



# Add an Account Holder to Your Schwab One<sup>®</sup> Brokerage Account and Linked Schwab Bank High Yield Investor Checking<sup>®</sup> Account

**Schwab.com**

**1-800-435-4000**  
(inside the U.S.)

**+1-415-667-8400**  
(outside the U.S.)

**1-888-686-6916**  
(multilingual services)

- Use this form to add an account holder to an existing Schwab One brokerage account that is linked to a Schwab Bank High Yield Investor Checking ("Investor Checking") account.
- Any additional account holder must be a U.S. citizen or U.S. resident alien; must reside in the U.S. or one of its territories, excluding Guam; and must have a U.S. mailing address.
- Additional forms may be required if this account is approved for options trading or if you have authorized Power of Attorney or designated a beneficiary(ies) through Schwab's Designated Beneficiary Plan. For more information about these requirements, contact us.
- For important disclosures about our relationship with you and the services we can provide, please visit [schwab.com/transparency](https://www.schwab.com/transparency).

## Select the Type of Account Ownership

Choose the account ownership for your Schwab One account. State laws vary, and it is your responsibility to determine if the account ownership you select is available in your state.

- Joint Tenants With Right of Survivorship (JTWROS)**  
Your share of the account will pass to a surviving owner in the event of your death.
- Tenants in Common**  
Your share of the account will pass to your estate in the event of your death.
- Community Property**  
Each spouse has a one-half interest in the account assets and equal responsibility for account activity.

## Tell Us About Yourself (the Primary Account Holder)

Your eight-digit account number will remain the same.

**Schwab One Brokerage Account Number**

Name *Title, First* *Middle Name* *Last Name, Suffix*

Daytime Telephone Number *Extension*

## Tell Us About the Additional Account Holder

As required by federal law, Schwab and Schwab Bank will use the information provided to verify the identity of all account holders. Read about Schwab's privacy policy at [schwab.com/privacy](https://www.schwab.com/privacy).

Regulations require that you provide us with your legal address.

Name *Title, First* *Middle Name* *Last Name, Suffix*

Social Security Number **Date of Birth** *mm/dd/yyyy* **Are you known by another name?** *Please specify.*

Home/Legal Street Address *No P.O. Boxes* **City** **State** **Zip Code**

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

Charles Schwab & Co., Inc. ("Schwab") and Charles Schwab Bank ("Schwab Bank") are separate but affiliated companies and subsidiaries of The Charles Schwab Corporation. Brokerage products are offered by Charles Schwab & Co., Inc., Member SIPC. Deposit and lending products and services are offered by Charles Schwab Bank, Member FDIC and an Equal Housing Lender.

Include mailing address if different from your home/legal address.

Mailing Address <i>P.O. Boxes may be used</i>			City	State	Zip Code
Home Phone	Mobile Phone	Work Phone		Extension	

Please provide your email address if you would like to access your accounts online. By providing your email address, you consent to receiving email from Schwab and Schwab Bank.

Email Address	Mother’s Maiden Name
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Country(ies) of Citizenship *Please list all.*

<input type="checkbox"/> USA	<input type="checkbox"/> Other(s)	Country of Citizenship 1	Country of Citizenship 2, if applicable
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Country of Legal Residence *Please select only one box.*

<input type="checkbox"/> USA	<input type="checkbox"/> Other	Other Country of Legal Residence
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ID Type and Number *Please select only one box and provide the relevant information below.*

<input type="checkbox"/> Driver’s License	<input type="checkbox"/> Passport	<input type="checkbox"/> U.S. Government-Issued ID
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ID Number	Country/State of ID Issuance	ID Expiration Date <i>mm/dd/yyyy</i>
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Marital Status

Schwab Bank does not consider marital status when processing Investor Checking account applications.

<input type="checkbox"/> Single	<input type="checkbox"/> Married	<input type="checkbox"/> Divorced	<input type="checkbox"/> Widowed	Number of Dependents
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Securities industry regulations require that we collect this information.

Employment Information

Please select only one box.

<input type="checkbox"/> Employed	<input type="checkbox"/> Self-Employed	<input type="checkbox"/> Retired	<input type="checkbox"/> Homemaker	<input type="checkbox"/> Student	<input type="checkbox"/> Not Employed
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Employer Name/Business Name

**Occupation**

If you selected "Employed" or "Self-Employed," please select one option that best describes your occupation.

- Business Owner/Self-Employed
- Medical Professional
- Accounting Professional
- Information Technology Professional
- U.S. Government Employee (Federal/State/Local)
- Military
- Clerical/Administrative Services
- Sales/Marketing
- Other *Please Specify:* \_\_\_\_\_
- Executive/Senior Management
- Legal Professional
- Financial Services/Banking Professional
- Other Professional
- Foreign Government Employee (Non-U.S.)
- Educator
- Trade/Service Career (Labor/Manufacturing/Production)
- Consultant

Business Street Address *No P.O. Boxes* \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_



**The next two questions are required.**

You must answer this question, as Schwab is required by industry regulations to determine if you or someone in your household is associated with a financial services company such as a broker-dealer.

**Is the additional account holder affiliated with or employed by a stock exchange or member firm of an exchange or FINRA, or a municipal securities broker-dealer?**

- No  Yes

If "yes", you must attach a letter from your employer approving the establishment of your account when submitting this Application.

\_\_\_\_\_  
**Company Name**

You must answer this question.

**Is the additional account holder a director, 10% shareholder or policy-making officer of a publicly held company?**

- No  Yes If "yes", please list all companies below.

\_\_\_\_\_  
**Company Name**

\_\_\_\_\_  
**Trading Symbol**

**Financial Information**

Securities industry regulations require that we collect this information.

**Investment Experience**

Please select only one box in each section.

