

# Digital Pledged Asset Line<sup>®</sup> application overview

The digital Pledged Asset Line (PAL) application process provides a seamless, simple, and intuitive experience. Advisor clients will no longer need to initiate an application over the phone with a support team member. This guide covers key features of the new experience. For more information about PAL, visit the [Service Guide](#)  on Schwab Advisor Center<sup>®</sup>.

Advisors will be able to access the digital application from Schwab Advisor Center to:



**Create** PAL estimates  
and proposals



**Utilize auto-populated  
data fields** that will help  
reduce manual entry and  
not in good order (NIGO)  
issues



**Initiate and send** PAL  
applications to clients  
for authorization

# Utilize auto-populated data fields

The screenshot shows the Schwab Advisor Center interface. The top navigation bar includes the Schwab logo, the title "Schwab Advisor Center", and a menu with "Dashboard", "Accounts", "Trading", "Move Money", "Account Management", "Research", "News & Resources", and "More". A "Looking for help?" search bar is on the right. The main content area is titled "Account management" and is divided into sections: "Digital workflows", "Manage Schwab envelopes", "DocuSign", and "Other resources".

**Account management**

**Digital workflows**  
You and your clients will see a simpler application, faster processing, and fewer errors than with any other method.

**Open and fund an account**    **Update or fund an account**

**Manage Schwab envelopes**

**DocuSign®**  
**Set up Schwab DocuSign**  
Schwab DocuSign will give you full access to all of DocuSign's features. With Schwab DocuSign, you can select and prefill multiple templates, then send them to DocuSign.

**Set up Schwab DocuSign**    ⚠ Important steps to take before getting set up. [Read now](#)

[Register advisors for non-Schwab DocuSign accounts](#)    [Manage DocuSign envelope sharing](#)  
[Reprocess DocuSign envelopes and documents](#)

**Other resources**

**Forms library**  
Download the latest forms and view available delivery options.  
[Go to Forms library](#)

**Asset transferability**  
Look up symbol, CUSIP, fund, company or an index name to check asset transferability.  
[Check asset transferability](#)

**Annotations:** A red box highlights the "Account Management" menu item in the top navigation. A red box highlights the "Open and fund an account" button. A red line connects the "Open and fund an account" button to a text box at the bottom of the page.

Open and fund a new account directly from the **Account Management** page on Schwab Advisor Center.

# Utilize auto-populated data fields (continued)

**Charles SCHWAB** Schwab Advisor Center®

Account Management

Open and fund an account with one simple workflow

Open these account types

<b>Schwab One</b> <ul style="list-style-type: none"><li>Individual</li><li>Joint Tenant</li><li>Tenants in Common</li><li>Community Property</li><li>Custodial</li></ul>	<b>IRA</b> <ul style="list-style-type: none"><li>Contributory</li><li>Rollover</li><li>Roth Contributory</li><li>Inherited IRA for Individuals</li></ul>	<b>Trust</b> <ul style="list-style-type: none"><li>Living Trust (Revocable)</li><li>Living Trust (Irrevocable)</li></ul>	<b>Other digital workflows</b> <ul style="list-style-type: none"><li><b>Pledged Asset Line (PAL) <small>NEW</small></b></li><li>Open Charitable or Institutional Intelligent Portfolios account</li><li>SIMPLE IRA Adoption Agreement</li><li>SIMPLE IRA Employer's Agreement with Schwab</li></ul>
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Add funding and features

