



## The following is important information regarding your account. Please retain for your records.

### **BUSINESS CONTINUITY PLAN**

Umpqua Investments Inc. maintains a Business Continuity Plan to address major interruptions to our normal course of business. These plans are reviewed annually and updated as necessary. Since the timing and impact of disasters and disruptions is unpredictable, we will have to be flexible in responding to actual events as they occur. Our plans outline the actions Umpqua Investments Inc. will take in the event of a building, city-wide, or regional incident.

**Contacting Us:** Should there be a Severe Business Disruption, and you need cash disbursements, security transfers or closing transactions on stock positions, but are unable to reach your Financial Advisor at the usual telephone number, you should contact the Portland Office at 1-800-452-1929. If you are unable to reach anyone at that phone number, but you do have Internet access, please log into our Web site at [www.umpquainvestments.com](http://www.umpquainvestments.com); we will have emergency phone numbers for your use. If you are unable to reach anyone at the Portland Office and you are unable to gain access to the Internet, please contact our clearing firm. As a client of Umpqua Investments, Inc., we recognize you may need access to your account to sell a position or request a check before we can re-establish telephone or other communication services with you. During this time, our clearing firm, First Clearing, LLC, will assist you with sell or liquidation orders and provide check disbursements, as required. If you cannot contact our firm by any means, please call First Clearing, LLC for assistance at 877-496-3223."

**Our Business Continuity Plan:** We plan to quickly recover and resume business operations after a significant business disruption and respond by safeguarding our employees and property, making a financial and operational assessment, protecting the firm's books and records, and allowing our customers to transact business. In short, our business continuity plan is designed to permit our firm to resume operations as quickly as possible, given the scope and severity of the significant business disruption.

"Our clearing firm, First Clearing, LLC, regularly backs up its important information in a geographically separate area. While every emergency situation poses unique problems based on external factors, such as time of day and the severity of the disruption, First Clearing, LLC has a thorough Business Continuation Plan in place. First Clearing has advised us that its objective is to restore its own operations in order to complete existing transactions and accept new transactions and payments in a timely manner."

**Varying Disruptions:** Significant business disruptions can vary in their scope, such as only our firm, a single building housing our firm, the business district where our firm is located, the city where we are located, or the whole region. Within each of these areas, the severity of the disruption can also vary from minimal to severe. In a disruption to only our firm or a building housing our firm, we will transfer our operations to a local site when needed and expect to recover and resume business within two hours. In a disruption affecting our business district, city or region, we will transfer our operations to a site outside of the affected area, recover and resume business in a timely manner. In either situation, we plan to continue in business and notify you through our web site, [www.umpquainvestments.com](http://www.umpquainvestments.com), or our customer emergency number, 1-800-452-1929 how to contact us. If the significant business disruption is so severe that it prevents us from remaining in business, we will assure our customer's prompt access to their funds and securities.

**For more information:** If you have questions about our business continuity planning, you can contact us at 1-800-452-1929 or at [www.umpquainvestments.com](http://www.umpquainvestments.com).

### **PRIVACY POLICY**

At Umpqua, you matter. Because of that, your privacy is important to us.

We want to be transparent about our data collection and usage. That means providing you with options to control what's collected and how it's used, while also ensuring that you have the information you need to make the choices that are right for you across our products and services.

#### **Core principles**

We are working to earn and keep your trust every day by focusing on five core principles:

- ✓ Trust: We develop trust and build mutually beneficial relationships by respecting your privacy and your choices.
- ✓ Transparency: We communicate transparently with you about our privacy practices and your rights.
- ✓ Value: We use the information you provide us to enhance and add value to your experience.
- ✓ Compliance: We comply with all applicable laws and regulations.
- ✓ Security: We protect your personal information commensurate with its degree of sensitivity.
- ✓ These principles form the foundation of Umpqua's approach to privacy and will continue to shape the way we build our products and services.

#### **What kinds of information does Umpqua collect?**

**Information we collect from you**

Umpqua collects data to be able to best serve your needs.

The personal information we collect depends on the types of financial products you are seeking. This information allows our teams to determine how to best support your financial goals. It may include your full legal name, your mailing address, your Social Security number, driver's license number, or your phone number. We will only request this information where we believe it's reasonably required for ordinary business purposes.

### **Information we collect about you**

As part of our ongoing commitment to provide you with the most complete options for your financial needs we may gather information from outside sources including from co-branded partner sites or commercially available third-party sources, such as credit reporting agencies.

In addition to the information described above, we may collect certain information about your use of our online services. For example, we may capture the IP address of the device you use to connect to the online service, the type of operating system and browser you use, and information about the site you came from, the parts of our online service you access, and the site you visit next. We or our third-party partners may also use cookies, web beacons or other technologies to collect and store other information about your visit to, or use of, our online services.

### **Information we collect online**

When you visit our website, we may track non-personally identifiable information to administer the website and analyze its usage. Examples of information we may track include, your internet protocol (IP) address, the browser or computer you're using, the pages you view on the website, the items you click within the website, the state or country from which you access the website, and the date and time of your visit, or the name of your internet service provider.

### **What information does Umpqua share?**

We may share anonymous or aggregated information with third parties to help deliver products, services, and content that is tailored to those who access our services and for other purposes.

### **Protecting your personal information**

We use reasonable physical, electronic, and procedural safeguards that comply with federal standards to protect and limit access to personal information. This includes device safeguards and secured files and buildings. Please note that information you send to us electronically may not be secure when it's transmitted to us. We recommend that you do not use unsecure channels to communicate sensitive or confidential information (such as your Social Security number) to us.

**For more information, please visit us at [www.umpquabank.com/privacy](http://www.umpquabank.com/privacy)**

### **California residents**

If you are a California resident and would like to exercise the rights granted to you under the California Consumer Privacy Act, or CCPA, please complete one of the forms below:

- ✓ If you are submitting this request for yourself, please visit <https://www.umpquabank.com/privacy/ccpa-individual/>.
- ✓ If you are submitting this request as a legal representative, please visit <https://www.umpquabank.com/privacy/ccpa-representative/>.