- None  Limited  Good  Extensive

**Annual Income**

- Under \$15,000  \$15,000-\$24,999  \$25,000-\$49,999  \$50,000-\$99,999  \$100,000 or more

**Liquid Net Worth**

*Your liquid net worth is the part of your net worth that can be easily turned into cash. Liquid net worth includes investments like stocks and mutual funds, but not assets like real estate.*

- Under \$25,000  \$25,000-\$49,999  \$50,000-\$99,999  \$100,000-\$249,999  \$250,000 or more

\$ \_\_\_\_\_  
*Specify dollar amount if \$250,000 or more*

**Trusted Contact Designation**

A Trusted Contact Person (“Trusted Contact”)\* is a resource Schwab, and your advisor (if you have one), may contact on your behalf, if necessary, to attempt to address concerns regarding potential financial exploitation, or in communicating with you regarding issues related to your account(s). A Trusted Contact will not be able to view your account information, execute transactions in your account(s), or inquire about account activity, unless that person has that authority through another role on the account(s), such as a trustee or power of attorney. Providing Schwab with Trusted Contact information is voluntary. We encourage you to provide two Trusted Contacts in the event that one is not reachable in the future.

- Schwab suggests that your Trusted Contact(s) be someone other than your financial consultant or investment advisor.
- You may name up to two Trusted Contacts.
- The person(s) you name as Trusted Contact(s) will be the Trusted Contact(s) on all of your Schwab accounts, as provided for in your account agreement.
- For multiple-party accounts, each party can name separate Trusted Contacts.
- The Trusted Contact(s) must be at least 18 years old.

**Trusted Contact Information**

Trusted Contact information provided on this form will replace all Trusted Contact information currently on file.

**Person 1**

If you have no changes to your existing Trusted Contact, please skip this section.

**Name** *Title, First* \_\_\_\_\_ *Middle Name* \_\_\_\_\_ *Last Name, Suffix* \_\_\_\_\_

**Relationship**

Please select only one.

- Spouse  Partner  Child  Parent  Sibling  Friend  Other

Please provide at least one method of contact for each Trusted Contact listed.

**Mailing Address** *No P.O. Boxes* \_\_\_\_\_ **City** \_\_\_\_\_

**State or Province** \_\_\_\_\_ **Country** \_\_\_\_\_ **Postal or Zip Code** \_\_\_\_\_

**Home Phone** \_\_\_\_\_ **Mobile Phone** \_\_\_\_\_ **Email Address** \_\_\_\_\_

**Person 2**

If you have no changes to your existing Trusted Contact, please skip this section.

**Name** *Title, First* \_\_\_\_\_ *Middle Name* \_\_\_\_\_ *Last Name, Suffix* \_\_\_\_\_

**Relationship**

Please select only one.

- Spouse  Partner  Child  Parent  Sibling  Friend  Other

Please provide at least one method of contact for each Trusted Contact listed.

**Mailing Address** *No P.O. Boxes* \_\_\_\_\_ **City** \_\_\_\_\_

**State or Province** \_\_\_\_\_ **Country** \_\_\_\_\_ **Postal or Zip Code** \_\_\_\_\_

**Home Phone** \_\_\_\_\_ **Mobile Phone** \_\_\_\_\_ **Email Address** \_\_\_\_\_

\* If you provide a Trusted Contact Person(s) to Schwab, you understand that you have authorized Schwab and your advisor (if you have one) to contact the Trusted Contact Person(s) at their discretion and to disclose information about your account to address possible activities that might indicate financial exploitation of you; to confirm the specifics of your current contact information, health status (including physical or mental capacity), or the identity of any legal guardian, executor, trustee, or holder of a power of attorney on your account(s); or as otherwise permitted by FINRA rules or state law. For more information, please see your Schwab Account Agreement, which is available at [schwab.com/accountagreement](http://schwab.com/accountagreement).

**Your Consent to Enroll in Schwab's Cash Features Program**

The Cash Features Program is a service that we provide that permits the uninvested cash or "free credit balance" in your Account to earn income while those funds remain uninvested. Additional information about the Cash Features Program and each Cash Feature is available in the Cash Features Disclosure Statement.

By signing this Application, you consent to having the Free Credit Balance in your brokerage account included in the Cash Features Program, as described in the Cash Features Disclosure Statement. The current Cash Feature on your brokerage account will remain the same.

You understand and agree that Schwab can (1) make changes to the terms and conditions of the Cash Features Program; (2) make changes to the terms and conditions of any Cash Feature; (3) change, add, or discontinue any Cash Feature; (4) change your investment from one Cash Feature to another if you become ineligible for your current Cash Feature or your current Cash Feature is discontinued; and (5) make any other changes to the Cash Features Program or Cash Feature as allowed by law. Schwab will notify you in writing of changes to the terms of the Cash Features, changes to the Cash Features we make available, or changes to the Cash Features Program prior to the effective date of the proposed change.

**Sign the Schwab One Brokerage Account Authorization**

Please read and sign below.

By signing this Application, you acknowledge that you have received and read a copy of the attached Application Agreement, which contains a predispute arbitration provision. You acknowledge that your signature signifies and constitutes your agreement that this account and your relationship with Schwab will be governed by the Application Agreement and all incorporated agreements and disclosures, including the Schwab One Account Agreement and the *Charles Schwab Pricing Guide*, each as amended from time to time (the "Agreement and Disclosures"). You understand there are fees associated with establishing, maintaining, engaging in transactions and transferring assets out of this account. Unless you have declined the margin feature, you acknowledge that securities securing loans from Schwab may be lent to Schwab and lent by Schwab to others. You also acknowledge that if you trade on margin, you are borrowing money from Schwab and that you understand the requirements and risks associated with margin borrowing as summarized in the Margin Disclosure Statement included with this Application.

You also acknowledge that the securities products purchased or sold in a transaction with Schwab (i) are not insured by the Federal Deposit Insurance Corporation ("FDIC"); (ii) are not deposits or other obligations of Charles Schwab and are not guaranteed by Schwab Bank; and (iii) are subject to investment risks, including possible loss of the principal invested.

For purposes of this Account Application and the attached Application Agreement, the terms "you," "your" and "account holder" refer to each person who signs this Account Application. The terms "we," "us," "our" and "Schwab" refer to Charles Schwab & Co., Inc. The term "Schwab Bank" refers to Charles Schwab Bank.

