

charles
SCHWAB

2019 Benefits Enrollment Guide



Benefits@Schwab
For Today and Tomorrow

When you enroll, you have important decisions to make
to get the greatest value from your benefits.

Own your tomorrow.

What's inside...

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2019 Highlights

▪ **Disability**

Schwab covers the entire cost of Short-Term Disability (STD). Long-Term Disability (LTD) is paid with after-tax payroll deductions, unless you waive LTD coverage. [See page 9.](#)

▪ **Company-paid Basic Life**

Schwab pays for Basic Life Insurance at one time your base salary and you'll be automatically enrolled. [See page 10.](#)

▪ **Employee-paid Supplemental Employee Life Insurance**

You can elect coverage up to seven times your base salary. [See page 10.](#)

▪ **Employee-paid Voluntary Accidental Death & Dismemberment (AD&D)**

You can elect coverage up to seven times your base salary. [See page 10.](#)

▪ **Real Appeal Weight Loss Program**

Employees and their dependents age 18+ who are on the UHC medical plan can join the Real Appeal weight loss program. [See page 2.](#)

Welcome to Benefits Enrollment

At Schwab, we're united in a shared belief that what we do improves people's lives. You put our clients first every day to help them achieve a better tomorrow. Schwab wants to do the same for you by offering Benefits@Schwab—an array of benefit programs and resources to help meet the needs of you and your family.

Everyone's needs are different and may change as your life changes. To get the total value from your benefits, it's important to get to know our programs and resources and how they work together to support and enrich your life every day.

If enrolling as a new hire or making a change as a result of a qualified life event, you have 31 days from your hire date or the date of the event in which to enroll in or change your benefits.

When you enroll, you need to make some important decisions to help you get the greatest value from your benefits.

- **Plan it.** Set aside time to review your benefits and watch a virtual benefits overview. Think about the coverage you and your family will need.
- **Own it.** Invest time to use online resources to choose each benefit wisely. Selecting the right benefits for your situation now can really add up in the long run.
- **Achieve it.** Make the most of your benefits. For example, take advantage of preventive care checkups, special programs, and resources to help you manage your health and expenses.

This guide describes your benefit plan options and actions you must take to enroll. Please review it carefully and share it with your family.

When do you need to enroll?

- You can elect or make changes once a year during Open Enrollment, unless you experience a qualifying change in status.
- You must enroll within 31 days of your first day of employment. Your benefits will take effect on the first day of the month following your date of hire.

If you miss the deadline:

You will have Basic Life insurance equal to your base salary, as well as STD & LTD coverage. You will have no medical, dental, vision, AD&D, or a Dependent Care FSA.

How to make changes during the year

- During the year you can only make changes if you experience a **qualifying change in status** (e.g., marriage, divorce, separation, birth or adoption, change in residence or workplace, gain or loss of other coverage).
- Remember, **you must make most benefit changes within 31 days of the qualifying change in status event date** or you will have to wait until the next Open Enrollment period. Open Enrollment usually takes place in the fall, and is your once-a-year chance to make changes to your benefits for the coming calendar year. For complete information, refer to the **Summary Plan Description**.

Your Enrollment Checklist

Complete this checklist, read the guide, use online tools and resources on the Schweb, and watch the virtual benefits overview to help you make decisions. Go to jumpword: **Benefits**.

- Understand how your health plan works.** Do you have the right medical, dental, and vision coverage? Learn more about the plans by reviewing the **Summary Plan Description** (SPD) on the Schweb.
- Consider your costs.** Review the costs of coverage on **page 15**.
- Consider additional life insurance, and AD&D coverage.** Do you have the right coverage to help pay bills if you pass away?
- Take advantage of the spending accounts.** Health Savings and Dependent Care Flexible Spending Accounts allow you to set aside pre-tax money to help pay for eligible health care or day care expenses, respectively.
- Access Workday to enroll by the deadline.** You have 31 days from your date of hire to enroll. Active employees who want to make changes as a result of a qualifying life event have 31 days from the event date.
- Add or review your dependents' information in Workday.**
 - **Provide or verify information:** Make sure the information is complete and accurate.
 - **Confirm Social Security numbers:** Social Security numbers are required, and names in Workday must match those on file with the Social Security Administration.
- Review your 401(k) account and other benefits.**

Add up the value: Save time and money with UHC

UHC offers special programs such as the Optum® NurseLine, enhanced care management, Healthy Pregnancy Program, and virtual visits. Knowing about these resources will help you get the greatest value from your benefits.

Meet Jessica. She works at Schwab and has two kids under age 8. Instead of going to the pediatrician every time her kids have the sniffles, stomach ache, or other minor concerns, she takes advantage of UHC's virtual visits. She can see and speak to a physician from any mobile device or computer, and the doctor can make a diagnosis and, if necessary, write prescriptions for a local pharmacy.

This program offers the convenience of virtual visits from home and a lower cost per visit (generally \$40-\$50). Visit myuhc.com to take advantage of all the special programs and resources available to you.

Health and Wellness

When you have your health, you can better enjoy life and all it has to offer. That's why Schwab offers a range of health and wellness benefits to help you be the healthiest version of yourself and manage your costs.

Health care benefits, including medical, dental, and vision coverage, help keep you and your family healthy and provide protection in the event of illness or injury.

