

STC Insured Deposit Program

Updated 12/16/2018

Welcome to the AIG Federal Savings Bank ("AIG FSB"), d/b/a SunAmerica Trust Company ("STC") STC Insured Deposit Program (the "Program"). Under the Program, available cash balances (from security transactions, dividend and interest payments and other activities) in your STC Individual Retirement Account ("IRA") will automatically be deposited into interest-bearing Federal Deposit Insurance Corporation ("FDIC") insured deposit accounts ("Deposit Accounts") at one or more of the banks set forth below (the "Program Banks").

Funds in the Deposit Accounts at each Program Bank are eligible for deposit insurance by the FDIC, up to a total of \$250,000 in principal and interest per depositor in most insurable capacities when aggregated with all other deposits held in the same insurable capacity at a Bank. Pershing, LLC will deposit the available cash in your IRA in a Deposit Account at one or more of the Program Banks listed below, up to \$246,500. Your funds will be eligible for up to \$2,500,000 of total FDIC insurance coverage, subject to applicable limitations. Once \$246,500 has been deposited in each of the Program Banks, any additional funds will be deposited in an "Excess Bank" without limit and without regard to maximum available FDIC insurance coverage.

For its services under the Program, Royal Alliance Associates, Inc. ("Royal Alliance") receives a per IRA fee each month. Royal Alliance's fee is not based on the amount of assets in the Program or your IRA. Royal Alliance's compensation under the Program does not depend on or vary with, and is not affected by, the actual amounts held in the Deposit Accounts of your IRA. As provided for below, the Program sweep fee will be indexed to the current Federal Funds Target ("FFT") Rate. Increases in the FFT Rate will result in increased compensation for Royal Alliance. STC can change the applicable fee schedule upon 30 days advance notice to you. Although it is generally anticipated that Royal Alliance's fees under the Program will be offset by the amounts paid by the Program Banks, STC reserves the right to withdraw or debit the monthly fee, or a portion thereof, from your IRA in the event or to the extent that the amount received from the Program Banks and paid over to Royal Alliance by the administrator for the period is less than the applicable fee for the same period.

Royal Alliance will be paid a maximum monthly per IRA fee of \$22 for its services in connection with the Program. In a lower rate environment, Royal Alliance's fee will be reduced based on the FFT Rate, which increases the likelihood of Program customers receiving a positive interest rate. The fees paid to Royal Alliance may be reduced to as low as \$1 per IRA per month. The monthly fee increases and decreases by \$0.08 with every 1 basis point (a basis point is equivalent to 0.01%) change in the FFT. The formula that will be used to calculate Royal Alliance's fee is **\$1 + (\$0.08 x FFT), with a maximum monthly per IRA fee of \$22**. FFT rate is the rate or the range of rates as expressed in percentages most recently announced by the Federal Open Market Committee of the Federal Reserve System that is the Committee's target for the rate charged by banks on unsecured loans of the banks' reserve balances at Federal Reserve Banks. In cases where the FFT rate is a range of rates, the FFT rate will be deemed to be the midpoint of the range rounded to the nearest hundredth of a percent. Examples of how the fee is calculated using the above formula:

Example #1

Federal Funds Target range = 75-100 basis points
Midpoint of range is 87.5 basis points, round up to nearest whole number = 88 basis points
Monthly per IRA fee = \$1.00 + (\$0.08 x 88) = **\$8.04**

Example #2

Federal Funds Target range = 250-275 basis points
Midpoint of range is 262.5 basis points, round up to nearest whole number = 263 basis points
Monthly per IRA fee = \$1.00 + (\$0.08 x 263) = \$22.04
Since \$22.04 is greater than the stated maximum monthly fee of \$22; the actual fee would be **\$22**

Royal Alliance's monthly fee will not generally be seen on your IRA statement due to the manner in which the fee is recouped from the Program Banks, as discussed above. Royal Alliance may waive any portion of its fees, or its fee entirely.

Your Financial Advisor will not receive any portion of the fees paid by the Program Banks. The amount of fees received by Pershing, Royal Alliance, and any other service provider, will affect the interest rate paid on your Deposit Account(s). Upon request, Royal Alliance will provide you with information concerning the fees it receives in connection with the STC Insured Deposit Program.