I certify, under penalty of perjury, that (1) the number shown on this Application is the correct Taxpayer Identification Number; (2) I am not subject to backup withholding due to a failure to report interest and dividend income; (3) I am a U.S. person (a U.S. citizen or U.S. resident alien); and (4) I am exempt from Foreign Account Tax Compliance Act (FATCA) reporting. I understand that if I have been notified by the IRS that I am subject to backup withholding as a result of dividend or interest underreporting and I have not received a notice from the IRS advising me that backup withholding is terminated, I must cross out item 2 above.

The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

The Agreement with Schwab includes a predispute arbitration clause. You acknowledge receipt of the predispute arbitration clause contained in Section 14, pages 2-3, of the Application Agreement.

By signing below, we agree to the terms above. We understand that the IRS does not require our consent to any provision of this document other than the certification required to avoid backup withholding.

**SIGN HERE**

X

\_\_\_\_\_ Today's Date mm/dd/yyyy

Print Name

X

\_\_\_\_\_ Today's Date mm/dd/yyyy

Print Name



**The options below apply only to the Schwab Bank account.**

**Choose Features for the Additional Account Holder on the Investor Checking Account**

After the additional account holder has been approved, we will mail a Schwab Bank Visa® Platinum Debit Card to the new account holder. Once the account has been funded, we'll activate Schwab Bank Bill Pay™ and send checks if requested below.

**Schwab Bank Bill Pay**

The Bill Pay feature will be added for the additional account holder unless you check this box.

The Bill Pay feature is provided at no additional charge.

I do not want the Bill Pay feature.

**Schwab Bank Checks**

Check this box and fill in the information at right if you'd like your checks to be printed with the names of both account holders.

Please send new Investor Checking account checks listing both the primary and additional account holders' names.

\_\_\_\_\_  
**Primary Account Holder Name** *Title, First* *Middle Name* *Last Name, Suffix*

\_\_\_\_\_  
**Additional Account Holder Name** *Title, First* *Middle Name* *Last Name, Suffix*

**Schwab Bank Visa Platinum Debit Card**

**Note:** After the account is opened, Schwab Bank will send a Visa Platinum Debit Card to the additional account holder at his or her address.

**Review and Sign the High Yield Investor Checking Account Terms**

Please read these terms and then sign on the following page. **Make a copy of this page for your records.**

These account terms are an agreement between Charles Schwab Bank (the "Bank") and each account holder for a High Yield Investor Checking account. "I," "me," and "my" refer to each account holder. All account holders are required to sign on the next page.

By signing on the next page, I:

1. Certify that I am of the age of majority in the state in which I live, that I am legally authorized to enter into this agreement, and that the personal information provided in this Application, and during the application process, is true and correct;
2. Acknowledge that the Bank will provide me with the following documents before account opening or before a service is provided, and agree that my use of my account will be governed by the terms and conditions of these documents: (a) the Schwab Bank Deposit Account Agreement, which contains an arbitration provision and the terms and conditions for the Schwab Bank Bill Pay service; (b) Schwab's privacy document, Facts: What Does the Charles Schwab Corporation Do With Your Personal Information?; (c) Important Privacy Choice for Consumers, for California residents only; and (d) the Schwab Bank Deposit Account Pricing Guide;
3. Acknowledge that if the Application is approved, each account holder will receive a Visa debit card and the Visa Debit Card Agreement once the account is opened, which contains the terms and conditions that apply to this card;
4. Acknowledge that, unless I specifically stated otherwise in this Application, I will be enrolled in the Schwab Bank Bill Pay service;
5. Agree to be subject to the terms and conditions of all documents associated with my High Yield Investor Checking account upon account opening, and acknowledge that the Bank advises me to read all the disclosure documents prior to opening or using my account;
6. Acknowledge that my Investor Checking account is linked with my Schwab One brokerage account maintained at Charles Schwab & Co., Inc., a registered broker-dealer, and I authorize Charles Schwab & Co., Inc. to follow the instructions set forth in this Application, if applicable;
7. Authorize the Bank to inquire from any source, including a consumer reporting agency, regarding my identity (as required by federal law), creditworthiness, ongoing eligibility for the account, and other information at account opening, at any time throughout the life of the account, and thereafter for debt collection or investigative purposes;
8. Understand if no activity occurs in the account within the time period specified by applicable state law, the account may be transferred to the appropriate state; and
9. Understand (a) that securities products purchased in a transaction with Charles Schwab & Co., Inc. (i) are not insured by the Federal Deposit Insurance Corporation (FDIC), (ii) are not deposits or other obligations of Schwab Bank and are not guaranteed by Schwab Bank, and (iii) are subject to investment risks, including possible loss of the principal invested; and (b) that funds deposited in my High Yield Investor Checking account are insured by the FDIC up to the

maximum deposit insurance amount

To add an Additional Account Holder to a High Yield Investor Checking account offered by Schwab Bank, please sign and date below in blue or black ink only. The Internal Revenue Service does not require your consent to any provision of this document other than the certification required to avoid backup withholding.

I certify under penalty of perjury that:

1. The additional account holder's number shown on this Application is my correct Taxpayer Identification Number;
2. I am not subject to back-up withholding because: (a) I am exempt from backup withholding, (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest and dividends, or (c) the IRS has notified me that I am no longer subject to back-up withholding; and
3. I am a U.S. person (a U.S. citizen or U.S. resident alien).  
(I understand that if I have been notified by the IRS that I am subject to backup withholding as a result of dividend or interest underreporting and I have not received a notice from the IRS advising me that backup withholding is terminated, I must strike or cross out the information contained in item 2 above.)