## **PAYMENTS TO YOUR ACCOUNT**

When making a deposit to your account, please make check payable to our clearing agent, First Clearing<sup>1</sup>. Any checks made payable to Umpqua Investments must be returned, as we do not take custody of customer funds. If you wish to receive further information about our affiliation with First Clearing, please speak with your Financial Advisor.

## **IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT**

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account.

What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

## **FINRA PUBLIC DISCLOSURE PROGRAM**

The Financial Industry Regulatory Authority (FINRA) requires that we provide the following information concerning FINRA's Public Disclosure Program:

The FINRA Regulation Public Disclosure Program hotline number is 800-289-9999. The FINRA Regulation website address is [www.finra.org](http://www.finra.org). An investor brochure that includes information describing the public disclosure program may be obtained from FINRA.

<sup>1</sup>First Clearing is a trade name used by Wells Fargo Clearing Services, LLC, Member SIPC, a registered broker-dealer and non-bank affiliate of Wells Fargo & Company.

## **COMPLAINTS**

Written complaints regarding your account may be addressed to Umpqua Investments Compliance Department, One S.W. Columbia St., Suite 300, Portland, OR 97258 or you may call 800-452-1929 and ask to speak with the Compliance Department.

## **COMPANY AFFILIATIONS**

Umpqua Investments is a subsidiary of Umpqua Holdings Corporation. Umpqua Investments is a member of FINRA and the Securities Investor Protection Corporation (SIPC).

Umpqua Investments may offer services on the premises of Umpqua Bank (the Bank). All securities, advisory investments and insurance products are offered by Umpqua Investments and its Financial Advisors and are a separate company from the Bank.

The investment, insurance and annuity products offered through Umpqua Investments are not insured bank deposits.

- The products offered are not FDIC insured.
- The products offered are not obligations of the Bank or insured by any federal government agency.
- The products offered are not endorsed, recommended, or guaranteed by the Bank.
- The products offered are not a condition to any banking service or activity.
- The value of the investment may fluctuate, the return on the investment is not guaranteed, and loss of principal is possible.

## **ACCOUNT PROTECTION**

The Securities Investor Protection Corporation (SIPC) was created in 1970 as a non-profit, non-government membership corporation, funded by member broker-dealers. SIPC provides limited coverage to investors on their brokerage accounts if their brokerage firm becomes insolvent.

All brokerage firms that sell stocks or bonds to the investing public, or that clear such transactions, i.e., introducing or clearing firms respectively, are required to be members of SIPC.

Umpqua Investments Coverage:

Umpqua Investments is a member of SIPC. SIPC protects against the loss of cash and securities - such as stocks and bonds - held by a customer at a financially-troubled SIPC-member brokerage firm. The limit of SIPC protection is \$500,000, which includes a \$250,000 limit for cash.

First Clearing Coverage:

First Clearing as (a/the) chosen clearing firm of Umpqua Investments, is a registered broker-dealer, non-bank affiliate of Wells Fargo & Company, and a leading provider of clearing and custody services to financial institutions. First Clearing is a member of SIPC.

Securities and cash in client accounts held at First Clearing have two sources of protection that are separate and distinct from the SIPC coverage of Umpqua Investments. SIPC coverage insures each client up to a maximum of \$500,000 (including up to \$250,000 for claims for cash). For more information about SIPC, please visit [sipc.org](http://sipc.org). In addition, First Clearing maintains a program of additional protection provided through Lexington Insurance Company, ("Lexington") an AIG Company. For clients who have received the full SIPC payout limit, First Clearing's policy with Lexington provides additional coverage above the SIPC limits for any missing securities and cash in client brokerage accounts up to a clearing-firm aggregate limit of \$1 billion (including up to \$1.9 million for cash per client).

SIPC and the additional protection from Lexington do not protect against losses from the failure of a security, nor do they insure the quality of investments or protect against losses from fluctuating market value. All coverage is subject to the specific policy terms and conditions. First Clearing's SIPC and additional coverages only apply in the event of First Clearing's insolvency, and do not apply in the event of Umpqua Investments' insolvency.

## **UMPQUA BANK CASH SWEEP PROGRAM DISCLOSURE STATEMENT**

### **Summary**

Please consult the full text of the disclosure statement below for further information at the pages indicated.

### **Introduction**

The Umpqua Bank Cash Sweep Program allows you to earn a return on the unvested cash balances in your account by automatically placing ("sweeping") cash balances into a sweep option until such balances are invested by you or otherwise needed to satisfy obligations arising in connection with your account.

### **Available Sweep Options**

The available sweep options currently consist of one or more money market mutual funds and one or more interest-bearing deposit accounts including the Umpqua Bank Cash Sweep Program offered through Umpqua Bank ("UB"), a bank affiliate of Umpqua Investments. Eligibility for each available sweep option is determined by account type.

### **Changes to the Sweep Program**

You will be notified if we modify the Umpqua Bank Cash Sweep Program in a way that results in changing the sweep option for your account. Unless you tell us otherwise within the time period specified in the notice, your cash balances will be moved to the new sweep option that we designate under the program.

### **Differing Risk and Account Protection**

Money market mutual funds and the Umpqua Bank Cash Sweep Program are subject to different risks and account protection:

- Money market mutual funds invest in high quality, short-term securities and seek to maintain a stable value but are subject to

market risks and potential value loss. They are not bank accounts and not subject to FDIC insurance protection. They are instead covered by SIPC, which protects against the custodial risk (and not a decline in market value) when a brokerage firm fails by replacing missing securities and cash up to a limit of \$500,000, of which \$250,000 may be cash.

