

Schwab Personal Choice Retirement Account® (PCRA)

Fact Sheet

What is Schwab PCRA?

Schwab Personal Choice Retirement Account® (PCRA) is a self-directed brokerage account (SDBA) designed to complement your Texa\$aver Program core funds and give you access to thousands of additional investment choices.

Who should choose to invest through PCRA?

Schwab PCRA is for *knowledgeable* investors who understand the risks associated with many of the investment choices available through PCRA and who are committed to staying invested for the long-term. PCRA is designed for individuals who seek more flexibility, increased diversification and a greater role in managing their retirement savings.

How does PCRA differ from a typical brokerage account?

PCRA is different because it is funded only through transfers from your Texa\$aver core funds or directly through your salary deferral election. You cannot make any other direct rollovers into this account or execute withdrawals directly from this account without first meeting a qualifying event and submitting the appropriate distribution paperwork to your Plan for approval. You can also liquidate your PCRA investments and transfer the cash back to your Texa\$aver core funds. If you have any other accounts with Schwab, such as an Individual Retirement Account (IRA), you cannot transfer assets between such accounts and PCRA. All restrictions imposed on your Texa\$aver core funds apply to the money transferred to PCRA.

What investments are available through PCRA?

Through PCRA, you may access more than 6,000 mutual funds from over 400 well-known fund families. Over 3,000 mutual funds are available with no-loads and no-transaction fees¹, including over 1,100 load-waived funds typically available only to institutional clients. Investments may also include individual stocks from all the major exchanges, bonds and other fixed income investments, exchange-traded funds², CDs and money market funds.

Ineligible investments include: Currencies, short sales, private placements, commodities, precious metals, real estate, futures, margin accounts, collectibles, and options (other than covered calls and protective puts, if permitted by your employer and approved by Schwab).

Note: Investors should carefully consider information contained in the prospectus, including investment objectives, risks, trading policies, charges and expenses. You can request a prospectus by calling Schwab's dedicated PCRA Call Center at 1-888-393-PCRA (7272). You may also request a prospectus online at www.schwab.com/prospectus. Please read the prospectus carefully before investing.

How do I open my PCRA?

This is a web-based feature only.

1. Log on to www.texasaver.com and click the "Change Account" tab at the top of the page.
2. Select the "Manage Your Self-Directed Brokerage Account" link and click on the "Enroll" button.
3. Follow the steps to complete the online PCRA Application.
4. Once you click "Submit," you will receive your account number instantly on the screen.
5. On Schwab.com, click the "New User" tab, then the "Register" button to set up your PCRA for online access.
6. Your PCRA is now ready to be funded, and you can begin researching investment opportunities.
7. You will receive a PCRA Welcome Kit in a few days.
8. Please note that you will need to wait at least three business days after enrolling before you can transfer money into your PCRA.

How do I transfer money into my PCRA?

Once your Schwab PCRA is established, you fund your PCRA by transferring money from your other retirement plan core funds in a three-step process:

1. Determine which of your other core funds you want to transfer money from.
2. Decide on the amount to transfer.
3. Contact your Texa\$aver Representative at 1-800-634-5091 and follow the steps to initiate a transfer, or transfer assets online at www.texasaver.com.

How do I place trades and manage my PCRA balance?

- Log into www.schwab.com to manage your PCRA and place trade orders.
- Call 1-888-393-PCRA (7272) to access Schwab's dedicated PCRA Call Center, TeleBroker® touch tone service, or Schwab by Phone™ voice recognition service. PCRA Registered Representatives are available Monday through Friday, 9:00 a.m. to 7:30 p.m. (ET). Outside of these hours, Schwab Investor Service Center representatives are available 24 hours a day, seven days a week.

What does it cost?

- Transaction fees and commissions are outlined in the *Charles Schwab Pricing Guide for Retirement Plan Accounts* provided in your PCRA Welcome Kit.
- Please note that there is no charge from Schwab to open a PCRA. However, keep in mind the Texa\$aver asset-based fee also applies to your PCRA.