**SIGN HERE** 

**X**

\_\_\_\_\_  
Today's Date mm/dd/yyyy

\_\_\_\_\_  
Print Name

**X**

\_\_\_\_\_  
Today's Date mm/dd/yyyy

\_\_\_\_\_  
Print Name

**Return Instructions**

- **Upload** online with secure messaging (if you are an existing client and have online access to your account).
  1. Go to [Schwab.com](https://www.schwab.com) and log in to your account.
  2. Click Message Center (under Service), and then click Upload Document.
- **Fax** to 1-888-526-7252.
- **Bring** to your nearest Schwab branch (visit [Schwab.com/branch](https://www.schwab.com/branch) for locations).
- **Mail** to any of the following addresses:

<b>Regular Mail (West)</b>	<b>Regular Mail (East)</b>	<b>Overnight Mail (West)</b>	<b>Overnight Mail (East)</b>
Charles Schwab & Co., Inc. P.O. Box 982600 El Paso, TX 79998-2600	Charles Schwab & Co., Inc. P.O. Box 628291 Orlando, FL 32862-8291	Charles Schwab & Co., Inc. 1945 Northwestern Dr. El Paso, TX 79912	Charles Schwab & Co., Inc. 1958 Summit Park Dr., Ste. 200 Orlando, FL 32810

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

Charles Schwab & Co., Inc. ("Schwab") and Charles Schwab Bank ("Schwab Bank") are separate but affiliated companies and subsidiaries of The Charles Schwab Corporation. Brokerage products are offered by Charles Schwab & Co., Inc., Member SIPC. Deposit and lending products and services are offered by Charles Schwab Bank, Member FDIC and an Equal Housing Lender.

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# Add an Account Holder to Your Schwab One<sup>®</sup> Brokerage Account and Linked Schwab Bank High Yield Investor Checking<sup>®</sup> Account Application Agreement

## Client Copy

- This agreement relates to your Account and is part of the Account Agreement between each account holder and Charles Schwab & Co., Inc. ("Schwab").
- Please read and retain for your files.
- You do not need to return this agreement to Schwab.

### Section 1: Scope of Agreement.

Your agreement with Schwab consists of the terms set forth in this Application Agreement and the terms set forth in the *Schwab One Account Agreement*, which incorporates the *Charles Schwab Pricing Guide* and a number of other important disclosures. The *Schwab One Account Agreement* is provided with this Application or at the opening of your Account. You agree to contact Schwab if you do not receive the *Schwab One Account Agreement*.

In addition, you may in the future receive from Schwab supplemental terms or disclosures that pertain to certain account types, service features and benefit packages. These supplemental terms and disclosures, this Application Agreement and the *Schwab One Account Agreement* are collectively referred to as the "Agreement and Disclosures." You agree to read the Agreement and Disclosures carefully and retain copies for your records.

### Section 2: Acceptance of Agreement and Disclosures.

You agree that the Agreement and Disclosures govern all aspects of your relationship with Schwab, including all transactions between Schwab and you and all products and services now or in the future offered through Schwab. Schwab may rely on your use of Schwab's products and services as evidence of your continued acceptance of the Agreement and Disclosures.

### Section 3: Your Representations and Warranties.

You represent and warrant that: (a) you are of legal age in the state in which you live and you are authorized to enter into this Agreement; (b) you have supplied accurate information in your Account Application; (c) no one except the Account Holders listed on the Account Application (and if community property is held, the Account Holders' spouses) has an interest in the Account; (d) no additional authorizations from third parties are required for you to open the Account and effect transactions therein; (e) except as you have otherwise indicated on your Account Application or in writing to us, (i) you are not an employee of or affiliated with any securities exchange or member firm of any exchange, the Financial Industry Regulatory Authority ("FINRA"), or any securities firm, bank, trust company, or insurance company;

and (ii) you are not a director, 10% beneficial shareholder, policy-making officer, or otherwise an "affiliate" (as defined in Rule 144 under the Securities Act of 1933) of a publicly traded company; and (f) this Application Agreement, as amended from time to time, is a legal, valid and binding obligation, enforceable against you in accordance with its terms.

### Section 4: Account Handling.

Schwab will automatically hold all of your securities purchased, sales proceeds, dividends and interest. Schwab will also release your name, address and securities positions to companies in which we hold securities for your Account upon request, unless you notify us otherwise in writing. If you maintain more than one account at Schwab, you authorize Schwab to transfer assets between your accounts when no written authorization is requested.

### Section 5: Responsibility for Investment Decisions.

You agree that you and any agent under a power of attorney or Investment Advisor (if you have one) are solely responsible for investment decisions in your Account, including whether to buy or sell a particular security. Unless required by law, or unless Schwab provides advice to you that is clearly identified as an individualized recommendation for you, you understand that Schwab has no obligation to determine whether a particular transaction, strategy or purchase or sale of a security is in your best interest. Your obligation includes an affirmative duty to monitor profits and stay informed about your Account and your investments and respond to changes as you deem appropriate.

Unless we otherwise agree with you in writing, Schwab does not monitor your account(s) or investments and has no obligation to update an investment recommendation, financial advice, or financial plan we may give you. Such recommendation, financial advice, or financial plan only applies at the point in time we provide it to you.

You acknowledge that Schwab does not provide tax or legal advice.

### Section 6: Payment of Indebtedness.

You agree to make payment of any indebtedness related to your Account,

including, but not limited to, any such indebtedness that results from instructions provided to Schwab by you, your agent or any attorney-in-fact under a power of attorney or Investment Advisor authorized to make transactions in your Account. We may elect anytime, with or without notice, to make any debit balance or other obligation related to your Account immediately due and payable. We may report any past-due account to a consumer and/or securities credit reporting agency. We may also refer your Account to a collection agency.

### Section 7: Granting a Lien on Your Accounts.

As security for the repayment of all present or future indebtedness owed to us by each Account Holder, each Account Holder grants to us a first, perfected and prior lien, a continuing security interest, and right of setoff with respect to, all property that is, now or in the future, held, carried or maintained for any purpose in or through Schwab, and, to the extent of such Account Holder's interest in or through, any present or future account with us or our affiliates in which the Account Holder has an interest. In the event of a breach or default by you under this Agreement, Schwab will have the rights and remedies available to a secured creditor under all applicable laws in addition to the rights and remedies provided in this Agreement.

If you owe money to Schwab as the result of activity in your Account and there are assets available in any non-retirement brokerage account that you hold at Schwab which could fully or partially satisfy the debt, you agree that upon Schwab's written demand, you will execute all documents necessary to effect a transfer from your non-retirement brokerage account and agree to pay or cause such funds to be paid immediately to Schwab in order to satisfy your indebtedness to Schwab.

