



**3. Trustee Information (Required)**

All Trustees who are to conduct business in the account must provide this information. If there are more than two Trustees who are to conduct business in the account, photocopy the Account Application, complete Sections 3, 8 and 9 for each additional Trustee and attach the photocopies to the original Account Application. As required by federal law, Schwab will use the information provided to verify your identity.

**Trustee**

Name (First) (Middle) (Last)		
Home/Legal Street Address (no P.O. boxes)		
City		State Zip Code
Mailing Address, City, State, Zip Code (if different from above; P.O. boxes may be used)		
Home Telephone Number ( )	Business Telephone Number ( )	Cellular Telephone Number ( )
Email Address* (Required to update the account on the web.)		

Social Security/Tax ID Number	Date of Birth (mm/dd/yyyy)	Mother's Maiden Name
ID Number <input type="checkbox"/> Driver's License <input type="checkbox"/> State <input type="checkbox"/> Military		
Place of Issuance		Expiration Date
Are you known by any other name? Specify:		
Country of Citizenship (if other than U.S.A.)		Country of Legal Residence (if other than U.S.A.)

If your Country of Legal Residence is not U.S.A., please provide a clear photocopy of a current passport with personal information, signature and photo clearly visible.

Securities industry regulations require that we collect the following information:

Check only one: <input type="checkbox"/> Employed <input type="checkbox"/> Self-employed <input type="checkbox"/> Retired <input type="checkbox"/> Student <input type="checkbox"/> Homemaker <input type="checkbox"/> Not employed	
Employer	Occupation/Position
Business Street Address City State Zip Code	
Are you affiliated with or employed by a stock exchange or member firm of an exchange or FINRA, or a municipal securities broker-dealer? <input type="checkbox"/> No <input type="checkbox"/> Yes (If "yes," you must attach a letter from your employer approving the establishment of your account when submitting this application.)	
Are you a director, 10% shareholder or policy-making officer of a publicly held company? <input type="checkbox"/> No <input type="checkbox"/> Yes (If "yes," enter company name _____ and trading symbol _____.)	
Marital Status <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Divorced <input type="checkbox"/> Widowed	Number of Dependents
Investment Experience <input type="checkbox"/> None <input type="checkbox"/> Limited <input type="checkbox"/> Good <input type="checkbox"/> Extensive	

\*By providing your email address, you are consenting to receive email from Schwab. Information about opting out of certain email communications is provided at [www.schwab.com/privacy](http://www.schwab.com/privacy).

**4. Brokerage Features****Margin**

A margin account allows you to borrow against your eligible securities. You can use a margin loan to purchase additional securities, to sell securities short, to obtain short-term financing or as a source of overdraft protection. To better understand the benefits and risks of margin, please refer to the Schwab Margin Overview and Risk Disclosure Statement and the Schwab One® Account Agreement. To learn more about margin, we encourage you to use the educational materials available at [www.schwab.com/margin\\_education](http://www.schwab.com/margin_education). Your Trust Agreement must specifically authorize the Trustee(s) to establish a margin account. Check below if you do not wish to have the margin feature or if your Trust Agreement does not authorize margin borrowing.

Margin is automatically included, unless you check this box.  **Do NOT add margin.**

**Co-Trustee**

Name (First) (Middle) (Last)		
Home/Legal Street Address (no P.O. boxes)		
City		State Zip Code
Mailing Address, City, State, Zip Code (if different from above; P.O. boxes may be used)		
Home Telephone Number ( )	Business Telephone Number ( )	Cellular Telephone Number ( )
Email Address* (Required to update the account on the web.)		

Social Security/Tax ID Number	Date of Birth (mm/dd/yyyy)	Mother's Maiden Name
ID Number <input type="checkbox"/> Driver's License <input type="checkbox"/> State <input type="checkbox"/> Military		
Place of Issuance		Expiration Date
Are you known by any other name? Specify:		
Country of Citizenship (if other than U.S.A.)		Country of Legal Residence (if other than U.S.A.)

If your Country of Legal Residence is not U.S.A., please provide a clear photocopy of a current passport with personal information, signature and photo clearly visible.

Securities industry regulations require that we collect the following information:

Check only one: <input type="checkbox"/> Employed <input type="checkbox"/> Self-employed <input type="checkbox"/> Retired <input type="checkbox"/> Student <input type="checkbox"/> Homemaker <input type="checkbox"/> Not employed	
Employer	Occupation/Position
Business Street Address City State Zip Code	
Are you affiliated with or employed by a stock exchange or member firm of an exchange or FINRA, or a municipal securities broker-dealer? <input type="checkbox"/> No <input type="checkbox"/> Yes (If "yes," you must attach a letter from your employer approving the establishment of your account when submitting this application.)	
Are you a director, 10% shareholder or policy-making officer of a publicly held company? <input type="checkbox"/> No <input type="checkbox"/> Yes (If "yes," enter company name _____ and trading symbol _____.)	
Marital Status <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Divorced <input type="checkbox"/> Widowed	Number of Dependents
Investment Experience <input type="checkbox"/> None <input type="checkbox"/> Limited <input type="checkbox"/> Good <input type="checkbox"/> Extensive	

#### 4. Brokerage Features (Continued)

##### Cash Features

The Schwab One® Interest feature is automatically included on your account. This feature pays interest on the uninvested cash in your account. Rates are set by Schwab and are generally based on your Household Balances.