Medical

Schwab's medical plan offers comprehensive care through UnitedHealthcare (UHC) available in all states, or Kaiser for employees located in California and Colorado. By making smart decisions about how you use your medical benefits, you can achieve better health and manage your costs.

UHC + HSA

UHC + HSA provides coverage for in-network and out-of-network care, so you can see any doctor. You will pay less out of pocket and a lower deductible when you use in-network doctors because UHC negotiates lower rates and higher discounts with these providers.

Real Appeal Weight Loss Program

Employees and their dependents age 18 and up who are enrolled in the UHC medical plan can join the Real Appeal weight loss program. This program provides tools and support to help participants lose weight, feel good, and prevent weight-related health conditions. The program includes:

- A personalized transformation coach for an entire year.
- 24/7 online support and mobile app.
- A Success Kit, which includes a digital food scale, exercise DVDs, resistance band, body weight scale, and more!

For more information, visit jumpword: [**Medical.**](#)

Kaiser + HSA

If you live in California or Colorado, you may enroll in a Kaiser medical plan. Kaiser requires you to use only their physicians, facilities, pharmacies, hospitals, and laboratories—except in an emergency. You and your covered family members each select a doctor from Kaiser’s network of physicians to be your Primary Care Physician (PCP) and coordinate your care.

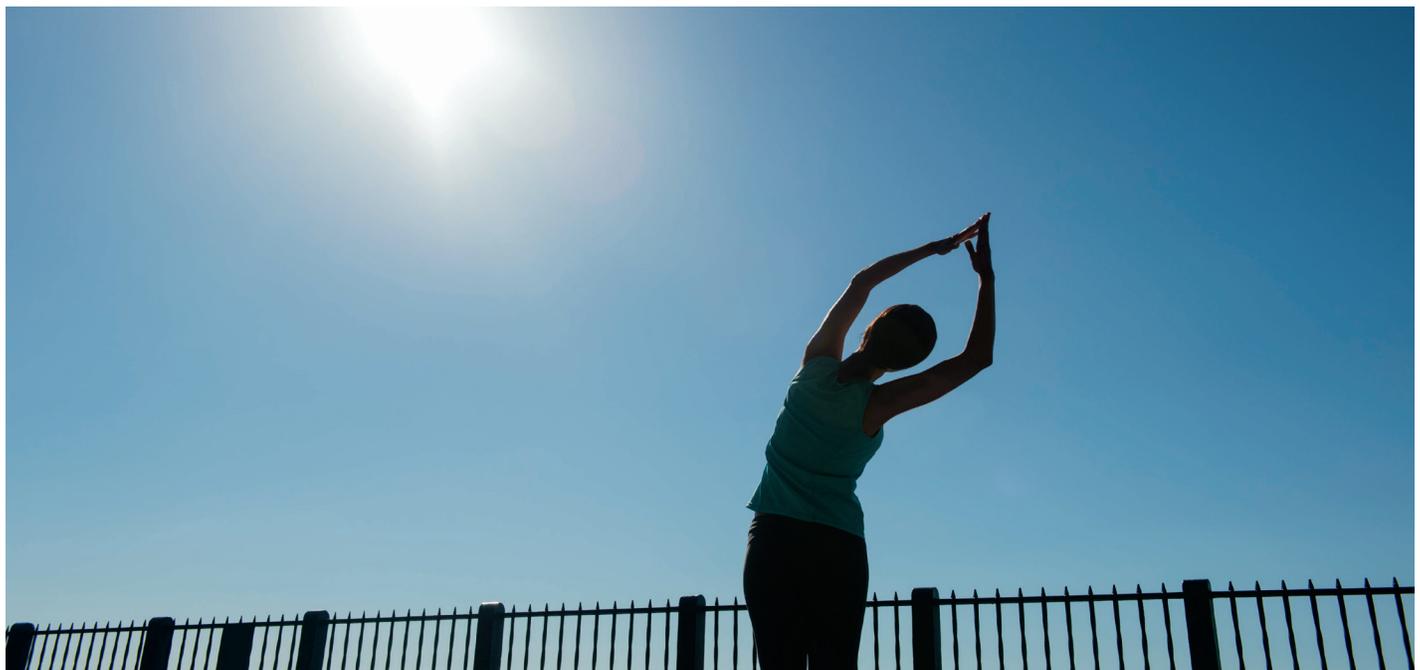
Prescriptions

When you enroll for medical coverage, you automatically receive prescription drug coverage. CVS Caremark administers the prescription drug coverage for the UHC plan and Kaiser operates its own pharmacy plan that Kaiser members must use.

With UHC, when you or your covered dependents need a prescription, you can go to any pharmacy; however, the plan provides a higher level of coverage at **in-network pharmacies** and your deductible is waived for some preventive drugs. The Preventive Drug List is available on the Schweb, jumpword: **Caremark**.

If you use an out-of-network pharmacy, you must pay the full cost of your prescription and then submit a claim for reimbursement.

