

*charles*  
SCHWAB

A retirement plan  
that works for you

**And your employees**



*Own your tomorrow.*

It's about responsibility—to your employees and to the success of your business. Your employees want a retirement plan that makes it simple to save for the future. You want a plan that will put your employees on a path toward financial freedom.



That's why your choice of independent retirement plan providers is critical. You can get an ideal combination of expertise and support from an independent recordkeeper, an independent advisor, and Schwab.

This combination lets you provide many of the same benefits most Fortune 500 companies offer, but with products and services customized to fit your business needs.

# Why independent providers?

## Independent retirement plan providers can focus on you

Independent recordkeepers and advisors can devote themselves to serving your best interest and through Schwab can offer you both proprietary and non-proprietary products to meet a wide range of needs. By working together, providers can offer a full suite of services to employers and employees while focusing on their specific expertise. It's a collaboration with one basic goal: helping people with retirement.

## Flexibility to design the plan you need

You have access to a wide array of investments that give you genuine flexibility and choice. Schwab's commitment to open architecture means that you and your retirement plan providers can build a plan around the investments that make the most sense for your employees.

## Effective collaboration

With your independent retirement plan providers, you can get focused administration and recordkeeping of your plan. This ongoing relationship works to achieve the right balance between efficient plan administration and a positive participant experience for your employees.

## True transparency

We take an active role in fee disclosure. You see exactly what you're paying for. All fees are reported clearly to you. As a covered service provider to your plan, Schwab will provide comprehensive reports that detail all plan-generated shareholder servicing fee payment amounts that are itemized by fund.

## Fiduciary support

For plans where you have certain fiduciary duties under the Employee Retirement Income Security Act (ERISA), your independent retirement plan providers can help you make important plan-related decisions and work on staying compliant with applicable regulations. And if you require trustee services, Charles Schwab Trust Bank can serve as a directed trustee for your plan.

## Employee education and guidance

When your employees know they're making progress on their retirement savings, they can stay focused on business. With support from your independent retirement plan providers, you can give your employees industry insight, educational programs, and technology tools that help them make informed decisions about their financial futures.

## Charles Schwab Trust Bank can provide safety and security

With Charles Schwab Trust Bank as your plan custodian, you can feel confident knowing account assets are protected by a wide-ranging combination of safeguards. We are committed to safeguarding your account assets and the privacy of your information, and we continually review our security practices with your protection in mind.<sup>1</sup>

As the custodian of workplace retirement plan accounts, we are focused on transparency, accountability, and control so that retirement plan participants can be confident knowing their hard-earned retirement assets are well protected.

We intentionally go above and beyond by adding a layer of authentication processes that are designed to help ensure the highest level of safe-keeping for plan participants' assets.

This is one reason setting up new accounts takes time. We believe this up-front effort is an investment that helps to properly safeguard assets in the long run. Maintaining your reputation and ours as trusted firms is of the highest importance to Charles Schwab Trust Bank.

# Choosing your provider matters



## Employers

Get customized and flexible plans including a variety of investment choices, fiduciary support, timely insights about industry issues, and focused service from a team of experienced retirement plan providers. From independent recordkeepers, advisors, and Schwab, your employees have access to retirement plan benefits often associated with larger corporations—and ones that you and your employees can depend on.

## Employees

A retirement plan that is simple and easy to understand can help employees make long-term decisions about their financial goals. With an understanding of the real challenges they face every day, you can give your employees the help and support they need to feel more secure about their financial futures.

When you work with independent retirement plan providers, you can get a customized plan and focused services tailored to your needs. You can offer your employees a broad range of investment choices, while providing education and support that help employees feel more confident about achieving their financial goals.

## Independent recordkeepers

- Customized plan design and administration
- Local, regional, and national presence
- Participant enrollment and education support
- Fiduciary oversight and compliance

## Advisors

- Investment selection
- Performance monitoring
- Investment policy statements
- Fiduciary oversight of investments
- Consultative services
- Participant education and enrollment

## Schwab

- Directed trust and custody services from Charles Schwab Trust Bank
- Brokerage products and services from Charles Schwab & Co., Inc., the registered broker-dealer
- Open architecture providing access to an array of investment choices
- Integrated technology platforms for trading and recordkeeping
- Wide range of retirement products, programs, and services
- Transparent pricing
- Demonstrated industry expertise and best practices

# Why Schwab?

## Leadership

For more than 40 years, Schwab has been a financial industry leader and advocate for the individual investor. The management team at Schwab includes leaders in the recordkeeping industry with proven experience in the retirement business, which gives them a deep understanding of your needs.

