

Welcome to the Schwab Health Savings Brokerage Account
and opportunities to Own Your Tomorrow®

Your
investments,
your way.



Own your tomorrow.

Schwab has been in the personal investing business since 1972. Our legacy is built on our clients' trust, and we hope to continue that legacy with you by providing the products and information you need to take control of your financial future.

Your Schwab Health Savings Brokerage Account (HSBA) is part of your Health Savings Account (HSA) and works a little differently than most brokerage accounts. To help you understand the differences and get the most out of your account, please review this informative guide.

HSBA's expanded product offerings provide you with new options that can help you on your financial path. With HSBA, you have the power to:

- Fine-tune your long-term health savings strategy.
- Research and choose your investments.
- Trade whenever it's convenient for you.
- Pinpoint specific investments for your account using customizable online screener tools and select lists.
- Monitor your progress at your own pace.

Do it all at **Schwab.com** or on the go with our mobile app.

You have a vision for your HSA—start turning that vision into reality.

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Success is no accident.

This hands-on guide is designed to help you take ownership of your financial future. Are you ready to get started?

ACCOUNT BASICS

Once you've activated your HSBA for online access, you can use the great tools and research available at **Schwab.com** and on our mobile app.



Getting started.

Every success story begins somewhere. Here are a few easy steps to get you started on the path to your financial goals.

Log in:

Go to **Schwab.com**, click **Log In**, and select the **Schwab.com** option. You'll be brought to the **Customer Center Login** page.

- If you're a new user, select the **First Time Users** link. You'll be guided through the process of setting up online access.
- If you're already a Schwab client, use your current user ID and plan access code to log in.

Once you've logged in, select your HSBA and you're ready to take action.

Fund your account:

To fund your HSBA, log in to your HSA provider's portal and direct cash into your HSBA at Schwab. For instructions, see the next page.

Trade:

After you've funded your HSBA, you can use the tools at **Schwab.com** to research and select investments, and place your trade orders.

If you're new to Schwab, you'll need the following to set up your online access:

- HSBA account number*
- Social Security number
- Date of birth
- Phone number

Get the Schwab app.

With the Schwab Mobile app, you can access your accounts and place trades when you're on the go.



To learn more or to download an app, visit **[schwab.com/mobile](https://www.schwab.com/mobile)**.

*Your HSBA account number will be mailed to you separately.

Funding your HSBA.

Whether you're transferring money into your account for the first time or adding funds later, follow these steps:¹

1. Typically, to be eligible to invest your HSA, you need to maintain a minimum cash balance (usually \$1,000–\$2,000).
2. Contact your HSA provider and follow their instructions for transferring money to your HSBA. Please note any transfer limits that may be imposed.
3. Your funds will be automatically placed in the cash sweep feature² in your HSBA and will be available for trading.
4. Visit **Schwab.com** to place trades in your HSBA.



 Need help?

Sign up to attend sessions covering topics from financial essentials to complex trading strategies at schwab.com/workshops.

¹It's important to be familiar with the terms and conditions of your individual HSA plan, including funding requirements, transfer rules, and other details. Contact your HSA provider for additional details.

²For account holders residing in the U.S., settled cash balances are swept to one or more affiliated banks after the close of business and begin earning interest on the following Business Day. Through the Bank Sweep feature, Schwab automatically makes deposits to and withdrawals from deposit accounts at one or more banks affiliated with Schwab ("Sweep Banks"). Your deposits at each Sweep Bank are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 (including principal and accrued interest) when aggregated with all other deposits held by you in the same insurable capacity at that bank. Your funds may be placed in a Sweep Bank in excess of the FDIC insurance limit. In certain limited circumstances, Schwab may place your funds in a sweep money market fund. Please see the Cash Features Disclosure Statement for additional information.

Investing with your HSBA.

Hypothetical scenario: You've reached the minimum savings level to invest through your HSA program (typically \$1K to \$2K).

1. Fund

Fund your HSA and meet the investment minimum.

Your HSA investments

HSA \$3K
Cash \$2K Meets threshold
\$1K >>> to HSBA

2. Transfer

Log in to your HSA provider's portal and transfer cash from your HSA to your HSBA.