- The Umpqua Bank Cash Sweep Program is not subject to market risk and value loss but is subject to the risk of the bank's failure. In the unlikely event the bank fails, deposits are eligible for FDIC insurance protection up to a limit of \$250,000 including principal and interest. This limit includes any other deposits you may have at UB outside of this program. You are responsible for monitoring your bank balances in this program and the balances in any of your other bank accounts at the same bank to determine if these, in total, exceed FDIC insurance limits. Monies held in the Umpqua Bank Cash Sweep Program are not covered by SIPC.

## Benefits to Us

Fees are charged and certain benefits may be received by us under the different sweep options. Because of these fees and benefits, we have a financial incentive to select the particular sweep options included in our program.

## Available Cash Sweep Options

Eligibility for each available Cash Sweep Option is determined by account type and can be obtained from your investment professional. Each eligible Money Market Fund offered in the Sweep Program is described in a prospectus, which should be read carefully, and may include one or more Money Market Funds that an affiliate of our clearing agent, First Clearing, ("Clearing Agent"), provides investment management or other services to. If you do not select a Cash Sweep Option when you open your account, or you select an ineligible Cash Sweep Option, your Cash Sweep Option will be, and any cash balances transferred to, the Umpqua Bank Cash Sweep Option if you are eligible (if not, your Cash Sweep Option will be [and any cash balances transferred to] an available Money Market Fund selected by us). If you wish to specify a different Cash Sweep Option, if available for your account type, you may do so at any time by contacting your financial professional. Existing balances in your prior Cash Sweep Option will be automatically transferred to the new Cash Sweep Option you select.

## How the Sweep Program Works

Available cash balances will be automatically swept into the Cash Sweep Option for your account on a periodic basis (consult your investment professional for details on the frequency of this automatic investment/deposit). Cash held in your Cash Sweep Option will be automatically redeemed in order to settle a transaction, serve as collateral for a margin loan or short sale, or satisfy any other obligations.

**Timing of Credits.** Your Cash Sweep Option will be credited: (i) in the case of available cash balances resulting from the proceeds of securities sales, on the day after the settlement date of the securities sale; and (ii) in the case of available cash balances resulting from non-trade-related credits (i.e., the receipt of dividends, interest payments, or deposits), on the business day after receipt by us of the non-trade-related credit (unless there is a trade-related debit item pending in your account due to settle in one business day, in which case only that amount exceeding the trade-related debit will be credited to your Cash Sweep Option). Available cash balances will not earn a rate of return until invested or deposited into your Cash Sweep Option.

**Timing of Debits.** Your Cash Sweep Option is automatically debited to satisfy obligations arising in connection with your brokerage account, including administrative and other fees, and charges in connection with a margin account. Cash Sweep Option balances will also be debited as necessary in connection with certain account activity and services, including securities transactions, preauthorized electronic transfers, automated payments, checks, or debits from using the linked credit cards.

Your brokerage account will be scanned automatically for debit items each day. Debt balances will be satisfied automatically from: (i) available cash balances; (ii) funds in any Money Market Fund no longer serving as your Cash Sweep Option; (iii) through the withdrawal of funds from your Cash Sweep Option; and (iv), where applicable, from margin loans.

**Access to Funds.** You may only access the balances held in your Cash Sweep Option through your brokerage account. You cannot withdraw funds by contacting UB or the Money Market Funds directly. As is required, by federal banking regulations, UB reserves the right to require seven days prior notice before permitting a transfer out of the Umpqua Bank Cash Sweep Program. UB has no intention of exercising this right at the present time. In addition, the Money Market Funds may reserve the right to require one or more day's prior notice before permitting withdrawals. Please review the prospectus for the Money Market Fund for further information.

**Statement and Confirmations.** Your account statement will indicate your balance, detail transactions, and reflect interest or dividends relating to your Cash Sweep Option. These account statements are provided in lieu of separate confirmations of sweep transactions.

**Interest/Dividends Payable.** Interest on cash in the Umpqua Bank Cash Sweep Program is accrued daily, compounded monthly and credited to your account on the last business day of each monthly statement period. Dividends on the shares in the Money Market Funds will not be payable in cash but will be reinvested each month in additional shares of the applicable Money Market Fund at the current net asset value. Dividends are not guaranteed and are subject to change or elimination.

## Rate of Return

The rate of interest paid on the Umpqua Bank Cash Sweep Program will be established periodically by UB, based upon prevailing business and economic conditions. The rate may vary by account type and/or tiered based upon account value.

UB does not have a duty to provide the highest rates prudently available and may instead seek to pay as low a rate as possible consistent with its view of competitive necessities. Lower rates may be more beneficial to us, UB and its affiliates, and their respective personnel. There is no necessary linkage between bank rates of interest and the highest rates available in the market, including any

money market mutual funds rates. By comparison, a Money Market Fund generally seeks to achieve the highest rate of return (less fees and expenses) consistent with the fund's investment objective, which can be found in the fund's prospectus. (Money Market rates may, however, be impacted by the fees imposed by the particular class of shares selected by us for the Sweep Program.) As a result, the current rate of return on each Cash Sweep Option will vary over time and there is no guarantee that the return on any particular Cash Sweep Option will remain higher than the others over any given period. *The Cash Sweep Option should not be viewed as a long-term investment option. If you desire, as part of an investment strategy or otherwise, to maintain cash balances for other than a short period of time and/or are seeking the highest yields currently available in the market for your cash balances, please contact your financial professional to discuss investment options that may be available outside of the Umpqua Bank Cash Sweep Program to help maximize your return potential consistent with your investment objectives and risk tolerance.*

*Please note, however, that available cash accumulating in your account will not be automatically swept into any investment you purchase outside of the Sweep Program.*

### **Your Responsibility to Monitor Your Cash Sweep Option**

As returns on the Cash Sweep Options, your personal financial circumstances and other factors change, it may be in your financial interest to change your Cash Sweep Option (if another option is available for your account type) or invest cash in other investment vehicles outside of the Sweep Program consistent with your investment objectives and risk tolerance. We do not have any duty to monitor the Cash Sweep Option for your account or make recommendation about, or changes to, the Sweep Program that might be beneficial to you.