CURRENT YIELD
Updated 12/16/2018

Rate*	
All STC Insured Deposit Program Funds	0.4841% <i>*Rate is net of fees</i>

CURRENT MONTHLY SWEEP FEE
Updated 12/16/2018

Monthly Per IRA Sweep Fee*
\$18.04 <i>*Sweep Fee anticipated to be paid by participating Program Banks</i>

Royal Alliance Associates, Inc. – STC Insured Deposit Program Multiple Bank Program (Effective 10/16/2018)

<u>Position/List</u>	<u>List 1</u>	<u>List 2</u>	<u>List 3</u>	<u>List 4</u>
1	American Express National Bank	S&T Bank	Citibank, N.A.	American Express National Bank
2	Mizuho Bank (USA)	Mizuho Bank (USA)	Bank of Baroda	Bank of Baroda
3	Bank of New Hampshire	First Tennessee Bank, N.A.	American Express National Bank	SunTrust Bank
4	Capital One Bank (USA), N.A.	Union Bank and Trust	The Bank of East Asia Ltd.	Morgan Stanley Private Bank, NA
5	The Bank of East Asia Ltd.	Bank of New Hampshire	Bank of New Hampshire	Progress Bank and Trust
6	Citibank, N.A.	Citibank, N.A.	Mizuho Bank (USA)	First Tennessee Bank, N.A.
7	SunTrust Bank	The Bank of East Asia Ltd.	First Tennessee Bank, N.A.	Bryn Mawr Trust Co.
8	Bank of China	First County Bank	EagleBank	Mizuho Bank (USA)
9	Cadence Bank, N.A.	Cadence Bank, N.A.	Cadence Bank, N.A.	The Bank of East Asia Ltd.
10	First County Bank	Bryn Mawr Trust Co.	Century Bank and Trust	S&T Bank
11	EagleBank	Capital One Bank (USA), N.A.	Northern Bank and Trust	Simmons Bank
12	First Tennessee Bank, N.A.	Pinnacle Bank	Bank of China	Compass Bank
13	S&T Bank	American Express National Bank	Bryn Mawr Trust Co.	First County Bank
14	Compass Bank	Simmons Bank	S&T Bank	EagleBank
15	Union Bank and Trust	Towne Bank	Pinnacle Bank	Cadence Bank, N.A.
16	Simmons Bank	Compass Bank	Simmons Bank	Citibank, N.A.
17	Pinnacle Bank	Bank of Baroda	First County Bank	Bank of New Hampshire
18	Bryn Mawr Trust Co.	Bank of China	Towne Bank	Bank of China
19	Towne Bank	Northern Bank and Trust	Compass Bank	Florida Community Bank
20	Northern Bank and Trust	EagleBank	Capital One Bank (USA), N.A.	Capital One Bank (USA), N.A.
21	Bank of Baroda	Enterprise Bank & Trust	Union Bank and Trust	Pinnacle Bank
22	Enterprise Bank & Trust	SunTrust Bank	SunTrust Bank	Northern Bank and Trust
23	Florida Community Bank	Florida Community Bank	Enterprise Bank & Trust	Enterprise Bank & Trust
24	Century Bank and Trust	Progress Bank and Trust	Florida Community Bank	Union Bank and Trust
25	Morgan Stanley Private Bank, NA	Morgan Stanley Private Bank, NA	Morgan Stanley Private Bank, NA	Towne Bank

<u>Position/List</u>	<u>Excess Bank List</u>	<u>Excess Bank List</u>	<u>Excess Bank List</u>	<u>Excess Bank List</u>
1	Citibank, N.A.	Citibank, N.A.	Citibank, N.A.	Citibank, N.A.
2	Capital One Bank (USA), N.A.	Capital One Bank (USA), N.A.	Capital One Bank (USA), N.A.	Capital One Bank (USA), N.A.

