

charles
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Third-Party Mutual Funds Reference Guide

Making Your Funds Available
to Schwab Clients

Schwab's Mutual Fund Marketplace: A Reference Guide
for Adding Funds to Schwab's Mutual Fund Marketplace®

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Welcome to Schwab's Mutual Fund Marketplace[®].

This reference guide provides an overview of the process and timeline for adding a new fund family within Schwab's Mutual Fund Marketplace.

For help with the Mutual Fund Marketplace or any of Schwab's other product platforms and services, please reach out to the Schwab Relationship Management team at SchwabMFRelationshipManagers@schwab.com.

How to add a new fund family to the Mutual Fund Marketplace®

Overview

1. [Complete Schwab's Fund Family Acceptance Questionnaire.](#) (Page 4)

Complete Schwab's Fund Family Acceptance Questionnaire and submit it to the Schwab Relationship Management team.

2. [Determine fund platform\(s\) and availability.](#) (Page 4)

Once the fund family is approved, work with the Schwab Relationship Management team to determine which Mutual Fund Marketplace platform the fund family should reside on, as well as the purchase availability for funds.

3. [Return platform agreements.](#) (Page 5)

Sign and return the required contract documents.

4. [Access available applications in the Schwab Investment Manager Gateway® \(IMG\).](#) (Page 7)

Create a login ID and password to access the IMG. Then provide fund contact information and complete other documents in the Fund Add Maintenance Portal (FAMP) on the IMG website.



In Detail

1. Complete Schwab's Fund Family Acceptance Questionnaire.

Prior to adding a new fund family, Schwab conducts a due diligence review to determine the appropriate offering for the fund family on the Mutual Fund Marketplace®. To start the process, the Schwab Relationship Management team will provide a copy of Schwab's Fund Family Acceptance Questionnaire for you to complete and return, along with the following supporting documents:

- Form ADV Part I and Part II for every investment advisor and sub-advisor
- Final SEC-effective prospectus and any current supplements
- Final SEC-effective Statement of Additional Information (SAI)

2. Determine fund platform(s) and availability.

Platforms: The Schwab Relationship Management team will help you determine the appropriate platform and availability for new funds. The table below describes the various Schwab platforms, their respective features, and any service fees.

Platform	Description	Establishment and Service Fees
Schwab Mutual Fund OneSource®*1 and Other No Transaction Fee (NTF) Funds	<ul style="list-style-type: none"> • This is Schwab's premier mutual fund platform. • Clients pay no fee to purchase or redeem; however, a Schwab short-term redemption fee (STR) may apply. • Fund additions are initiated by the fund company or a Schwab client's enterprise. 	<ul style="list-style-type: none"> • There is a one-time \$25,000 establishment fee to add a new fund family. • Each fund/CUSIP addition thereafter is charged a \$3,000 establishment fee. • Each fund pays a 40 bps annual service fee on assets, billed monthly; fund companies are subject to a minimum monthly maintenance fee of \$2,000 per fund/CUSIP.
Transaction Fee (TF) Funds[†]	<ul style="list-style-type: none"> • Retail clients pay up to \$49.95 for purchases, with no fee for redemptions. • Advisor clients pay a transaction fee for purchases and redemptions, generally up to \$49.95. 	<ul style="list-style-type: none"> • There is a one-time \$25,000 establishment fee to add a new fund family. • Each fund/CUSIP thereafter is charged a \$5,000 establishment fee. • Each fund pays an annual 10 bps service fee on assets, billed monthly; fund companies are subject to a minimum monthly maintenance fee of \$1,000 per fund/CUSIP.
Load Funds	<ul style="list-style-type: none"> • Load funds are made available to customers of Correspondent Broker/Dealers that clear transactions through Schwab's Mutual Fund Clearing Services. • Fund additions require demand from a Clearing Correspondent. 	<ul style="list-style-type: none"> • There is a one-time \$10,000 establishment fee to add a new fund family. • Each fund/CUSIP thereafter is charged a \$2,000 establishment fee. • Each fund pays monthly the 12b-1 fee plus either a \$20 per position fee (omnibus accounts) or a \$6 per account fee (networked accounts).

*The OneSource brand name means your fund must be a registered offering in all 50 states. In addition, the fund/share class 12b-1 fees must be 25 basis points (bps) or less, otherwise the fund is referred to as an NTF Fund.

[†]Interval Funds are subject to different pricing.