<b>Transfers and payments setup</b> <ul style="list-style-type: none"><li>ACH (MoneyLink)</li><li>Asset transfer (TOA)</li><li>Internal cash transfers SLOA</li><li>Check requests SLOA</li></ul>	<b>Account features</b> <ul style="list-style-type: none"><li>Designated Beneficiary Plan (TOD)</li><li>IRA beneficiaries</li><li>Prime broker enrollment</li><li>Wrap fee agreement</li></ul>	<b>Separately Managed Accounts (SMAs)</b> <ul style="list-style-type: none"><li>Select and Access</li><li>Schwab Personalized Indexing™ (SPI)</li><li>Marketplace (coming soon!)</li></ul>	<b>Trading</b> <ul style="list-style-type: none"><li>Margin</li><li>Options trading</li></ul>	<b>Looking for the PDF?</b> <ul style="list-style-type: none"><li>Schwab One Personal Account</li><li>IRA Account</li><li>Schwab One Trust Account</li><li>Inherited IRA for Individual Beneficiaries</li></ul>
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How do my clients review, approve, and sign? [See how your clients review and sign](#) +

**Open and Fund an Account**

# Utilize auto-populated data fields (continued)

**Schwab Bank Pledged Asset Line®** Exit application

Offer your clients a Schwab Bank non-purpose revolving line of credit secured by qualified assets.

**Start a new application or proposal**

Search for a client

Search

Begin typing client's name.

Name ▼	Social Security number	Account number	City, State	Actions
Nancy Nickel	XXX-XX-1234	1234-XXXX	San Francisco, CA	+ Add
Bill Bucks	XXX-XX-2345	2345-XXXX	Phoenix, AZ	+ Add
Dora Dollar	XXX-XX-3456	3456-XXXX	Orlando, FL	+ Add
Harry Halfdollar	XXX-XX-4567	4567-XXXX	Richfield, OH	+ Add
Chris Cashmoney	XXX-XX-5678	5678-XXXX	Lone Tree, CO	+ Add
Quentin Quarter	XXX-XX-6789	6789-XXXX	Austin, TX	+ Add

1-6 of 6 results 1 of 1 < Prev | Next >

**Check status or continue an existing application**

Check status ↗

For more information and answers, see [Introduction to the Pled](#)

Select client name from list that auto-populates.

# Initiate and send PAL applications

**Pledged Asset Line**

Estimate: AWebb1368Estimate

Estimated Line of Credit Amount: **\$1,099,438**

Interest Rate / APR: **SOFR + 2.40% / 7.65%**

Estimated Monthly Payment: **\$7,009**

Market Value: **\$1,999,540**

Eligible Account(s)

Account Number	Custodian	Account Name/Title	Account Type	Market Value	Flag	Holding(s)	Lending Value	Action
<input checked="" type="checkbox"/> > 1234-XXXX	Charles Schwab	NANCY NICKEL	Individual	\$1,999,540	Eligible	3	\$1,099,439	...

Price as of Date: 06/05/2023

Save Calculate

Saved Calculation Result(1)

Estimate Name	Date Saved	Account(s)	Estimated Line of Credit Amount	Market Value	Interest Rate / APR	Status	Action
<a href="#">AWebb1368Estimate</a>	06/05/2023	1	\$1,099,438	\$1,999,540	SOFR + 2.40% / 7.65%	Estimate Created	...

Loan Note

Start Application Create Proposal

Options to send client a proposal for review or begin application.

After selecting client name, client information populates with all account data and pledged account eligibility.

# Initiate and send PAL applications (continued)

Estimated Line of Credit: \$2,424,000  
As of Date 04/24/2023

Collateral

Status	Account Number	Custodian	Account Type/Registration	Market Value	Action
Completed Eligible	1234-XXXX	Charles Schwab	Individual	\$3,012,324	...

Pledgor(s)

Name	Account Number	Account Name/Title
NANCY NICKEL	1234-XXXX	NANCY NICKEL

Application Tasks

- Collateral
- Line Structure
- Line Information
- Supplemental Documents
- Additional Questions
- Disclosures & Submit
- Signing Status

Next

Once application is started, next steps are populated on left.

