

CHARLES FISH INVESTMENTS, INC.

A Brentview Company | Investment Management Services for Municipal Bond Assets

The Case for Tax-Smart Investing in California

Why CFI Outperforms CDs, Money Markets & Treasuries for California Residents

CFI's California municipal bonds are exempt from federal tax, California state tax, and the 3.8% ACA surcharge — delivering 3.82% net to the client. CDs and money markets lose 54.1 cents of every dollar earned. Even Treasuries lose 40.8 cents. The table shows what each investment actually puts in your pocket.

| | | | |
|-----------------------------------------|--------------------------------------|----------------------------------|-----------------------------------------------|
| \$8,000,000 Investment Amount | 4.32% Yield to Worst (YTW) | 0.50% Annual Mgmt. Fee | 54.1% Fed 37% + CA 13.3% + ACA 3.8% |
|-----------------------------------------|--------------------------------------|----------------------------------|-----------------------------------------------|

After-Tax Income Comparison | \$8,000,000 Investment | California Resident | Top Tax Bracket

| Investment | Gross Rate | Gross Income | Taxes Paid | After-Tax Income | After-Tax Yield |
|-----------------------------------------------------------------------------------------|------------|--------------|-------------------------|------------------|----------------------------|
| CFI California Muni Bonds Net of 0.50% fee Federal + CA + ACA exempt | 3.82% | \$305,600 | \$0 IRC §103 + §1411 | \$305,600 | 3.82% |
| Best 1-Year CD Fed 37% + CA 13.3% + ACA 3.8% = 54.1% | 4.20% | \$336,000 | (\$181,776) | \$154,224 | 1.93% |
| Money Market Account Fed 37% + CA 13.3% + ACA 3.8% = 54.1% | 4.01% | \$320,800 | (\$173,553) | \$147,247 | 1.84% |
| 1-Year U.S. Treasury Bill Fed 37% + ACA 3.8% = 40.8% (CA state-exempt) | 3.70% | \$296,000 | (\$120,768) | \$175,232 | 2.19% |
| CFI Annual After-Tax Advantage vs. Best Taxable Alternative (1-Yr Treasury Bill) | | | | | +\$130,368 per year |

What Would a Taxable Investment Need to Yield to Match CFI?

8.32%

gross yield required from a CD, money market, or Treasury to match CFI's 3.82% net after-tax return for a California resident at the top bracket.

Despite the 0.50% management fee, CFI delivers more after-tax income than any currently available CD, money market, or U.S. Treasury — every year, on every dollar invested.

Rates as of April 2026. CD rate sourced from Bankrate.com. Money market rate sourced from Crane Data. 1-Year T-Bill yield sourced from U.S. Treasury (April 15, 2026). Past performance is not a guarantee of future results. This material is for informational purposes only and does not constitute investment advice.