Clients with \$500,000 or more in Household Balances may request a sweep money market fund as an alternative by speaking to their Schwab representative. The yields of sweep money market funds are generally higher than interest rates offered by either Schwab or Schwab Bank.

Schwab's Cash Features are further described in Schwab's "Cash Features Disclosure Statement for Individual Investors," which you will receive at account opening. Please contact Schwab for current information on interest rates and money market yields.

##### Enrollment for 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. Cash Management (Select only one by checking box A or one box in B.)

Please select one of the following options for your everyday cash management needs. Both solutions offer great value, including unlimited checkwriting, unlimited ATM fee rebates, no monthly fees, free standard checks, free bill pay and a Visa® Platinum Check Card. Please note that Visa Check Cards are not available on Testamentary Trust accounts.

A.  **Schwab Bank High Yield Investor Checking® Trust Account.**\*† Complete the attached Schwab Bank High Yield Investor Checking Trust Account Application. A separate, full-featured, interest-bearing checking account will be linked to your Schwab One Trust account.

\*You must be a U.S. resident or a resident alien currently residing in the U.S. to open a High Yield Investor Checking Trust account. Testamentary Trust accounts are not eligible for High Yield Investor Checking Trust.

† Charles Schwab Bank is an FDIC-insured depository institution affiliated with Schwab. Funds deposited in a High Yield Investor Checking Trust account are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 (when aggregated with all other deposits held by you in the same capacity at Schwab Bank) through December 31, 2013. If not further extended, FDIC coverage will revert to \$100,000 on January 1, 2014. For more information, please see the Cash Features Disclosure Statement for Individual Investors.

B. **Schwab One Trust Checks and Visa Platinum Check Cards.** Note: Upon receipt of your Schwab One Trust starter checks, you may contact a Schwab representative to order additional customized checks at no cost.

Select one of the following options to access the cash in your Schwab One Trust account:

Checks only

Checks and Visa Check Card

Checks and two Visa Check Cards (second Visa Check Card available only for issuance in additional account holder name)

#### 6. Fund Your Schwab One Trust Account

Check or money order made payable to the name of the Trust enclosed for \$ \_\_\_\_\_.

Transfer Your Account form enclosed.

Electronic transfer via Schwab MoneyLink® (Schwab MoneyLink Electronic Funds Transfer Enrollment Form enclosed).

**Note:** To fund your High Yield Investor Checking Trust account, make a selection in Section 3 of the Schwab Bank High Yield Investor Checking Trust Account Application.

#### 7. Certification of Trust

By signing this application, each Trustee signing (the "Trustees") certifies that the representations and warranties in the attached Certification of Trust are true and complete.

#### 8. Authorization to Open Account

By signing this application, I acknowledge that I have received and read a copy of the attached Application Agreement, which contains a predispute arbitration provision. I acknowledge that my signature signifies and constitutes my agreement that this account and my relationship with Schwab will be governed by the Application Agreement and all incorporated agreements and disclosures, including the Schwab One® Account Agreement and the Charles Schwab Pricing Guide, each as amended from time to time (the "Agreement and Disclosures"). I understand there are fees associated with establishing, maintaining, engaging in transactions and transferring assets out of this account. Unless I have declined the margin feature, I acknowledge that securities securing loans from Schwab may

be lent to Schwab and lent by Schwab to others. I also acknowledge that if I trade "on margin," I am borrowing money from Schwab and that I understand the requirements and risks associated with margin borrowing as summarized in the Margin Borrowing at Schwab: Overview and Disclosure Statement included with this application.

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

For purposes of this Account Application and the attached Application Agreement, the terms "I," "me," "my" and "Account Holder" refer to each person who signs this Account Application and apply with respect to both a person's individual capacity as well as any applicable representative or fiduciary capacity when such a person is acting on behalf of a legal owner of assets in the account. When the legal owner of assets in the account is not a natural person, the terms "I," "me," "my" and "Account Holder" also refer to such legal owner. The terms "we," "us," "our" and "Schwab" refer to Charles Schwab & Co., Inc. The term "Schwab Bank" refers to Charles Schwab Bank.