### **Benefits to Our Firm and Others**

Umpqua Investments and in all instances Clearing Agent and its affiliates receive fees and benefits for services provided in connection with the Umpqua Bank Cash Sweep Program, and we may choose to make available the Cash Sweep Vehicles that are more profitable to us than other money market mutual funds or bank deposit accounts. A portion of these fees may be paid to your financial professional. We and the Program Banks benefit financially from cash balances held in the Umpqua Bank Cash Sweep Program as well. As with other depository institutions, the profitability of the Program Bank is determined in large part by the difference or "spread" between the interest they pay on deposit accounts, such as the Umpqua Bank Cash Sweep Program, and the interest or other income they earn on loans, investments and other assets. As noted above, the Program Banks may pay rates of interest on the Umpqua Bank Cash Sweep Program that are lower than prevailing market interest rates. The participation of the Umpqua Bank in the Umpqua Bank Cash Sweep Program is expected to increase their respective deposits and, accordingly, overall profits. We may receive fees and compensation from the Program Bank based on the average monthly deposit balances in the Umpqua Bank Cash Sweep Program. This compensation is subject to change and we may waive all or any part of this fee at any time without notice. In addition, certain of our employees, including financial professionals, may receive incentive compensation based in part on new assets in the Umpqua Bank Cash Sweep Program or the profitability of the Umpqua Bank Cash Sweep Program. We shall also receive a benefit by retaining any interest earned (generally at the Federal Funds rate) on cash balances awaiting disbursement or prior to such balances being swept into your Cash Sweep Vehicle. As a result of the fees and benefits described above, the Umpqua Bank Cash Sweep Program may be significantly more profitable to us, as well as Clearing Agent and its affiliates, than other available Cash Sweep Vehicles, if any.

### **SIPC Insurance**

The Securities Investor Protection Corporation (SIPC) protects customers of its members against the custodial risk to clients of securities brokerage firms in the event such firms become insolvent. Unlike FDIC insurance, SIPC does not insure against the failure of a security, the quality of investments, or declines in the value of investments. Instead, SIPC protects each client's securities (which include Money Market Funds) and cash held in a client's brokerage account at an insolvent brokerage firm by replacing missing securities and cash of up to \$500,000 per client, including \$250,000 for claims for cash. The Clearing Agent provides additional insurance coverage through Lexington Insurance Company ("Lexington"), an AIG Company. For clients who have received the full SIPC payout limit, the Clearing Agent's policy with Lexington provides additional coverage above the SIPC limits for any missing securities and cash in client brokerage accounts up to a Clearing Firm aggregate limit of \$1 billion (including up to \$1.9 million for cash per client). This account protection package does not cover losses resulting from declines in the market value of our investments. For more information on SIPC coverage, please see the explanatory brochure at [www.sipc.org](http://www.sipc.org) or call 202-371-8300. For more information about Lexington, please visit [lexingtoninsurance.com](http://lexingtoninsurance.com). Since monies in the Umpqua Bank Cash Sweep Program are held at banks, they are NOT covered by SIPC or Lexington. They are instead covered by FDIC insurance. Please see the section entitled *FDIC Insurance Coverage* below.

## **Additional Information Regarding the Umpqua Bank Cash Sweep Program**

### **Introduction**

The Umpqua Bank Cash Sweep Program consists of an interest-bearing deposit account at UB, a depository institution regulated by the Federal Deposit Insurance Corporation ("FDIC") under various federal banking laws and regulations. If the Umpqua Bank Cash Sweep Program is your Cash Sweep Option, available cash balances in your account are automatically deposited into the Umpqua Bank Cash Sweep Program.

### **Deposits**

Periodically, the uninvested cash balances in your brokerage account will be deposited at one or more bank deposit accounts maintained at UB. No evidence of ownership, such as a passbook or certificate, will be issued to you and deposits in the Umpqua Bank Cash Sweep Program may be made in the name of Clearing Agent (or its agents) for the benefit of our clients. However, your brokerage account statement will reflect all deposits, withdrawals, UB deposit balance(s) and applicable interest rate. Cash intended for deposit into the Umpqua Bank Cash Sweep Program must be deposited through your brokerage account and cannot be placed directly by you into UB. Only balances transferred by the Clearing Agent will be eligible for inclusion in the

Umpqua Bank Cash Sweep Program and deposits by you into UB, outside of the Umpqua Bank Cash Sweep Program, may adversely affect the FDIC coverage of your funds.

### **Withdrawals**

Monies on deposit at UB will be automatically withdrawn from the bank deposit accounts in the event of a debit in your account or, on settlement date, to pay for securities purchased for or sold to your brokerage account. Debits may also be created by writing a check on your brokerage account, making payments via online bill payment service, withdrawing funds through your debit card, or to pay other liabilities owed to us. Checks, ACH payments, debit cards, ATM withdrawals, direct deposits, credits and other transactions and items for your brokerage account are processed through that account rather than through the bank deposit accounts. The Clearing Agent will debit and credit your bank deposits to accommodate this processing.

### **FDIC Insurance Coverage**

Balances on deposit in the Umpqua Bank Cash Sweep Program, together with any other of your deposits at UB, are eligible for federal deposit insurance up to \$250,000 including principal and interest in accordance with rules of the Federal Deposit Insurance Corporation ("FDIC"). If you have other deposits at UB outside of the Sweep Program, you must aggregate all such deposits with your Umpqua Bank Cash Sweep Program balance for purposes of determining FDIC coverage. If your total funds on deposit at UB exceed the applicable FDIC insurance limit, the FDIC will not insure your funds in excess of the limit. Different ownership categories of accounts are separately insured. Please see the *Deposit Insurance – General Information* section below for further information.

