



# Individual 401(k) Account Application

**Schwab.com**

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

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

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

## Employer Instructions

- Read and complete all sections of this account application. Make a photocopy for your plan records, and return the original to **Charles Schwab & Co., Inc.** However, if this is an initial employer adoption of a Schwab Individual 401(k), you must also include your completed, signed and dated Individual 401(k) Adoption Agreement.
- If you have plan participants other than yourself, complete Section 1 below before giving a photocopy of the Account Application to each participant to complete and return to you to return to Schwab.

## Participant (Account Holder) Instructions

Read and complete Sections 2–6 of this account application before signing and dating it. Return it to your Employer.

**1**

## Employer Information

Business Name of Adopting Employer

Employer's Federal Tax Identification Number (EIN) (Required)\*

Business Street Address (no P.O. boxes)

City

State

Zip Code

Business Telephone Number

If you are adding an additional participant to an already established Schwab Individual 401(k), please indicate the participant's relationship:

Owner (or partner)     Spouse (of owner or partner)

\*This is the tax identification number assigned to your business. Do not use your Social Security number or Plan Identification Number.

## Plan Information

Name of Plan

Plan Sequence Number

Plan Identification Number (if applicable)†

Name of Plan Administrator (if not the Employer)

Adopting Employer Tax Year-End (specify month and day)

Business Street Address (no P.O. boxes)

City

State

Zip Code

Business Telephone Number

†This is the tax identification number assigned to your Plan. Do not use your Social Security number or the tax identification number assigned to your business.

**2**

## Tell Us About Yourself

We respect your privacy. Charles Schwab & Co., Inc. ("Schwab") will use the information you provide to open and service your accounts, communicate with you, and provide information about products and services. Read about Schwab's privacy policy at [www.schwab.com/privacy](http://www.schwab.com/privacy).

As required by federal law, Schwab will use the information provided to verify your identity.

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.*

Regulations require that you provide us with your legal address. Include mailing address if different from your home/legal address.

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

Mailing Address *P.O. Boxes may be used* 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.

Email Address Mother's Maiden Name

Country(ies) of Citizenship *Please list all.*

USA Other(s) Country of Citizenship 1 Country of Citizenship 2, if applicable

Country of Legal Residence *Please select only one box.*

USA Other Other Country of Legal Residence

ID Type and Number *Please select only one box and provide the relevant information below.*

Driver's License Passport U.S. Government-Issued ID

ID Number Country/State of ID Issuance ID Expiration Date mm/dd/yyyy

Marital Status

Single Married Divorced Widowed Number of Dependents

Securities industry regulations require that we collect this information.

Employment Information

Please select only one box. Employed Self-Employed Retired Homemaker Student Not Employed

Employer Name/Business Name

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

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** **City** **State** **Zip Code**



**The next two questions are required.**

You must answer this question.

**Are you 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.

**Are you 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).

### 3 Overall Investment Objective of Account

#### Overall Investment Objective of Account

Please select all boxes that apply.

- Capital Preservation**  
You are seeking to minimize the potential of losing your initial investment.
- Income**  
You are seeking the continued receipt of current income while recognizing and accepting the risks of income-generating investments.
- Growth**  
You are seeking to increase the value of your investments over time while accepting price fluctuations and volatility.
- Speculation**  
You are willing to assume a higher risk of loss in exchange for potentially higher returns.

### 4 Account Features

#### Your Participation and Consent to Enroll in Schwab's Cash Features Program

##### A. Cash Features Program Information for Employers

The Cash Features Program is a service that offers the Bank Sweep feature (named with respect to retirement plans the "Bank Sweep for Benefit Plans" feature) (a "Cash Feature") to permit uninvested cash (the "Free Credit Balance") in the Plan and/or Participant brokerage accounts under the Plan, as applicable, to earn income while you and/or your Participants, as applicable, decide how those funds should be invested longer term.

You understand that the terms and conditions of the Cash Features Program and of each Cash Feature are set forth in the Cash Features Disclosure Statement.

You instruct and direct Schwab to include the Free Credit Balance under the Plan in the Cash Features Program, as described in the Cash Features Disclosure Statement.

The Bank Sweep feature (including the Bank Sweep for Benefit Plans feature) is designated as the Cash Feature for brokerage accounts of account holders residing in the U.S. Through the Bank Sweep feature, Schwab automatically makes deposits to and withdrawals from deposit accounts at one or more Sweep Banks that are insured by the Federal Deposit Insurance Corporation (FDIC) up to certain prescribed FDIC limits.