Your HSA transfer

>>> Cash sweep feature

3. Invest

From your HSBA, you can now purchase:

- Mutual funds
- Stocks
- Bonds
- Exchange-traded funds
- Certificates of deposit
- And more

Your HSBA investment choices

Mutual funds	Stocks
ETFs	Bonds
CDs	

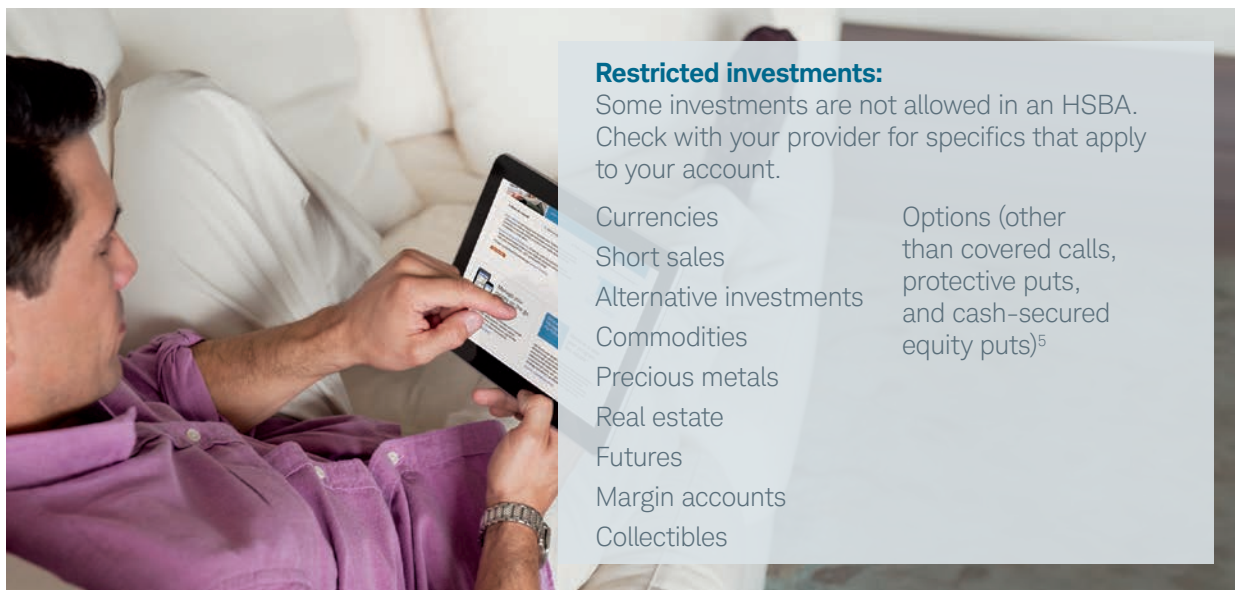
For illustrative purposes only.

Researching your investment choices.

With your HSBA, you've expanded your choices far beyond your HSA menu of mutual funds. Next, learn about your available investments so you can fine-tune your portfolio according to your needs and investment objectives.

Typical HSBA choices:

- **Mutual funds**—Choose from thousands of funds from hundreds of fund families.
- **Stocks**—Trade stocks listed on all major exchanges, as well as over-the-counter issues.
 - **Schwab Stock Slices™³**—Own part of any of America's leading companies in the S&P 500® for as little as \$5 each, even if their shares cost more. Click on **Trade-Schwab Stock Slices** in your HSBA to learn more and get started.
- **Exchange-traded funds (ETFs)**—Build a diversified portfolio while keeping investing costs low.
- **Individual bonds**—Find the right bond easily with the online Schwab BondSource® tool.
- **Certificates of deposit (CDs)⁴**—Browse a wide selection of rates and maturities from banks nationwide.



Restricted investments:

Some investments are not allowed in an HSBA. Check with your provider for specifics that apply to your account.

- | | |
|-------------------------|--|
| Currencies | Options (other than covered calls, protective puts, and cash-secured equity puts) ⁵ |
| Short sales | |
| Alternative investments | |
| Commodities | |
| Precious metals | |
| Real estate | |
| Futures | |
| Margin accounts | |
| Collectibles | |

³Schwab Stock Slices is not intended to be investment advice or a recommendation of any stock. Investing in stocks can be volatile and involves risk including loss of principal. Investors should consider their individual circumstances prior to investing.