Plan Features	UHC +HSA	Kaiser + HSA
	In-Network (You Pay)	(You Pay)
Prescription Drugs		
Generic and Preferred Rx	15% coinsurance, after deductible	
Non-preferred Rx	25% coinsurance, after deductible	





Medical Tools and Resources

Take control of your costs and manage your claims—know before you go—by using these tools and resources:

Myuhc.com (UHC)

- Healthcare cost estimator
- Claims manager
- Find a provider/doctor
- Virtual visits
- Access your HSA through Optum Bank, where you can:
 - Find the receipt vault
 - Check your balance
 - Pay medical bills
- Access liveandworkwell.com for behavioral health services and Employee Assistance Program (EAP)

Kp.org (Kaiser)

- E-visits
- Video visits
- Chat online with a Kaiser physician
- Access your HSA

To access an ID card, look up claims information, or find a provider, download these mobile apps:

- Health4me (UHC)
- Kp.org (Kaiser)

Medical Plans at a Glance

Plan Features	UHC + HSA	Kaiser + HSA ²
	In-Network ¹ (You Pay)	(You Pay)
Annual Deductible		
Individual/Family	\$1,350/\$2,700	
Out-of-Pocket Maximum		
Individual/Family	\$2,900/\$5,800	
Schwab Annual HSA Contribution		
Individual/Family	\$500/\$1,000 Additional \$300 contribution ³ for employees with a base salary ⁴ of \$100k or less	
Medical Coverage		
Preventive Care/ Screenings/ Immunizations	\$0	
Physician's Office and Specialty Visits	15% coinsurance, after deductible	
X-rays, Labs, Imaging, (CT/PET scan, MRI)		
Urgent Care		
Emergency Room		
Outpatient Surgery		
Inpatient Hospital		
Chiropractic Care	15% coinsurance, after deductible up to 20 visits per calendar year	\$15 per visit, after deductible, up to 20 visits per calendar year
Physical and Occupational Therapy	15% coinsurance, after deductible up to 60 combined visits per calendar year	15% coinsurance, after deductible; medically necessary limit determined by physician
Speech Therapy	15% coinsurance, after deductible; age 18 and over: 20 visits per calendar year Under age 18: 60 visits per calendar year	15% coinsurance, after deductible; medically necessary limit determined by physician
Mental Health Outpatient		
Inpatient	15% coinsurance, after deductible	
Substance Abuse Outpatient		
Inpatient		

¹ UHC non-network medical coverage information is available in the Summary of Benefits and Coverage (SBC). Jumpword: Benefits > Get Started > Plan Summaries and Notices > Summary of Benefits and Coverage (SBC)

² Kaiser + HSA is available to employees who live in CA and CO. Kaiser does not provide out-of-network coverage, except in cases of urgent care and emergency.

³ To receive the contribution, you must be enrolled in a Schwab medical + HSA plan as of Jan. 1, 2019. Proration does not apply.

⁴ Base salary as of October 1. See the [Summary Plan Description](#) for more information.

Health Savings Account (HSA)

Schwab's medical plans qualify as high-deductible health plans, giving you access to a tax-advantaged Health Savings Account (HSA). The HSA is a bank account that allows you to set aside pre-tax dollars for qualified medical expenses. Schwab also contributes funds into the account that can be used to help you pay for qualified medical expenses now or later—making the HSA another way to help you save for retirement. The money contributed to your HSA rolls over from year to year and is yours to keep, even if you leave Schwab.

HSA Advantages

The HSA has unique features that make it a powerful savings tool.

Tax advantages

An HSA offers a triple tax advantage:

1. Contributions to an HSA (from both you and Schwab) are always tax-free at the federal level and are also **tax-free in most states**¹ as well.
2. Earnings and interest on the account are **tax-free**.
3. Funds withdrawn from the HSA for qualified medical expenses are **tax-free**.

Contributions

Schwab contributes to your HSA. You can also receive contributions through participation in the Everyday Wellness program and you may elect to contribute to your HSA account on a pre-tax basis¹. Combined, these contributions in 2019 are limited to:

	Employee	Employee + 1 or More
IRS annual maximum ²	\$3,500	\$7,000
Schwab's contribution	\$500	\$1,000
Wellness Health Reward	\$300	\$300
Wellness Lifestyle Reward	\$250	\$250
Maximum you can contribute ³	\$2,450	\$5,450

You are responsible for ensuring you do not contribute more than the annual IRS maximum.

¹ HSA contributions, including contributions from Schwab, are subject to state taxes in CA and NJ. State taxes are subject to change. Consult with your tax advisor for more information.

² If you are age 55 or older, you can make a catch up contribution of \$1,000.

³ Maximum amount you can contribute will vary based on your eligibility for the Schwab additional \$300 contribution and completion of the Wellness Rewards.

Add up the value: Contribute now, save for later

Your health is your wealth. But health issues happen as you age, and they can be expensive, especially in retirement. A couple retiring this year can expect to spend \$226,000 on health care expenses while in retirement, according to the Employee Benefit Research Institute.

Meet Joe. He's worked for Schwab for 20 years, and he would like to find a way to save more money for retirement. So Joe takes a closer look at the HSA and decides to increase his contribution this year. That way, he'll be better prepared to handle the high cost of health care when he no longer works. With the combined savings of his HSA and his 401(k), Joe hopes to be better positioned for retirement.

You can view and change your HSA contribution for your regular salary and bonus in Workday.



Invest Your HSA Account

You can invest your account balance in a select group of investment funds once you have \$2,000 in your account. Any money earned on your investments grows tax free.

Using Your HSA Is Easy

Here are the basics on using your HSA. For more information and to view a recorded video about HSA Basics, go to jumpword: [HSA](#).