Please note that you are responsible for monitoring the total amount of your deposits at UB in order to determine the extent of FDIC insurance coverage available. If you expect to have total deposits at UB, including balances through the Sweep Program, that exceed FDIC insurance coverage limits, you should carefully consider whether you should arrange for other investment option for amounts in excess of such coverage in order to reduce your investment risk.

In the event that federal deposit insurance payments become necessary, payments of principal plus unpaid and accrued interest will be made to you by the FDIC. However, there is no specific time period during which the FDIC must make insurance payments available. Furthermore, you may be required to provide certain documentation to the FDIC before insurance payments are made.

If you have additional questions about FDIC insurance, please contact your investment professional. You may wish to seek advice from your own attorney concerning FDIC insurance coverage of deposits held in more than one capacity. You may also obtain publicly available information by contacting the FDIC, Office of Consumer Affairs, by letter (550 17th Street, N.W., Washington, D.C. 20429), by phone (877-275-3342 or 800-925-4618 (TDD)), or by accessing the FDIC website at [www.fdic.gov](http://www.fdic.gov).

### **Differences between the Umpqua Bank Cash Sweep Program and Money Market Funds**

The Money Market Funds available as Cash Sweep Options are registered with the SEC pursuant to the Investment Company Act of 1940. The Umpqua Bank Cash Sweep Program consists of an interest-bearing deposit account at UB, which is regulated by the Federal Deposit Insurance Corporation ("FDIC"). Deposits in the Umpqua Bank Cash Sweep Program are eligible for FDIC insurance as described above. The Money Market Funds purchase high quality, short-term securities in seeking to maintain their net asset value of one dollar per share. There is no guarantee that this net asset value per share will always be maintained, and you may lose money by investing in Money Market Funds. Funds invested in the Money Market Fund are not guaranteed or insured by the FDIC or any other government agency and are not deposits of a bank or bank affiliate, including UB.

### **Changes to Sweep Banks**

We may from time to time make changes in the Sweep Program that include making available deposit accounts at banks other than UB. In such instances, you will be notified in advance of the change if it affects your account. If UB no longer makes the Umpqua Bank Cash Sweep Program available, you will be provided the opportunity to establish a direct depository relationship with UB, subject to their policies and procedures. If you do not wish to establish a direct relationship with UB, your funds will be transferred to another available sweep bank. The consequences of maintaining a direct depository relationship with UB are discussed below under Relationship with UB. We may notify you of any of these changes by means of a letter, an entry on your brokerage account statement, an entry on a trade confirmation or by other means.

### **Information about Umpqua Bank**

Umpqua Bank is an affiliate of Umpqua Investments, Inc. Umpqua Bank is regulated by the Federal Deposit Insurance Corporation ("FDIC") under various federal banking laws and regulations. Additional information regarding Umpqua Bank is available at [www.umpquabank.com](http://www.umpquabank.com).

Deposits in the Umpqua Bank Cash Sweep Program held at Umpqua Bank are obligations of Umpqua Bank only and are not obligations of, or guaranteed by, us. Neither we nor the Clearing Agent guarantees in any way the financial condition of Umpqua Bank nor are they responsible for any insured or uninsured portion of any deposits with Umpqua Bank.

### **Deposits Insurance – General Information**

#### **General Information.**

The Umpqua Bank Cash Sweep Program is insured by the FDIC, an independent agency of the U.S. government. Deposits (including principal and interest) at Umpqua Bank are eligible for federal deposit insurance up to \$250,000 in accordance with the rules of the FDIC. Your funds become eligible for deposit insurance immediately upon placement in the Umpqua Bank Cash Sweep Program. Any deposits that you maintain directly with UB, or through an intermediary (such as us or another broker), will be aggregated with your Umpqua Bank Cash Sweep Program at UB for the purposes of FDIC insurance coverage limits.

In the unlikely event that federal deposit insurance payments become necessary, payment of principal plus unpaid and accrued



interest will be made to you. There is no specific time period during which the FDIC must make insurance payments available. 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.

The application of FDIC insurance coverage limits is illustrated by several common factual situation discussed below.

**Single Accounts.** Accounts owned by one person, and titled in that person's name only, are added together and the total insured up to \$250,000. This account category does not include joint accounts, certain trusts, and individual retirement accounts, which are protected in a separate category and discussed below.

**Custodial Accounts.** Funds in accounts held by custodian (for example, under the Uniform Gifts to Minors Act or the Uniform Transfers to Minors Act) are not treated as owned by the custodian, but are added to other deposits of the minor and insured up to \$250,000 in the aggregate.

**Joint Accounts.** For accounts owned by two or more people, each person's share is insured up to \$250,000 separately in addition to the \$250,000 allowed on other deposits owned individually. For example, a joint account owned by two persons would be eligible for insurance coverage of up to \$500,000 (\$250,000 for each person), subject to aggregation with each owner's interest in other joint accounts in the same depository institution.

**Revocable Trust Accounts.** Generally, deposits held in accounts where the owner evidences an intent that at his or her death the funds belong to one or more individuals (frequently referred to as a "Totten trust" account, "payable upon death" account or other type of revocable trust account) will be aggregated with other funds of the owner held in an individual capacity at WBNS and insured up to a maximum of \$250,000. However, revocable trust accounts will be insured as to each named beneficiary, separately from another account of the owner or the beneficiary. However, a revocable trust account established by a husband and wife that names the husband and wife as sole beneficiaries will be treated as a joint account, and will be aggregated with other joint accounts subject to the rules described above under "Joint Accounts".

