Schwab Personal Choice Retirement Account® (PCRA)

Fact Sheet

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Own your tomorrow™

Schwab Personal Choice Retirement Account is a self-directed brokerage account (SDBA) designed to complement your retirement plan core investments. Schwab PCRA gives you greater access to thousands of additional investment choices.

Who should choose to invest through a Schwab PCRA?

Schwab PCRA is for *knowledgeable* investors who understand the risks associated with many of the investment choices available through a Schwab PCRA and who are committed to staying invested for the long-term. Schwab PCRA is designed for individuals who seek more flexibility, increased diversification and a greater role in managing their retirement savings.

How does a Schwab PCRA differ from a typical brokerage account?

Schwab PCRA is different from a typical retail brokerage account because it is part of your workplace retirement plan and therefore regulated by ERISA guidelines. Since your assets are part of a retirement plan, your investments are tax-deferred. You are able to fund your Schwab PCRA only through transfers from your workplace retirement plan core investments.

You may be able to direct future contributions into this account and execute withdrawals. Check with your workplace retirement plan service provider for details. If you have any other accounts with Schwab, such as an Individual Retirement Account (IRA), you cannot transfer assets between such accounts and Schwab PCRA. All restrictions imposed through your workplace retirement plan apply to the money transferred to your Schwab PCRA.

What investments are available through a Schwab PCRA?

Through your Schwab PCRA, you may access more than 8,500 no-load mutual funds from over 630 well-known fund families. Over 3,800 mutual funds are available with no-loads and no-transaction fees[1], including over 2,700 funds typically available only to institutional clients. Other investments may also include individual bonds and other fixed income investments, CDs, and money market funds. All ETFs, stocks and options listed on the U.S. or Canadian exchanges are **commission-free**[2] across all mobile, automated phone and web trading channels.*

* **Your particular retirement plan may have additional restrictions.**

Ineligible investments include: currencies, short sales, private placements, commodities, precious metals, real estate, futures, margin accounts, collectibles, and options (other than covered calls, protective puts and cash-secured equity puts, if permitted by your employer and approved by Schwab.)[3]

Note: Investors should carefully consider information contained in the prospectus, including investment objectives, risks, trading policies, charges and expenses. You can request a prospectus by calling Schwab's dedicated PCRA Call Center at 1-888-393-PCRA (7272). You may also request a prospectus online at schwab.com/prospectus. Please read the prospectus carefully before investing.

How do I open my Schwab PCRA?

1. Go to workplace.schwab.com.
2. Log in with your Login ID and password under **Plan Participant Login**.
3. Click on **Manage Account** tab, then on either **PCRA Account Open** or **Self Directed Brokerage**.
4. Click on **Open New PCRA,** consent to the paperless application process and click **Continue**.
5. Complete PCRA Account Application. This form is necessary in order to give you authority to place trade orders in your PCRA. Please complete all sections of the form.
6. Once you click **Submit**, you will receive your new account number instantly on the screen, and you'll be automatically re-directed to Schwab.com.
7. Once on Schwab.com, click **First Time Users** (under **LOG IN**), then click **Register** to set up your Schwab PCRA for online access. You'll need to enter your social security number, new Schwab PCRA number, date of birth and home phone number for this step.
8. Your Schwab PCRA is now ready to be funded, and you can begin researching investment opportunities. You will receive welcome materials from Schwab in a few days.

How do I transfer money into my Schwab PCRA?

Once your Schwab PCRA is established, you fund your PCRA by transferring money from your workplace retirement account core investments in a two-step process:

- Determine from which of your other core investments you want to transfer money.
- Decide on the amount to transfer. A minimum transfer amount may apply for initial and subsequent transfers.

How do I place trades and manage my Schwab PCRA?