- 1. Set up an account with Optum Bank or Kaiser.** You will need to set up an HSA if you want to receive Schwab's contribution and elect how much you want to contribute on a pre-tax basis through payroll contributions.
- 2. Pay your out-of-pocket medical expenses.** You choose how and when you use the money in your HSA. You can pay for current medical expenses OR save your HSA funds for later. You can also pay out-of-pocket medical expenses right away with your HSA debit card, pay your bills online, or reimburse yourself for qualified medical expenses.

You can also factor in your current and expected future tax rates. If you're worried that you might be in a high tax bracket even in retirement, it could be helpful to build up tax-advantaged savings just for qualified medical expenses, including those you incur today. You can save receipts now and request reimbursement after you retire. These features can make the HSA a unique part of your retirement strategy.

Everyday Wellness

When employees are at their best, so is Schwab—because happier, healthier employees can serve clients better. That's why we support employee wellness and provide opportunities to earn rewards for participation in Everyday Wellness. Through Everyday Wellness you can earn up to \$550 in Wellness Rewards to help you fund your HSA. If you do not have an HSA, the rewards will be issued as a taxable cash payment. For additional details, visit jumpword: [Wellness](#).

Schwab is committed to helping you achieve your best health. Rewards for participating in a wellness program are available to all employees. If you think you might be unable to meet a standard for a reward under the wellness program, you might qualify for an opportunity to earn the same reward by different means. Contact HealthCheck360° at 1-866-511-0360 to discuss alternatives.

Dental

Your teeth and gums play an important role in your health. Research shows a connection between periodontal diseases and other health conditions—making routine dental checkups that much more important.

Core Dental

Administered by Cigna, this option allows you to see the dentist of your choice and provides up to \$1,500/person in annual benefits. You must meet an annual deductible before the plan pays a percentage of covered charges.

Dental Plus

Also administered by Cigna, this option provides up to \$2,500/person in annual benefits, with an annual deductible. As with Core Dental, you see the dentist of your choice; however, with Dental Plus, the plan pays a higher percentage of covered charges. You also have orthodontia coverage for covered dependent children and adults.

Aetna Dental Maintenance Organization (DMO)

In many areas, you may enroll in the DMO. You select a DMO PrimaryCare Dentist who coordinates all your dental care. When you use your DMO dentist, you pay based on a schedule of services, and there is no coverage for care provided by a non-DMO dentist.

Add up the value: An ounce of prevention...

You know the old saying: an ounce of prevention is worth a pound of cure. It's true. Preventive benefits under your medical, dental, and vision coverage can help you stay healthy—and help you catch issues before they become big and expensive.

Meet Lori. She's worked for Schwab for 15 years, and she gets regular check-ups. Preventive care is free, and she wants to maintain her good health by finding small issues before they become bigger and more expensive. During her recent dental checkup, her dentist noticed that one of her crowns was cracked. She hadn't felt any pain, but she's glad her dentist found the issue now. Lori decides to replace it to avoid greater health problems and larger expenses later, like a root canal. For more information about Schwab's Dental Plans, go to jumpword: **Dental**.

Dental Plans			
Plan Features	CIGNA CORE DENTAL In-Network ¹ (You Pay)	CIGNA DENTAL PLUS In-Network ¹ (You Pay)	AETNA DENTAL DMO (You Pay)
Annual Deductible	\$25/per person	\$25/per person	N/A
Annual Maximum Benefit	\$1,500/per person	\$2,500/per person	N/A
Preventive Services (e.g., oral exams, cleanings, X-rays) covered two times per year	\$0	\$0	\$0, some copayments apply ²
Basic Services (e.g., fillings, root canals, oral surgery)	20% after deductible	0% after deductible	\$0 after scheduled copayments ²
Major Services (e.g., crowns, bridges, dentures, implants)	50% after deductible	40% after deductible	\$0 after scheduled copayments ² , implants not covered
Orthodontia	Not covered	40% up to a \$2,000 benefit maximum	\$2,400 copay ³

¹ Refer to **2019 Dental Plans at a Glance** for coverage for out-of-network providers and additional plan details including how Cigna calculates the Maximum Reimbursable Charge (MRC).

² Refer to Aetna Dental Benefits for specific copayments.

³ Does not apply to work in progress and not covered by dental plan prior to enrollment.



Vision

Schwab offers vision coverage for you and your covered dependents. If you prefer, you can use a non-VSP provider, but the plan provides greater benefits at VSP providers. For additional details, visit jumpword: [Vision](#).

Your Coverage with a VSP Provider		
Plan Features	Description	You Pay
Well Vision Exam	Focuses on your eyes and overall wellness	\$0
Prescription Glasses		\$20
Frame	\$150 allowance for a wide selection	\$0 Included in prescription glasses
	\$170 allowance for featured frame brands	
	20% savings on the amount over allowance	
Lenses	Single vision, lined bifocal, and lined trifocal lenses	\$0 Included in prescription glasses
	Polycarbonate lenses for dependent children	
Lens Enhancements	Standard progressive lenses	\$50
	Premium progressive lenses	\$80-\$90
	Custom progressive lenses	\$120-\$160
	Anti-reflective coating	\$30
	Average savings of 35-40% on other lens enhancements	
Contacts (instead of glasses)	\$150 allowance for contacts; copay doesn't apply	Up to \$60
	Contact lens exam (fitting and evaluation)	
	15% saving on contact lens exam—fitting and evaluation	

Financial Programs

Disability, Accidental Death and Dismemberment (AD&D), and Life Insurance provide important financial protection for you and your family if you are unable to work due to an illness, injury, or death. You work every day as a champion for our client's financial goals. We want to do the same for you by offering benefits, resources and tools to help you have a secure and strong financial future.