### Section 8: Liquidations.

Whenever it is necessary for our protection or to satisfy a margin deficiency, debit or other obligation owed us, we may (but are not required to) sell, assign and deliver all or any part of the property securing your obligations, or close any or all transactions in your Account. We may choose which property to buy or sell, which transactions to close, and the sequence and timing of liquidation. We may take such

actions on whatever exchange or market and in whatever manner (including public auction or private sale) that we choose in the exercise of our business judgment. You agree not to hold us liable for the choice of which property to buy or sell or of which transactions to close or for timing or manner of liquidation.

In certain circumstances we may, at our sole discretion, liquidate your entire margin loan balance to satisfy a margin call. You agree not to hold us liable for taking such action.

We may transfer property from any non-retirement brokerage account in which you have an interest to any other brokerage accounts in which you have an interest regardless of whether there are other account holders on either account, if we determine that your obligations are not adequately secured or to satisfy a margin deficiency or other obligation. You agree to pay on demand any account deficiencies after liquidation, whether liquidation is complete or partial.

All of the above may be done without demand for margin or notice of purchase, sale, transfer or cancellation to you. No demand for margin or notice shall impose on Schwab any obligation to make such demand or provide such notice to you in the future. Any such notice or demand is hereby expressly waived, and no specific demand or notice shall invalidate this waiver.

#### Section 9: Interest on Debit Balances.

We will charge and compound interest on your debit balances (whether in a Margin or Cash Account) according to our *Disclosure of Credit Terms and Policies*.

#### Section 10: Borrowing Money and Using Margin.

All margin transactions are subject to our *Disclosure of Credit Terms and Policies* and our Margin Disclosure Statement. You agree not to enter an order for a margin transaction until you have read and understood the *Disclosure of Credit Terms and Policies* and the Overview and Disclosure Statement.

#### Section 11: Loan Consent.

You agree that property held in your Margin Account, now or in the future, may be borrowed (either separately or together with the property of others) by us (acting as principal) or by others. You agree that Schwab can receive and retain certain benefits (including, but not limited to, interest on collateral posted for such loans) to which you will not be entitled. You acknowledge that, in certain circumstances, such borrowings could limit your ability to exercise voting rights or receive dividends, in whole or in part, with respect to the property lent. You understand that for property that is lent by Schwab, the dividends paid on such property will go to the borrower. No compensation or other reimbursements will be due to you in connection with such borrowings. However, if you are allocated a substitute payment in lieu of dividends, you understand that such a payment may not be entitled to the

same tax treatment as may have been applied to the receipt of a dividend. You agree that Schwab is not required to compensate you for any differential tax treatment between dividends and payments in lieu of dividends. Schwab may allocate payments in lieu of dividends by any mechanism permitted by law, including by using a lottery allocation system.

#### Section 12: Linking Your Account to a High Yield Investor Checking Account at Schwab Bank.

If you link your Account to a High Yield Investor Checking account held at Schwab Bank, you authorize Schwab to accept and follow instructions received from Schwab Bank to transfer funds from your Account to your High Yield Investor Checking account as set forth in your *Schwab Bank High Yield Investor Checking® Account Application and Schwab Bank Deposit Account Agreement*. The provisions of the Agreements and Disclosures relating to checks and debit cards will not apply to the services received from Schwab Bank.

You authorize Schwab to act as your agent in processing those instructions from Schwab Bank. You understand and agree that Schwab has sole discretion to accept or deny, in whole or in part, any such instruction. You also agree that Schwab is not responsible for any errors in calculation or damages resulting from errors in calculations or delays in transfers. **In no event will Schwab be liable for any special, indirect or consequential damages, even if we have been informed of the possibility of such damages.**

You authorize Schwab to act upon your requests for Real-Time Funds Transfers (as defined in the *Schwab Bank Deposit Account Agreement*) from Schwab Bank. The maximum amount you may transfer will be calculated in the same way that Schwab calculates the Authorization Limit for brokerage checkwriting privileges as set forth in the *Schwab One Account Agreement*. By requesting a Real-Time Funds Transfer, you understand that you may create a margin loan in your brokerage account that may be subject to daily interest charges.

In order for transfers to occur, both your High Yield Investor Checking account and your Schwab One brokerage account must be open and active and linked with each other. Target Balance Transfers will be limited to your Authorization Limit (as described in the *Schwab One Account Agreement*), excluding your Available Margin Loan Value (as defined in the *Schwab One Account Agreement*). Overdraft Transfers will be limited to your Authorization Limit.

If you have a debit balance in your Account, Target Balance Transfers will not be made to your High Yield Investor Checking account. Pending securities trades (including the Automatic Investment Plan [AIP]), pending debits to your Account, and pending transfers of funds from your Account may not be

considered in determining whether funds are available for transfer from your Account to your High Yield Investor Checking account at Schwab Bank.

Further, transfers of funds from your Account are subject to Schwab's minimum deposit requirements. You and your Account may not have any restrictions preventing Schwab from using funds in your Account to satisfy a transfer instruction from Schwab Bank. If your Account becomes subject to a restriction, your eligibility for this feature may be revoked and you understand that Schwab Bank may close your High Yield Investor Checking account.

Transfers to Schwab Bank may result in debits in your Account. You acknowledge that you are responsible for all debits (and interest on debits) in your Account, as described in further detail in the Agreement and Disclosures. Your account remains an obligation solely of Schwab. Likewise, your High Yield Investor Checking account remains an obligation solely of Schwab Bank.

#### Section 13: Verification.

You authorize Schwab to inquire from any source, including a consumer reporting agency, as to your identity (as required by federal law), creditworthiness and ongoing eligibility for the Account (and that of your spouse, if you live in a community property state) at account opening, at any time throughout the life of the Account, and thereafter for debt collection or investigative purposes

#### Section 14: Required Arbitration Disclosures.

Regulatory authorities require that any brokerage agreement containing a predispute arbitration agreement must disclose that this agreement contains a predispute arbitration clause. This Agreement contains a predispute arbitration clause. By signing an arbitration agreement, the parties agree as follows:

- All parties to this Agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.
- Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.
- The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.
- The arbitrators do not have to explain the reason(s) for their award unless, in an eligible case, a joint request for an explained decision has been submitted by all parties to the panel at least 20 days prior to the first scheduled hearing date.
- The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.
- The rules of some arbitration forums may impose time limits for bringing a claim in

arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.