## Expertise

Many years of experience combined with our breadth of capabilities enable us to see the complete picture of the retirement industry. In ways that others can't, we draw on our deep institutional knowledge of employee benefit plans from across our entire enterprise. We know the retirement business inside and out.

## Strength

As a publicly traded company, The Charles Schwab Corporation is financially strong and a name that retirement plan providers, employers, and participants can rely on. When you do business with Schwab, we want you to have the highest level of confidence, knowing that your account assets are protected. We are committed to safeguarding your accounts and the privacy of your information, and we continually review our security practices with your protection in mind.



**“At Schwab, we are dedicated to the principles of safety and soundness. They form the heart of our relationship with our clients.”**

**Charles R. Schwab  
Chairman**

# How Schwab supports your plan

## Comprehensive trust and custody services

With Schwab's Retirement Business Services, your retirement plan assets are being held by an experienced financial industry leader.

### Operational excellence

Your independent retirement plan providers work together with Schwab to efficiently deliver services to your plan. With Schwab, your plan providers have access to the technology and expertise they need to do just that. And with our business continuity programs—which include operations and systems support departments in multiple locations throughout the United States—you are protected across multiple service and technology sites.

### Directed trustee services from Charles Schwab Trust Bank

Plan sponsors that elect a corporate trustee can choose to have Charles Schwab Trust Bank serve as the directed trustee and custodian for their plan.

### Business reporting support

Charles Schwab Trust Bank provides annual trust and custody statements for your plan, consolidated reports to help you prepare the plan's Form 5500, and an annual operational and systems control environment SSAE 16 review (formerly known as a Type II SAS 70 audit).

## A range of investment choices for every retirement strategy

Schwab was one of the first in the industry to expand investment choices beyond proprietary funds. Our open architecture approach gives you access to one of the largest selections of investment choices available, based on the plan provisions you set, for each and every employee.

### Thousands of mutual funds

You can choose from more than 15,000 funds, giving your employees a solid core of investment choices drawn from some of the best-known mutual fund companies. Schwab's Mutual Fund Marketplace® makes it possible—we offer single-source access to a variety of no-load, no-transaction-fee funds.<sup>2</sup>

### Self-directed brokerage account

Employees with the time, interest, and knowledge can actively manage their own plan assets with a Schwab Personal Choice Retirement Account® (PCRA), a self-directed brokerage account option through Charles Schwab & Co., Inc. within their plan account. When you offer PCRA, your employees get access to thousands of additional investment choices, including a large selection of no-load, no-transaction-fee mutual funds available in a self-directed brokerage offering, as well as Schwab Exchange Traded Funds™—commission-free when traded online, in a Schwab account.<sup>3</sup>

At Charles Schwab Trust Bank—we are focused on you

#### **Directed trustee services**

We hold legal title to all plan assets.

#### **Custodian services**

We provide safekeeping and accounting of all plan assets.

#### **Paying agent**

We process benefit payments with a commitment to operational excellence that spans more than 20 years.

#### **Compliance oversight**

We have an extensive compliance process.

Ongoing audits are performed by a nationally recognized, independent accounting firm and stringent controls are in effect to protect the confidentiality of non-public information.

## Schwab Bank Savings

It's important for you to offer your participants a retirement plan lineup that can help them meet their retirement goals. You can offer a capital preservation option that does just that by placing savings in a bank deposit vehicle with FDIC insurance. With Schwab Bank Savings, participants themselves can feel more secure knowing that their deposits—up to the maximum insurable limit—are FDIC-insured.<sup>4</sup>

## Exchange Traded Funds for retirement plans

Benefit from an expanded universe of investment options to allow you more freedom and differentiation with more complex retirement plan investment models.

Exchange Traded Funds for retirement plans (ETF T+1) is a trading service from Charles Schwab Trust Bank that allows you to select Exchange Traded Fund securities as part of a retirement plan's core fund line-up, and trade and settle ETFs in the same time frame as traditional mutual funds.

## Institutional class mutual funds and collective investment trusts<sup>5</sup>

Add to the core funds in your plan's investment menu with a range of options, including institutional class mutual funds and age-based funds that allow your participants to select a fund aligned to their retirement date. The collective investment trusts available through Charles Schwab Trust Bank provide your plan participants with access to diversified portfolios across a wide array of asset allocation strategies.

You expect retirement plan options designed to fit your individual needs. Your employees need help and support to shape their financial futures. Schwab is here to help. Working with independent retirement plan providers, we bring together a combination of resources and expertise to help provide those retirement solutions, from investment choices and fiduciary support to insights on regulatory issues and relevant employee education. And that makes a difference—for you and your employees.