**4. Schwab Bank High Yield Investor Checking® Trust Account Application Agreement** (Continued)

- (4) acknowledge that, unless I have specifically requested otherwise during the account opening process, this account will be enrolled in the Schwab Bank Bill Pay service, and that the Terms and Conditions for the Schwab Bank Bill Pay service apply to this service;
- (5) agree to be subject to the terms and conditions of all documents associated with this High Yield Investor Checking Trust account upon account opening, and acknowledge that the Bank advises me to read all the disclosure documents prior to opening or using this account;
- (6) acknowledge that this High Yield Investor Checking Trust account is linked with a Schwab One Trust account maintained at Charles Schwab & Co., Inc., a registered broker-dealer, and I authorize Charles Schwab & Co., Inc. to initiate credit and/or debit entries to/from the linked High Yield Investor Checking Trust account as transfers to/from the Schwab One Trust account for transactions including, but not limited to, target balance transfers and overdraft protection transfers, upon my request or preauthorization;
- (7) authorize the Bank to initiate a one-time debit entry (or credit entry in case of error), as specified in this High Yield Investor Checking Trust account application, to the institution and account specified by the attached voided check or account deposit slip, electronically or by other commercially accepted method, to initially fund the High Yield Investor Checking Trust account; I acknowledge that the Bank will not initiate the one-time debit entry until the High Yield Investor Checking Trust account is approved; I certify that the information provided on the voided check or account deposit slip is correct and that I am authorized to transfer funds from the specified account;
- (8) authorize the Bank to open a High Yield Investor Checking Trust account for the Trust listed on this application and to inquire from any source, including a consumer reporting agency, as to the identity (as required by federal law), creditworthiness and ongoing eligibility for the account and other information at account opening, at any time throughout the life of the account, and thereafter, for debt collection or investigative purposes of all Trustees and of the Trust itself;
- (9) certify that the information provided in this application is true and complete and that the Bank is authorized to open and maintain the High Yield Investor Checking Trust account on behalf of the Trust identified in this application (the "Trust") in accordance with the account agreements applicable to the High Yield Investor Checking Trust account, including, without limitation, the authority to accept, hold and deliver assets belonging to the Trust, as well as to accept orders and other instructions relating to the Trust from the Trustees;
- (10) represent, warrant and certify that the Trust expressly grants me the power to perform various functions in association with the High Yield Investor Checking Trust account, including, but not limited to, (a) open bank accounts, (b) write checks and otherwise withdraw or transfer funds out of the account, (c) view bank account information, and (d) any other activity authorized by the Trust and the bank account agreements;
- (11) represent, warrant and certify that either (a) the Trust expressly authorizes that each Trustee, if more than one, is authorized to act individually, independently and without the consent of the other Trustees; or (b) the Trustees have consented to each Trustee acting individually, independently and without the consent of the other Trustees with respect to the High Yield Investor Checking Trust account and that such delegation of authority is expressly authorized by the Trust and applicable law; agree that any notice sent to one Trustee will constitute notice to all Trustees;
- (12) acknowledge that the Bank, in its sole discretion, and for its sole protection, may require the written consent of any or all Trustees prior to acting upon the instructions of any Trustee;
- (13) represent, warrant and certify that neither I nor the Trust impose any obligation upon the Bank for determining the purpose or suitability (a) of any instructions received from any Trustee or (b) of payments or deliveries to or among Trustees;
- (14) represent, warrant and certify that there are no other currently acting Trustee(s) of the Trust other than those signing this agreement. Should only one person execute this agreement, it is a representation that the signer is the sole current acting Trustee. I further represent, warrant, and certify that the Trust has not been revoked, modified, or amended in any manner which would cause the representations contained in this agreement to be incorrect;
- (15) agree to notify the Bank immediately in writing of any change that would cause any representation contained in this agreement to become incorrect or incomplete;
- (16) agree, jointly and severally, in both personal and representative capacities, to indemnify the Bank, its affiliates, officers, directors, employees, and agents from, and hold such persons harmless against, any claims, judgments, surcharges, settlements, or other liabilities or costs of defense or settlement (including investigative and attorneys' fees) arising out of or related to any act, or omission to act, by the Trustee(s) with respect to the High Yield Investor Checking Trust account;
- (17) acknowledge that the representations and obligations stated in this application and agreement will survive the termination of the High Yield Investor Checking Trust account; and
- (18) represent, warrant and certify that all Trustees and beneficiaries are individuals and not organizations, corporations, or other non-individual entities.