**Irrevocable Trust Accounts.** Deposits in an account established pursuant to one or more irrevocable trust agreements created by the same person will be insured for up to \$250,000 for the interest of each beneficiary, provided that the beneficiary's interest in the account is non-contingent (i.e., capable of determination without evaluation of contingencies). The deposit insurance of each beneficiary's interest is separate from the coverage provided for other accounts maintained by the beneficiary, the grantor, the trustee of other beneficiaries. A beneficiary's interest in funds held in irrevocable trust accounts created by the same person will be aggregated and insured up to \$250,000.

**Individual Retirement Accounts.** Deposits held in self-directed retirement account, including traditional, Roth, SEP and SIMPLE IRAs, are insured up to \$250,000 in the aggregate.

## **ADDITIONAL DISCLOSURES**

### **Electronic purchase or sale requests**

Please do not use e-mail to request, authorize or effect the purchase or sale of any security. Unfortunately, we cannot execute such instructions provided in e-mail.

### **Fund transfer instructions sent via email require executed authorized documentation**

Umpqua Investments will only accept fund transfer instructions sent via e-mail that attach or include properly executed authorized fund transfer documentation. For further information, please contact your financial advisor.

### **We retain copies of messages and monitor them**

Umpqua Investments reserves the right, to the extent permitted by applicable law, to monitor electronic communications and store such messages in a manner and at a location within Umpqua Investments' discretion.

### **Electronic messages are not intended as an official communication**

Unless otherwise agreed, an electronic message is not intended as an official document or confirmation, and we do not accept responsibility for, or guarantee it to be, accurate, timely, secure, error or virus-free. The information in such communications is provided purely as an informational courtesy. In the event of a conflict between this communication and official communications (i.e. statements, confirmations, etc.), the official communication controls.

### **Information may not be secure when transmitted over the Internet**

Umpqua Investments makes no representation or warranty that electronic messages will be confidential. Electronic messages may be intercepted or accessed by unauthorized or unintended parties, may not arrive at the intended destination, or may not arrive in the form transmitted. Umpqua Investments has the ability to make information available through secure electronic transmissions. Please contact the sender if you wish to receive secure transmissions.

### **Electronic messages may be delayed, and information in electronic messages may be not be up to date and may not be updated**

Electronic message communications cannot be guaranteed to be timely, secure or error free. Information provided speaks only as of its date. We have not undertaken, and will not undertake any duty to update the information or otherwise advise you of changes in our opinion or in the research or information we make available to you.

**This message is not intended to serve as an offer or solicitation**

This message is not an offer (or solicitation of an offer) to buy or sell the securities or instruments that may be mentioned.

**Third Party Data**

The data contained in a communication may be obtained from a variety of sources and may be subject to change. Umpqua Investments and its affiliates disclaim any and all liability for the information, including without limitation, any express or implied representations or warranties for information or errors contained in, or omissions from, the information. Umpqua Investments and its affiliates, employees and officers shall not be liable for any loss or liability suffered by you resulting from the provision to you of the information or your use or reliance in any way on the information.

**U.S. Treasury Circular 230 Tax Notice**

Umpqua Investments does not render advice on tax and tax accounting matters to clients. This communication was not intended or written to be used, and it cannot be used by any taxpayer, for the purpose of avoiding penalties that may be imposed on the taxpayer under U.S. federal income tax laws. Investors should consult their own legal, tax investment or other advisors, at both the onset of any transaction and on an ongoing basis to determine the laws and analyses applicable to their specific circumstances.

**Spam**

Please contact the sender if you would prefer not to receive further electronic communications.

**Use of Historic Performance Data Risk Disclosure**

Unless stated otherwise, any performance data quoted represents past performance. Past performance is not indicative of future returns. No representation or warranty is made that any returns indicated will be achieved. Certain assumptions may have been made in this analysis which have resulted in any returns detailed herein. Transaction costs (such as commissions) are not included in the calculation of returns. Changes to the assumptions may have a material impact on any returns detailed. Potential investors should be aware that certain legal, accounting and tax restrictions, margin requirements, commissions and other transaction costs and changes to the assumptions set forth herein may significantly affect the economic consequences of the transactions discussed herein.

**Options Risk Disclosure**

Options are not for everyone. Before engaging in the purchasing or writing of options, investors should understand the nature and extent of their rights and obligations and be aware of the risks involved, including the risks pertaining to the business and financial condition of the issuer and the underlying stock. A secondary market may not exist for these securities. For customers of Umpqua Investments who are purchasing or writing exchange-traded options, your attention is called to the publication "Characteristics and Risks of Standardized Options". That publication, which you should have read and understood prior to investing in options, can be viewed on the Web at the following address: <http://www.optionsclearing.com/publications/risks/riskchap1.jsp>.

Clients engaging in the execution structure known as Spreading should understand that Spreading may also entail substantial commissions, because it involves at least twice the number of contracts as a long or short position and because spreads are almost invariably closed out prior to expiration. Potential investors should be advised that the tax treatment applicable to spread transactions should be carefully reviewed prior to entering into any transaction. Also, it should be pointed out that while the investor who engages in spread transactions may be reducing risk, he is also reducing his profit potential. The risk/ reward ratio, hence, is an important consideration. The risk of exercise in a spread position is the same as that in a short position. Certain investors may be able to anticipate exercise and execute a "rollover" transaction. However, should exercise occur, it would clearly mark the end of the spread position and thereby change the risk/reward ratio. Due to early assignments of the short side of the spread, what appears to be a limited risk spread may have more risk than initially perceived. An investor with a spread position in index options that is assigned an exercise is at risk for any adverse movement in the current level between the time the settlement value is determined on the date when the exercise notice is filed with OCC and the time when such investor sells or exercises the long leg of the spread. Other multiple-option strategies involving cash settled options, including combinations and straddles, present similar risk.

**ETFs Risk Disclosures and other Important Information**

We remind investors that these investments are subject to market risk and will fluctuate in value. Investors may obtain prospectuses for the funds described in this report from the ETF distributor. The distributor for the iShare ETFs is SEI Investments Distribution Co. The distributor for Diamonds, Mid Cap SPDRS, SPDRS, Nasdaq 100 Index, and Select Sector SPDRS is Alps Mutual Fund Services.

