ERISA 408(b)(2)
Explanation of Fees and Services

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Introduction

The Employee Retirement Income Security Act of 1974 (ERISA), as amended, requires employee benefit plan fiduciaries to act solely in the interests of, and for the exclusive benefit of, plan participants and beneficiaries. As part of that obligation, plan fiduciaries should consider cost, among other things, when choosing investment options for a benefit plan and selecting appropriate service providers to the benefit plan.

The information in this report is provided by Charles Schwab & Co., Inc. ("Schwab"), as a Covered Service Provider, to satisfy the service provider fee disclosure requirements under ERISA Section 408(b)(2). This information should assist you as your plan's applicable fiduciary in making informed cost-benefit decisions with respect to your plan.

In general, a Covered Service Provider is a service provider that enters into a contract or arrangement to provide services to a plan and reasonably expects to receive $1,000 or more in compensation, direct or indirect, in connection with the following services:

- Serves as a fiduciary or Registered Investment Advisor
- Certain recordkeeping or brokerage services
- Other services for indirect compensation, such as audit, accounting, legal, and valuation services

Compensation is anything of monetary value (for example, money, gifts, awards, and trips), but does not include non-monetary compensation valued at $250 or less, in aggregate, received during the term of the contract or arrangement.

Direct compensation is compensation paid directly from your plan. Any fees paid directly from plan assets are considered direct compensation, as is any compensation that is paid by the plan sponsor but is later reimbursed from the plan's assets.

Indirect compensation is compensation received from any source other than your plan, the plan sponsor, or an affiliate. Compensation received from a subcontractor is indirect compensation, unless it is received in connection with services performed under the subcontractor's contract or arrangement.

This report details the fees your plan assessed by or paid indirectly to Schwab or its affiliates for the services provided to your plan as further described in this report.

We have tried to make this report as comprehensive and easy to understand as possible. Please remember that fees can change based on changes that you may make to your plan investments, services we provide, transactions that take place in your plan, or other factors. We will notify you of changes to our compensation as soon as practicable.

Additional Information

The amounts illustrated in this disclosure represent estimated plan expenses. Schwab makes no representations as to the completeness or accuracy of the information contained in the fund tables within this report, prospectus, or other similar documents with respect to unaffiliated funds. Additional information about fees relating to specific investments may be obtained from the applicable investment product prospectus or other similar documents. Additional information about plan services and expenses is contained in the applicable Schwab pricing guides, other fee disclosures, and account applications and agreements. As there may be other plan fees and expenses charged to the plan by other service providers, the plan fiduciary should consider contacting all of your plan's service providers to request fee information with respect to their services.

Schwab Entities

The following Schwab entities may work together to provide services to your plan and may share the fees and other compensation received for those services. Unless specifically noted, the term "Schwab" refers to one or more of these companies and their affiliates:

- Charles Schwab & Co., Inc. (CSCO—EIN #94-1737782)
- Charles Schwab Investment Management, Inc., dba Schwab Asset Management™ (CSIM—EIN #94-3106735)[1]

[1] Charles Schwab Investment Management, Inc., dba Schwab Asset Management, is an affiliate of Charles Schwab & Co., Inc. Brokerage products and services are offered by Charles Schwab & Co., Inc. (Member SIPC).

Services Provided by Schwab

Brokerage Services

Brokerage services for your plan that are provided by Schwab include but are not limited to the following. If Schwab receives compensation from these services, it is disclosed in this report or its attachments.

- Wire transfers
- Check deposits and ACH (MoneyLink) transactions
- Issuance of checks
- Brokerage trading services
- Expanded array of investment options, including stocks, bonds, mutual funds, and exchange-traded funds (ETFs)[1]
- Periodic brokerage statements
- Schwab Advisor Network® referral program[2]
- Managed Account Services (MAS)
- Mutual Fund OneSource® program

- Security Custody services

[1] Investors should consider carefully information contained in the prospectus, including investment objectives, risks, charges, and expenses. You can obtain a prospectus at Schwab.com or by calling a Schwab representative. Please read the prospectus carefully before investing. Schwab makes no representations as to the completeness or accuracy of the information contained in the prospectus or other similar documents with respect to unaffiliated funds.

[2] For additional information, please refer to the Schwab Advisor Network® Referrals section under Other Fees and Compensation.

Charles Schwab Investment Products and Services

Schwab-Affiliated Mutual Funds and ETFs

Schwab Funds™

Schwab currently has an affiliated mutual fund family: the Schwab Funds. Schwab and its affiliate, Schwab Asset Management (SAM), receive fees from the Schwab Funds for the services it provides to the funds, as further discussed below.

Schwab ETFs™

Schwab's affiliate, SAM, is also the investment advisor to the Schwab ETFs.

Managed Account Services

Schwab makes MAS and Schwab Managed Portfolios™ (SMP) available to many of its clients and client accounts. The MAS program allows clients to select a Money Manager to manage designated account assets according to a stated investment strategy. Plan participants access Windhaven® Strategies and Selective Portfolios Strategies through the MAS program by selecting SAM as a Money Manager. Only clients with a Selective Portfolios account as of September 2023 will be able to access the Selective Portfolios strategies. The SMP program allows plan participants to choose among certain mutual fund strategies. SAM also manages the designated SMP strategies. Compensation to Schwab and its affiliate for these programs is in the form of an asset-based pricing rate charged against the account balance. If any of your plan's accounts enroll in an MAS or SMP program, you will receive notification of the new asset-based pricing fee.