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⁴Certificates of deposit, if allowed as an investment vehicle in your HSA.

⁵Options 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" before considering any option transaction. Call Schwab at 1-800-435-4000 for a current copy.

Placing trade orders.

You can place trade orders as often as you like, as long as you have sufficient funds or securities in your HSBA to complete the trade. Below, you can find the method that works best for you.

Schwab.com®

The easiest way to place trade orders is online at **Schwab.com** or through the Schwab Mobile app.⁶

Automated phone services

With Schwab's touch-tone and voice recognition services, you can place trade orders, get real-time stock quotes, and check your account balance whenever it's convenient for you. Schwab's new voice ID feature allows you to access your account just by speaking the phrase "At Schwab, my voice is my password."

Dedicated HSBA Call Center

Place your trade order with one of our knowledgeable Schwab Registered Representatives, who are specially trained to assist HSBA clients. Call **1-800-472-0084**.

Schwab Automatic Investment Plan (AIP)⁷

Arrange regular, ongoing investments of \$100 or more in any Schwab Mutual Fund OneSource^{®8} fund you purchase through your HSBA. Schwab makes it easy to take advantage of dollar-cost averaging. Log in to your HSBA and then enroll at **schwab.com/AIP**, or find **AIP** under **Trade > Mutual Funds > Automatic Investing**.

Your personal investment advisor

You can authorize your own investment advisor to trade on your behalf by completing a Schwab HSBA Limited Power of Attorney (LPOA) for an Investment Advisor form or an HSBA LPOA for a Third-Party form.

⁶ Access to electronic services may be limited or unavailable during periods of peak demand, market volatility, systems upgrades or maintenance, or for other reasons.

⁷ Periodic investment plans (dollar-cost averaging, dividend reinvestment, or Schwab's AIP) do not ensure a profit and do not protect against loss in declining markets. Since AIP involves continuous investment in securities regardless of fluctuating price levels, you should consider your financial ability to continue your purchases through periods of low price levels before deciding to invest this way.

⁸ Schwab's short-term redemption fee of \$49.95 will be charged on redemption of funds purchased through Schwab's Mutual Fund OneSource[®] service (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. Funds are also subject to management fees and expenses. Trades in no-load mutual funds available through the 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. Charles Schwab & Co., Inc., Member SIPC, receives remuneration from fund companies participating in the Mutual Fund OneSource service for recordkeeping and shareholder services and other administrative services. Schwab also may receive remuneration from transaction fee fund companies for certain administrative services.

Commissions and fees.

Trade ETFs, stocks, and options in your account commission-free across all mobile, automated phone, and web-trading channels.⁹ In addition, over 3,300 no-load, no-transaction-fee mutual funds are offered through Schwab's Mutual Fund OneSource[®] program.

Trading Commissions*

Description	Web	Mobile	Automated Phone	Where to Find Information
ETFs and Equities	\$0	\$0	\$0	View the Stocks and ETFs section under the Trade tab to learn more.
Options	\$0	\$0	\$0	View the Options section under the Trade tab to learn more. (Options trades will be subject to the standard \$0.65 per-contract fee.)
OneSource Mutual Funds	\$0	\$0	\$0	Go to schwab.com/mutualfunds to find the list of available mutual funds.

*Service charges apply for trades placed through a registered representative (\$25).

Account fees: You may incur other commissions and fees in your account. Please refer to the *Charles Schwab Pricing Guide for Health Savings Accounts* for additional information.

Schwab does not charge a fee to open or maintain an HSBA. Please contact your HSA provider for a complete list of HSA program fees.

⁹The standard \$0 commission for electronic trades does not apply to large block transactions requiring special handling, restricted stock transactions, trades placed directly on a foreign exchange, transaction-fee mutual funds, futures, or fixed income investments. Options trades will be subject to the standard \$0.65 per-contract fee. Service charges apply for trades placed through a broker (\$25). Exchange process, ADR, foreign transaction fees for trades placed on the U.S. OTC market, and Stock Borrow fees still apply. See the *Charles Schwab Pricing Guide for Health Savings Accounts* for full fee and commission schedules.

