

# 7 Reasons to use TBIL over Cash Sweep and Money Market Funds

June 28th, 2024 | Insights

## 1. Cash Holding Limitations

Unlike cash, TBIL is an ETF investment available for strategic deployment in client accounts. It is not a cash holding and is not subject to limitations on cash positions.

## 2. Ease and Simplicity

Like any ETF, TBIL can be purchased and sold with ease. That means in most cases TBIL can be converted to cash almost immediately when needed.

#### 3. Monthly Interest Distributions

Investors receive a distribution each month based on the current yield of the 3-Month Bill with the option to reinvest automatically.

## 4. Tax Advantage

TBIL Dividends are exempt from state and local income taxes.

#### 5. Safety and Security

TBIL holds only one security – the US Treasury 3-Month Bill – backed by the full faith and credit of the US Treasury. No leverage. No illiquid holdings.

#### 6. Cost

The average MMF cost approximately 30 bps with some funds as high as 50 bps. TBIL is only 15 bps.

## 7. New SEC Money Fund rules Could Impact Liquidity

Money market fund reforms recently adopted by the SEC will require certain money funds to impose liquidity fees when daily net redemptions exceed 5 percent of the fund's net assets unless the fund's liquidity costs are de minimis. This potential liquidity hindrance in times of financial stress does not apply to TBIL.

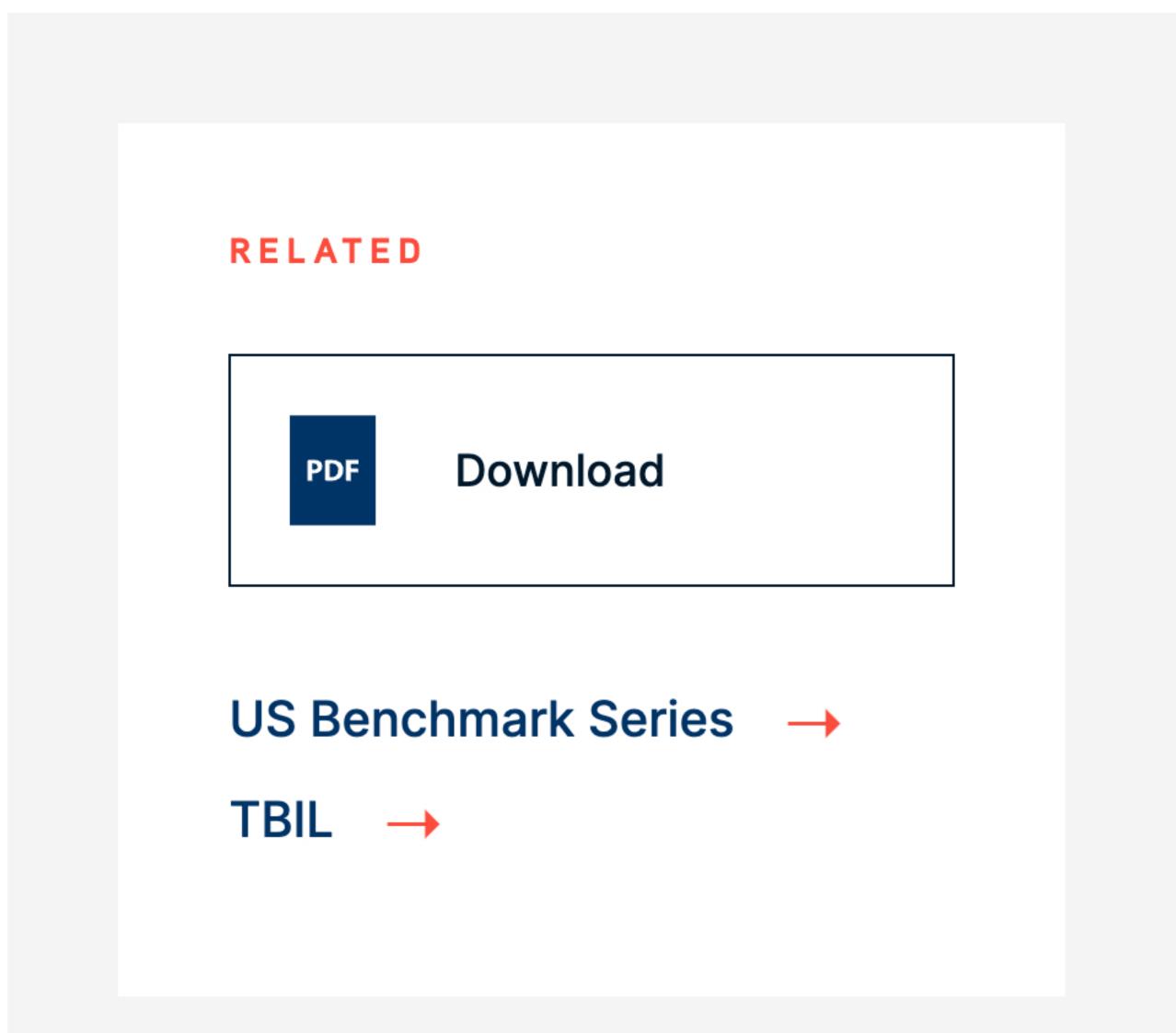
Many money market funds are FDIC insured and can have less chance of volatility. ETFs could be subject to brokerage or trading fees when bought and sold.

## About TBIL

TBIL is part of the innovative <u>US Benchmark Series</u> from F/m Investments. The series of single-bond ETFs seek to add yield, liquidity, and tax efficiency to your portfolio with far less complexity than buying and rolling individual US Treasury securities.