The fees for the strategies that may be available to accounts in your plan are shown in the table below.

Schwab Managed Portfolios™ – Third-Party Mutual Funds Strategies	
Daily Eligible Assets	**Annual Asset-Based Pricing Fee (% of assets)**
First $250,000	0.50%
Next $250,000	0.35%
Assets over $500,000	0.25%

Selective Portfolios – Core MF Strategies	
Daily Eligible Assets	**Annual Asset-Based Pricing Fee (% of assets)**
First $100,000	0.90%
Next $150,000	0.70%
Next $250,000	0.50%
Next $500,000	0.30%
Assets over $1,000,000	0.20%

Selective Portfolios – Core ETF and Opportunistic Strategies	
Daily Eligible Assets	**Annual Asset-Based Pricing Fee (% of assets)**
First $100,000	0.90%
Next $400,000	0.75%
Next $500,000	0.65%
Assets over $1,000,000	0.50%

Windhaven® Strategies	
Daily Eligible Assets	**Annual Asset-Based Pricing Fee (% of assets)**
First $500,000	0.95%
Next $500,000	0.90%
Next $1,000,000	0.80%
Assets over $2,000,000	0.70%

The asset-based pricing fee covers all commissions associated with trades made by Schwab in the Schwab Managed Portfolios™ accounts. Learn more at schwab.com/SMPmutualfunds or schwab.com/windhaven.

Status as a Fiduciary

SAM acts as money managers for designated Managed Account Strategies. SAM has a conflict of interest because it selects or makes recommendations with respect to Registered Funds, including SAM managed Registered Funds, for various SMA Strategies client accounts, and for certain Registered Funds it manages. Other affiliates of CSIM may buy or sell the same securities for client accounts. These are all inherent conflicts of interest within and among CSIM, Schwab, and its affiliates. CSIM mitigates these conflicts of interest through its policies and procedures, which include the evaluation of the selection and investment in Registered Funds, including Registered Funds managed by CSIM, consistent with CSIM's fiduciary duty. If a plan or plan account enrolls in a MAS equity strategy for which SAM is the money manager, SAM will be a fiduciary and Registered Investment Adviser with respect to the account assets invested in the strategy. If a plan or plan account selects an unaffiliated money manager, that money manager will be a fiduciary and Registered Investment Advisor with respect to the plan's assets invested in the strategy.

Compensation Paid to Schwab

Schwab, as a broker-dealer, will receive compensation when clients trade stocks, options, mutual funds, bonds, and other securities in accounts established at Schwab. Schwab may also charge for certain transactions, such as a wire or issuance of a check. This compensation is detailed in the "Commissions and Trading Fees" section of the *Charles Schwab Pricing Guide for Individual Investor*. Any fees paid directly from plan assets are considered "direct compensation," as is any compensation that is initially paid by by you as the plan sponsor but is subsequently reimbursed from the plan's account.

In addition, when mutual funds and other investment products are purchased, Schwab may receive compensation from third parties or affiliates in addition to the fees paid by your plan. These payments from third parties and affiliates, which are considered indirect compensation, are detailed in the "Fund Related Compensation" section and in the "Other Fees and Compensation" section in this report. In general, any payments received by Schwab, other than from your covered plan, your plan sponsor, or its affiliates, are considered indirect compensation.

Commission and Trading Fees

Please carefully review the accompanying *Charles Schwab Pricing Guide for Individual Investors* at schwab.com/pricingguide for a description of the standard Schwab fees that may apply to your plan. We will notify you of any changes to negotiated commissions or fees that apply to accounts in your plan.

Fund Related Compensation

Schwab receives the following compensation, which is paid from fund assets as a result of services provided to your plan. Remember that cost is only one consideration when making an investment decision. Some specialized ETFs can be subject to additional market risks. Investment returns and principal value of ETFs and mutual funds will fluctuate and are subject to market volatility, so that an investor's shares, when redeemed or sold, may be worth more or less than their original cost. Unlike mutual funds, shares of ETFs are not individually redeemable directly with the ETF. Mutual funds are not without risk. **All ETFs and mutual funds are subject to management fees and expenses.**

Schwab receives compensation from mutual fund companies when your plan invests in a mutual fund. Compensation includes fees and other remuneration from the fund companies or their affiliates for the recordkeeping, shareholder services, and other administrative services that Schwab or your plan's recordkeeper provide to shareholders of the funds ("Shareholder Services") that participate in Schwab's Mutual Fund Marketplace (MFMP). Shareholder Services include transaction processing, settlement of trades, dividend distribution, record maintenance, and distribution of statements, confirmations, prospectuses, and other regulatory shareholder documents. Schwab also receives compensation from certain exchange traded funds (each an "ETF") and affiliated mutual funds and ETFs as described further below.

Schwab Mutual Fund OneSource® Service and Other No-Transaction-Fee Funds ("NTF Funds")

Through Schwab Mutual Fund OneSource, Schwab makes available a selection of no-load and load-waived mutual funds. Schwab receives various fees for Shareholder Services that Schwab provides to NTF funds. Fees paid to Schwab include asset-based fees (fees based on a percentage of the fund assets) and one-time establishment fees.