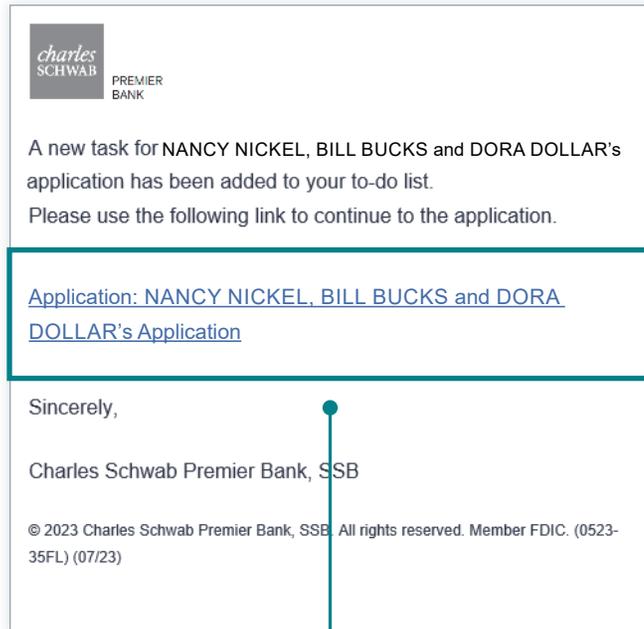
Client information will be auto-populated by data already in system\*.

\*In some instances, organizational or entity account data may require manual entry.

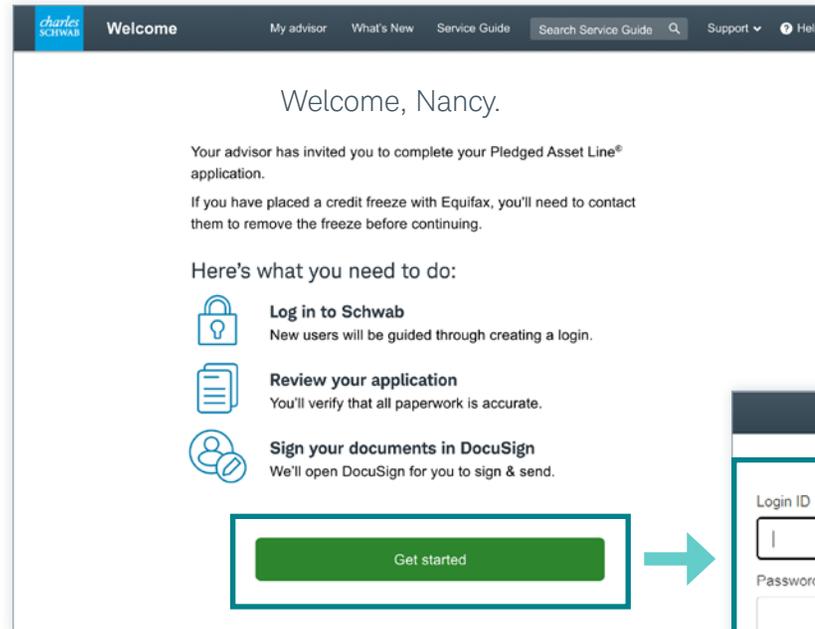
# Initiate and send PAL applications (continued)

The screenshot shows the Charles Schwab Pledged Asset Line application interface. The top navigation bar includes 'Dashboard', 'Proposals', and 'Origination'. The main header displays 'Pledged Asset Line' and 'Estimated Line of Credit: \$2,424,000 As of Date 04/24/2023'. The left sidebar lists application steps: Collateral, Line Structure, Line Information, Supplemental Documents, Additional Questions, **Disclosures & Submit** (highlighted), Signing Status, Application Tasks, User, and Document Vault. The 'Disclosures & Submit' section contains links for 'Cash Features Disclosure Statement', 'Pledged Account Agreement', 'Pledged Account Features and Privileges', and 'Risks Associated With a Pledged Asset Line and Pledging Securities as Loan Collateral'. The 'Assign to Client' button is highlighted in the top right corner. A callout box at the bottom states: 'Final step is to verify information and **Assign to client** to review and e-sign.'