I certify under penalty of perjury that (1) the number shown on this application is the correct taxpayer identification number for this Trust account; (2) the Trust is not subject to back-up withholding because (a) the Trust is exempt from back-up withholding, or (b) the Trust has not been notified by the Internal Revenue Service (IRS) that the Trust is subject to back-up withholding as a result of a failure to report all interest and dividends, or (c) the IRS has notified me that the Trust is no longer subject to back-up withholding; and (3) the Trust is a U.S. citizen or other U.S. person (for trusts, a domestic trust as defined in IRS Regulations section 301.7701-7). (I understand that if I have been notified by the IRS that the Trust is subject to back-up withholding as a result of dividend or interest underreporting and I have not received a notice from the IRS advising me that back-up withholding is terminated, I must strike or cross out the information contained in item 2 above.)

**ALL TRUSTEES MUST SIGN AND DATE BELOW IN BLUE OR BLACK INK ONLY.**

By signing below, I agree to the terms listed on this agreement.

The IRS does not require my consent to any provision of this document other than the certifications required to avoid back-up withholding.

**Signature(s) and Date(s) Required**

<b>X</b>		
Trustee Signature	Print Name	Date
<b>X</b>		
Co-Trustee Signature	Print Name	Date

# Certification of Trust and Schwab One® Trust Account Application Agreement

charlesSCHWAB

Page 1 of 3

**This Certification sets forth the Trustees' representations and warranties regarding their authority under the Trust. Please retain for your files.**

## Certification of Trust

By signing the application, each Trustee represents and warrants that Charles Schwab & Co., Inc. ("Schwab") is authorized, as a brokerage firm, to open and maintain the account on behalf of the Trust identified in this application (the "Trust") in accordance with the account agreements applicable to this account, including without limitation the authority to accept, hold and deliver assets belonging to the Trust, and to accept orders and other instructions relating to the Trust from the Trustees. The Trustees represent, warrant and certify that the Trust expressly grants them the power to buy, sell (including short sales), exchange, convert, tender, redeem and withdraw assets (including delivery of assets to and from the account and delivery of assets to a Trustee personally), and, if the Margin Borrowing feature is not declined, to trade securities on margin or otherwise (including the purchase and/or sale of option contracts) for and at the risk of the Trust and to grant authority to a brokerage firm, acting as principal or otherwise, to pledge, repledge, hypothecate or rehypothecate assets of the Trust. **The Trustees agree to decline the Margin Borrowing feature if such authorizations for borrowing are not contained in the Trust.**

**In order to trade options in a Trust account through Schwab, the Trust must meet certain**

**financial requirements, and the Trustees must meet certain investment experience requirements and complete a separate Schwab Option, Margin and Short Capabilities Application.**

**Note: Additional documents are required to add someone as a Power of Attorney.**

The Trustees represent, warrant and certify that either (1) the Trust expressly authorizes that each Trustee, if more than one, is authorized to act individually, independently and without the consent of the other Trustees; or (2) the Trustees have consented to each Trustee acting individually, independently and without the consent of the other Trustees with respect to the account and that such delegation of authority is expressly authorized by the Trust and applicable law. The Trustees agree that any notice sent to one Trustee will constitute notice to all Trustees. Schwab, in its sole discretion and for its sole protection, may require the written consent of any or all Trustees prior to acting upon the instructions of any Trustee.

The Trustees represent, warrant and certify that neither they nor the Trust impose any obligation upon Schwab for determining the purpose or propriety (i) of any instructions received from any Trustee or (ii) of payments or deliveries to or among Trustees.

By signing this application, each Trustee further represents, warrants and certifies that there are no currently acting Trustee(s) of the Trust other than those signing below. Should only one person execute this application, it is a representation that the signer is the sole current acting Trustee. Finally, the Trustees represent, warrant and certify that the Trust has not been revoked, modified or amended in any manner which would cause the representations contained in this Certification to be incorrect. Each Trustee agrees to notify Schwab immediately in writing of any change that would cause this Certification to become incorrect or incomplete.

Each Trustee hereby, jointly and severally, in both personal and representative capacities, agrees to indemnify Schwab, its affiliates, officers, directors, employees and agents from, and to hold such persons harmless against, any claims, judgments, surcharges, settlements or other liabilities or costs of defense or settlement (including investigative and attorneys' fees) arising out of or related to any act or omission to act by any Trustee with respect to the account.

The representations and obligations stated in this Certification will survive the termination of the account.

**This agreement relates to your account and is part of the Account Agreement between each Account Holder and Charles Schwab & Co., Inc. ("Schwab"). Please retain for your files.**

## Schwab One Trust Account Application Agreement

**Section 1: Scope of Agreement.** Your agreement with Schwab consists of the terms set forth in this Application Agreement and the terms set forth in the *Schwab One Account Agreement*, which incorporates the *Charles Schwab Pricing Guide* and a number of other important disclosures. The *Schwab One Account Agreement* is provided with this application or at the opening of your account. You agree to contact Schwab if you do not receive the *Schwab One Account Agreement*.