- The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this Agreement.

No person shall bring a putative or certified class action to arbitration, nor seek to enforce any predispute arbitration agreement against any person who has initiated in court a putative class action; or who is a member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until:

1. the class certification is denied;
2. the class is decertified; or
3. the customer is excluded from the class by the court.

Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this Agreement except to the extent stated herein.

#### Section 15: Arbitration Agreement.

Any controversy or claim arising out of or relating to (i) this Agreement, any other agreement with Schwab, an instruction or authorization provided to Schwab or the breach of any such agreements, instructions, or authorizations; (ii) the Account, any other Schwab account or Services; (iii) transactions in the Account or any other Schwab account; (iv) or in any way arising from the relationship with Schwab, its parent, subsidiaries, affiliates, officers, directors, employees, agents or service providers ("Related Third Parties"), including any controversy over the arbitrability of a dispute, will be settled by arbitration.

This arbitration agreement will be binding upon and inure to the benefit of the parties hereto and their respective representatives, attorneys-in-fact, heirs, successors, assigns and any other persons having or claiming to have a legal or beneficial interest in the Account, including court-appointed trustees and receivers. This arbitration agreement will also inure to the benefit of third-party service providers that assist Schwab in providing Services ("Third-Party Service Providers") and such Third-Party Service Providers are deemed to be third-party beneficiaries of this arbitration agreement.

The parties agree that this arbitration agreement will apply even if the application to open the Account is denied and will survive the closure of your Account and/or the termination of services rendered under this Agreement.

Such arbitration will be conducted by, and according to the securities arbitration rules and regulations then in effect of, the Financial Industry Regulatory Authority (FINRA) or any national securities exchange that provides a forum for the arbitration of disputes, provided that Schwab is a member of such national

securities exchange at the time the arbitration is initiated. Any party may initiate arbitration by filing a written claim with FINRA or such eligible national securities exchange. If arbitration before FINRA or an eligible national securities exchange is unavailable or impossible for any reason, then such arbitration will be conducted by, and according to the rules and regulations then in effect of, the American Arbitration Association (AAA). If arbitration before the AAA is unavailable or impossible for any reason, the parties agree to have a court of competent jurisdiction appoint three (3) arbitrators to resolve any and all disputes or controversies between or among the parties. Each party shall bear its own initial arbitration costs, which are determined by the rules and regulations of the arbitration forum. In the event of financial hardship, the arbitration forum may waive certain costs in accordance with such rules. At the conclusion of the hearing, the arbitrators will decide how to assess the costs of the arbitration among the parties.

Any award the arbitrator makes shall be final and binding, and judgment on it may be entered in any court having jurisdiction. This arbitration agreement shall be enforced and interpreted exclusively in accordance with applicable federal laws of the United States, including the Federal Arbitration Act. Any costs, fees or taxes involved in enforcing the award shall be fully assessed against and paid by the party resisting enforcement of said award.

For FINRA arbitrations, FINRA will appoint a single public arbitrator in customer cases decided by one arbitrator. In customer cases decided by three arbitrators, investors have the option of choosing an arbitration panel with two public arbitrators and one non-public arbitrator (Majority-Public Panel Rule) or a panel of all public arbitrators (Optional All-Public Panel Rule). If the customer declines to elect a panel selection method in writing by the applicable deadline, the Majority-Public Panel Rule for selecting arbitrators will apply.

All notices from one party to the other involving arbitration shall be considered to have been fully given when so served, mailed by first-class, certified or registered mail, or otherwise given by other commercially accepted medium of written notification.

In addition to the above provisions, if a party to this Agreement is or becomes a non-U.S. resident at the time of any controversy subject to this arbitration agreement, such party acknowledges and agrees to the following additional provisions:

- (1) The rules of the organization administering the arbitration specifically provide for the formal designation of the place at which the arbitration is to be held.
- (2) Entering into this Agreement constitutes consent to submit to the personal jurisdiction of the courts of the state of

California, U.S.A., to interpret or enforce any or all of these arbitration provisions. Judgment on any arbitration award may be entered in any court having jurisdiction, or application may be made to such court for judicial acceptance of the award and an order of enforcement, as the case may be.

- (3) The exclusive language to be used by the parties and the arbitrators in the arbitration proceedings shall be English. Any party wishing an interpreter shall make all arrangements directly with the interpreter and shall assume all costs of the service.
- (4) If a party is a foreign government or state, state-owned or state-operated enterprise or other instrumentality of a foreign government or state, such party waives all rights of sovereign immunity and neither the Federal Act of State doctrine nor the doctrine of sovereign immunity shall apply insofar as any enforcement in courts located in the U.S.A. is concerned.

#### Section 16: Electronic Copies.

The electronically stored copy of your (or your agent's) signature, any written instructions or authorizations, the Account Application and the Agreement and Disclosures is considered to be the true, complete, valid, authentic and enforceable record, admissible in judicial, administrative or arbitration proceedings to the same extent as if the documents and records were originally generated and maintained in printed form. You agree to not contest the admissibility or enforceability of Schwab's electronically stored copy of such documents in any proceeding between you and Schwab.

#### Section 17: Float.

You agree that Schwab will retain as compensation for services your Account's proportionate share of any interest earned on aggregate cash balances held in Schwab's bank account with respect to (1) assets awaiting investment or (2) assets pending distribution from your Account. Such interest retained by Schwab shall generally be at money market rates. Schwab's receipt of such compensation is further described in the Agreement and Disclosures.

#### Section 18: Unclaimed Property.

If no activity occurs in the Account within the time period specified by applicable state law, the Account may be transferred to the appropriate state.

#### Section 19: Information About SIPC.

To obtain information about Securities Investor Protection Corporation (SIPC), including an explanatory SIPC brochure, please contact SIPC at [www.sipc.org](http://www.sipc.org) or 1-202-371-8300.