Asset-Based Fees. The OneSource/NTF fund fee may differ based on when the fund first became available at Schwab or other factors. Most NTF funds pay Schwab's standard OneSource/NTF fund fee of 0.40% per year; however, the annual fee can range up to 0.45% of the fund assets held at Schwab. In some cases, Schwab applies a minimum monthly fee of $2,000 per month per NTF fund if the asset-based fee calculated each month for that fund is less than the minimum monthly fee.

To compensate Schwab for Shareholder Services, NTF funds pay Schwab an asset-based annual fee. The annual fees paid on retirement plan shares generally range from 0.10% to 0.50%—but in rare cases can range up to 1.10%—of the average fund assets held at Schwab. These shareholder and administrative services vary depending on the type of retirement or other benefit plan, but they typically include processing of plan purchases, redemptions and exchanges, processing of dividends and distributions, delivery of plan account statements, delivery of fund documents, administration of plan benefits, and maintenance of plan records.

Transaction-Fee Mutual Funds ("TF Funds")

As set forth in the "Commissions and Transaction Fees" section of the *Charles Schwab Pricing Guide for Individual Investors*, Schwab charges clients a transactions fee for the purchase or sale in funds that are not included in the Schwab Mutual Fund OneSource program. Fees paid to Schwab may include asset-based fees or per-position fees and one-time set up fees.

Asset-Based Fees. Most Transaction-Fee funds pay Schwab an annual asset-based fee, typically 0.10% annually of the average fund assets held at Schwab, although the fee can range up to 0.25% annually. In some cases, Schwab applies a minimum monthly fee of $1,000 per month per TF fund, depending on when the fund was added to the platform. This minimum monthly fee is applied starting with the first full month after the fund is made available for purchase at Schwab and only if the asset-based fee calculated for the month is less than the minimum monthly fee.

Load Funds

Schwab no longer makes load mutual fund shares available for purchase by Schwab customers. However, if you previously purchased a load mutual fund through Schwab or another firm and hold those shares at Schwab, Schwab will receive compensation for services Schwab provides with respect to those fund shares. Schwab receives the following types of fees from a fund company or its affiliates on load mutual fund shares: (1) an asset-based shareholder servicing fee payable pursuant to a Rule 12b-1 Plan; and (2) an additional fee for the sub-accounting services Schwab provides to load mutual funds.

A. **Shareholder Service Fees ("Rule 12b-1 fee").** Some load mutual funds pay Schwab for Shareholder Services out of a fund's assets, typically pursuant to a fund's distribution and/or servicing plan (a Rule 12b-1 plan). The amount payable under a fund's Rule 12b-1 plan is determined by each fund's board of trustees ("a Board"). The Rule 12b-1 fee is included in the fund's OER and borne indirectly by fund shareholders.

B. **Omnibus Processing or Networking Fees.** Some load mutual funds also compensate Schwab for the sub-accounting services that Schwab provides to load mutual funds. These fees differ depending on the operating model deployed: omnibus or networked. In omnibus processing, Schwab performs record maintenance, transaction processing, dividends and other distribution processing, delivery of account statements and fund documents, among other services. For assets held in omnibus accounts, Schwab receives from load mutual funds either an annual per-account fee (typically $20 per account) or an annual asset-based fee (typically 0.10% annually of the average fund assets held at Schwab, although the fee can range up to 0.15% annually). In the alternative, Schwab may receive a networking fee for each sub-account maintained by Schwab, most often equal to $6 per sub-account annually. In a networking structure, the fund's agent (typically a transfer agent) performs most of the described services, and Schwab reflects these transactions on its books and records.

C. **MFMP Platform Fees.** Certain funds or fund families pay a flat platform fee, an asset-based platform fee or a combination of these fee structures to compensate Schwab for activities related to Schwab's sponsorship of the MFMP such as (i) investing in platform technology and systems necessary to maintain the MFMP; (ii) providing tools and services that allow Schwab customers or advisors acting on their behalf to make informed investing decisions; and (iii) maintaining educational resources related to mutual fund investing. This payment to Schwab can be based on any number of factors, such as the level of assets invested in the funds, purchases of the funds over the period, net flows into the funds (gross purchases less redemptions), or other qualitative factors such as Schwab's assessment of the quality of the relationship with fund companies. These platform fees are paid to Schwab in addition to the other Shareholder Services fee discussed. Schwab does not consider qualified retirement plan assets in the calculation of any flat platform fee, and with respect to any asset-based platform fee, does not include shares held in a qualified retirement plan account in the fee calculation. These platform fees equate to an annual fee of 0.10% or less of the average fund assets at Schwab (assuming the flat or tiered platform fees were converted from dollars to an annual asset-based fee). This platform fee is generally paid by the fund advisor or another fund affiliate out of its own resources, and not directly out of fund assets.

ETFs

Some third-party ETF sponsors or their affiliates make payments to Schwab for ETF-related opportunities, including data and reporting and education and events. Certain ETF sponsors pay Schwab up to $750,000 annually for access to data and reports. The total amount of the fees paid by each ETF sponsor to Schwab for education and events will vary depending on the type and number of opportunities in which the ETF firm participates.

