

# Announcing Further Reduced Commissions for Online Equity, ETF and Options Trades

## **\$4.95 Online Equity Commissions plus \$.65 per Options Contract**

At Schwab, our job is to serve our clients the way they want to be served. And we are not afraid to be disruptive to do so. We are proud to share with you that we are again lowering the cost of investing for PCRA participants.

We've lowered the price of online equity, ETF and options commissions to just **\$4.95** per trade, plus **\$.65** per options contract.<sup>1</sup>

Plus, PCRA participants can still trade 200+ ETFs commission-free online<sup>2</sup>, as well as over 4,000 no-load, no-transaction fee mutual funds<sup>3</sup>. They get all of this regardless of how much they have to invest or how often they trade.

## **More Cost Reductions**

Starting March 1, 2017, expenses for the Schwab market cap index mutual funds will be lowered to align with their Schwab ETFs™ equivalents, which already have among the lowest expenses in the industry. These funds will continue to offer a single share class, with no investment minimum and no shareholder servicing fees, which differs from the approach taken by many of our competitors.

Then, on May 1, 2017, the company's Fundamental Index mutual funds will eliminate all minimums, employ a single share class, and align fees to meet those in the comparable ETFs, delivering the simplicity we know investors appreciate<sup>4</sup>.

Our goal is to provide PCRA participants the best in value and service. We want each of their experiences with us to be positive and to reflect the shared values we know benefit investors.

If you have questions, or if we can assist in any other way, please contact your PCRA Relationship Manager, Ken Nichols, at **602-355-3359**.

<sup>1</sup> Restrictions apply: The \$4.95 commission does not apply to foreign stock transactions, large block transactions requiring special handling, or restricted stock transactions. Foreign ordinary shares that trade online in the U.S. over-the-counter (OTC) market and do not settle in the U.S. will have a \$50 foreign transaction fee added to the cost of the transaction. All broker-assisted trades are subject to service charges. See the *Charles Schwab Pricing Guide for*

*Retirement Plan Accounts* for full fee and commission schedules. Employee equity compensation transactions are subject to separate commission schedules. Multiple-leg options strategies will involve multiple commissions.

<sup>2</sup> Conditions Apply: Trades in ETFs available through Schwab ETF OneSource™ (including Schwab ETFs™) are available without commissions when placed online in a Schwab account. Service charges apply for trade orders placed through a broker (\$25). An exchange processing fee applies to sell transactions. Certain types of Schwab ETF OneSource transactions are not eligible for the commission waiver, such as short sells and buys to cover (not including Schwab ETFs). Schwab reserves the right to change the ETFs we make available without commissions. All ETFs are subject to management fees and expenses. Please see pricing guide for additional information.

<sup>3</sup> Trades in no load funds available through 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. For each of these trade orders placed through a broker, a \$25 service charge applies. Schwab reserves the right to change the funds we make available without transaction fees and to reinstate fees on any funds.

<sup>4</sup> The new Schwab U.S. Aggregate Bond Index Fund and Schwab Short-Term Bond Index Fund has a prospectus effective date of 2/2/17, with an expected launch date on or about 2/23/17. Schwab Fundamental\* Index mutual funds' (except Schwab Fundamental Index Emerging Markets Large Company Index Fund) changes are expected to be effective 5/1/17, but are subject to shareholder approval of an Amended and Restated Investment Advisory and Administration Agreement. Schwab is a registered service mark of Charles Schwab & Co., Inc. Fundamental Index is a registered trademark of Research Affiliates, LLC.

Minimums are subject to change.

**Investors should consider carefully information contained in the [prospectus, or if available, the summary prospectus](#), including investment objectives, risks, charges and expenses. Please read it carefully before investing.**

Options carry a high level of risk and are not suitable for all investors. Certain requirements must be met to trade options through Schwab. Please read the options disclosure document titled "[Characteristics and Risks of Standardized Options](#)." Supporting documentation for any claims or statistical information is available upon request.

**Brokerage Products: Not FDIC-Insured • No Bank Guarantee • May Lose Value**

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