#### Section 20: Impartial Lottery for Securities Subject to Partial Call or Partial Redemption.

If Schwab holds securities for you in street name, in Schwab's name, or in bearer form that are subject to partial call or partial redemption, then in the case of a partial call or partial

redemption Schwab will use an impartial lottery system to select the securities to be called or redeemed from among accounts holding those securities. For a description of Schwab's lottery system, please visit [www.schwab.com/PartialCalls](http://www.schwab.com/PartialCalls). If you would like a printed description of Schwab's lottery system mailed to you, please contact a Schwab representative at 1-800-435-4000.



# Cash Features Program

## General Terms and Conditions

The automatic investment of your free credit balance, including the frequency and the amount of each sweep, is governed by the terms and conditions set forth in the Cash Features Disclosure Statement and in the Account Agreement applicable to your account. The material in this document is intended for informational purposes only. If there is any conflict between the descriptions in this document and the terms of the Cash Features Disclosure Statement, the Cash Features Disclosure Statement will control.

<p><b>How the Cash Features Program Works</b></p>	<p>Schwab's Cash Features Program is the service (described in the Cash Features Disclosure Statement) that we provide to automatically invest, or "sweep," the free credit balance in your account into a liquid investment to earn interest. The program permits you to earn income while you decide how those funds should be invested longer term.</p>
<p><b>Available Cash Feature</b></p>	<p>The available cash features currently consist of:</p> <ul style="list-style-type: none"> <li>• The free credit balance in your eligible account (the "Schwab One® Interest feature"), on which Schwab pays interest;</li> <li>• Interest-bearing deposit accounts at one or more of our affiliated banks (the "Bank Sweep feature" for most accounts and the "Bank Sweep for Benefit Plans feature" for retirement plan accounts); and</li> <li>• For some accounts, one or more affiliated money market mutual funds (the "Money Fund Sweep feature").</li> </ul>
<p><b>Eligibility</b></p>	<p>Eligibility for each cash feature is based on the registered ownership and the type of account. Not all account registrations and account types will be eligible for all cash features. Some account registrations and account types will be eligible for only one cash feature. Please see your Account Application and the Cash Features Disclosure Statement for more complete eligibility details.</p>
<p><b>Duty to Monitor Eligibility for Cash Features</b></p>	<p>It is your responsibility to monitor your eligibility for the cash features and determine the best cash feature available to you. Schwab is not responsible for contacting you if you are, or later become, eligible for other higher-yielding cash features.</p>
<p><b>Interest Rates and Yields</b></p>	<p>The interest rates and yields for the different cash features vary over time. There is no guarantee that the interest rate and yield on any particular cash feature will be or will remain higher than the interest rate and yield on any other cash features over any period. Current interest rates and yields can be obtained by contacting your independent investment advisor or your Financial Consultant, or by calling us at 1-800-435-4000. If you already have an account, you can visit our website at <a href="http://www.schwab.com/sweep">www.schwab.com/sweep</a>. If your account is an Advisor Services account, please contact your advisor, visit <a href="http://www.schwab.com/SA_sweep">www.schwab.com/SA_sweep</a>, or call Schwab Alliance at 1-800-515-2157.</p> <ul style="list-style-type: none"> <li>• The interest rate on the Schwab One Interest feature is set by Schwab. We have the option to pay as low a rate as possible consistent with our views of competitive necessities. With certain exceptions, the rate will be tiered based upon the overall free credit balance within your account.</li> <li>• The interest rate on the Bank Sweep feature is set by our affiliated bank(s), which also has the option to pay as low a rate as possible consistent with their views of competitive necessities. Retirement accounts will be paid a reasonable rate consistent with applicable legal and regulatory requirements. With certain exceptions, the rate will be tiered based upon your account type and the combined amount of your account's Bank Sweep deposits at our affiliated bank(s).</li> </ul>

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

<p><b>Interest Rates and Yields</b> (Continued)</p>	<ul style="list-style-type: none"> <li>• The interest rate on the Bank Sweep for Benefit Plans feature is set by our affiliated bank(s), which intend to pay interest consistent with reasonable rate provisions of applicable legal and regulatory requirements. This can be lower than some competitors' rates. Interest rates do not vary by tiers and do not vary based on your cash balances.</li> <li>• Money market mutual funds offered through the Money Fund Sweep feature seek to achieve the highest yield (less fees and expenses) consistent with prudence and their investment objectives.</li> </ul> <p>Cash features are not intended to be long-term investments, and yields on any of our cash features can be lower than those of similar investments or deposit accounts offered outside the Cash Features Program. 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, please contact your Schwab representative or visit <a href="http://www.schwab.com/cash">www.schwab.com/cash</a> for investment options that may be available outside of the Cash Features Program to help maximize your return potential consistent with your investment objectives and risk tolerance. If your account is an Advisor Services account, please contact your advisor, visit <a href="http://www.schwab.com/SA_cash">www.schwab.com/SA_cash</a>, or call Schwab Alliance at 1-800-515-2157.</p>
<p><b>Benefits to Schwab</b></p>	<p>We charge fees and receive certain benefits under the different cash features. We share a portion of these fees and benefits with our investment professionals. Because of these fees and benefits, we have a financial incentive to select the particular cash features included in the Cash Features Program.</p>
<p><b>Differing Risks and Account Protection</b></p>	<p>The different cash features are subject to different risks and account protection:</p> <ul style="list-style-type: none"> <li>• The Schwab One® Interest feature is not subject to market risk and value loss but is subject to the risk of Schwab's failure. In the unlikely event that Schwab fails, cash is eligible for SIPC coverage up to a limit of \$250,000 (including principal and interest) per client in each insurable capacity (e.g., individual or joint). Free credit balances held at Schwab are not insured or guaranteed by the FDIC.</li> <li>• The Bank Sweep and Bank Sweep for Benefit Plans features are not subject to market risk and value loss but are subject to the risk of the failure of one or more of our affiliated banks. In the unlikely event that one or more of our affiliated banks fails, deposits at each bank are eligible for FDIC insurance protection up to a limit of \$250,000 (including principal and interest) per depositor in each insurable capacity (e.g., individual, joint, and plan participant). This limit includes any other deposits you may have at that bank outside of the Bank Sweep and Bank Sweep for Benefit Plans features. <b>You are responsible for monitoring your bank balances in the Bank Sweep and Bank Sweep for Benefit Plans features and the balances in any of your other bank accounts at each affiliated bank to determine if these, in total, exceed FDIC insurance limits. Monies held in both features are not covered by SIPC.</b></li> <li>• Money market mutual funds in the Money Fund Sweep feature invest in high-quality, short-term securities and seek to maintain a stable value, but are subject to market risks and potential value loss. They are not bank accounts and are not subject to FDIC insurance protection. They are instead covered by SIPC, which protects against the custodial risk (and not a decline in market value) when a brokerage firm fails by replacing missing securities and cash up to a limit of \$500,000, of which \$250,000 may be cash. Shares held through the Money Fund Sweep feature are not considered cash, but are treated as securities for SIPC coverage.</li> </ul>