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

**Section 2: Acceptance of Agreement and Disclosures.** You agree that the Agreement and Disclosures govern all aspects of your relationship with Schwab, including all transactions between Schwab and you, and all products and services now or in the future offered through Schwab. Schwab may rely on your use of Schwab's products and services as evidence of your continued acceptance of the Agreement and Disclosures.

## Section 3: Your Representations and Warranties.

You represent and warrant that: (a) you are of legal age in the state in which you live, and you are authorized to enter into this Agreement; (b) you have supplied accurate information in your Account Application; (c) no additional authorizations from third parties are required for you to open the account and effect transactions therein; (d) except as you have otherwise indicated on your Account Application or in writing to us, (i) you are not an employee of or affiliated with any securities exchange or member firm of any exchange, the Financial Industry Regulatory Authority (FINRA), or any securities firm, bank, trust company, or insurance company, and (ii) you are not a director, 10% beneficial shareholder, policy-making officer, or otherwise an "affiliate" (as defined in Rule 144 under the Securities Act of 1933) of a publicly traded company; and (e) this Application Agreement, as amended from time to time, is a legal, valid and binding obligation, enforceable against you in accordance with its terms.

**Section 4: Account Handling.** Schwab will automatically hold all of your securities purchased, sales proceeds, dividends and interest. Schwab will also release your name, address and securities positions to companies in which we hold securities for your account upon request, unless you notify us otherwise in writing. If you maintain more than one account

at Schwab, you authorize Schwab to transfer assets between your accounts when no written authorization is requested.

## Section 5: Responsibility for Investment Decisions.

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

Unless 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

**Schwab One® Trust Account Application Agreement (Continued)**

such indebtedness that results from instructions provided to Schwab by you, your agent or any attorney-in-fact under a Power of Attorney or by an Investment Advisor authorized to make transactions in your account. We may elect anytime, with or without notice, to make any debit balance or other obligation related to your account immediately due and payable. We may report any past-due account to a consumer and/or securities credit reporting agency. We may also refer your account to a collection agency.

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

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

**Section 8: Liquidations.** Whenever it is necessary for our protection or to satisfy a margin deficiency, debit or other obligation owed us, we may (but are not required to) sell, assign and deliver all or any part of the property securing your obligations, or close any or all transactions in your account. We may choose which property to buy or sell, which transactions to close and the sequence and timing of liquidation. We may take such actions on whatever exchange or market and in whatever manner (including public auction or private sale) that we choose in the exercise of our business judgment. You agree not to hold us liable for the choice of which property to buy or sell, or which transactions to close, or for the timing or manner of liquidation.

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

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

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

**Section 9: Interest on Debit Balances.** We will charge and compound interest on your debit balances (whether in a Margin or Cash Account) according to our *Disclosure of Credit Terms and Policies*.

**Section 10: Borrowing Money and Using Margin.** All margin transactions are subject to our *Disclosure of Credit Terms and Policies* and our Margin Borrowing at Schwab: Overview and Disclosure Statement. You agree not to enter an order for a margin transaction until you have read and understood the *Disclosure of Credit Terms and Policies* and the "Overview and Disclosure Statement."

**Section 11: Loan Consent.** You agree that property held in your Margin Account, now or in the future, may be borrowed (either separately or together with the property of others) by us (acting as principal) or by others. You agree that Schwab may receive and retain certain benefits (including, but not limited to, interest on collateral posted for such loans) to which you will not be entitled. You acknowledge that, in certain circumstances, such borrowings could limit your ability to exercise voting rights or receive dividends, in whole or in part, with respect to the property lent. You understand that for property that is lent by Schwab, the dividends paid on such property will go to the borrower. No compensation or other reimbursements will be due to you in connection with such borrowings. However, if you are allocated a substitute payment in lieu of dividends, you understand that such a payment may not be entitled to the same tax treatment as may have been applied to the receipt of a dividend. You agree that Schwab is not required to compensate you for any differential tax treatment between dividends and payments in lieu of dividends. Schwab may allocate payments in lieu of dividends by any mechanism permitted by law, including by using a lottery allocation system.

**Section 12: Using the Check & Visa® Platinum Check Card Features.** If you have requested check or Visa debit card features through your account, you authorize checks and Visa debit cards to be issued as indicated in your Account Application. You agree that each Account Holder is authorized to write checks and engage in Visa debit card transactions, and you understand that if the checking feature is terminated, your Visa debit card will be automatically cancelled.

**Section 13: Linking Your Account to a High Yield Investor Checking Trust Account at Schwab Bank.** If you link your account to a High Yield Investor Checking Trust account held at Schwab Bank, you authorize Schwab to accept and follow instructions received from Schwab Bank to transfer funds from your account to your High Yield Investor Checking Trust account as set forth in your *Schwab Bank High Yield Investor Checking® Account Application* and *Schwab Bank Deposit Account Agreement*. The provisions of the Agreement and Disclosures relating to checks and debit cards will not apply to the services received from Schwab Bank.