Disability

Loss of income due to illness or injury can cause a serious financial hardship for you and your family. Disability benefits replace a portion of your income to help you continue to pay your bills and meet your financial obligations.

Schwab pays the entire cost of Short Term Disability (STD) coverage, which provides 100% of your base salary for the first eight weeks you have a certified disability, and then 60% of base salary thereafter, up to a combined total of 180 days. Sick days, vacation, and floating holidays can be used to supplement your pay once your benefit is reduced to 60%.

Unless you waive coverage, you will automatically be enrolled in Long Term Disability (LTD) and pay the entire cost of LTD coverage through payroll deductions on an after-tax basis. LTD coverage provides 60% of your base salary after 180 days of STD.

Since you're paying for LTD coverage with after-tax dollars, any disability income you receive will be tax-free—which means more money in your pocket at a time when you really need it.

Your LTD disability benefits may be affected if you have a pre-existing condition. For more information, including the definition of base salary and duration of LTD benefits, go to jumpword:

[Disability Plans](#).

Add up the value: Protection against life's "what ifs"

If you were suddenly unable to work, would you have enough money to pay the bills? What if you pass away? Would your family be able to meet its financial obligations? Life is full of what ifs.

Meet John. He recently got married and bought a house. His responsibilities have changed, so he takes another look at his disability and insurance options. In addition to the Short-Term Disability coverage provided by Schwab, he decides to also elect Long-Term Disability (LTD) coverage, Supplemental Life Insurance, and AD&D Insurance for peace of mind.

Have you recently had a change in your family, such as getting married?

Now is a good time to review and update your **[beneficiary information](#)**.



Basic Life Insurance

Schwab pays the full cost of Basic Life coverage up to one time your base salary up to a maximum of \$1,000,000. You are automatically enrolled in this coverage.

Under IRS regulations, the value of company-paid employee life insurance amounts over \$50,000 is counted as taxable income for you and will show on your paycheck.

Supplemental Employee, Spouse/Domestic Partner, and Child Life

You can elect Employee Supplemental Life coverage up to seven times your base salary up to a maximum of \$2,000,000. As a new hire, you can elect the Guaranteed Issue (GI) amount of one time your base salary without Evidence of Insurability (EOI).

For a qualifying change in status, you can elect or increase existing Supplemental Employee Life coverage by one time your base salary without EOI, provided the election or increase does not exceed the lesser of three times base salary or \$500,000.

You may also elect coverage for your spouse/domestic partner at either one or two times your base salary up to a maximum of \$300,000. New or increased spouse/domestic partner coverage requires EOI. If you would like to elect two times your base salary for Spouse/Domestic Partner Life, you must elect at least one time your base salary for Employee Supplemental Life. Child life coverage is guaranteed and is available in coverage amounts of \$6,000, \$8,000, \$10,000, or \$15,000.

For more information about Life Insurance options, visit jumpword: [Life Insurance](#).

Accidental Death & Dismemberment (AD&D)

You can elect employee-paid AD&D coverage up to seven times your base salary up to a maximum of \$2,000,000. If you do not make an election, you will not have AD&D coverage. You will not be subject to EOI for AD&D coverage.

Take time to review your [**beneficiary information**](#) for life insurance and AD&D to ensure you have updated designations in place.

401(k) Plan

Benefits are designed as a total package, with all the pieces working together to support your total health and financial well-being. The 401(k) plan is key to helping you achieve your long-term financial goals. Consider the following questions related to your 401(k) account:

- **Are you contributing enough to receive the full company match?** If you contribute less than 5% of your total eligible compensation (including any bonus you may receive), you may want to consider increasing your contribution.
- **Are you comfortable with your investment elections?** You may want to review your investment options. Consider Schwab Retirement Planner to get personalized savings and investment advice.
- **Have you recently had changes in your family, such as getting married?** Now is a good time to update your **beneficiary information**.

Access your 401(k) account from the Schwab at jumpword: **My 401k**.

Add up the Value

When you enroll for benefits, it's a great time to consider how much you're saving in the 401(k) plan and Health Savings Account (HSA). Both allow you to save and invest on a pre-tax basis and you can change your contribution rate and your investment elections at any time during the year.

Meet Sebastian. He recently married, and he's added his wife to his benefits. He reviews his HSA and 401(k) balance on a regular basis. He is comfortable with his 401(k) contribution and investment elections, but he remembers that he needs to designate his wife as beneficiary. Since he's covering two people on his medical coverage, Sebastian decides to put more money in his HSA ... just in case. Besides, saving more in the HSA can be another good way to save toward retirement.





Tax Savings Calculator

How much can you save if you contribute to a Dependent Care FSA? The Tax Savings Calculator makes it easy to find out. Go to jumpword: [FSA](#).



Work/Life Programs

We know you and your family’s well-being is paramount. That is why we focus on providing benefits that matter most to you. It’s one way we can help you and your family navigate life’s everyday challenges.