Note: A client's state of residence determines their priority list. Below is the state mapping for the eight priority lists:

<u>List 1</u>	<u>List 2</u>	<u>List 3</u>	<u>List 4</u>
AL	IL	DE	AK
AR	IN	MD	CO
IA	MI	NJ	ID
KS	OH	PA	MN
KY	WI	DC	MT
LA			ND
MS			OR
MO			SD
NE			WA
OK			WY
TN			

Royal Alliance Associates, Inc. – STC Insured Deposit Program Multiple Bank Program (Effective 10/16/2018)

<u>Position/List</u>	<u>List 5</u>	<u>List 6</u>	<u>List 7</u>	<u>List 8</u>
1	Morgan Stanley Private Bank, NA	Simmons Bank	Mizuho Bank (USA)	American Express National Bank
2	Compass Bank	First Tennessee Bank, N.A.	Cadence Bank, N.A.	Capital One Bank (USA), N.A.
3	American Express National Bank	Capital One Bank (USA), N.A.	SunTrust Bank	The Bank of East Asia Ltd.
4	First Tennessee Bank, N.A.	The Bank of East Asia Ltd.	Simmons Bank	Century Bank and Trust
5	Bank of Baroda	Bryn Mawr Trust Co.	Bank of China	Union Bank and Trust
6	Mizuho Bank (USA)	Towne Bank	EagleBank	Bryn Mawr Trust Co.
7	Enterprise Bank & Trust	EagleBank	First County Bank	First County Bank
8	The Bank of East Asia Ltd.	S&T Bank	Bryn Mawr Trust Co.	Citibank, N.A.
9	Towne Bank	American Express National Bank	The Bank of East Asia Ltd.	Bank of New Hampshire
10	Bryn Mawr Trust Co.	Bank of Baroda	Citibank, N.A.	Florida Community Bank
11	SunTrust Bank	Bank of China	Capital One Bank (USA), N.A.	SunTrust Bank
12	S&T Bank	Cadence Bank, N.A.	Compass Bank	EagleBank
13	Cadence Bank, N.A.	Florida Community Bank	Enterprise Bank & Trust	Mizuho Bank (USA)
14	Pinnacle Bank	Bank of New Hampshire	Northern Bank and Trust	First Tennessee Bank, N.A.
15	Northern Bank and Trust	First County Bank	First Tennessee Bank, N.A.	Northern Bank and Trust
16	Bank of New Hampshire	Northern Bank and Trust	Towne Bank	Bank of Baroda
17	EagleBank	Citibank, N.A.	American Express National Bank	Bank of China
18	Union Bank and Trust	Mizuho Bank (USA)	Bank of Baroda	Cadence Bank, N.A.
19	Bank of China	Compass Bank	S&T Bank	Towne Bank
20	First County Bank	SunTrust Bank	Pinnacle Bank	Pinnacle Bank
21	Simmons Bank	Enterprise Bank & Trust	Bank of New Hampshire	Compass Bank
22	Citibank, N.A.	Union Bank and Trust	Florida Community Bank	S&T Bank
23	Capital One Bank (USA), N.A.	Progress Bank and Trust	Union Bank and Trust	Enterprise Bank & Trust
24	Florida Community Bank	Morgan Stanley Private Bank, NA	Century Bank and Trust	Simmons Bank
25	Century Bank and Trust	Pinnacle Bank	Morgan Stanley Private Bank, NA	Morgan Stanley Private Bank, NA

<u>Position/List</u>	<u>Excess Bank List</u>	<u>Excess Bank List</u>	<u>Excess Bank List</u>	<u>Excess Bank List</u>
1	Citibank, N.A.	Citibank, N.A.	Citibank, N.A.	Citibank, N.A.
2	Capital One Bank (USA), N.A.	Capital One Bank (USA), N.A.	Capital One Bank (USA), N.A.	Capital One Bank (USA), N.A.

Note: A client's state of residence determines their priority list. Below is the state mapping for the eight priority lists:

<u>List 5</u>	<u>List 6</u>	<u>List 7</u>	<u>List 8</u>
CT	FL	AZ	CA
ME	GA	NV	HI
MA	NC	NM	Other (including territories, etc.)
NH	SC	TX	
NY	VA	UT	
RI	WV		
VT			