- Place trades and manage your account through Schwab's electronic channels, such as Schwab.com, mobile applications, and automated phone services.
- For Schwab.com, log in and select your Schwab PCRA number to manage your account. Click **Research** to narrow down your choices, then **Trade** to place trade orders.
- For phone services, call 1-888-393-PCRA (7272) to speak to a dedicated PCRA Call Center representative, to access TeleBroker® touch tone service, to use Schwab by Phone™ voice recognition service or to enroll in voice ID. PCRA Registered Representatives are available Monday through Friday, 9:00 a.m. to 7:30 p.m. (ET). Outside of these hours, Schwab Investor Service Center representatives are available 24 hours a day, seven days a week.
- You can also use Schwab Stock Slices™, a service that lets you own fractional shares (slices) of any of America's leading companies in the S&P 500® for as little as $5 each, even if their shares cost more. You can purchase a single stock slice or up to 10 different stock slices at once, and you can hold slices of as many S&P 500 companies in your portfolio as you want through multiple purchases. Click on **Trade-Schwab Stock Slices** in your PCRA to get started[4].

What does it cost?

- Transaction fees and trading commissions are outlined in the *Charles Schwab Pricing Guide for Retirement Plan Accounts* provided in the welcome materials you receive from Schwab after opening your account.
- Please note that there is no charge from Schwab to open or maintain a Schwab PCRA. However, there may be an annual fee charged by Schwab Retirement Plan Services Inc.

What information is available to help me learn about and select investments?

- Powerful proprietary research tools on Schwab.com, including Schwab Equity Ratings™[5] and the *Schwab Mutual Fund OneSource Select List®*[1]. In addition, Schwab provides independent, third-party research from leading providers such as Credit Suisse, Argus Research, CFRA, Morningstar®, Reuters and MarketEdge®.
- Equity, mutual fund, exchange-traded fund and fixed income screener tools to help you choose your investments.
- Knowledgeable PCRA Call Center representatives who can help with investing information.
- Online or in-person investing workshops led by Schwab investment professionals, covering timely topics.
- Find information about PCRA at schwab.com/pcra.
- Once logged into your Schwab PCRA on Schwab.com, view the PCRA "how-to" video, as well as other helpful information contained in the **PCRA Resources** section. You can also go to schwab.com/pcrahowto to view the video.
- Over 360 Schwab branch offices nationwide to help with your other investing needs.

How do I invest the money in my Schwab PCRA?

Assets transferred from your retirement plan core account into your Schwab PCRA will be automatically allocated into the cash sweep feature[6] in your Schwab PCRA within approximately two business days. Use these assets to purchase the securities you have selected.

Can I make direct payroll contributions to my Schwab PCRA?

Your workplace retirement plan may allow you to direct future contributions directly into your Schwab PCRA. If allowed, contributions will be transferred directly into the cash sweep feature in your Schwab PCRA.

How do I transfer money from my Schwab PCRA back to the other core investments in my retirement plan?

If required, visit Schwab.com or call the PCRA Call Center to liquidate securities to make cash available for transfer. As soon as settled cash is available in the cash sweep feature in your Schwab PCRA, you may transfer the assets back to your retirement plan core investments.

What cash options are available in Schwab PCRA?	Your cash balances are swept into a multiple-bank cash feature product providing up to $500,000 FDIC insurance to your cash balance.[6] The cash feature is not intended to be a long-term investment. If you desire to maintain cash balances for other than a short-term period and/or are seeking the highest yields currently available in the market, you can use alternative cash investment options, such as Schwab purchased money market funds and Certificates of Deposit (CDs) from Schwab CD OneSource®[7]. These options are available outside of the Cash Features Program to help maximize your return potential, consistent with your investment objectives and risk tolerance. For additional information, visit schwab.com/cash after you log into your account.
Who provides my Schwab PCRA statements?	Schwab will send you a Schwab PCRA statement each month regardless of activity. You can access your Schwab PCRA statement, see your balance, and view all transactions made within the last two years by logging into your Schwab PCRA on Schwab.com. You can enroll in Schwab's Paperless Service and electronically receive your statements, trade confirms, and other regulatory materials via email by going to schwab.com/paperless.
Is there a minimum transfer required?	Your workplace retirement plan may require a minimum amount for initial and subsequent transfers into your Schwab PCRA. Please contact your employer's benefits department for more details.