Schwab also receives compensation from active semi-transparent ETFs or their sponsors for platform support and technology, shareholder communications, reporting, and similar administrative services for active semi-transparent ETFs available at Schwab. This fee will vary but typically is an asset-based fee of 0.10% annually of the assets held at Schwab.

Schwab Affiliated Funds and ETFs

Schwab Funds®
Schwab currently has an affiliated mutual fund family: the Schwab Funds. Schwab and its affiliate, SAM, receive fees from the Schwab Funds for the services it provides to the funds, as further discussed below.

A. **Investment Advisory and/or Administration Fees.** Investment advisory and/or administration fees are asset-based fees paid by a fund to its investment advisor for the investment management and related administrative functions it performs.

   1. Schwab Funds are advised by SAM, a Registered Investment Advisor and affiliate of Schwab. The advisory fee is part of the funds' OER and is disclosed in each fund's prospectus.

   2. Some of the Schwab Funds have adopted a unitary management fee. SAM receives a management fee from these Schwab Funds for the services it provides to the funds, and out of which SAM compensates other service providers to the funds. Any portion not paid out by SAM is retained by SAM to cover the expense of managing the funds, or as profit.

B. **Shareholder Servicing Fees.**

   1. Schwab Funds® participate in Schwab's Mutual Fund OneSource® service. Some of the Schwab Funds pay Schwab an asset-based fee for the Shareholder Services that Schwab provides for client assets held directly at Schwab. Some of the Schwab Funds have adopted a Shareholder Servicing Plan or fee pursuant to which the funds pay shareholder servicing fees ranging up to 0.25% annually to Schwab. Payments under a Shareholder Servicing Plan are made for the Schwab Money Funds, Schwab Active Equity Funds, Schwab Active Fixed Income Funds, Schwab MarketTrack Portfolios, and Schwab International Opportunities Fund. These fees are part of the funds' OERs and can be reviewed in the funds' prospectuses and/or statements of additional information.

C. **Sweep Administration Fees.** Schwab also receives an annual asset-based fee of up to 0.10% from the Schwab Government Money Fund™ - Sweep Shares for sweep administration services. This fee is in addition to the shareholder servicing fee described above. However, the combined fee payable to Schwab will not exceed 0.25% annually. This fee is part of the Schwab Government Money Fund – Sweep Shares' OER and can be reviewed in the prospectus and/or statement of additional information.

Schwab ETFs™
Schwab's affiliate, SAM, is also the investment advisor to the Schwab ETFs.

Management Fees
SAM receives a management fee from the Schwab ETFs for the services it provides to Schwab ETFs, and out of which SAM compensates other service providers to the ETFs. While Schwab is not a service provider to Schwab ETFs, Schwab benefits indirectly from the management fee received by its affiliate, SAM.

The management fee is reflected in Schwab ETFs' OERs and is disclosed in each ETF's prospectus and statement of additional information. To view the management fees SAM receives for any particular Schwab ETF, please refer to the appropriate Schwab ETF prospectus and/or statement of additional information.

Additional Services. SAM also makes payments to Schwab for administrative, professional, and support services provided by Schwab, in its capacity as an affiliated financial intermediary, with regard to Schwab's brokerage customers who are shareholders of the Schwab Funds and Schwab ETFs. These payments reimburse Schwab for its charges, costs, and expenses of providing Schwab personnel to perform marketing and sales activities under the direction of SAM, such as sales lead generation and sales support, assistance with public relations, marketing and/or advertising activities and presentations, educational training programs, conferences, and data analytics and support. Payments also are made by SAM to Schwab for SAM's allocated costs of general corporate services provided by Schwab, such as human resources, facilities, project management support, and technology.

Estimated Mutual Fund Compensation

Below are examples of compensation that Schwab receives from mutual fund companies. Rates are shown for the different fund categories at Schwab. The second column of the table shows the range of compensation rates paid to Schwab by the fund companies for the fund categories. The third and fourth columns show compensation amounts based on the following example. Assume that for each fund category in the table below, $10,000 was invested in the fund on January 1 and held until December 31 of the same year, and that the fund did not change in value over that period. The examples below are illustrative and hypothetical. Actual fees will vary depending upon multiple factors, including fluctuations in the values of fund shares and differences in the fee rates negotiated between Schwab and particular funds.

Mutual Fund Category	Compensation Rates Received by Schwab From Fund Companies	Compensation Rates Assumed for Above Example	Fund Payment to Schwab†
No-transaction-fee funds other than Schwab Affiliated Funds (includes OneSource funds)	0.30% to 1.10% of fund assets	0.40% of fund assets	$40
Transaction-fee funds	$20 per position per account or 0.15% of average fund assets	$20 per position per account or 0.15% of average fund assets	$20 or $15
Load funds*	0.25% Shareholder Services fee and $6 annual networking fee	0.25% Shareholder Services fee and $6 annual networking fee	$25 + $6 = $31

Schwab Affiliated Funds	Compensation Rates Received by Schwab From Fund Companies	Compensation Rates Assumed for Above Example	Fund Payment to Schwab†
Schwab Funds®	Paid to SAM: 0.06% to 1.05% Paid to Schwab: 0.02% to 0.25%	1.05% investment advisory fee (paid to SAM) and 0.25% Shareholder Services fee	$105 + $25 = $130
Schwab ETFs™	Paid to SAM: 0.06% to 0.35%	0.35% investment advisory fee (paid to SAM)	$35

* The front-end load that a mutual fund charges may be obtained from the fund prospectus. Funds may make available breakpoints where the load is reduced based on the dollar amount invested in the fund. If these funds are purchased at Schwab, we may receive all or a portion of the front-end load as compensation. Please see the Load Funds section under "Fund Related Compensation" for additional information on these charges.