# Learn more at <a href="https://www.ustreasuryetf.com/etf/tbil/">https://www.ustreasuryetf.com/etf/tbil/</a>

F/m Investments and its employees are not in the business of providing tax or legal advice to taxpayers. These materials and any tax-related statements are not intended or written to be used, and cannot be used or relied upon, by any such taxpayer for the purpose of avoiding tax penalties or complying with any applicable tax laws or regulations. Tax-related statements, if any, may have been written in connection with the "promotion or marketing" of the transaction(s) or matter(s) addressed by these materials, to the extent allowed by applicable law. Any such taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.





ETFs

F/m Opportunistic Income ETF
US Credit Series ETFs
US Benchmarks Series ETFs

Funds

Large Cap Focused Funds

Fixed Income Fund

Short Duration Bond Fund

Short Duration High Yield Credit Fund

Menu Who We Are Contact

© 2024 F/m Investments, LLC

# Disclosures

The information contained in this post is general in nature and for informational purposes only. It should not be considered as investment advice or as a recommendation of any particular strategy or investment product. This post is not a solicitation or an offer to buy or sell any specific security. We cannot guarantee the accuracy of information from third parties.

BPS – Basis points, otherwise known as bps are a unit of measure used in finance to describe the percentage change in the value or rate of a financial instrument

Coupon – A coupon payment refers to the annual interest paid on a bond. Coupons are expressed as a percentage of the face value and are paid from the issue date until maturity.

ICE BofA US Corporate Index tracks the performance of US dollar denominated investment grade rated corporate debt publicly issued in the US domestic market. To qualify for inclusion in the index, securities must have an investment grade rating (based on an average of Moody's, S&P, and Fitch) and an investment grade rating (based on an average of Moody's, S&P, and Fitch) and an investment grade rating (based on an average of Moody's, S&P, and Fitch) and an investment grade rating (based on an average of Moody's, S&P, and Fitch) and an investment grade rating (based on an average of Moody's, S&P, and Fitch) and an investment grade rated country of risk (based on an average of Moody's, S&P, and Fitch) and an investment grade rated country of risk (based on an average of Moody's, S&P, and Fitch) and an investment grade rated country of risk (based on an average of Moody's, S&P, and Fitch) and an investment grade rated country of risk (based on an average of Moody's, S&P, and Fitch) and an investment grade rated country of risk (based on an average of Moody's, S&P, and Fitch) and an investment grade rated country of risk (based on an average of Moody's, S&P, and Fitch) and an investment grade rated country of risk (based on an average of Moody's, S&P, and Fitch) and an investment grade rated country of risk (based on an average of Moody's, S&P, and Fitch) and an investment grade rated country of risk (based on an average of Moody's, S&P, and Fitch) and a second grade rated country of risk (based on an average of Moody's, S&P, and Fitch) and a second grade rated country of risk (based on an average of Moody's, S&P, and Fitch) and a second grade rated country of risk (based on an average of Moody's, S&P, and Fitch) and a second grade rated country of risk (based on an average of Moody's, S&P, and Fitch) are grade rated grade rate

ICE 2-Year US Target Maturity Corporate Index is a subset of the ICE BofA US Corporate Index comprised of selected securities with a remaining term maturity of roughly two years. In order to qualify for selection, securities must be TRACE eligible with at least \$300 million face amount outstanding and have at least 1.5 years but less than 2.5 years remaining years to maturity. Of the qualifying securities, one is selected per issuer based on the priority of (1) rank, (2) amount outstanding and (3) time since issue. For the rank, senior bonds are selected first, followed by senior secured and finally all subordinated debt.

# Fund Risks

Investors should consider the investment objectives, risks, charges and expenses carefully before investing. For a prospectus or summary prospectus with this and other information about the Fund, please call 1-800-617-0004. Read the prospectus or summary prospectus carefully before investing.

As with all ETFs, Shares may be bought and sold in the secondary market at market prices. Interest rate risk is the risk of losses attributable to changes in interest rates. In general, if prevailing interest rates rise, the values of debt instruments tend to fall, and if interest rates fall, the values of debt instruments tend to rise.

changes in the outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally.

Fixed-Income Market Risk. The market value of a fixed income security may decline due to general market conditions,

Interest Rate Risk. Interest rate risk is the risk of losses attributable to changes in interest rates. In general, if prevailing interest rates rise, the values of debt instruments tend to rise.

Income Risk. The Fund's income may decline if interest rates fall. This decline in income can occur because the Fund may subsequently invest in lower yielding bonds as bonds in its portfolio mature, are near maturity or are

called, bonds in the Underlying Index are substituted, or the Fund otherwise needs to purchase additional bonds.

New Fund Risk. The Fund's is a newly organized, management investment company with no operating history. In addition, there can be no assurance that the Fund's will grow to, or maintain, an economically viable size, in which

case the Board of Directors (the "Board") of The RBB Fund, Inc. (the "Company") may determine to liquidate the Fund.

costs to the Fund, including brokerage commissions, dealer mark-ups and other transaction costs, which could reduce the Fund's return.

High Portfolio Turnover Risk. In seeking to track the Underlying Index, the Fund's portfolio securities may result in increased transaction

Liquidity Risk. Certain securities held may be difficult (or impossible) to sell at the time and at the price the Adviser would like. New Fund Risk. The funds are newly organized, management investment company with no operating history.

Duration is a measure of the sensitivity of the price of a bond or other debt instrument to a change in interest rates.

Investments involve risk. Principal loss is possible.

Distributed by Quasar Distributors, LLC