You understand and agree that Schwab may (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 the Plan's and/or any Participant's investment from one Cash Feature to another if the Plan and/or any Participant, as applicable, becomes ineligible for the current Cash Feature or the 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.

**B. Cash Features Program Information for Plan Participants**

The Cash Features Program is a service that offers certain cash features (each a "Cash Feature") to permit uninvested cash (the "Free Credit Balance") in your Participant brokerage accounts under the Plan to earn income while you decide how those funds should be invested longer term.

All uninvested funds held within your Account will be automatically invested (swept) into the Cash Feature selected by your Employer. If you have questions about your Plan's Cash Feature selection, please contact your Employer.

You understand that the terms and conditions of the Cash Features Program and of each Cash Feature are set forth in the Cash Features Disclosure Statement.

You understand that your Employer has instructed and directed Schwab to include the Free Credit Balance under the Plan in the Cash Features Program, as described in the Cash Features Disclosure Statement, and that by your use of the Account you are consenting to the terms related to the Cash Feature selected on behalf of the Plan.

You understand and agree that Schwab may (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 the Plan's and/or any Participant's investment from one Cash Feature to another if the Plan and/or any Participant, as applicable, becomes ineligible for the current Cash Feature or the 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.

**Electronic Trade Confirmations ("eConfirms")**

If you have provided your email address, you will soon receive an email that will tell you how to receive paperless trade confirmations and the associated prospectuses and disclosures by email. Until we receive a response to our email, you will receive paper trade confirmations and disclosures through the U.S. mail. You may enroll in our electronic delivery services or return to delivery through the U.S. mail at any time by indicating your preferences online.

**No, at this time I do not want eConfirms.**

**5****Beneficiary Designation**

When you die, the value in your Individual 401(k) account will become the property of the primary beneficiary, if he or she survives you; or, if no primary beneficiary survives you, the contingent beneficiary. If no designated beneficiary survives, or if the custodian cannot locate the beneficiary, the custodian will distribute the interest in your account to your spouse, if living; or, if your spouse isn't alive or you are unmarried, to your estate.

If you choose more than one primary beneficiary, and one or more, but not all, survive you, each surviving primary beneficiary will receive a share of the account value determined by multiplying the total value by a fraction in which the numerator is the percentage to be distributed to the particular primary beneficiary; the denominator is the total percentage for all surviving primary beneficiaries. If no primary beneficiary survives you, surviving contingent beneficiaries will share in the benefits in the same way as described for multiple primary beneficiaries.

If you don't indicate share percentages, the custodian will divide the account value equally among all beneficiaries designated.

If Schwab determines that your beneficiary designations are not clear with respect to the amount of the distribution, the date on which the distribution shall be made, or the identity of the party or parties who will receive the distribution, Schwab has the right, in its sole discretion, to consult counsel and to institute legal proceedings to determine the proper distribution of the account, all at the expense of the account, before distributing or transferring the account.

You may revoke or change this beneficiary designation at any time by providing a new form to Schwab. It will become effective when Schwab receives it. If you're married, any change to this designation will revoke your spouse's consent to it.

**Marital Status**

If no box is checked in the "Tell Us About Yourself" section under Marital Status, your status is assumed to be "Single." If you are married and not legally separated and wish to designate someone other than, or in addition to, your spouse as a primary beneficiary, you must obtain your spouse's written consent in the presence of a notary public (see Consent of Spouse section on the following page).

**Designate Your Beneficiary(ies).** I hereby designate the person(s) below as my beneficiary(ies):

**Type of Beneficiary**

**Primary**     **Contingent**    \_\_\_\_\_ %  
Share %    Social Security/Tax ID Number    Date of Birth/Trust mm/dd/yyyy

**Relationship**

**Spouse**     **Non-Spouse Individual**     **Trust**     **Estate**     **Charity or Other Entity**

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

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

\_\_\_\_\_  
**Home Phone**    **Mobile Phone**    **Work Phone**    Extension

**Email Address**

**Country(ies) of Citizenship** Please list all.

**USA**     **Other(s)** \_\_\_\_\_  
Country of Citizenship 1    Country of Citizenship 2, if applicable

**Country of Legal Residence** Please select only one box.

**USA**     **Other** \_\_\_\_\_  
Other Country of Legal Residence

**Type of Beneficiary**

**Primary**     **Contingent**    \_\_\_\_\_ %  
Share %    Social Security/Tax ID Number    Date of Birth/Trust mm/dd/yyyy