## Model portfolio unitization services

To efficiently deliver custom investment strategies to retirement plan participants, Schwab retirement plan advisors can now access the ERS Model Management Solutions (EMMS), a web-based technology platform powered by Envestnet Retirement Solutions, LLC. EMMS provides investment professionals the ability to create and manage model portfolios with its solutions that automate essential portfolio work-flow tasks with speed and precision, leaving the routine but necessary tasks to the platform.

As part of its portfolio unitization services, EMMS accrues fund administration expenses, advisory fees, and dividends due to underlying holdings within models in the daily net asset value (NAV) of each unitized model.

And, at no additional cost, EMMS generates unitized model fact sheets, with performance and fee information customized for each plan model, in support of required plan participant disclosures.

## Online access to support your retirement plan

**You can find all the tools, resources, and information you need to manage your plan—anytime, anywhere.**

### Schwab Retirement Center website

- Plan-level trust and custody account statements
- Shareholder servicing fee reports that describe the plan expense payments received by Schwab from mutual fund companies and other securities issuers
- Annual fee disclosure reports of the fees paid to, or received by, Schwab for your plan
- Access to specific plan information for plan auditors

Here's how  
to get started:



Call 877-456-0777  
today.



Visit us at  
[scs.schwab.com](https://scs.schwab.com)

**Investors should consider carefully information contained in the prospectus, including investment objectives, risks, trading policies, charges, and expenses. You can request a prospectus online at [www.schwab.com/prospectus](http://www.schwab.com/prospectus). Please read the prospectus carefully before investing.**

FOR INSTITUTIONAL PURPOSES ONLY—NOT FOR DISTRIBUTION TO THE GENERAL PUBLIC.

Independent recordkeepers are not owned by, affiliated with, or supervised by Schwab.

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

1. The Schwab Security Guarantee.
2. Charles Schwab & Co., Inc. receives remuneration from fund companies for recordkeeping and shareholder services and other administrative services they provide with respect to fund shares, including those purchased through Schwab's Mutual Fund OneSource® program. Schwab also may receive remuneration from transaction fee fund companies for certain administrative services.  
Trades in no-load mutual funds available through OneSource (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.  
Schwab's short-term redemption fee will be charged on redemption of funds (except certain Schwab Funds) bought through Schwab's Mutual Fund OneSource program (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.  
Schwab Personal Choice Retirement Account® (PCRA) is offered through Charles Schwab & Co., Inc., a registered broker-dealer that also provides other brokerage and custody services to its customers.
3. Schwab ETFs are distributed by SEI Investments Distribution Co. (SIDCO). SIDCO is not affiliated with Charles Schwab & Co., Inc. Learn more at [schwab.com/SchwabETFs](http://schwab.com/SchwabETFs).  
Investment returns will fluctuate and are subject to market volatility, so that an investor's shares, when redeemed or sold, may be worth more or less than their original cost. Unlike mutual funds, shares of ETFs are not individually redeemable directly with the ETF. Shares are bought and sold at market price, which may be higher or lower than the net asset value (NAV).  
Charles Schwab & Co., Inc. receives remuneration from third-party ETF companies participating in Schwab ETF OneSource™ for recordkeeping, shareholder services, and other administrative services, including program development and maintenance.
4. Schwab Bank Savings is a money market deposit account (MMDA) at Charles Schwab Trust Bank. An MMDA is a type of savings deposit. Funds deposited in the MMDA at Charles Schwab Trust Bank are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 when aggregated with all other deposits held by a Plan Participant in the same capacity at Charles Schwab Trust Bank.  
Participants are responsible for monitoring the total amount of deposits they maintain directly with Charles Schwab Trust Bank in self-directed retirement accounts, either directly or through an intermediary such as Charles Schwab & Co., Inc., in order to determine the extent of deposit insurance coverage available to them. Because the deposit insurance rules are complex, participants may want to contact the FDIC or use the FDIC's online tool, Electronic Deposit Insurance Estimator (EDIE), to estimate total coverage.
5. The Charles Schwab Trust Bank Collective Trust Funds, which include the Schwab Managed Retirement Trust Funds™, Schwab Indexed Retirement Trust Funds® and Schwab Institutional Trust Funds® (each a "Trust", collectively the "Trusts" or "Collective Investment Trusts (CITs)") are collective investment trusts maintained by Charles Schwab Trust Bank (CSTB). The Trusts are available for investment only by eligible retirement plans and entities as more fully described in the Declaration of Trust. The Trusts are not mutual funds and are not insured by FDIC or any other type of deposit insurance; are not deposits or other obligations of, and are not guaranteed by CSTB or any of its affiliates; and involve investment risks, including possible loss of principal invested.

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