What information is available to help me learn about and select investments?

- Powerful proprietary research tools on Schwab.com, including Schwab Equity Ratings™³ and *Schwab Mutual Fund OneSource Select List*®¹, in addition to third-party research from leading providers such as Credit Suisse, Argus Research, Standard & Poor's, Morningstar®, Reuters, MarketEdge® and JP Morgan Fixed Income Research.
- Equity, mutual fund, exchange-traded fund and fixed income screener tools to help you choose your investments.
- Knowledgeable PCRA Call Center representatives who can help with investing information.
- Online or in-person investing workshops led by Schwab investment professionals covering timely topics.
- Find information about PCRA at www.schwab.com/pcra.
- Once logged into your PCRA on Schwab.com, view the "PCRA Educational Webcast," as well as other helpful information contained in the "PCRA Resources" section.
- Over 300 Schwab branch offices nationwide to help with your other investing needs.

How do I invest the money in my PCRA?

Money transferred from your core funds into your PCRA will be automatically allocated to the sweep money market fund in your PCRA within approximately two business days. Use these assets to purchase other investments in your PCRA.

Note: An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the fund.

Can I make direct payroll contributions to my PCRA?

Yes, direct deferrals will be transferred directly into the money market fund in your PCRA, where your assets will remain until you purchase other investments.

How do I transfer money from my PCRA back to the other core funds in my retirement plan?	Visit Schwab.com or call the PCRA Call Center to liquidate securities, if required, to make cash available for transfer. As soon as settled cash is available in the sweep money market fund in your PCRA, you may transfer the assets back to your Texa\$aver core funds. Contact your Texa\$aver Representative at 1-800-634-5091 and follow the steps to initiate a transfer, or transfer assets online at www.texasaver.com
Who provides my PCRA statements?	Schwab will send you a PCRA statement each month. You can access your PCRA statement, see your balance, and view all transactions you have made in two years by logging into your PCRA on Schwab.com. You can enroll in Schwab's Paperless Service and electronically receive your trade confirms and other regulatory materials via email.
Is there a minimum transfer required?	Transfers into PCRA will be subject to a \$100 minimum transfer requirement. If your transfer request does not meet the minimum amount, your transfer will not be completed. You must also maintain a minimum balance of \$500 in your Texa\$aver core funds.

¹ Charles Schwab & Co., Inc. (Member SIPC) receives remuneration from fund companies for recordkeeping and shareholder services, and other administrative services for shares purchased through Schwab's Mutual Fund OneSource® program. Schwab may also receive remuneration from transaction fee fund companies for certain administrative services. Data as of August 31, 2010.

Trades in no-load funds available through Schwab's Mutual Fund OneSource service (including Schwab Funds®), as well as certain other funds, are available without transaction fees when placed through Schwab.com or our automated phone channels. Schwab reserves the right to change the funds we make available without transaction fees and to reinstate fees on any funds. Funds are also subject to management fees and expenses.

Schwab's short-term redemption fee will be charged on redemption of funds (except certain Schwab Funds) bought through Schwab's Mutual Fund OneSource program (and certain other funds) with no transaction fee and held for 90 days or less. Schwab reserves the right to exempt certain funds from this fee, including Schwab Funds, which may charge a separate redemption fee, and funds that accommodate short-term trading.

² Exchange-traded funds (ETFs) are subject to risks similar to those of stocks.

³ Schwab Equity Ratings and the general buy/hold/sell guidance are not personal recommendations for any particular investor or client and do not take into account the financial, investment or other objectives or needs of, and may not be suitable for any particular investor or client. Investors and clients should consider Schwab Equity Ratings as only a single factor in making their investment decision while taking into account the current market environment.

Schwab Personal Choice Retirement Account® (PCRA) is offered through Charles Schwab & Co., Inc. (Member SIPC), a registered broker-dealer which also provides other brokerage and custody services to its customers.

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