**Relationship**

**Spouse**     **Non-Spouse Individual**     **Trust**     **Estate**     **Charity or Other Entity**

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

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

\_\_\_\_\_  
**Home Phone**    **Mobile Phone**    **Work Phone**    Extension

**Email Address**

**Country(ies) of Citizenship** Please list all.

**USA**     **Other(s)** \_\_\_\_\_  
Country of Citizenship 1    Country of Citizenship 2, if applicable

**Country of Legal Residence** *Please select only one box.*

USA     Other \_\_\_\_\_  
*Other Country of Legal Residence*

**Type of Beneficiary**

Primary     Contingent \_\_\_\_\_ %  
**Share %    Social Security/Tax ID Number    Date of Birth/Trust** *mm/dd/yyyy*

**Relationship**

Spouse     Non-Spouse Individual     Trust     Estate     Charity or Other Entity

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

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

\_\_\_\_\_  
**Home Phone**                      **Mobile Phone**                      **Work Phone**                      *Extension*

\_\_\_\_\_  
**Email Address**

**Country(ies) of Citizenship** *Please list all.*

USA     Other(s) \_\_\_\_\_  
*Country of Citizenship 1*                      *Country of Citizenship 2, if applicable*

**Country of Legal Residence** *Please select only one box.*

USA     Other \_\_\_\_\_  
*Other Country of Legal Residence*

**Type of Beneficiary**

Primary     Contingent \_\_\_\_\_ %  
**Share %    Social Security/Tax ID Number    Date of Birth/Trust** *mm/dd/yyyy*

**Relationship**

Spouse     Non-Spouse Individual     Trust     Estate     Charity or Other Entity

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

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

\_\_\_\_\_  
**Home Phone**                      **Mobile Phone**                      **Work Phone**                      *Extension*

\_\_\_\_\_  
**Email Address**



**Country(ies) of Citizenship** *Please list all.*

USA     Other(s) \_\_\_\_\_  
*Country of Citizenship 1*    *Country of Citizenship 2, if applicable*

**Country of Legal Residence** *Please select only one box.*

USA     Other \_\_\_\_\_  
*Other Country of Legal Residence*

Shares must add up to 100% per beneficiary type. If you wish to designate more than four primary or contingent beneficiaries, attach a separate sheet of paper and include all the information as requested above.

**Consent of Spouse**

I hereby consent to the designation of beneficiary as shown. I understand that if anyone other than me is designated as primary beneficiary on this form, I am waiving rights I may have to receive benefits under the plan when my spouse dies.

**Note:** This signature must be witnessed by a notary public.

**SIGN HERE** →



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

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

**Notarization**

**Notice to CA Residents:** A notary public or other officer completing this certificate verifies only the identity of the individual(s) who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

**Certificate of Acknowledgment of Notary Public\***

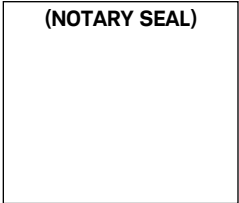
\_\_\_\_\_  
**State of**                              **in the County of**                              **On** *mm/dd/yyyy*

the above-named individual(s) personally appeared before me and proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument, the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument. I certify under PENALTY OF PERJURY that the foregoing paragraph is true and correct.



\_\_\_\_\_  
**Notary Signature**    **Today's Date** *mm/dd/yyyy*

\_\_\_\_\_  
**Print Notary Name**    **My Commission Expires** *mm/dd/yyyy*



\*If your state law permits, notaries may attach the appropriate notarizing declaration in lieu of this notarization.

**6**

**Authorization to Open Account**

**Please read and sign below.**

By signing this Application, you (a) certify under penalty of perjury that the number shown on this Application is your correct taxpayer number; (b) certify that the information and instructions you have provided in this Application are correct; (c) authorize Schwab to open a Schwab Individual 401(k) account in the name of the account holder listed on this Application; and (d) acknowledge that you have received and read the attached Application Agreement, which contains a predispute arbitration provision.

Your signature below 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, but not limited to the Schwab Individual 401(k) Account Agreement and the Charles Schwab Pricing Guide, each as amended from time to time (the "Agreements and Disclosures").

You understand there are fees associated with establishing, maintaining, engaging in transactions and transferring assets out of this account.

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 Schwab and are not guaranteed by Schwab Bank; and (iii) are subject to investment risks, including possible loss of the principal invested.

This account is established and effective when you receive your account number.

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.