† Excludes front-end loads, redemption fees, and transaction fees paid to Schwab.

Investors should consider carefully information contained in the prospectus, including investment objectives, risks, trading policies, charges, and expenses. You can obtain a prospectus at Schwab.com or by calling a Schwab representative. Please read the prospectus carefully before investing. Schwab makes no representations as to the completeness or accuracy of the information contained in the prospectus or other similar documents with respect to unaffiliated funds.

We will notify you about changes in a Schwab proprietary fund rate or compensation paid to Schwab from unaffiliated funds. You will not receive notification each time an unaffiliated fund's OER changes. More information related to the OERs for unaffiliated mutual funds may be obtained at any time by requesting a fund prospectus or visiting Schwab.com. Schwab makes no representations as to the completeness or accuracy of the information contained in the prospectus or other similar documents with respect to unaffiliated funds.

Schwab-Affiliated Mutual Funds. CSIM, dba SAM, earns compensation for investment advisory and administrative services provided to Schwab-affiliated mutual funds and Schwab ETFs. The rate listed above for SAM represents the management fee to which SAM is entitled, a portion of which may be waived by SAM.

Other Fees and Compensation

Fixed Income

Schwab may act as principal or agent in executing individual bond and other fixed income trades in client accounts. Acting as principal means Schwab sells securities directly to clients, either by owning securities that sell on the secondary market or by participating in dealer syndicates that allow us to acquire inventory of new-issue securities. Acting as an agent, in contrast, means Schwab executes trades on behalf of clients but does not own the securities being traded.

When Schwab sells clients a fixed income security from Schwab's own account or purchases from clients a fixed income security into Schwab's own account, the price the clients pay or receive reflects the bid-ask spread at which an order is executed. Schwab also stands to make or lose money depending on what has happened to the price of the security while Schwab has held it. Likewise, when Schwab sells you new-issue securities, Schwab receives a customary selling concession, which ranges from less than 0.01% to 2% of the par value, or face amount, of the bond, depending on the product. The percentage rate of the selling concession may differ not only between different new-issue offerings, but also between different series and bond maturities within a single offering.

Schwab typically receives a fee from each issuer in connection with the placement of a certificate of deposit (CD). Schwab may seek to negotiate a higher or lower placement fee based on Schwab's view of competitive necessities. The amount of the placement fee paid to Schwab will affect the interest rate the issuer is willing to pay. Placement fees paid to Schwab generally range from 0 to 65 basis points (0.65%). Except for the markup or markdown in connection with a secondary market transaction and a handling fee, if any, disclosed on your trade confirmation, you will not be charged any commissions in connection with your purchase of a CD.

Structured Products

Schwab makes available to its clients various structured products, including principal-protected notes, structured certificates of deposit, buffered notes, leveraged notes, and reverse convertible notes. Schwab receives a one-time dealer concession, which is built into the purchase price, when clients buy a structured product. The amount of the concession typically ranges from approximately 1.5% to 3.5% of the par value, or face amount, depending on the structured product.

Schwab Advisor Network® Referrals

Through the Schwab Advisor Network (the "Service"), Schwab refers individual investors to independent investment advisors, who provide a wide range of financial planning and wealth management services. Advisors participating in the Service are independent and not affiliated with Schwab. These Advisors offer investment management and, in some cases, financial planning services to investors, typically in the communities served by Schwab's branch offices. Information that you provide us about your investment objective, annual income, liquid net worth, total net worth, federal tax rate percentage, age, investment knowledge, investment experience, occupation, number of dependents and other nonpublic information about you and your account(s) will be shared by Schwab with any Advisor to whom we refer you. The fee has a sliding scale that starts at 0.25% of the assets attributable to the referral made by Schwab. We will not charge you for the Service. However, Advisors pay a fee to Schwab to participate in the Service, and Schwab receives added compensation from trading activity in Schwab accounts managed by your Advisor.

The Service provides referrals only and ends once we have referred you to an Advisor. Once we make a referral, Schwab does not assume any other duties or obligations to the client from an "investment manager" perspective. The Service is not a referral to or recommendation of specific investments that an Advisor may recommend to you, including the Advisor's proprietary products. It is up to you and your Advisor to decide what types of investments are right for you. Any tax, estate planning, accounting, legal or other advice or services other than investment management and any financial planning as described in this document are beyond the scope of the Service, and Schwab makes no representation about the Advisor's ability to perform any of those other services. Those services are strictly a matter between you and your Advisor. If an Advisor refers you to a third party for any services, this, also, is strictly between you and the Advisor and is beyond the scope of the Service.