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

# Margin Disclosure Statement

## Client Copy

[www.schwab.com](http://www.schwab.com) | 1-800-435-4000 (inside the U.S.) [international.schwab.com](http://international.schwab.com) | +1-415-667-8400 (outside the U.S.)

- This is important information regarding margin borrowing, if you have requested the margin feature on your brokerage account.
- Please retain this document for your files.
- When using margin, please keep these important rules and conditions in mind.
- A complete list of terms and conditions pertaining to margin trading and short selling, including credit terms and policies, can be found in the Account Agreement. The Account Agreement will be provided to you after account opening or you can access it at any time on our website or by calling us. Please read this important document before opening a margin account.
- For questions regarding margin borrowing, please contact us at the numbers listed above. For clients of independent investment advisors, please call your advisor directly or call Schwab Alliance at 1-800-515-2157.

When considering a margin loan, you should determine how the use of margin fits your own investment philosophy. It is important that you fully understand the risks, rules, and requirements involved in trading securities on margin.

The following paragraphs highlight some of the critical aspects of margin trading:

### Margin trading increases your level of market risk.

Margin trading increases your buying power, allowing you to purchase a greater amount of securities with your investing dollar. Therefore, your exposure to market volatility increases—a declining market could result in even greater losses. *A decline in the value of your securities that you purchase on margin can require you to provide additional funds to Schwab in order to avoid the forced sale of those securities or other securities in your account.*

### Your downside is not limited to the collateral value in your margin account.

When you buy securities on margin, you are borrowing money from Schwab for part of your transactions. Securities and other assets in your Schwab account(s) are pledged as collateral to secure this loan. These margin transactions are riskier and involve the possibility of greater loss than transactions where you are not borrowing money. If the securities in your account decline in value, so does the value of the collateral supporting your loan. When the value of the collateral falls below the maintenance margin requirements, or Schwab's higher "house" requirements, Schwab can move to protect its position. In order to cover margin deficiencies, Schwab may issue you a margin call—a request for additional cash—or sell securities from your account. If a sale does not cover the deficiency, you will be responsible for any shortfall.

### Schwab may initiate the sale of any securities in your account, without contacting you, to meet a margin call.

Schwab will attempt to involve you in the case of margin deficiency; however, market conditions can require the firm to quickly sell any of your securities without your consent. Because the securities are collateral for the margin loan, Schwab has the right to decide which security to sell in order to protect its interests. Even if Schwab has contacted you and provided a specific date by which you can meet a margin call, the firm can still take necessary steps to protect its financial interests, including immediately selling the securities without prior notice to you.

Schwab's "house" initial and maintenance margin requirements may exceed those established by the Federal Reserve Board and/or the Financial Industry Regulatory Authority, Inc. Please call Schwab for current margin requirements.

Schwab retains the right to change its initial margin requirements at any time and without prior notice.

We may also impose anytime and without prior notice more stringent requirements on positions that in our sole discretion involve higher levels of risk; for example, higher limits may apply for thinly traded, speculative or volatile securities, or concentrated positions of securities.

### Schwab may increase its "house" maintenance margin requirements at any time and is not required to provide you with advance written notice.

Changes in Schwab's policy regarding "house" maintenance margin requirements often take effect immediately and can result in the issuance of a maintenance margin call. Your failure to satisfy the call may cause Schwab to liquidate or sell securities in your account.

Schwab retains absolute discretion to determine whether, when and in what amounts we will require additional collateral. For example, we can require additional collateral if an account contains only one security or a large concentration of one or more securities; or low-priced, thinly traded or volatile securities; or if some of your collateral is or becomes restricted or non-negotiable or non-marginable. We may also consider market conditions, your financial resources, or other factors deemed by us to be relevant given the circumstances at the time.

### You are not entitled to an extension of time on a margin call.

While an extension of time to meet margin requirements might be available to customers under certain conditions, a customer does not have a right to the extension.

Some accounts that carry a margin loan balance and hold dividend-paying securities may receive a "substitute income payment in lieu of a dividend" (PIL). This payment may be taxable as ordinary income. Taxable accounts that receive a PIL instead of a qualified dividend may also receive a supplemental credit from Schwab. This will be identified on customer statements as a "Schwab substitute income credit." However, when Schwab can identify that a dividend is nonqualified, we will not credit your account with this additional payment.

- This credit is NOT "payment in lieu," and is unrelated to any payment from either the security issuer or the borrower.
- It is a discretionary credit from Schwab which may be discontinued in the future with or without notice.\*
- It may be subject to tax at your ordinary income tax rate. Please consult your tax advisor about your specific tax situation.
- Because individual tax situations differ, Schwab cannot precisely calculate the additional tax costs a client might incur. Therefore, we do not intend, nor should clients expect, for this payment to be an exact reimbursement of any excess tax cost.

\*Please refer to the "Loan Consent" section of your Account Agreement which states that no compensation is due in connection with such loans and that Schwab "is not required to compensate you for any differential tax treatment between dividends and payments in lieu of dividends."