**You certify under penalty of perjury that (1) the Plan Identification Number shown on this application is correct; (2) the plan is not subject to back-up withholding because (a) the plan is exempt from back-up withholding, or (b) you have not been notified by the IRS that the plan is subject to back-up withholding as a result of a failure to report all interest and dividends, or (c) the IRS has notified you that the plan is no longer subject to back-up withholding; (3) the plan is a U.S. person; and (4) the plan is exempt from Foreign Account Tax Compliance Act (FATCA) reporting. (You understand that if you have been notified by the IRS that the plan is subject to back-up withholding as a result of dividend or interest underreporting and you have not received a notice from the IRS advising you that back-up withholding is terminated, you must strike or cross out the information contained in 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 11, page 2, of the Application Agreement.**

**SIGN HERE**



Today's Date *mm/dd/yyyy*

Print Name

**7**

**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](http://Schwab.com) and log in to your account.
  2. Click the Message Center link (under Service), and then click the Upload Document link.
  3. Upload your form as an attachment by clicking the Add File button.
  4. When your message is complete, click Send.
- **Fax** to 1-888-526-7252.
- **Bring** to your nearest Schwab branch (visit [Schwab.com/branch](http://Schwab.com/branch) for locations).
- **Mail** to any of the following addresses:

**Regular Mail (West)**  
Charles Schwab & Co., Inc.  
P.O. Box 982600  
El Paso, TX 79998-2600

**Regular Mail (East)**  
Charles Schwab & Co., Inc.  
P.O. Box 628291  
Orlando, FL 32862-8291

**Overnight Mail (West)**  
Charles Schwab & Co., Inc.  
1945 Northwestern Drive  
El Paso, TX 79912

**Overnight Mail (East)**  
Charles Schwab & Co., Inc.  
1958 Summit Park Dr., Ste. 200  
Orlando, FL 32810

# Individual 401(k) Account Application Agreement

**Client Copy - This agreement relates to your account and is part of the Account Agreement between each Account Holder and Schwab. Please read and retain for your files.**

## 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 Individual 401(k) Account Agreement, which incorporates the *Charles Schwab Pricing Guide* and a number of other important disclosures. The Schwab Individual 401(k) 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 Individual 401(k) 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 Individual 401(k) 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.

The Account is also governed by the Schwab Individual 401(k) Basic Plan Document, which is provided to the employer at the time the Schwab Individual 401(k) plan is adopted and established. If you are an employee, questions about your employer's plan should be addressed to your employer.

## 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) you consent to the beneficiaries you have designated in your Account Application; (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, policymaking 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.

## 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 suitable for you. Your obligation includes an affirmative duty to monitor and stay informed about your Account and your investments, and respond to changes as you deem appropriate. Unless Schwab otherwise agrees with you in writing, Schwab does not have any discretionary authority or obligation to review or make recommendations for the investment of securities or cash in your Account. 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: Liquidations.

Whenever it is necessary for our protection to satisfy a debit in your Account or obligation owed us with respect to your Account (including the payment of any fees and expenses relating to your Account that are assessed from your Account), you authorize and direct Schwab to sell, assign and deliver all or any part of the property in your Account or close any or all transactions in your Account or restrict activity in your Account as may be necessary from time to time to satisfy any such debit or obligation. You further authorize and direct us to 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 pursuant to this direction. You agree not to hold us liable for the choice of which property to buy or sell or which transactions to close, or for the timing or manner of liquidation, or any tax consequences from such actions pursuant to this direction. This serves as your direction and authorization to us, without any additional notice to you. No demand 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 8: Disclosure of Account Information.

You understand and agree that Schwab may from time to time, without notice to you and without liability, provide information about your Schwab Individual 401(k) Account to the Plan Administrator and/or Trustee.

## Section 9: Verification.

You authorize Schwab to inquire from any source, including a consumer reporting agency, as to the identity (as required by law), creditworthiness and ongoing eligibility for the Account of the Account Holders, any other person referred to on this Application, or any person whom Schwab is later notified is associated with or has an interest in the Account (as well as such persons' spouses if they live in a community-property jurisdiction) at account opening, at any time throughout the life of the Account, and thereafter for debt collection or investigative purposes.

**Section 10: 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 11: 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 12: 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 13: Float.**

You agree that Schwab may 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 14: 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 15: 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 16: 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.

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# 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.

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| <b>How the Cash Features Program Works</b>           | 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.  |
| <b>Available Cash Feature</b>                        | <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<sup>®</sup> 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>   |
| <b>Eligibility</b>                                   | 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.   |
| <b>Duty to Monitor Eligibility for Cash Features</b> | 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.  |
| <b>Interest Rates and Yields</b>                     | <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 may seek 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 may seek 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**

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| <p><b>Interest Rates and Yields</b><br/>(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 may 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 may 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 may charge fees and receive certain benefits under the different cash features. A portion of these fees and benefits may be shared with your investment professional. 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> |

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