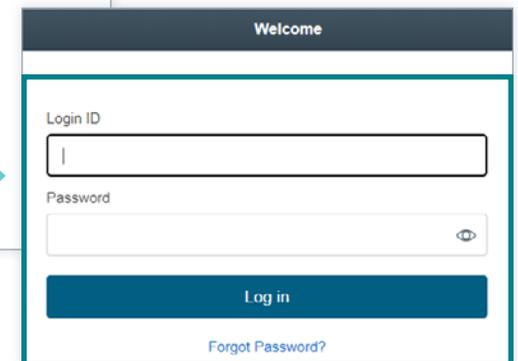
# Client signatures



After the application has been assigned to the client(s), an email is sent inviting them to log-in and complete the application.



After clicking the link in the email, the client will be instructed to log-in using their schwab.com credentials.



# Client signatures (continued)

**Charles Schwab Bank** | **Charles Schwab Premier Bank** | **My Application**

**Pledged Asset Line** **Estimated Line of Credit: \$1,126,000**  
*As of Date 05/19/2023*

Emulator Screenshots (Trust)

- Collateral
- Line Structure
- Line Information
- Supplemental Documents
- Additional Questions
- Disclosures & Submit**
- Signing Status

**Disclosures & Submit**

*By clicking Submit & E-Sign below the applicant(s) acknowledges they have read and understand the information presented below.*

[Cash Features Disclosure Statement](#)

[Pledged Account Agreement](#)

[Pledged Account Features and Privileges](#)

[Risks Associated With a Pledged Asset Line and Pledging Securities as Loan Collateral](#)

**Submit & E-Sign**

**Message**

After clicking "Confirm" you will be directed to the DocuSign portal to E-Sign your loan documents. Other applicants (if any) will receive an email from DocuSign with a link to their loan documents. Please follow the instructions to electronically sign your application.

NANCY NICKEL

Collateral Account(s)	1234-XXXX
Requested Amount	Maximum Available

After logging in, the client should review all data entered into the application for accuracy. If any required information was not completed before being assigned to the client, the client will need to complete it before they can move forward. When ready, the client will click **Submit & E-Sign** to start the signing process\*.

\*If there are additional parties on the application who need to sign after the first party signs, they will receive an email directly from DocuSign when ready for their electronic signature.

# FAQs

## 1. How do I find an existing estimate or proposal for a client?

From the Dashboard, navigate to Proposals > Estimates or Proposals > Proposals and search by proposal name.

## 2. How can I see the status of an application or view a completed application?

From Schwab Advisor Center, you can locate an application via the Charles Schwab Bank, SSB (“Schwab Bank”) and Charles Schwab Premier Bank, SSB (“Schwab Premier Bank”) Pledged Asset Line page. From the Dashboard, you can click the Application Name, if shown, or click the ‘More’ option in the Applications section. You can also navigate to the Origination page using the navigation bar at the top of the page. When searching for an application you can search by Application Name, Client Name, or Investment Account Number.

## 3. What happens after my client signs the application?

After your client signs, the application will be automatically assigned to our underwriting team. You and your client will be notified of the application decision via email. Should we need any additional information, you or your client will be notified via email or by phone.

## 4. What if some of my client’s information in the Schwab system is out-of-date?

To ensure any pre-filled information is correct, you (or your client) will first have to update their information through current procedures, such as updating on SchwabAlliance.com or by contacting your service team. Once that is done, you can refresh the PAL application to pull in the updated data.

## 5. What if my client wants to cancel their PAL application?

- Navigate to PAL through Schwab Advisor Center
- From the Dashboard, go to Origination > Applications
- Search for the application
- Actions > Cancel > Reason = “Withdrawn”

## 6. What happens if my client has an outstanding margin balance?

Outstanding margin obligations must be paid in full. The PAL is a non-purpose line of credit and cannot be used to purchase securities or payoff margin debit balances and margin is not an eligible feature for the Pledged Account (“PAASB”).

## 7. What if my client’s account has a MoneyLink Profile linked?

Because Pledged Accounts are limited-purpose brokerage accounts, the MoneyLink feature is not permitted. The MoneyLink feature needs to be deactivated prior to the application submission to avoid processing delays.

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

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