To help you be successful at work and in life, Schwab offers a Dependent Care Flexible Spending Account (FSA), Employee Assistance Program (EAP), and MetLaw Legal Plan. You’ll find information on other benefits, such as the Employee Stock Purchase Plan (ESPP), home, auto, pet insurance, and employee discounts, on the Schwab at jumpword: [Benefits](#).

Dependent Care FSA

The FSA is a great way to save money if you have dependents who need care, because it allows you to set aside money from your paycheck before taxes. The FSA isn’t only for children. You can use it to pay for care for your elderly parent or any other dependent who is physically or mentally incapable of self-care. The adult dependent must live with you, be your tax-qualified dependent, and require care while you are at work.

With an FSA you can:

- Pay for eligible expenses, such as day care for a child, that are necessary for you and/or your spouse to work, look for work, or attend school full-time.
- Contribute up to \$5,000 per household in 2019.

Please note: Your Dependent Care FSA cannot be used for health care expenses.

Schwab contributes to your FSA account every month when you meet certain income requirements. Although you do not have to contribute to the FSA to receive the Schwab contribution, you must actively enroll each year. Visit jumpword: [FSA](#) for more information.

Hours Worked	Monthly Contribution ¹
30+ hours per week	\$100 per dependent, up to \$200
20-29 hours per week	\$50 per dependent, up to \$100

¹ To receive the contribution, you must be enrolled in the Dependent Care Flexible Spending Account and have a base salary as of October 1 equal to \$100,000 or less. See the Summary Plan Description for more information.

Employee Assistance Program

When life gets challenging and stressful, it is important to get help. Schwab offers an Employee Assistance Program (EAP) to all employees through OptumHealth. The EAP provides 24/7 confidential, professional counseling, education, and referral services at no cost to you and your family members on a number of subjects, such as:

- Relationships
- Stress management
- Job pressures
- Problems with children
- Grief and loss
- Stress, anxiety, or depression

Group Legal Plan

The Hyatt Legal Plan through MetLaw provides you with an “attorney on a retainer” who can offer legal advice over the phone, meet with you to discuss legal issues, review and prepare documents, and represent you in court.

You also have the option to add your parents and parents-in-law so they can receive certain services. Visit jumpword: **Metlaw**.

EAP Resources at your Fingertips

The EAP offers a number of online resources at liveandworkwell.com, including:

- Financial planning tools
- Legal information
- Answers to specific questions
- Links to helpful resources
- EAP In-Person or Virtual Visits:
Schedule a free in-person or virtual visit with a therapist or psychiatrist. Optum virtual visits use secure video-conferencing technology to connect you with behavioral health providers in real-time via the internet.

To find a local provider or schedule a virtual visit, log-on to liveandworkwell.com with access code 00759, then select Provider under Find a Resource. For virtual appointments, select the Virtual Visits tab.

Additional information on the EAP is available on the Schwab at jumpword: **EAP**.

Other Benefits

You can take advantage of many other benefits that are not part of the enrollment process. Additional information about these benefits is available on the Schwab by going to the jumpwords listed below.

Benefit	Description	Schwab Jumpword
Adoption Reimbursement	The adoption reimbursement program provides families with up to \$2,000 per adopted child under age 18 to help with expenses and other fees associated with adoption.	<u>Adoption</u>
Bright Horizons Family and Personal Support Services	Bright Horizons offers reliable, cost-effective back-up child, adult, and elder care; no-cost educational advice for students who are preparing for college; free parental guidance and support for children who are experiencing challenges at school and/or home; and access to a free, comprehensive database of caregivers, pet sitters, housekeepers, and more.	<u>Bright Horizons</u>
Commuter Tax Savings Program	You can save on eligible monthly parking, public transportation, and vanpool costs using pre-tax dollars by contributing to a commuter spending account.	<u>Commuter</u>
Education Reimbursement	Advance in your career with the help of the education reimbursement program. You can be reimbursed up to \$3,500 each year for approved professional training and undergraduate studies, and up to \$5,250 for approved graduate and postgraduate studies.	<u>Childers</u>
Employee Branch & Advice Services	If you need help reaching your financial goals, attend financial workshops or receive complimentary one-on-one support to help you create a financial plan and put it into action.	<u>Employee Branch</u>
Employee Discount Program	You can save on retail, apparel, flowers, travel, electronics as well as health and wellness services through LifeCare. Examples include discounts on cell phone plans, car rental services, and movie ticket packages.	<u>LifeCare</u>
Employee Stock Purchase Plan	You can own a share of the company by contributing 1% to 10% of your eligible compensation to buy Schwab common stock at a 15% discount off the fair market value on the purchase date.	<u>ESPP</u>
Group Insurance Discounts	Purchase auto, home, and pet insurance at group discount rates through Liberty Mutual and MetLife.	<u>Auto Home Pet Insurance</u>
LifeCare	You can contact LifeCare 24 hours a day for free referrals, research, information, and seminars on a wide variety of life issues, targeted to your specific needs.	<u>LifeCare</u>

Cost of Coverage

The following table provides the per-pay-period costs of coverage for 2019 benefits. You pay for many of these benefits on a pre-tax basis, which can help you manage your costs.