Withdrawing money.

When you're ready to withdraw funds from your HSBA, you will need to transfer money from Schwab to your HSA provider. As your financial needs change, you may want to transfer money back to your health savings account to reimburse yourself for qualified health care costs.

Keep these points in mind when transferring funds:

- Investments in your HSBA generally must be sold to transfer money out of the account.
- Money in your HSBA cannot be accessed directly because it's part of your HSA and is, therefore, subject to the same restrictions as your HSA.
- The funds from investments you sell are swept into the cash sweep feature in your HSBA. The money you intend to transfer out must be settled prior to transferring it back to your HSA cash account.
- Although you can take money out of an HSA at any time, there may be tax implications if the money is not used for qualified medical expenses.¹⁰ Please contact your HSA provider for specific rules and instructions.
- Reminder: Money in your HSBA cannot be accessed directly as it is a part of your HSA. All HSA distribution requests must be directed to your HSA provider.

¹⁰Please note that if you're under 65 and you spend money from your HSA on non-qualified expenses, you'll have to pay ordinary income tax on your withdrawals—plus a 20% penalty.

INVESTING TOOLS AND GUIDANCE

You're in charge, but you're not alone. Schwab offers a variety of investment tools and services to help you make the right decisions.



Planning your investment strategy.

Through your HSBA, you can access a variety of resources that can help you take steps to reach your financial goals.

Start with a portfolio checkup

Use the Schwab Portfolio Checkup® tool to take stock of where you stand now and what you need to do next with your investments. Go to schwab.com/portfoliohealth to get started.

Attend free workshops and webcasts

Hone your investing skills by attending online and in-branch events on topics such as building a diversified portfolio and making the most of **Schwab.com**. Check schedules at schwab.com/workshops or call your local Schwab branch.

Get help with your portfolio

You may select a Registered Investment Advisor (RIA) to help you manage the assets in your HSBA. Additional paperwork will be required before the RIA can be added to your account. Please contact the HSBA Contact Center at **1-800-472-0084** for detailed information and forms.



Use the Schwab Portfolio Checkup tool to assess all your investments—including those you hold at other firms.

Selecting your investments.

At **Schwab.com**, you'll find a range of tools and resources—downloadable mobile apps, high-quality research, timely advisories, and much more—designed to help you choose the investments that are right for you.

Once logged in to your HSBA, you'll find the following tools at **[schwab.com/research](https://www.schwab.com/research)**:

Schwab Equity Ratings^{®11}

Use these ratings to help you decide whether you want to buy, sell, or hold a particular stock. Ratings of A through F make it easy to identify stocks that may outperform or underperform the market in the next 12 months. Lists of rated stocks can be found at **[schwab.com/schwabequityratings](https://www.schwab.com/schwabequityratings)**.

Lists of prescreened funds

Find the best funds for you by starting with lists of funds that have already been carefully prescreened by experts from Charles Schwab Investment Advisory, Inc. The Schwab *Mutual Fund OneSource Select List*[®] can be found at **[schwab.com/selectlist](https://www.schwab.com/selectlist)**.

Customizable screener tools

When you're looking for investments that meet very specific criteria and you need to narrow down the many choices, you can use our customizable screeners to perform searches based on factors that are important to you. Find screeners for stocks, mutual funds, ETFs, and bonds under the **Research** tab.

Market insight from experts

Get fresh updates on the market and investing trends that matter from Schwab experts and industry-leading independent firms. Access Market Insight, *On Investing*[®] magazine, and other helpful tools at **[schwab.com/marketinsight](https://www.schwab.com/marketinsight)**.



To learn more about ETFs, go to **[schwab.com/etf](https://www.schwab.com/etf)**.

¹¹Schwab 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.

Monitoring your progress.

Schwab makes it easy for you to check your investment portfolio regularly with helpful, customized views of your holdings, proactive alerts, and portfolio monitoring tools.

Consolidated Performance Report

This report provides you with consolidated investment performance information on your Schwab account(s). Reviewing this valuable information allows you to evaluate how your portfolio is doing and to compare its returns to market benchmarks. You can find the **Consolidated Performance Report** tab under **Portfolio Performance**.