Investors should consider an ETF's investment objective, risks, charges, and expenses carefully before investing. **The prospectus, which contains this and other important information, is available from your Financial Advisor and should be read carefully before investing.**

Diversification does not ensure a profit and may not protect against loss in declining markets. Investors should refer to the individual ETF prospectus for a more detailed discussion of the specific risks and considerations for an individual ETF.

**USA PATRIOT Act Notice**

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT OR ESTABLISHING A NEW CUSTOMER RELATIONSHIP



To help the government fight the funding of terrorism and money laundering activities, Federal law requires all U.S. financial institutions to obtain, verify, and record information that identifies each individual or institution that opens an account or establishes a customer relationship with Umpqua Investments.

What this means: If you enter into a new customer relationship with Umpqua Investments, the Firm will ask for your name, address, date of birth (as applicable) and other identification information. This information will be used to verify your identity. As appropriate, the Firm may, in its discretion, ask for additional documentation or information. If all required documentation or information is not provided, Umpqua Investments may be unable to open an account or establish a relationship with you.

### Margin Disclosure Statement

Umpqua Investments is furnishing this document to provide some basic facts about purchasing securities on margin and to alert you to the risks involved with trading securities in a margin account. Before trading stocks in a margin account, you should carefully review this document and the margin agreement that we provided to you. In the event of a conflict between this document and any other agreements you may have with Umpqua Investments, the other agreements will govern. If you have any questions or concerns, please contact your Financial Advisor.

When you purchase securities, you may pay for the securities in full or you may borrow part of the purchase price from us. If you choose to borrow funds from us, you will open a margin account with us. The securities purchased are our collateral for the loan to you. If the securities in your account decline in value, so does the value of the collateral supporting your loan, and, as a result, we can take action, such as issue a margin call and/or sell securities or other assets in any of your accounts held with us, in order to maintain the required equity in the account.

It is important that you understand fully the risks involved in trading securities on margin, which include but are not limited to the following:

- **You can lose more funds than you deposit in the margin account.** A decline in the value of securities purchased on margin may require you to provide additional funds to Umpqua Investments to avoid the forced sale of those or other securities or assets in your Account
- **We can force the sale of securities or other assets in your Accounts.** If the equity in your account falls below the NYSE margin maintenance requirements or the Umpqua Investments higher "house" requirements, we can sell the securities or other assets in any of your Accounts held at Umpqua Investments to cover the margin deficiency. You also will be responsible for any shortfall in the account after such a sale.
- **We can sell your securities or other assets without contacting you.** Some investors mistakenly believe that their brokerage firm must contact them for a margin call to be valid and that their firm cannot liquidate securities or other assets in their accounts to meet the call unless the firm has contacted them first. This is not the case. Although, we may attempt to notify you of margin calls, we are not required to do so. Furthermore, even if we contacted you and provided a specific date by which to meet a margin call, we can still take the steps necessary to protect our financial interests, including selling the securities immediately without notice to you.
- **You are not entitled to choose which securities or other assets in your Account are to be liquidated or sold to meet a margin call.** Because the securities are collateral for the margin loan, we have the right to decide which security to sell in order to protect their interests.
- **We can increase our "house" margin maintenance requirements at any time and are not required to provide you advance written notice.** These changes in policy often take effect immediately and may result in the issuance of a margin maintenance call. Your failure to satisfy the call may require us to liquidate or sell securities in your Accounts.
- **You are not entitled to an extension of time on a margin call.** While an extension of time to meet margin requirements may be available to you under certain conditions, you do not have a right to the extension.
- **We may rehypothecate the securities in your account.** We may borrow money to lend to you or other margin clients and pledge your securities as collateral for such loans. You authorize us to lend any security in the margin credit portion of your Account, together with all attendant rights of ownership, either separately or together with the assets of other margin clients, to us or to others without notice to you. In connection with such loans, and securities loans made to you to facilitate short sales, we are authorized to receive and retain certain benefits, including interest on your collateral posted for such loans, to which you may not be entitled. In addition, we may receive compensation in connection with such loans. In some circumstances, such loans may limit your ability to exercise voting rights of the securities lent, either in whole or in part.

The Jobs and Growth Tax Relief Reconciliation Act of 2003 (the "Act") reduced the maximum U.S. federal income tax rate on qualifying dividends to 15%. However, receipt of payment in lieu of dividends (i.e., substitute dividends) will not be eligible for the reduced 15% tax rate. Since assets held in margin accounts held with us are generally subject to rehypothecation, substitute (rather than actual) dividends may be received by margin account customers. Under the Act, such dividends will not qualify for the lower rates on dividends.

### Legal Disclaimer

Depending on your specific investment objectives and financial position, the investments discussed or recommended in this Web site or through electronic messages may or may not be suitable for you. It is up to you to weigh any decision carefully. Past performance is not necessarily a guide to future performance and is no guarantee of future results. Income from investments may fluctuate. The price or value of any investment identified directly or indirectly in this Web site may fall or rise against your interests and the interests of other investors.

Opinions, where and when expressed, are subject to change without notice. Information was obtained from sources considered reliable, but no representation is made as to its accuracy.

**Asset Allocation Disclosure**

Asset allocation and diversification do not guarantee a profit or protect against a loss.

