

THE SCHWAB SECURITY GUARANTEE

We want you to have the highest level of confidence when you do business with Schwab. So we offer you this simple guarantee: **Schwab will cover 100% of any losses in any of your Schwab accounts due to unauthorized activity.**

The highest levels of security are only possible when we work together. To ensure your protection under this guarantee, it is your responsibility to:

- Safeguard your account access information.¹ If you share this information with anyone, we'll consider their activities to have been authorized by you.
- Report any unauthorized transactions to us as quickly as possible.² If you suspect you are a victim of fraud, please contact us immediately at 1-888-3-SCHWAB.

There may be other individuals to whom you grant authority in your account. Their activities in your account will also be considered authorized.³

We are committed to safeguarding your accounts and the privacy of your information, and we continually review our privacy and security practices and update them as necessary to protect you. For a description of these practices, as well as additional steps you can take to further ensure a more secure online experience, we recommend that you visit www.schwab.com and click on the "Protect Your Account" button on the client log-in page.

Here is more information on The Schwab Security Guarantee:

Do I have to do anything to get this protection?

No. Schwab automatically provides this protection.

How does this guarantee work?

If you suspect you have been a victim of unauthorized activity in your Schwab account, notify Schwab at 1-888-3-SCHWAB immediately. We will promptly review your claim and assist you in taking measures necessary to protect you from further loss. You will be required to complete a notarized affidavit of fraud and to identify items of unauthorized activity.

Does the guarantee apply to Schwab Bank?

Yes. The guarantee applies to all Schwab Bank products. If you suspect you have been a victim of unauthorized activity in your Schwab Bank account, notify Schwab at 1-888-3-SCHWAB immediately. If an unauthorized advance is made on your Schwab Bank loan account, you will not be responsible for repaying the amount of the unauthorized advance or any related interest or transaction charge. If you suspect that your Schwab Bank Credit Card has been used for any unauthorized transaction(s), contact the credit card issuer immediately. You will not be responsible for any unauthorized charges, or any interest

which may have accrued as a result of the unauthorized charges. Please see your Credit Card Agreement and Visa(R) Credit Card Guide to Coverage for details.

Does the guarantee apply to my Schwab retirement plan accounts?

This guarantee applies to all individual retirement accounts held at Schwab. It also applies to individual accounts of employees participating in employer-sponsored retirement, equity compensation, deferred compensation and other benefit plans ("Employee Benefit Plan Account"), where Schwab maintains the account and provides recordkeeping services.

Does the guarantee apply to accounts managed by independent investment advisors doing business with Schwab Institutional®?

Yes. The coverage applies to unauthorized account activity in client accounts managed by independent investment advisors. However, keep in mind that transactions initiated by your investment advisor or other people you have granted authority to act on your behalf are considered authorized and not covered.

Notes

¹"Account access information" includes your login ID, password or any other information used by Schwab to authenticate you; as well as payment devices such as credit cards, debit cards and checks. We may hold you responsible if we determine that you shared this information, or unauthorized activity was caused by your fraudulent conduct or gross negligence.

²Reimbursement under the guarantee requires your timely reporting of unauthorized activity to Schwab. Schwab will not be liable for additional or increased losses resulting from a failure to report unauthorized activity in a timely manner. Different transactions have different reporting deadlines. More details are available in your account agreements, statements and trade confirmations.

³This applies to third parties (who are not Schwab employees or Schwab companies), including the employees or agents of any business or any investment advisor to whom you have granted authority of any type over your account. This includes authority to manage your account, and any other power of attorney you may have granted. This also applies to activity by your employer and their employees, representative or agent which have authority to access your Employee Benefit Plan Account. Schwab will also not be liable for the failure of those third parties to safeguard your information or access to your account.