Managed Accounts: A Comprehensive Platform to Help You Expand Your Offering

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DEDICATED SERVICE AND SUPPORT
Schwab Institutional® has been providing managed account services since 1998. Over the years, we’ve carefully evolved our Managed Account Platform to meet the changing needs of independent advisors by providing a platform that is both comprehensive and easy to use. The platform is now one of the largest* and most flexible available for independent advisors.

The Schwab Institutional Managed Account Platform includes two distinct options:

- Managed Account Access® and Managed Account Select®—our bundled programs, which allow advisors to quickly and easily establish and maintain managed accounts by using a wide variety of money managers and strategies
- Managed Account Marketplace®—an open-architecture service that enables advisors to work with any money manager they choose,† and still benefit from the brokerage and custody services of Schwab Institutional

* Cerulli Associates, as of 12/07.
† Participating managers need to establish a contract and have system compatibility with Schwab in order to be in Managed Account Marketplace.

Access to Money Managers Without Negotiations
Managed accounts give you the advantage of providing your clients with access to high-quality money management while freeing up your time to focus on serving your clients and building your business.

Schwab Institutional’s convenient, bundled programs, Managed Account Access and Managed Account Select, can help you:

- Choose from a wide range of money managers representing many investment strategies
- Reduce paperwork and save time by using a single application and simplified contracts to hire multiple money managers
- Take advantage of customizable performance reporting for your clients and summarized reporting for you

Both of these easy-to-use programs also allow you to benefit from the considerable buying power of Schwab Institutional. Without any need for you to negotiate fees, you can enjoy:

- Competitive fees of 1% or less for equity accounts and 0.70% or less for fixed income accounts (exclusive of your advisory fees)
- Lower minimum investment amounts (as low as $100,000 for equity strategies and $250,000 for fixed income strategies)
Screening and Ongoing Research by the Schwab Center for Financial Research

For Managed Account Select®, the Schwab Center for Financial Research evaluates money manager and investment strategies by employing a rigorous research process based on both quantitative metrics and qualitative assessment.* This experienced team of investment experts continually assesses Managed Account Select managers using objective performance criteria and provides you with ongoing research analysis and reports, thus saving you valuable time.

Negotiate Your Own Arrangements with Your Choice of Money Managers

Managed Account Marketplace®, our open-architecture service, gives you the freedom to work with any money manager of your choice†— including those who are not currently part of our bundled programs. With Managed Account Marketplace, you:

- Negotiate directly with money managers
- Conduct all your own due diligence
- Choose from transaction-based pricing or asset-based pricing for Schwab's brokerage services

Knowledge and Expertise Personalized for Your Needs

With the Schwab Institutional® Managed Account Platform, you have convenient access to a wide range of knowledge and expertise that can help you make informed decisions. For example, you can:

- View Webcasts and teleconferences, and attend live events to meet with and learn about new money managers and their investing styles
- Gain access to our proprietary Money Manager Analysis and Proposal System® (MMAPS®) to screen data on more than 1,300 money managers by using more than 100 factors, including performance and assets under management. MMAPS also allows advisors to incorporate this analysis into customizable client proposals

You can also take advantage of the personalized service provided by the Managed Account Research Center (MARC) analysts, who can help you make informed decisions about money managers. These analysts can also provide you with:

- Customized proposals that illustrate a variety of potential investment solutions for your clients
- Best practices on how independent advisors are implementing managed accounts into their clients' portfolios
- Information on money managers and strategies gained from ongoing interaction with managers and industry experts
- Holdings analysis of managed account portfolios, including sector and style breakdown

Dedicated Service and Support

With our Managed Account Platform, you have access to an experienced service team of more than 30 professionals, dedicated solely to your managed account operational needs. Our representatives can:

- Help you complete account applications
- Answer any questions about operational procedures
- Provide service for any account needs you may have

Your Next Step

Consult with Schwab Institutional and find out how we can help you integrate managed accounts seamlessly into your business.

Schwab Institutional clients can learn more about our Managed Account Platform:

- Visit www.schwabinstitutional.com > Resource Center > Investment Products > Managed Account Platform
- Call your Schwab Institutional Relationship Manager

If you’re new to Schwab Institutional, you can explore our Managed Account Platform:

- Visit www.schwabinstitutional.com/public

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* Beginning in 2008, the Schwab Center for Financial Research, a division of Charles Schwab & Co., Inc. (“Schwab”), provides asset manager evaluation and research services for Managed Account Select. Prior to 2008, asset manager evaluation and research services were provided by Callan Associates Inc., a consulting firm unaffiliated with Schwab. Asset managers in Managed Account Select are not affiliated with Schwab.

† Participating managers need to establish a contract and have system compatibility with Schwab in order to be in Managed Account Marketplace.
Please read Schwab’s Schedule H brochure for important information and disclosures relating to Managed Account Access® and Managed Account Select®. In addition, please read the participating manager’s Form ADV for important information and disclosures.

Schwab Institutional® and the Schwab Center for Financial Research are divisions of Schwab. Money managers in Managed Account Select are not affiliated with Schwab.

Neither Schwab nor Managed Account Research Center (MARC) analysts provide advice or recommendations regarding managed accounts or money managers to investment advisors or their clients.

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