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

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

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

If you have a debit balance in your account, Target Balance Transfers will not be made to your High Yield Investor Checking Trust account. Pending securities trades (including the Automatic Investment Plan [AIP]), pending debits to your account, and pending transfers of funds from your account may not be considered in determining whether funds are available for transfer from your account to your High Yield Investor Checking Trust account at Schwab Bank.

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

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

**Section 14: Verification.** You authorize Schwab to inquire from any source, including a consumer reporting agency, as to your identity (as required by federal law), creditworthiness and ongoing eligibility for the account (and that of your spouse, if you live in a community property state) at account opening, at any time throughout the life of the account, and thereafter for debt collection or investigative purposes.

**Section 15: 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.



## Schwab One® Trust Account Application Agreement (Continued)

- 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.
- 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 16: 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, 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, 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.

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 17: 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 18: 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.

# Schwab Bank High Yield Investor Checking® Trust Account Application Agreement

*charles* SCHWAB  
BANK

These terms relate to your account and are part of the *Schwab Bank Deposit Account Agreement* between each account holder and Charles Schwab Bank (“Schwab Bank”). Please read and retain for your files.

## Schwab Bank High Yield Investor Checking Trust Application Agreement

This agreement is between Charles Schwab Bank (the “Bank”) and the account holder (the Trust listed on this application) for a High Yield Investor Checking Trust account, as agreed to by the Trustee(s). “I,” “me” and “my” refer to each account holder. By signing below, I:

- (1) certify that I am of the age of majority in the state in which I live, that I am legally authorized to enter into this agreement and that the personal information provided in this application, and during the account application process, is true and correct;
- (2) acknowledge that the Bank will provide me with the following documents before account opening or before a service is provided:  
(a) the *Schwab Bank Deposit Account Agreement*, which contains an arbitration provision; the Schwab One®/High Yield Investor Checking Overdraft Protection and Linking Authorization; the Overdraft Credit Line and Truth in Lending Disclosure; and the Terms and Conditions for the Schwab Bank Bill Pay service; (b) Schwab Bank’s *A Commitment to Your Privacy*; (c) *Important Privacy Choice for Consumers*, if applicable; and (d) the *Schwab Bank Deposit Account Pricing Guide*;
- (3) acknowledge that if the application is approved, each trustee will automatically receive a Visa® Platinum Check Card, providing access to available funds at certain Automated Teller Machines (ATMs) and for use at certain merchants; that the Visa Check Card Agreement, which is sent with the card, contains the terms and conditions which apply to this card;
- (4) acknowledge that, unless I have specifically requested otherwise during the account opening process, this account will be enrolled in the Schwab Bank Bill Pay service, and that the Terms and Conditions for the Schwab Bank Bill Pay service apply to this service;
- (5) agree to be subject to the terms and conditions of all documents associated with this High Yield Investor Checking Trust account upon account opening, and acknowledge that the Bank advises me to read all the disclosure documents prior to opening or using this account;
- (6) acknowledge that this High Yield Investor Checking Trust account is linked with a Schwab One Trust account maintained at Charles Schwab & Co., Inc., a registered broker-dealer, and I authorize Charles Schwab & Co., Inc. to initiate credit and/or debit entries to/from the linked High Yield Investor Checking Trust account as transfers to/from the Schwab One Trust account for transactions including, but not limited to, target balance transfers and overdraft protection transfers, upon my request or preauthorization;
- (7) authorize the Bank to initiate a one-time debit entry (or credit entry in case of error), as specified in this High Yield Investor Checking Trust account application, to the institution and account specified by the attached voided check or account deposit slip, electronically or by other commercially accepted method, to initially fund the High Yield Investor Checking Trust account; I acknowledge that the Bank will not initiate the one-time debit entry until the High Yield Investor Checking Trust account is approved; I certify that the information provided on the voided check or account deposit slip is correct and that I am authorized to transfer funds from the specified account;
- (8) authorize the Bank to open a High Yield Investor Checking Trust account for the Trust listed on this application and to inquire from any source, including a consumer reporting agency, as to the identity (as required by federal law), creditworthiness and ongoing eligibility for the account and other information at account opening, at any time throughout the life of the account, and thereafter, for debt collection or investigative purposes of all Trustees and of the Trust itself;
- (9) certify that the information provided in this application is true and complete and that the Bank is authorized to open and maintain the High Yield Investor Checking Trust account on behalf of the Trust identified in this application (the “Trust”) in accordance with the account agreements applicable to the High Yield Investor Checking Trust account, including, without limitation, the authority to accept, hold and deliver assets belonging to the Trust, as well as to accept orders and other instructions relating to the Trust from the Trustees;
- (10) represent, warrant and certify that the Trust expressly grants me the power to perform various functions in association with the High Yield Investor Checking Trust account, including, but not limited to, (a) open bank accounts, (b) write checks and otherwise withdraw or transfer funds out of the account, (c) view bank account information, and (d) any other activity authorized by the Trust and the bank account agreements;
- (11) represent, warrant and certify that either (a) the Trust expressly authorizes that each Trustee, if more than one, is authorized to act individually, independently and without the consent of the other Trustees; or (b) the Trustees have consented to each Trustee acting individually, independently and without the consent of the other Trustees with respect to the High Yield Investor Checking Trust account and that such delegation of authority is expressly authorized by the Trust and applicable law; I agree that any notice sent to one Trustee will constitute notice to all Trustees;
- (12) acknowledge that the Bank, in its sole discretion, and for its sole protection, may require the written consent of any or all Trustees prior to acting upon the instructions of any Trustee;
- (13) represent, warrant and certify that neither I nor the Trust impose any obligation upon the Bank for determining the purpose or suitability (a) of any instructions received from any Trustee or (b) of payments or deliveries to or among Trustees;
- (14) represent, warrant and certify that there are no other currently acting Trustee(s) of the Trust other than those signing this agreement. Should only one person execute this agreement, it is a representation that the signer is the sole current acting Trustee. I further represent, warrant, and certify that the Trust has not been revoked, modified, or amended in any manner which would cause the representations contained in this agreement to be incorrect;
- (15) agree to notify the Bank immediately in writing of any change that would cause any representation contained in this agreement to become incorrect or incomplete;
- (16) agree, jointly and severally, in both personal and representative capacities, to indemnify the Bank, its affiliates, officers, directors, employees, and agents from, and hold such persons harmless against, any claims, judgments, surcharges, settlements, or other liabilities or costs of defense or settlement (including investigative and attorneys’ fees) arising out of or related to any act, or omission to act, by the Trustee(s) with respect to the High Yield Investor Checking Trust account;
- (17) acknowledge that the representations and obligations stated in this application and agreement will survive the termination of the High Yield Investor Checking Trust account; and
- (18) represent, warrant and certify that all Trustees and beneficiaries are Individuals and not organizations, corporations, or other non-individual entities.