You are solely responsible for the selection and oversight of your Advisor and for monitoring your Advisor's performance. You can monitor performance in a variety of ways, including promptly reviewing your account statements and trade confirmations, meeting periodically with your Advisor to discuss your investment and any financial planning goals, and withdrawing your Advisor's discretionary or other authority if you are dissatisfied with your Advisor. Some Advisors use third-party advisors and/or vendors for some or all of their clients' investment and account servicing needs. Schwab does not undertake any duty to evaluate any such third parties and has no responsibility for them or their services. You and your Advisor have the sole responsibility for evaluating and monitoring any such third parties.

Prime Broker and Trade-Away Services

Schwab makes available prime broker and trade-away services to certain accounts, primarily those managed by an independent investment advisor, which allows for trades to be executed at another firm and settled at Schwab. Schwab's standard fee for this service is $25 per transaction. This fee may not be charged on accounts with asset-based pricing.

Order Routing

Schwab considers a number of factors in evaluating execution quality among markets and firms, including execution price and opportunities for price improvement, market depth and order size, the trading characteristics of the security, speed and accuracy of executions, the availability of efficient and reliable order handling systems, liquidity and automatic execution guarantees, and service levels and the cost of executing orders at a particular market or firm. Price improvement occurs when an order is executed at a price more favorable than the displayed national best bid or offer. Schwab regularly monitors the execution quality obtained to ensure orders are routed to market venues that have provided high-quality executions over time. Schwab may receive remuneration, such as liquidity or order flow rebates from a market or firm to which orders are routed. Quarterly information regarding the markets and firms to which Schwab routes orders and the remuneration received is available under "Important Notices" at Schwab.com or in written form upon request. Information regarding the specific routing destination and execution time of orders for up to a six-month period is also available upon request.

Cash Float

Schwab and its affiliates may retain as compensation for services an 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 plan accounts. Such interest retained by Schwab shall generally be at money market rates.

Assets awaiting investment or deposit include (1) amounts deposited into your plan accounts; and (2) any other uninvested assets held by your plan accounts caused by an authorized instruction to Schwab to purchase or sell securities (which may, after the period described below, automatically be swept into a bank sweep feature, which is held at an FDIC-insured depository institution affiliated with The Charles Schwab Corporation, at which interest-bearing deposit accounts are maintained on your plan's behalf.). FDIC insurance is subject to the satisfaction of certain conditions. With respect to such assets awaiting investment or deposit (i) where such assets are received by Schwab on a business day and before deposit cutoff time for the local Schwab branch with which the funds are deposited, such interest may be earned by Schwab through the beginning of the following business day; or (ii) where such assets are received on a day which is not a business day, or where such assets are received after the local Schwab branch's deposit cutoff time, such interest may be earned through the beginning of the second following business day. A business day is defined as any day that the New York Stock Exchange and the Federal Reserve Bank of New York are open. (Although our offices may be open on certain bank holidays, these days are not considered business days for purposes relating to the transfer of funds.)

When Schwab receives a request for a distribution from a plan account, Schwab generally processes the request within two or three business days (unless the distribution is in connection with an unusual event such as death or divorce, in which case it generally will take longer to process the request). On the same day that the processing is completed, the amount of the distribution will be debited from the plan account. The distribution check will be written and mailed on the following business day. Schwab will earn interest beginning on the date the account is debited and ending on the date the check is presented for payment, the timing of which is beyond the control of Schwab. Upon request, Schwab will provide a verbal update to determine the status of the outstanding distribution checks.

If a Schwab MoneyLink® transfer is requested from a plan account to another financial institution, (1) the amount of the transfer will be debited from the account on the day that the transfer process is commenced; (2) the funds will be received by the other financial institution within one to two business days of the date the transfer process is commenced; and (3) Schwab may earn interest on that amount beginning on the date the account is debited and ending on the date the electronic funds transfer is received by the other financial institution and thereby debited from Schwab's bank account.

If an account's cash interest–bearing feature changes from one cash feature to another, the account will generally stop earning interest or dividends, as the case may be, on the day of the request. If a new cash interest–bearing feature is designated before the close of business on a business day, the account's free credit balances will be swept to the new cash feature after the close of business that business day, and generally will begin earning dividends or interest, as the case may be, on the following business day. Free credit balances are defined as the uninvested cash in your account, minus the following: (1) funds necessary to pay for purchase transactions due to settle within the next two business days after the sweep date; and (2) charges to an account, including, but not limited to, wire transfers and checking transactions. In determining whether to sweep funds into the cash feature, we may, but are not obligated to, offset credits and debits against each other. Proceeds from the sale of securities will not become part of the free credit balance until the business day following settlement date. Credits that result from dividends or interest payments, deposits, wired funds, reorganization activities, or other non-trade-related transactions will not become part of the free credit balance until the next business day. If a new cash feature is designated after the close of business or on a non-business day, the free credit balances will be invested or deposited into the new cash feature after the close of business on the next business day, and generally will begin earning dividends or interest on the business day following the next business day. If all cash features are removed from an account, the account may not earn income on the free credit balances in the account and Schwab may retain as compensation for services the account's proportionate share of any interest earned on the free credit balances.

Cash Features Program and Compensation

Schwab offers the Cash Features Program, a service to automatically invest, or "sweep," the "Free Credit Balance" in your eligible Schwab brokerage accounts ("Accounts") into a liquid investment to potentially earn interest. The Cash Features Program permits you to potentially earn income through a variety of options ("Cash Features" or "Features") while you decide how those funds should be invested longer term.