**Gain/(Loss) Information**

Gain/(Loss) is provided for informational purposes only. It is not a substitute for Internal Revenue Service (IRS) Form 1099 (on which we report cost basis for covered securities) or any other IRS tax form. It is not intended to be, nor should be used for tax preparation. Unrealized Gain/(Loss) values provided on this statement are estimates. Contact your own independent legal or tax advisor to determine the appropriate use of the gain/(loss) information provided on this statement. Gain/(Loss) information is calculated based upon general methodologies used for calculating Gain/(loss). The calculations do not account for each individual client's particular circumstances. We may not adjust basis for all events that you are required to take into account for tax reporting purposes and you may need to make additional adjustments to properly complete your tax returns. With respect to estimated gains and losses for listed equity options, we have taken into account option premiums paid or received. With respect to multiple purchases and/or sales, Gain/(Loss) is calculated using an average price for all like positions. Unrealized and Realized Gain/(Loss) calculations may change due to adjustments to cost basis occurring after the date of this statement. We are not responsible for the accuracy of any gain and loss calculations based upon information provided by you or another financial institution. You are responsible for ensuring the accuracy of such information. We report the sale of securities on a First-in First-out (FIFO) basis unless a client notifies us of the specific securities to be sold. Clients wishing to use specific identification when selling securities must provide that information to us at the time of the sale. Gain/(Loss) information provided on this statement.

**Pricing of Securities**

The prices of securities displayed are derived from various sources, and do not necessarily represent the prices at which those securities could have been bought or sold. Although we attempt to use reliable sources of information, we can offer no assurance as to their accuracy. For exchange traded securities, or those trading continually in an active marketplace, the price reflects the closing price as of the last business day of your statement period; and generally bid prices for securities that are neither exchange traded nor trading continually in an active marketplace. The prices of securities not actively traded may not be available, and are indicated by N/A (not available). The markets for some fixed income and preferred securities may not be liquid, and prices may be approximations or estimates. For these and for securities that trade less frequently, we rely on outside pricing services and / or computerized pricing models, which cannot always give us actual market values. Prices may be based on: recent transactions or bids, if available; independent quotation services that use computerized valuation formulae to calculate prices based on institutional quantities; or estimates. As a result, yields to call and/or maturity may be estimates as well. Prices for non-institutional quantities of some fixed income securities are likely to be different than institutional prices. Some annuity values provided by outside sponsors are estimates. The amounts on this statement for limited partnerships are typically obtained from a third party or from the general partners unless we have obtained other such as an independent appraisal. Since many partnership valuations are provided only annually, they do not always represent current values. Furthermore some securities, such as limited partnerships and non-traded REITs are illiquid and have no public markets, so the amounts shown on this statement may not equal the amounts you would receive if you sold or tendered your investment. The value of mutual fund shares is determined by multiplying the net asset value (NAV) by the number of shares or units held, as reported to us by the correspondent custodian. If we cannot obtain a price or estimate, N/A appears. Speak to your Financial Advisor to obtain current information concerning the prices of positions on your statements.



# UMPQUA Investments

## Standard Brokerage Account / Service Fee Schedule

Advantage Account Products	
Advantage Basic (check writing)	Free
Advantage Standard <sub>1</sub> (includes debit card, enhanced statement)	\$125
Check Orders – Individual	
Wallet (initial/reorder)	Free/\$9
Duplicate (initial/reorder)	\$20/\$20
Debit Cards	
Additional Card	\$10
Fastcard Fee (overnight)	\$20
Miscellaneous special services	
Check Copies	3 free per month \$15 for each additional
Check Research	\$5 per check
Insufficient Funds	\$20
Stop payment	\$0-\$50

Annual Client Fees	Annually
Retail Accounts <sub>2</sub>	\$65
UGMA/UTMA Accounts <sub>2</sub>	\$45
IRA Custodial Fee <sub>3</sub>	\$50

Transaction Fees, Commissions or Mark-up/Mark-down Charges	
Stock, ETFs, UITs, Options, etc.	0-5% of principal invested
Mark-up/Mark-down in principal transactions, including but not limited to, municipal and corporate bonds.	0-5% of principal invested
Mutual Fund Fees	
No-load, fees for purchases and redemptions.	\$25
Load, fees for redemptions.	\$15
Postage & Handling	\$4.98
<b>Online Trading</b>	<b>\$15.00</b>

1 - Annual account charge begins at the end of the first year of service.

2- Automatic Fee waiver for the following

- Household assets of \$500,000 or greater
- Accounts holding open-ended mutual fund of \$100,000 or greater
- Six billable trades annually (July 1 to June 30)

3- Automatic Fee waiver for the following

- Household assets of \$500,000 or greater
- Accounts holding open-ended mutual fund of \$100,000 or greater

Other Fees	
Overnight express mail	\$15.00
Pre-pay margin fees – trades	Greater of \$15 or Margin Interest per position
Outside Investments	\$100, max. of \$600 per account, annually
Safekeeping in customer name	\$150.00 per position, annually
Past Statement Reprint Fee	<b>\$25 per year + .10 per page</b>

Wired Funds	
Incoming	Free
Outgoing – domestic	\$15
Outgoing – international	\$15

Transfer Fee	
Foreign securities (order out)	\$250.00 per security
Physical certificate issuance	\$500
Rush withdrawal registration	\$500
Rejection of ineligible physical certificates presented for deposit	\$50
Replacement of securities lost by customer	\$100 + 3 <sup>rd</sup> party fees
ACAT (transfer out) Fee	\$95

Margin Rate Tiers	
\$0.01 - \$99,999	Prime + 4.50%
\$100,000 – \$249,999	Prime + 3.25%
\$250,000 - \$499,999	Prime + 3.125%
\$500,000 - \$999,999	Prime + 2.75%
\$1,000,000 – \$1,999,999	Prime + 2.25%
\$2,000,000 – \$4,999,999	Prime + 2.00%
\$5,000,000 – \$9,999,999	Prime + 1.75%
\$10,000,000 +	Prime + 1.50%

Make checks payable as follows;

John Doe  
123 Main St.  
Anytown, USA

Date\_MM/DD/YY\_\_

Pay to the  
Order of First Clearing Corporation 600.00

Six Hundred Dollars Dollars

Memo Account Number Signature John Doe