## Regulation E—Electronic Funds Transfer Disclosure

This disclosure applies to your account if you elected to fund your Schwab One® account using Schwab MoneyLink® electronic funds transfer, or if you elected to fund your Schwab Bank High Yield Investor Checking® account using either a one-time electronic funds transfer from your checking or savings account at another financial institution or a one-time transfer from your Schwab One brokerage account. A complete Electronic Funds Transfer Disclosure statement applicable to each account will be provided to you with your account agreements after account opening.

Unless otherwise noted, throughout this disclosure “we,” “us,” and “our” mean both Charles Schwab & Co., Inc. (“Schwab”) and Charles Schwab Bank (“Schwab Bank”).

### Business Days

Schwab’s business days, applicable to your Schwab One brokerage account, are Monday through Friday, excluding U.S. stock exchange holidays and U.S. banking holidays.

Schwab Bank’s business days, applicable to your High Yield Investor Checking account, are Monday through Friday, excluding Federal Reserve Bank holidays.

If a funds transfer is scheduled for a day other than a business day, we will make it on the following business day.

### Consumer’s Liability for Unauthorized Transfers

Tell us at once if you believe an unauthorized person has transferred or may transfer money from your account without your permission. You can notify us by calling or writing Customer Service:

For your Schwab One brokerage account:  
Call: 1-877-560-8811

Write: Charles Schwab & Co., Inc.  
Attn: MoneyLink Support Services  
211 Main Street  
San Francisco, CA 94105

For your Schwab Bank High Yield Investor Checking account:

Call: 1-888-403-9000

Write: Charles Schwab Bank  
P.O. Box 4987  
Greenwood Village, CO 80155-4987

Telephoning immediately is the best way of minimizing your possible losses.

Losses could include the money in your account plus, in the case of your Schwab Bank High Yield Investor Checking account, any advances or transfers from an overdraft source linked to your account. If unauthorized activity occurs, you agree to cooperate during the investigation and to complete any report or affidavit we may request.

Also, if your statement shows transfers that you didn’t make or authorize, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason kept you from telling us (such as a long trip or hospital stay), we will extend the time periods.

### Disclosure of Account Information

We may disclose your name and/or information about your account or your transactions to our agents and affiliates in order to facilitate your transfer requests. We may also disclose such information to third parties in certain circumstances, which may include: (a) to banks and

other entities that are involved with the products or services we offer or arrange on behalf of customers; (b) when it’s requested by a third party to complete a transaction; (c) to verify the existence or condition of your account for a credit bureau or merchant; (d) to comply with a subpoena, court order or request from a government agency or law enforcement authority; (e) to evaluate your creditworthiness or our ability to collect any debt you owe us; or (f) if you give us your permission.

