

## **2020 IMPORTANT TAX REPORTING INFORMATION**

This letter contains important tax information specific to your City National Rochdale Fund(s). Please consult your tax advisor and refer to this letter when preparing your 2020 tax return. We believe we have provided the detail necessary to complete your 2020 tax returns. However, if you require further information, please call our Investor Services Representatives toll free at 1-888-889-0799.

### **Qualified Dividend Income**

Qualified dividend income (“QDI”) is taxed at the lower long-term capital gain rates. The mutual fund may pass through any QDI it receives from stocks in the fund’s portfolio. QDI is reported to you on Form 1099-DIV, Box 1b. The QDI amount in Box 1b will only apply to you if you have held the fund for more than 60 days during the 121-day period beginning 60 days before the fund’s ex-dividend date of the distribution. To assist you in determining whether you have met this holding period requirement, the ex-dividend dates for our equity funds are listed in the chart below.

Please keep in mind that due to the beneficial tax rate changes affecting both qualifying dividends and capital gains, you will need to complete the Qualified Dividends and Capital Gain Tax Worksheet in the Instructions for Form 1040 to compute your taxes.

City National Rochdale Fund	Dates for Ordinary Income (OI) and Short Term Capital Gain Distribution (ST)
Dividend and Income Fund	(OI) March 25, June 25, September 25, December 23
Fixed Income Opportunities Fund	(OI) March 25, June 25, September 25, December 23
U.S. Core Equity Fund	(OI) March 25, June 25, September 25, December 23

Note: The reduced tax rate on dividends does not apply to bond, tax exempt or money market investments.

### **Foreign Tax Credit and Foreign Source Income**

The Short Term Emerging Markets Debt Fund qualified for and elected to pass through foreign tax credits to its shareholders. Accordingly, you are entitled to claim a foreign tax credit or take an itemized deduction on your federal income tax return for your share of the taxes indicated in Box 7 of your 2020 Form 1099-DIV. Refer to IRS Publication 514, Foreign Tax Credit for Individuals, for additional information.

To be eligible to claim a foreign tax credit, you must have held your shares for more than 15 days within a 31-day period. The 31-day period begins 15 days before the shares’ ex-dividend date. If you are unable to use the foreign tax credit, you still may be able to claim the amount as an itemized deduction.

Note: Each investor’s tax situations are unique to their specific circumstances; therefore, City National Rochdale Fund representatives are not able to provide specific tax strategies or advice. Investors should contact their tax professional for clarification regarding such inquiries.

## **Important State Tax Information**

**United States Government Interest:** Please check with your state or local tax office, or your tax advisor to determine whether your state allows you to exclude some or all of the income you earn from mutual funds that invest in direct U.S. government obligations. If so, multiply the income percentage listed in the chart below by the amount in Box 1a of your Form 1099-DIV to determine the amount of exempt interest.

<b>City National Rochdale Fund</b>	<b>U.S. Government Interest</b>
Government Money Market Fund <sup>1</sup>	70.04%
Government Bond Fund	66.85%
Corporate Bond Fund <sup>1</sup>	0.00%
California Tax Exempt Bond Fund <sup>1</sup>	0.00%
Municipal High Income Fund <sup>1</sup>	0.00%
Intermediate Fixed Income Fund <sup>1</sup>	3.01%
Fixed Income Opportunities Fund <sup>1</sup>	0.00%
Dividend & Income Fund <sup>1</sup>	0.00%
U.S. Core Equity Fund <sup>1</sup>	0.00%
Short Term Emerging Markets Debt Fund <sup>1</sup>	0.00%
Strategic Credit Fund <sup>1</sup>	0.00%

<sup>1</sup>Due to certain statutory limitations, shareholders of these funds that are residents of California, Connecticut or New York are not permitted to exclude the portion of ordinary income that represents direct U.S. Government obligations from their state income taxes. Please consult your tax advisor if you have any questions with this.

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## 2020 Important Tax-Exempt Fund Information

### Federal Tax Treatment

Federal tax law allows dividends from mutual funds that invest in municipal obligations to be considered tax exempt income. Any income distribution that qualifies as a tax exempt interest is reported on your Form 1099-DIV, Box 11. You must report this amount on your 2020 Form 1040. The amount reported in box 12 of Form 1099-DIV must be used in preparing Form 6251 to determine if you are subject to Alternative Minimum Tax. Any income distribution that is taxable income is reported on your Form 1099-DIV, Box 1a. This amount must be reported on Form 1040.

### State and Local Tax Treatment

Some of the Federal tax exempt dividends may also be exempt from state and local taxes, depending upon where you file your return. Listed below is the tax exempt percentage of income by state. As state and local tax regulations vary from state to state, not all permit such exclusion. For example, Illinois does not allow a taxpayer to exempt interest paid on Illinois state and local government obligations if the obligations are held by a shareholder in a mutual fund. For more information, please consult your tax advisor. If the tax law of your state provides for the exemption, multiply the amount in Box 11 of Form 1099-DIV by the appropriate percentage below. This amount can be excluded and the remaining balance should be reported on your state tax return.

State	California Tax Exempt Bond Fund	Municipal High Income Fund*
Alabama	0.00%	1.70%
Alaska	0.00%	0.70%
Arizona	0.00%	1.06%
Arkansas	0.00%	0.43%
California	97.77%	8.06%
Colorado	0.21%	9.38%
Connecticut	0.00%	0.81%
Delaware	0.00%	0.15%
District of Columbia	0.00%	0.74%
Florida	0.39%	10.70%
Georgia	0.01%	1.48%
Hawaii	0.00%	0.00%
Idaho	0.00%	0.00%
Illinois	0.53%	9.89%
Indiana	0.00%	1.36%
Iowa	0.00%	0.54%
Kansas	0.00%	1.07%
Kentucky	0.00%	1.39%
Louisiana	0.00%	1.06%
Maine	0.00%	0.06%
Maryland	0.00%	1.51%
Massachusetts	0.00%	0.68%
Michigan	0.00%	1.44%
Minnesota	0.00%	0.89%
Mississippi	0.00%	0.00%
Missouri	0.00%	2.61%
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<b>Alternative Minimum Tax</b>	8.80%	8.62%

State	California Tax Exempt Bond Fund	Municipal High Income Fund*
Montana	0.00%	0.00%
Nebraska	0.00%	0.58%
Nevada	0.00%	0.86%
New Hampshire	0.00%	0.18%
New Jersey	0.00%	2.17%
New Mexico	0.00%	0.44%
New York	0.00%	5.48%
North Carolina	0.00%	0.27%
North Dakota	0.00%	0.66%
Ohio	0.00%	4.84%
Oklahoma	0.00%	0.61%
Oregon	0.00%	0.44%
Pennsylvania	0.00%	3.62%
Rhode Island	0.00%	0.40%
South Carolina	0.00%	0.97%
South Dakota	0.00%	0.00%
Tennessee	0.00%	0.48%
Texas	0.13%	7.61%
Utah	0.00%	0.06%
Vermont	0.00%	0.07%
Virginia	0.00%	1.17%
Washington	0.00%	0.92%
West Virginia	0.00%	0.07%
Wisconsin	0.00%	4.94%
Wyoming	0.00%	0.00%
US Territories & Other	0.96%	5.45%

\*For California and Minnesota residents, all of the income distribution by the fund is subject to state income tax.

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