Plan	Employee Only		Employee + Spouse ¹		Employee + Child(ren) ¹		Family ¹	
	You Pay	Schwab Pays	You Pay	Schwab Pays	You Pay	Schwab Pays	You Pay	Schwab Pays
UHC + HSA	\$53.00	\$247.15	\$150.00	\$510.33	\$128.00	\$412.27	\$225.00	\$705.47
Kaiser + HSA Colorado	\$53.00	\$169.00	\$150.00	\$338.39	\$128.00	\$271.54	\$225.00	\$463.18
Kaiser + HSA California	\$53.00	\$209.44	\$150.00	\$427.37	\$128.00	\$344.40	\$225.00	\$588.57
CIGNA Dental Core	\$7.50	\$10.77	\$17.50	\$22.68	\$14.50	\$18.38	\$28.00	\$28.62
CIGNA Dental Plus	\$13.50	\$16.89	\$35.00	\$31.85	\$28.50	\$26.20	\$55.00	\$39.20
Aetna DMO	\$3.50	\$6.30	\$6.00	\$13.75	\$4.50	\$14.34	\$7.00	\$22.25
VSP	\$2.00	\$2.58	\$3.50	\$6.58	\$3.00	\$5.25	\$5.00	\$9.20
MetLaw								
Employee Only	You pay \$8.25							
Employee + Parents	You pay \$11.25							
Short-Term Disability	100% Schwab paid							
Long-Term Disability	You pay \$0.32 per \$100 of coverage							

¹ If you are covering your domestic partner or child(ren) of your domestic partner, rates will differ and imputed income will apply. For more information, visit the Schwab. Jumpword: **Cost of Coverage**.

Contacts

Need help? Contact **HR Direct** or any of the providers directly.

Plan	Provider	Phone Number	Website	Additional Information
401(k)	Schwab Retirement Plan Services	1-800-724-7526	workplace.schwab.com	Jumpword: My 401k
	Aetna DMO	1-877-238-6200	aetna.com	Group # 724675 Network: Aetna DMO/DNO
Dental	Cigna Dental PPO	1-800-595-1213	myCigna.com	Group # 2499720 Network: Total Cigna DPPO (includes Cigna DPPO Advantage and Cigna DPPO networks)
Dependent Care Flexible Spending Account	PayFlex	1-877-308-2772	payflex.com	
Employee Assistance Program	OptumHealth	1-866-638-5717	liveandworkwell.com	Code: 00759
Everyday Wellness	HealthCheck360°	1-866-511-0360	myhealthcheck360.com	Company code: SCHWB
Employee Stock Purchase Plan	OptumBank	1-800-791-9361	optumbank.com	UHC + HSA members
Health Savings Account	Health Payment Services	1-877-761-3399	kp.org/healthexpense	Kaiser members
Legal Plan	MetLaw	1-800-821-6400	legalplans.com	Access code: 9900211—Employee only 9900212—Employee + parents
Life and AD&D	Securian Life	1-866-293-6047	lifebenefits.com	Group # 33689
Long-Term Disability	Lincoln Financial Group	1-800-320-7585	mylincolnportal.com	
Medical	United Healthcare	1-800-842-9480	welcometouhc.com/schwab	Group # 717263
	Kaiser California	1-800-464-4000	my.kp.org/charlesschwab	
	Kaiser Colorado	1-303-338-3800		
Prescription	CVS Caremark	1-800-378-0242	caremark.com/schwab	Group # CSCRX
Short-Term Disability	Sedgwick	1-800-495-9304	claimlookup.com	Group # 60-064556-01
Vision	VSP	1-800-877-7195	vsp.com	Group # 00400800
Work/Life Services	LifeCare	1-800-873-4636	lifecare.com	Member ID: Five-digit Employee ID
Family and Personal Support Services	Bright Horizons	1-877-242-2737	careadvantage.com/schwab	User Name & Password: SchwabCares



Legal Notices

About This Enrollment Guide

This notice summarizes changes that have been made to the Charles Schwab Group Life, Accidental Death and Dismemberment, Death Benefit, Medical, Dental, and Vision Plan (the “Plan”) and the Charles Schwab Disability Plan (the “Disability Plan”), (collectively, the “Plans”). In accordance with the Employee Retirement Income Security Act of 1974 (ERISA), as amended, this notice constitutes the Summary of Material Modifications (SMM) for the Plan that is available to eligible employees and dependents. You should review this information carefully and share it with your covered dependents. Keep this information with your Summary Plan Description (SPD) for future reference. This SMM is effective January 1, 2019. This SMM describes the changes to the Plan in very general terms.

The specific terms and conditions of these plans are governed by legal plan documents, insurance contracts, and service agreements. In the event of a conflict between this SMM and the terms of those documents, contracts, and agreements, the documents, contracts, and agreements will at all times govern plan operation and payment of all plan benefits. In the event of an ambiguity in this SMM, the terms of the official plan documents will govern. Schwab reserves the right to change, amend, terminate, suspend, or withdraw the Plan, in whole or in part, at any time by action of the Employee Benefits Administrative Committee or the Board of Directors of Charles Schwab & Co., Inc. (or, to the extent authorized, by action of one or more officers).

Special Enrollment Rights

If you are declining enrollment for yourself, your dependents (including your spouse or your qualified domestic partner), or your children through age 25 because of other health insurance or group health plan coverage, you may be able to enroll in a Schwab plan if eligibility for the other coverage is lost (or if the employer stops contributing toward that other coverage). You must request enrollment within 31 days of the date the other coverage ends (or after the employer stops contributing toward the other coverage) for you, your dependents or your children through age 25.

