

June 2018

Account Agreement Amendments

We have recently amended the Institutional Intelligent Portfolios® (“IIP”) Brokerage Account Agreement (“IIP Brokerage Account Agreement”) and the IIP Individual Retirement Account Brokerage Agreement (“IIP IRA Agreement”) (together, the “IIP Account Agreements”). You can access your current IIP Account Agreements at any time by logging in to institutionalintelligent.schwab.com/accountagreements and selecting “Account Agreements.”

This document highlights certain changes applied to the June 2018 versions of the IIP Account Agreements.

Effective immediately, these amendments and clarifications replace and supersede all previously published portions of the IIP Account Agreements to which they apply. In the event of any inconsistency or conflict between the terms of these amendments and clarifications and the terms of your existing IIP Account Agreement(s), the terms set forth in the amended IIP Account Agreements govern.

Please review this document carefully and review your applicable IIP Account Agreements, as amended, by logging in to your account at institutionalintelligent.schwab.com/accountagreements and selecting “Account Agreements.”

If you have questions about the information contained in this document or about any of our products or services, please contact your Advisor directly or call the Institutional Intelligent Portfolios service team at 1-877-805-3399.

Amendments to the Institutional Intelligent Portfolios® Brokerage Account Agreement

The following global changes have been implemented:

- All references to exchange-traded funds (“ETFs”) have been deleted and replaced, as applicable, with “Funds,” to reflect the fact that Institutional Intelligent Portfolios can now include both ETFs and mutual funds.

The Section titled “Authorizations” is amended as follows:

- In the second paragraph, replace the third and fourth sentences with:
“I have authorized my Advisor to take the following actions, and I instruct Schwab to permit my Advisor to: (i) remit checks to me at my address of record and (ii) journal cash and/or securities to a Schwab brokerage account on which I am named account holder (known as a first-party transfer). In addition, and only if I have previously authorized my Advisor and instructed Schwab to permit my Advisor to do so, my Advisor may wire funds to accounts on which I am named account holder (known as a first-party transfer) at other financial institutions.”

The Section titled “Issuer Communication and Related Actions” is amended as follows:

- Replace the entire section with:
“I will be sent all issuer and issuer-related communications (proxies, tender offers, proposed mergers, rights offerings, exchange offers, and warrants, among other things), make all voting decisions, and take all actions regarding investments held in my account, unless I have appointed my IA. Any issuer of securities held in my account may request that Schwab disclose to it my name, address, and securities positions in that issuer. If I do not appoint my Advisor, informational copies of issuer and issuer-related communications may be sent to my IA.

If I have granted my IA trading authority over my account, and my IA exercises investment discretion for me pursuant to an advisory contract, I can appoint my IA to be sent certain issuer and issuer-related communications that may require a voting decision or other action regarding investments held in my account.

If I have appointed my IA, my IA will, regarding only those voting decisions or other action communications sent to my IA: (i) be requested to vote proxy ballots; (ii) be requested to provide instructions regarding corporate reorganizations and other corporate actions; and (iii) be sent certain prospectuses and annual reports and other communications. In these cases, I will be authorizing my IA to make all voting decisions and take all actions on my behalf. I will not be sent informational copies of these communications.

Even if I have appointed my IA, I may still be sent certain other issuer and issuer-related communications regarding investments held in my account. I agree that I will be responsible for providing Schwab any applicable instructions or directions on those items.”

The Section titled “Fees” is amended as follows:

- Replace the third sentence in the first paragraph with:

“This revenue comes from managing Schwab Funds®, providing services relating to certain third-party Funds that can be selected for the portfolio, and from the cash feature on the accounts. Revenue may also be received from the market centers where Fund trade orders are routed for execution.”



Institutional Intelligent Portfolios® is a technology and service platform provided to your Investment Advisor by Schwab Performance Technologies® ("SPT") and used by your Investment Advisor to provide its clients with an automated investment management service. Charles Schwab & Co., Inc. ("CS&Co."), a registered broker-dealer and member of SIPC, provides custody, trading, and support services. Brokerage products, including the Schwab One® brokerage account, are offered by CS&Co. SPT, CS&Co., and Charles Schwab Bank are separate companies affiliated as subsidiaries of The Charles Schwab Corporation, but their products and services are independent from each other.

The Sweep Program is offered by Charles Schwab Bank, member FDIC and an Equal Housing Lender.

Your Investment Advisor and SPT are independent of each other and are not affiliated with, sponsored by, endorsed by, or supervised by each other. Your relationship is solely with your Investment Advisor and not SPT.

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