In addition, for your Schwab One brokerage account, Schwab may disclose such information (a) to mutual funds that are involved with the products or services we offer or arrange on behalf of customers and (b) pursuant to Rule 14b-1 under the Securities and Exchange Act of 1934, to companies in which you hold securities, unless we receive your written objection.

### Periodic Statements

Schwab will send you a monthly account statement for your Schwab One brokerage account unless there are no transfers in a particular month. In any case, you will get the statement at least quarterly.

Schwab Bank will send you a statement each month for your Schwab Bank High Yield Investor Checking account.

All electronic funds transfers posted to your account during the month are listed on your statement.

### Our Liability for Failure to Make Transfers

If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We are not liable, for instance, if:

- Through no fault of ours, you do not have enough money in your account to make the transfer.
- In the case of your Schwab Bank High Yield Investor Checking account, the transfer would exceed the funds available under your overdraft protection option, if any.
- Your account is restricted (because of a court order or similar reason), and we are not permitted to make the transaction.
- Circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- Any Automated Clearing House network or other third-party communication system from which we require information to complete transactions was not working properly.

There may be other exceptions permitted by law.

### In Case of Errors or Questions About Your Electronic Funds Transfers

If you think your statement is wrong or if you need more information about a transfer listed on the statement, call or write us as soon as you can:

For your Schwab One brokerage account:  
Call: 1-877-560-8811

Write: Charles Schwab & Co., Inc.  
Attn: MoneyLink Support Services  
211 Main Street  
San Francisco, CA 94105

For your Schwab Bank High Yield Investor Checking account:

Call: 1-888-403-9000

Write: Charles Schwab Bank  
P.O. Box 4987  
Greenwood Village, CO 80155-4987

Fax: 1-720-785-8445

We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

We need the following information:

- your name and account number
- a description of the error or the transfer you are unsure about
- a clear explanation of why you believe it is an error or why you need more information, and
- the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days.

We will determine whether an error occurred within 10 business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account.

For errors involving new accounts, point-of-sale or foreign-initiated transactions, we may take up to 90 days to investigate your complaint or question. For new accounts, we may take up to 20 business days to credit your account for the amount you think is in error.

We will tell you the results within three business days after completing our investigation. If we decide that there was no error, we will send you a written explanation.

You may ask for copies of the documents that we used in our investigation.

# Margin Borrowing at Schwab Overview and Disclosure Statement

charles SCHWAB

*This is important information regarding margin borrowing, if you have requested the margin feature on your brokerage account. Please retain this document for your files.*

A margin loan can be a powerful tool for maximizing your investments and is a convenient way to borrow against the securities you hold in your portfolio.

Margin loan proceeds can be used to buy additional securities and diversify your portfolio, as well as for non-investing needs and activities. Other benefits of margin loans can include competitive rates, no loan-origination fees and no preset payment schedule.

Schwab's margin account also enables you to sell short and potentially profit from downward price movements. Selling short involves additional market risk; be sure to familiarize yourself with short selling before using this strategy.

A complete list of terms and conditions pertaining to margin trading and short selling, including credit terms and policies, can be found in the Account Agreement. Please read this important document before opening a margin account.

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When considering a margin loan, you should determine how the use of margin fits your own investment philosophy. Because of the risks involved, it is important that you fully understand the rules and requirements involved in trading securities on margin. The following paragraphs highlight some of these critical aspects of margin trading:

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

Your downside is not limited to the collateral value in your margin account. If the securities in your account decline in value, so does the value of the collateral supporting your loan. When the value of the collateral falls below the maintenance margin requirements, or Schwab's higher "house" requirements, Schwab can move to protect its position. In order to cover margin deficiencies, Schwab may issue you a margin call—a request for additional cash—or sell securities from your account. If a sale does not cover the deficiency, you will be responsible for any shortfall.

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

Schwab may increase its "house" maintenance margin requirements at any time and is not required to provide you with advance written notice. Changes in Schwab's policy regarding "house" maintenance margin requirements often take effect immediately and may result in the issuance of a maintenance margin call. Your failure to satisfy the call may cause Schwab to liquidate or sell securities in your account.

You are not entitled to an extension of time on a margin call. While an extension of time to meet margin requirements may be available to customers under certain conditions, a customer does not have a right to the extension.

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

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

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

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When using margin, please keep these important rules and conditions in mind. To further explore how margin borrowing can work for you, please contact us at 1-800-435-4000, or call your team. Used correctly, and within one's means, a margin loan can be a valuable investment tool.