The Cash Features available in Schwab's Cash Features Program consist of the following:

- The "Bank Sweep" and, for retirement plan accounts, "Bank Sweep for Benefit Plans" Features, which automatically make deposits to and withdrawals from deposit accounts ("Deposit Accounts") at one or more banks (collectively, the "Program Banks"), whose deposits are insured by the Federal Deposit Insurance Corporation ("FDIC"), subject to the satisfaction of certain conditions;
- The "Schwab One® Interest" Feature, which potentially pays you interest on the Free Credit Balance in your Account; and
- The "Money Fund Sweep" Feature, which automatically invests in and redeems shares of a Schwab Sweep Money Fund

The Bank Sweep and Bank Sweep for Benefit Plans Features automatically make deposits to and withdrawals from Deposit Accounts at one or more Program Banks. Subject to the satisfaction of certain conditions, your funds in the Deposit Accounts at each Program Bank are eligible for deposit insurance by the FDIC up to the standard maximum deposit insurance amount (SMDIA) established by the FDIC ($250,000 as of the date of this Disclosure Statement) per depositor for principal and accrued interest when aggregated with all other deposits held by you in the same insurable capacity at that Program Bank.

Program Banks

The Program Banks participating in the Bank Sweep and Bank Sweep for Benefit Plans Features are:

- Charles Schwab Bank, SSB ("Schwab Bank") (which also serves as "Excess Bank," as described below)
- Charles Schwab Premier Bank, SSB ("Schwab Premier Bank")
- Charles Schwab Trust Bank ("Schwab Trust Bank")
- TD Bank, N.A. ("TD Bank")
- TD Bank USA, N.A. ("TD Bank USA")

Cash Features are not intended for long-term investments, and yields on any of Schwab's Cash Features can be lower than those of similar investments or deposit accounts offered outside of the Cash Features Program.

Bank Sweep and Bank Sweep for Benefit Plans Features

Interest rates paid on Bank Sweep may be set as low as possible, consistent with prevailing market and business conditions. Retirement and other benefit plan accounts will be paid a reasonable rate consistent with applicable legal and regulatory requirements.

Schwab One® Interest Feature

In setting interest rates, Schwab has the option to pay as low a rate as possible, consistent with its view of prevailing market and business conditions. Retirement and other benefit plan accounts will be paid a reasonable rate consistent with applicable legal and regulatory requirements. In addition, Schwab may use the Free Credit Balances in your Account to fund margin loans to other Schwab customers, which allows Schwab to earn more than it would if it funded margin loans through alternative sources of funding. The income that we earn through our lending and investing activities is expected to be greater than the fees earned by Schwab and its affiliates from managing and distributing Schwab Sweep Money Funds.

Money Fund Sweep Feature

Schwab Sweep Money Funds seek to achieve the highest yield (less fees and expenses) consistent with prudence and their investment objectives. A Schwab Affiliate, CSIM, earns management fees on Schwab Sweep Money Funds and will sometimes waive those fees in a low-interest-rate environment. As interest rates increase, CSIM generally would end any such waivers, and therefore CSIM would earn higher management fees in a higher-interest-rate environment.

Investors should carefully consider information contained in the prospectus for their Schwab Sweep Money Fund, including investment objectives, risks, and fees. Request a prospectus by calling us. Read the prospectus carefully before investing. For more information visit schwabfunds.com.

Benefits to the Affiliated Program Banks, Schwab, The Charles Schwab Corporation, and Other Schwab Affiliates

The Affiliated Program Banks intend to use the cash balances in the Deposit Accounts to fund current and new investments. In addition, Schwab Bank and Schwab Premier Bank intend to use the cash balances in the Deposit Accounts to fund current and new lending activities. The profitability on such activities is generally measured by the difference, or "spread," between the interest rate paid on the Deposit Accounts and other costs of maintaining the Deposit Accounts, and the interest rate and other income earned by an Affiliated Program Bank on the loans and investments made with the funds in the Deposit Accounts. The income that the Affiliated Program Banks will have the opportunity to earn through their lending and investing activities is expected to be greater than the fees earned by Schwab and its affiliates from managing and distributing the Schwab Sweep Money Funds. The cash balances can also be used to provide funds to develop products and services for Schwab-affiliated companies to the extent permitted by applicable law.

