banks, the fees paid to our intermediary bank, The Bank of New York Mellon (our "Intermediary Bank"), and the fees Altruist receives. Rates may vary among customers and account types.

Generally, the amount of interest you receive will not vary depending on the particular Participating Bank in which your funds are deposited, however, rates of return can vary over time. You can obtain current interest rate information by viewing our Cash Rates page accessible at altruist.com/legal.

The rate you receive is subject to reduction to the extent a Participating Bank's premium costs to FDIC are increased. The rates paid with respect to the interest-bearing accounts may be higher or lower than rates of return available for money market mutual funds, or as a depositor directly with a bank, including any of the Participating Banks.

Cash deposited into an interest-bearing account at a Participating Bank is federally insured up to applicable FDIC limits in the event of a bank failure. Although the Bank Sweep Program's network of FDIC-insured Participating Banks provides you access to increased FDIC coverage up to a limit of \$1,000,000, FDIC coverage limits are \$250,000 for all deposits (checking, money market, savings, CDs, etc.) per depositor, per insured bank, for each account ownership category. Therefore, if you had a checking account at one of the Participating Banks and the cash in your brokerage account was swept to that same Participating Bank, the total insured amount would be \$250,000 for all money held at that Participating Bank. See [fdic.gov](https://www.fdic.gov) for additional account category and coverage information.

FDIC insurance begins once funds are deposited into the interest-bearing account at the Participating Bank. While in transit from Altruist to the Participating Banks and from the Participating Banks to Altruist, the funds pass through our Intermediary Bank. While at our Intermediary Bank such funds are also eligible for FDIC Insurance to the FDIC maximum per account type when aggregated with any other deposits held by you in the same capacity at our Intermediary Bank.

It is possible that your funds in transit at our Intermediary Bank will exceed the maximum amount of FDIC coverage available through our Intermediary Bank as an individual bank; therefore, the amount that exceeds that amount may not be covered by FDIC insurance until such funds are remitted to Participating Banks.

It may take up to two business days for funds deposited in your brokerage account to sweep to our Intermediary Bank for allocation to Participating Banks. Because the Altruist Cash program can only be used to transfer funds between your Altruist Cash account and an interest bearing account at Participating Bank, cash that is momentarily in the Altruist Cash account may not be subject to protection under the Securities Investor Protection Act. Please contact your Altruist Support for more information.

Per your instructions, cash will be deposited into one or more Participating Banks in accordance with a nondiscretionary mathematical formula (algorithm). Generally, no more than \$250,000 (\$500,000 for joint accounts) will be swept into any Participating Bank. It is, however, possible that your cash deposit combined with other deposits you make at a Participating Bank (directly or through another intermediary) could exceed the maximum amount of FDIC insurance available at an individual Participating Bank. We will inform you on each periodic statement of which Participating Bank(s) maintain deposits with respect to your account(s), all deposit and withdrawal activity, opening and closing balances, interest earned, and the detail of balances held at each Participating Bank.

If you reach the Altruist Cash program's maximum FDIC insurance coverage—which may depend, among other things, on deposit capacity of the Participating Banks and on your decision to opt out of any such Participating Banks— any additional cash will be deposited into one or more of excess banks ("Excess Banks"), subject to available capacity at the Excess Banks. Review the Altruist Financial LLC Participating Bank List on altruist.com/legal for more information.

You are responsible for monitoring the total amount and insurable capacity of deposits you have at each Participating Bank (both as a part of and outside of the Altruist Cash program). If the amount of your deposits exceeds the capacity of Participating Banks to provide deposit insurance, such excess deposits will be swept to and held in deposits at our Intermediary Bank, even if they exceed FDIC insurance coverage available for deposits at our Intermediary Bank.

In the event that any Participating Bank rejects any additional deposits, withdraws entirely, or is terminated from the Altruist Cash program, such balances will be reallocated to another Participating Bank to the extent possible.

In the event that federal deposit insurance payments become necessary, payments of principal plus unpaid and accrued interest will be made to you. There is no specific time period in which the FDIC must make insurance payments available, and Altruist is under no obligation to credit your account with funds in advance of payments received from the FDIC. Furthermore, you may be required to provide certain documentation to the FDIC and to us before insurance payments are made. For example, if you hold deposits as a trustee for the benefit of trust participants, you may be required to furnish affidavits and provide indemnities regarding an insurance payment.

Adding or Withdrawing Funds from the Bank Sweep Program

There is no minimum initial deposit in Participating Banks. All cash becoming available in your account will be swept into one or more interest-bearing accounts.

You may access your funds in the Altruist Cash program only through your brokerage account. You cannot access or withdraw cash held in the Altruist Cash account directly from a Participating Bank.

When funds are needed to cover transactions or satisfy a debit in brokerage account(s) you hold at Altruist, we will use the following sources in the order listed: (i) available Free Credit Balances, including money added to your brokerage account(s), cash in your Altruist Cash account, or (ii) cash deposited into interest-bearing accounts at Participating Banks.

Withdrawals from the Altruist Cash program will normally be made on the business day following transactions in your brokerage account; however, your brokerage account is credited on the day of any debit. This process might result in you having an obligation to make us whole for the sum of the debits in your brokerage account if there is a problem withdrawing funds from an interest-bearing account or if you otherwise fail to sufficiently fund your brokerage account for the full amount of your daily debits. Balances in the Altruist Cash program can be liquidated on your order and the proceeds returned to your brokerage account. However, federal banking regulations require each Participating Bank in the Program to reserve the right to require seven (7) calendar days prior notice before permitting a withdrawal of any deposit.

No direct fees will be assessed to your account for enrolling and taking advantage of the Altruist Cash program. Instead, we receive

compensation for making the Altruist Cash program available, pursuant to your authorization, from the Participating Banks, and/or their respective affiliates, as described in more detail above.

Free Credit Balances

If you decide to end your participation in the Altruist Cash program, your Altruist Cash account will no longer be eligible to send or receive cash transfers and will be closed. Your cash can either be withdrawn or transferred to another Altruist brokerage account under the same ownership category unless you select a different option for your cash. You may elect to receive distributions of available cash (certain charges may apply -- refer to the Altruist Financial LLC Fee Schedule) or, if eligible, to leave available cash balances uninvested in your Altruist account in the form of a Free Credit Balance. Free Credit Balances generally include the cash in your account awaiting investment minus certain items such as purchase transactions due to settle within a specified time period, other charges to your account, and credit balances that are designated as collateral for your obligations.

Free Credit Balances are payable to you upon demand. We may use your Free Credit Balances to fund certain of our business operations, as permitted by law, and may earn income through such use. We are required by the rules of the Securities and Exchange Commission to perform a weekly computation to determine whether we have a net payable to, or receivable from all our customers. In the event the computation indicates a net payable, we must place required funds or qualified securities (treasury securities) on deposit in a special reserve bank account for the exclusive benefit of our customers.

Free Credit Balances are generally guaranteed as to principal and interest by SIPC for up to \$250,000 per account. For more information on SIPC coverage of Free Credit Balances in your account see sipc.com.