[1] For participants who utilize the Personal Choice Retirement Account (PCRA), the following fees and conditions may apply: Schwab's short-term redemption fee of $49.95 will be charged on redemption of funds purchased through Schwab's Mutual Fund OneSource® service (and certain other funds with no transaction fee) and held for 90 days or less. Schwab reserves the right to exempt certain funds from this fee, including Schwab Funds®, which may charge a separate redemption fee, and funds that accommodate short-term trading.

Trades in no-load mutual funds available through Mutual Funds OneSource service (including Schwab Funds) as well as certain other funds, are available without transaction fees when placed through schwab.com or our automated phone channels. Schwab reserves the right to change the funds we make available without transaction fees and to reinstate fees on any funds. Funds are also subject to management fees and expenses.

Charles Schwab & Co., Inc., member SIPC, receives remuneration from fund companies for recordkeeping, shareholder services and other administrative services for shares purchased through its Mutual Fund OneSource service. Schwab also may receive remuneration from transaction fee fund companies for certain administrative services.

[2] The standard electronic $0 commission does not apply to large block transactions requiring special handling, restricted stock transactions, trades placed directly on a foreign exchange, transaction-fee mutual funds, futures, or fixed income investments. Options trades will be subject to the standard $.65 per-contract fee. Service charges apply for trades placed through a broker ($25). Exchange process, ADR, foreign transaction fees for trades placed on the US OTC market, and Stock Borrow fees still apply. See the Charles Schwab Pricing Guide for Retirement Plan Accounts for full fee and commission schedules.

[3] Options carry a high level of risk and are not suitable for all investors. Certain requirements must be met to trade options through Schwab. Please read the options disclosure document titled "Characteristics and Risks of Standardized Options." Call Schwab at 1-800-435-4000 for a current copy. Supporting documentation for any claims or statistical information is available upon request.

[4] Schwab Stock Slices is not intended to be investment advice or a recommendation of any stock. Investing in stocks can be volatile and involves risk including loss of principal. Investors should consider their individual circumstances prior to investing.

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[5] Schwab Equity Ratings and the general buy/hold/sell guidance are not personal recommendations for any particular investor or client and do not take into account the financial, investment or other objectives or needs of, and may not be suitable for any particular investor or client. Investors and clients should consider Schwab Equity Ratings as only a single factor in making their investment decision while taking into account the current market environment.

[6] Settled cash balances are swept to one or more Affiliated Banks after the close of business and begin earning interest on the following Business Day. Interest is compounded daily and credited on the 15th of each month (or the following Business Day if the 15th is not a Business Day). A "Business Day" is any Monday through Friday that is not a Federal Reserve Bank or New York Stock Exchange holiday. Bank Sweep for Benefit Plans deposits are held at one or more FDIC-insured banks ("Affiliated Banks") that are affiliated with Charles Schwab & Co., Inc. ("Schwab"). Investment products and services (including unswept or intra-day cash, net credit or debit balances, money market funds, and assets held in a Schwab Personal Choice Retirement Account®) are not deposits or obligations of the Affiliated Banks, are subject to investment risk, are not FDIC insured, may lose value, and are not Affiliated Bank-guaranteed.

[7] CDs from Schwab CD OneSource are issued by FDIC-insured institutions, and are subject to change and system access. Funds are FDIC-insured up to $250,000 per depositor per insured institution, based on account ownership type. Visit www.fdic.gov for details. For most CDs, there are no additional commission charges when you buy a CD through Schwab CD OneSource. However, there may be costs and market value adjustments associated with early redemption.

The Affiliated Banks, Schwab Retirement Plan Services, Inc., and Charles Schwab & Co., Inc. are separate but affiliated companies and subsidiaries of The Charles Schwab Corporation. The Affiliated Banks, Members FDIC, provide trust, custody, and deposit products and services. Schwab Retirement Plan Services, Inc. is not a fiduciary to retirement plans or participants and only provides recordkeeping and related services.

Schwab Personal Choice Retirement Account® (PCRA) is offered through Charles Schwab & Co., Inc. (Member SIPC), a registered broker-dealer which also provides other brokerage and custody services to its customers.

Brokerage Products: Not FDIC Insured ▪ No Bank Guarantee ▪ May Lose Value

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