Availability: Funds may be made available for purchase to clients of the following Schwab services:

- **Investor Services** provides retail brokerage and banking services to individual investors and retirement plan services, as well as through corporate brokerage services.
- **Advisor Services** offers custodial, trading, and support services to independent investment advisors, who are most often Registered Investment Advisors (RIAs). Advisor Services also provides these services to independent retirement plan advisors and independent recordkeepers whose plan assets are held at Schwab Bank.
- **Retirement Services.** Schwab Retirement Plan Services, Inc. (RPS) provides a full-service bundled retirement plan offering for defined contribution, defined benefit, and nonqualified plans. Retirement Business Services (RBS) provides trust, custody, and trading services for independent recordkeepers, advisors, and plan sponsors.
- **Mutual Fund Clearing Services** offers correspondent clearing for other financial intermediates and supports a broad array of funds (no-load, load, institutional) for Clearing Correspondents—commissionable, self-directed, and fee-based platforms.

3. Return platform agreements.

After the approval of Fund Family Acceptance, contract documents are emailed to the fund companies.

A. Schwab Mutual Fund Marketplace® Agreement (No Transaction Fee [NTF] and Transaction Fee [TF] platforms).

This agreement is required for all no-load and load-waived funds. The agreement governs Schwab platform operations and describes Schwab's shareholder services and fee terms. The registered investment company (fund trust) for each fund is generally required to be a party to the agreement. The fund company may request that other contractual parties be included.

The agreement is structured in this way:

- **Main Body**—Contractual terms
- **Schedule I-A**—List of registered investment companies (fund companies) that are parties to the agreement
- **Schedule I-B**—Fund purchase availability and fee rates
- **Schedule II**—Definition of fees, including establishment fee, fee calculation methodology, and fee payment terms
- **Schedule III-A**—Description of shareholder services, including record maintenance and shareholder communications
- **Schedule III-B**—Description of additional shareholder services provided for retirement plan participants
- **Exhibit A**—Operating procedures
- **Exhibit B**—Anti-lien acknowledgment (requires a separate signature)
- **Online Documents**—Fund contact information, the fund information questionnaire, and other required documents that are submitted through FAMP on the IMG website



B. Load Fund Operating Agreement (For Load Platform).

This agreement is required for load funds made available with a sales charge or load (funds sold on a commissionable basis). The registered investment company (fund trust) for each fund and the distributor must be parties to the agreement.

The agreement is structured in this way:

- **Main Body**—Contractual terms
- **Schedule I-A**—List of registered investment companies (fund companies) that are parties to the agreement
- **Schedule I-B**—Fund purchase availability and fee rates
- **Exhibit A**—Operating procedures
- **Other Required Documents:**
 - » **Load Fund Questionnaires**—Includes 12b-1, contingent deferred sales charge (CDSC), dividend, pricing structure, and miscellaneous trade processing
 - » **Anti-Lien Acknowledgment**—SEC Rule 15c3-3 letter provides acknowledgment that fund shares are not subject to any right, charge, security interest, lien, or other claims
 - » **Online Documents**—Fund contact information, the fund information questionnaire, and other required documents that are submitted through FAMP on the IMG website

C. Agreement process.

Schwab will prepare all required agreements for your funds. The agreements will be emailed to the fund company's designated contract recipient(s) from MutualFundExhibitBsAndContracts@schwab.com.

Each party to the agreement must review, sign, and return original hard copies of each agreement via overnight mail (with a tracking number included) to:

Mutual Funds Contract Team
Charles Schwab & Co., Inc.
9800 Schwab Way
DENR2-04-534
Lone Tree, CO 80124

If your agreement includes electronic signature language, you may send back an electronically signed version to MutualFundExhibitBsAndContracts@schwab.com.

Please note that any requested changes to the agreement(s) may slow the acceptance process and will need to be discussed with the Schwab Relationship Management team.

D. Managing additional document requirements.

Refer to the contract documents email for any additional fund family forms to complete in FAMP on the IMG website. For more information about these portals, see page 7.

4. Access available applications in the Schwab Investment Manager Gateway®

The Schwab Investment Manager Gateway (IMG) is a single sign-on portal that centralizes applications and resources for asset management firms doing business with Schwab.

The following applications are available on the IMG website:

- **Schwab Asset Intelligence (SAI)**—Provides monthly and weekly reporting
- **Schwab Trade Activity Portal**—Monitors daily trade activity
- **Rule 22c-2 Reporting**—Shareholder Information Agreement
- **Fund Add and Maintenance Portal (FAMP)**—Used for completing some documents when adding new funds to the platform

Requesting access.

Once a fund is open, asset managers should request access to the IMG applications by going to schwabimg.com. Select “Request Access” on the home page to choose the desired applications.

For questions about the IMG, you can email IMGGatewayAdmin@schwab.com.