In addition, if you have a new dependent as a result of marriage, a qualified domestic partnership, birth, adoption, legal guardianship or placement for adoption, you may be able to enroll yourself and your dependents, provided you request enrollment in your Schwab group health plan within 31 days or 60 days of the event as described below. You must request enrollment within 31 days of the marriage or addition of the qualified domestic partner or within 60 days of the birth, adoption, placement for adoption, or becoming a legal

guardian of a child. You must submit permitted election changes in Workday within 31 days or 60 days, as noted above, from the effective date of the qualifying status change or event. For more information, contact HR Direct via jumpword: **HR Direct**.

You may also enroll in a Schwab group health plan if you or your dependents lose coverage under Medicaid or the Children's Health Insurance Program, or if you or your dependents become eligible for Medicaid or the Children's Health Insurance Program. You must notify Schwab and request enrollment within 60 days of the date of you or your dependents lose coverage under Medicaid or the Children's Health Insurance Program, or you or your dependents become eligible for Medicaid or the Children's Health Insurance Program.

In the situations below, you may revoke your election for coverage under the Schwab group health plan to enroll in alternative coverage:

- If you have a change in your employment status that does not affect eligibility for Schwab group health plan coverage and you intend to enroll in another group health plan that provides minimum essential coverage as defined in Code Section 5000A(f), you may revoke your and your dependent's Schwab group health plan coverage;
- If you are eligible to enroll for coverage in a government-sponsored Exchange (e.g. the Health Insurance Marketplace) during a special or annual open enrollment period and you intend to enroll for such coverage, you may revoke your and your dependent's Schwab group health plan coverage.

Your right to make a mid-year election change requires you to notify Schwab of the event that gives you the right to make the election change. If you do not provide Schwab with timely notification of the event that gives you the right to make a change, your rights under the plans may be affected.

To make a mid-year election change, submit permitted election changes in Workday within 31 days or 60 days, as noted above, from the effective date of the qualifying status change or event. For more information, contact **HR Direct** at 1-800-725-3535.

Women's Health and Cancer Rights Act

The federal law known as the Women's Health and Cancer Rights Act of 1998 (H.R. 4238, Public Law 105-277) requires group health plans and insurance companies that provide coverage for mastectomies to provide certain mastectomy-related benefits or services to plan participants. This notice gives you a summary of your rights under the law. Under this law, a health plan participant who is receiving benefits in connection with a mastectomy, and who elects breast reconstruction in connection with the mastectomy, is entitled to coverage for the following:

- Reconstruction of the breast on which the mastectomy has been performed
- Surgery and reconstruction of the other breast to produce a symmetrical appearance
- Prostheses
- Treatment of physical complications at all stages of mastectomy, including lymphedemas.

Coverage for these benefits or services will be provided in consultation with the participant's attending physician. If you are currently receiving, or in the future receive, benefits under a group medical plan in connection with a mastectomy, you are entitled to coverage for the benefits and services described above in the event that you elect breast reconstruction. Your qualified dependents are entitled to the same coverage for those benefits or services. Coverage for the mastectomy-related services or benefits required under the Women's Health and Cancer Rights Act is subject to the same deductibles and coinsurance or copayment as other medical or surgical benefits provided under the plans.

If you have any questions regarding your medical coverage, please contact Kaiser or UHC at the number listed in the contact section.

The Newborns' and Mothers' Health Protection Act

Group health plans and health insurance issuers generally may not, under federal law, restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a cesarean section. However, federal law generally does not prohibit the mother's or newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours as applicable). In any case, plans and issuers may not, under federal law, require that a provider obtain authorization from the plan or the insurance issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

Kaiser members: Check with Kaiser since certain state laws may mandate other requirements.

Patient Protection Disclosure

The Kaiser plan generally requires the designation of a primary care provider. You have the right to designate any primary care provider who participates in the Kaiser network and who is available to accept you or your family members. Until you make this designation, one is designated for you. For information on how to select a primary care provider, and for a list of the participating primary care providers, contact the plan administrator at kp.org. For children, you may designate a pediatrician as the primary care provider.

You do not need prior authorization from Kaiser or from any other person (including a primary care provider) in order to obtain access to obstetrical or gynecological care from a health care professional in his or her network who specializes in obstetrics or gynecology. The health care professional, however, may be required to comply with certain procedures, including obtaining prior authorization for certain services, following a preapproved treatment plan, or procedures for making referrals. For a list of participating health care professionals who specialize in obstetrics or gynecology, contact the plan administrator at kp.org.

Preventive Care

The definition of preventive care is set by the government under the Patient Protection and Affordable Care Act (the “health care reform laws”) and is subject to changes. For additional information on preventive care services, see healthcare.gov. Out-of-network preventive care services are not covered under the Schwab medical plans.

ERISA

As required by ERISA, the 2018 SPD for Schwab’s employee benefit programs can be found at jumpword: **Benefits**. The SPD can help you learn more about the benefits available to you, your rights, and plan exclusions. We encourage you to read it carefully and to refer to it when you have questions about your benefits. To view the SPD, go to jumpword: **Benefits** on the Schwab, and select “Plan Summaries & Notices” from the Quick Links tab.

You can print part or all of this SMM or the SPD for your reference, and you have the right to receive a paper copy free of charge. Submit your request at jumpword: **HR Direct**, or call 1-800-725-3535.

The 2019 SPD will be posted in 2019.