Schwab is contractually obligated to sweep some customer cash enrolled in the Bank Sweep feature to TD Bank and TD Bank, USA. Because as a contractual matter, the rate paid to Schwab customers for cash swept to TD Bank and TD Bank, USA is the same as the rate paid by the Schwab-affiliated banks, we do not believe customers are materially affected by this practice, especially because any Schwab customer bank deposits above FDIC insurance limits (no matter where the initial deposits are swept) are all swept to the same bank, Schwab Bank. Schwab may adjust eligibility for a particular sweep vehicle in part based on optimizing the financial benefits to Schwab and to its affiliates. This practice benefits Schwab and its affiliates by potentially lowering their cost of capital and their borrowing costs. Because the rates paid to customers for cash in Bank Sweep is the same as the rates paid to customers in Schwab One interest (and are anticipated to remain the same), we do not believe customers are materially affected by this practice, other than through the difference between FDIC insurance for bank sweep deposits and SIPC protection for cash held at a broker-dealer. Cash held in a multi-bank sweep program is subject to a higher level of FDIC insurance protection than the amount of cash subject to SIPC protection through Schwab One interest. Schwab provides administrative services to the Program Banks, including the Affiliated Program Banks, in support of the operation of the Bank Sweep and Bank Sweep for Benefit Plans Features. The Affiliated Program Banks pay Schwab an annual per account flat fee for these administrative services. Program Banks that are not affiliated with Schwab instead pay Schwab an administrative fee based upon the total amount of dollars swept to that bank via the Bank Sweep and Bank Sweep for Benefit Plans Features. We reserve the right to increase, decrease, or waive all or part of this fee. We, and certain of our affiliates, also provide operational, technology, and other services to the Program Banks and may receive compensation for those services. In addition, certain of our employees and registered representatives can be compensated, in part, based directly or indirectly on deposit balances in the Bank Sweep and Bank Sweep for Benefit Plans Features or the profitability of the features for the Affiliated Program Banks and The Charles Schwab Corporation.

Trade Error Compensation

When it is brought to our attention that a trade error falls within the scope of our services to the plan, Schwab will correct the error as soon as possible after the error has been identified, with the goal of putting the plan account into the same position that would have resulted if the error had not occurred. If the error is the result of our breach of responsibilities to the plan, we will make the plan account "whole" for any losses that may have resulted from the error. Nevertheless, under some circumstances, our correction of an error could result in a gain. If there is such a gain, Schwab will retain the amount of the gain, which may constitute part of our compensation for services rendered to the plan.

In addition, if an independent investment advisor manages an account in your plan, the advisor may make an error in submitting a trade. When this occurs, the advisor may place a correcting trade with Schwab. If an investment gain results from the correcting trade, the gain will remain in the account unless (1) the same error involved other client account(s) that should have received the gain; (2) it is not permissible for the account to retain the gain; or (3) the gain is declined. If the gain does not remain in the account, Schwab will donate the amount of any gain totaling $100 and more to charity. If a loss of $100 or greater occurs, the advisor will pay for the loss in accordance with their trade correction policy.

Schwab will pay the loss or retain the gain (if such gain is not retained in the account) if it is under $100 to minimize and offset its administrative time and expense. Generally, if related trade errors result in both gains and losses, they may be netted. Schwab will correct advisor trade errors, consistent with the advisor's instructions and this policy. Please contact the independent investment advisor(s) for more information regarding your advisor's trade error policy and corrective trades which may have occurred in your plan account(s).

In general, the net gain or loss amount is calculated based on the difference in cost between the original incorrect trade(s) and the cost of the corrective transaction(s) needed to place the account in the position it would have been had there been no error. If necessary trade corrections result in Schwab compensation for a plan year, the amount will be reported on your annual Plan Sponsor Fee Disclosure for Form 5500-C.

Non-Monetary Compensation

Schwab policy prohibits employees from accepting non-monetary compensation, as that term is defined under ERISA Section 408(b)(2). For purposes of Section 408(b)(2), non-monetary compensation does not include gifts or other items of value received by Schwab employees directly from the plan sponsor. As a result, it is not anticipated that non-monetary compensation received by Schwab as a covered service provider for your plan will exceed the minimum threshold of $250 over the term of the contract or arrangement which would require disclosure under the regulation. In the event Schwab employees receive non-monetary compensation which is required to be disclosed under the regulation, such amounts will be disclosed accordingly.

Educational Conferences

From time to time, various Schwab entities, previously identified, host or attend educational conferences for audiences that may include:

- Independent recordkeepers and consultants

- Schwab financial and portfolio consultants
- Registered Investment Advisors
- Individual investors

Unrelated third parties may provide financial subsidies for attendance at these educational conferences.

Advisory Program Credits

In retirement plan accounts enrolled in the Schwab Managed Portfolios and/or Schwab Managed Account Connection program (“Program Retirement Account(s)”), for which CSIM, dba SAM, acts as a fiduciary, the program fee that is charged by Schwab and its affiliates for their services, will be offset by remuneration received through direct and indirect payments to Schwab, SAM or their affiliates generated from the mutual funds, ETFs or other investments (“Retirement Account Remuneration”).

Effective April 1, 2023, an advisory program credit will be calculated monthly for purposes of reducing or offsetting the program fee that the Program Retirement Accounts may pay by the amount of the Retirement Account Remuneration, if any, that Schwab, SAM or their affiliates receive that is derived from or related to investments in the Program Retirement Account(s), as further described in the Schwab Managed Portfolios and Schwab Managed Account Services Disclosure Brochures. The initial deposit of advisory program credits will be applied no later than July 2023, after which the monthly advisory program credit will typically be deposited to Program Retirement Accounts as soon as reasonably practicable, but no later than the 25th of the following month in which the remuneration is processed by Schwab, SAM or their affiliates.

Notes Regarding Information in This Report

The information provided above is obtained from sources deemed to be reliable. However, its accuracy cannot be guaranteed. Errors and omissions can occur. The information provided is not intended to be investment or tax advice. None of the information constitutes a recommendation by Schwab or a solicitation of an offer to buy or sell any securities.

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Not FDIC Insured • Not Insured by any Federal Government Agency
No Bank Guarantee • May Lose Value

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