Email alerts

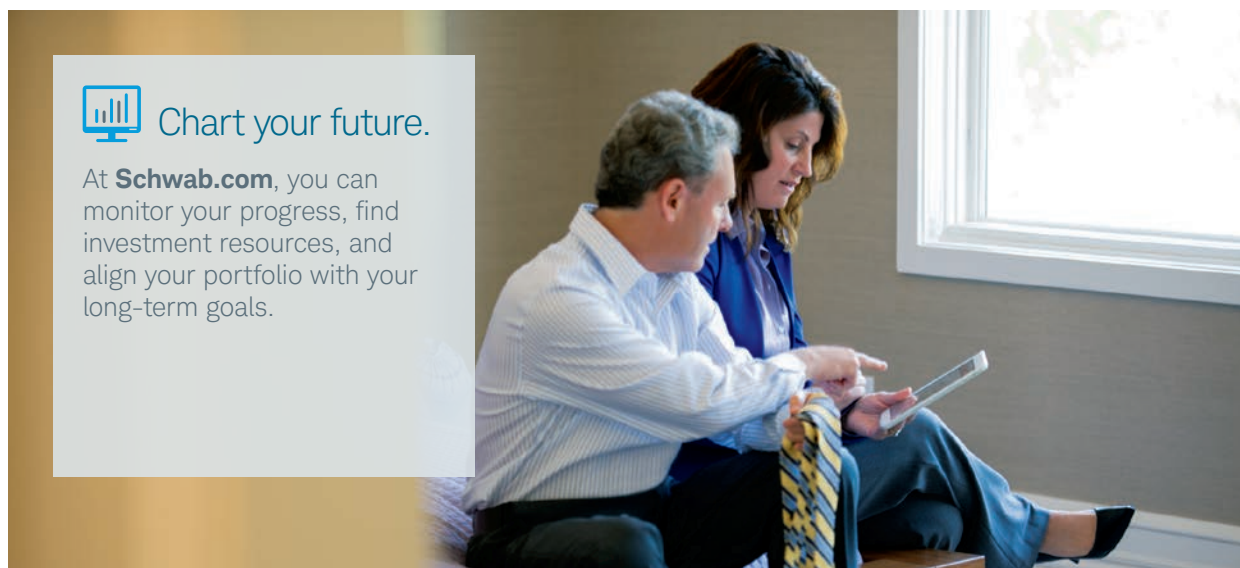
Sign up to receive emails when ratings change or when there's news about an investment you own or watch. Go to the **Alert Preferences** section under the **Service** tab to set your preferences.

Account updates at **Schwab.com**

See a summary of all the vital information that's important to you—including balances, positions, account history, and statements—under the **Accounts** tab. For more detailed account information, including cost basis and gain/loss, visit the **Positions** and **History & Statements** subsections.

Online statements and confirmations

Get all your statements and other materials online by updating your preferences at **schwab.com/paperless**. Your statements will be available quarterly unless there is any account activity, in which case your statements will be produced more frequently.



SUPPORT WHEN YOU NEED IT

Sometimes it's nice to have a little backup. After all, this is your financial future we're talking about. For that reason, we're committed to providing you with knowledgeable and experienced support.



Getting account assistance.

In addition to the helpful tools at **Schwab.com**, your new HSBA comes with the professional support you need to start investing on your terms. Use the information below to connect with the right people—right from the start.

Contact the HSBA Contact Center to:

- Place trades in your HSBA.
- Get your HSBA balance.
- Obtain investment information.
- Ask about additional Schwab services.
- Change your address.

Contact your HSA provider to:

- Direct money into your HSA through payroll contributions.
- Make transfers between your HSBA and HSA.
- Obtain the balance of your entire HSA.
- Ask questions about your HSA provider's mutual fund investment menu, if offered.
- Inquire about distribution rules and documentation.



1-800-472-0084

HSBA Registered Representatives are available to help you Monday–Friday, 9:00 a.m.–7:30 p.m. ET. And Schwab investment professionals are also ready to help, 24/7. While Schwab HSBA Registered Representatives cannot make specific investment recommendations, they can guide you on how to use the tools that will help you make your own investment choices. For questions on your HSA account, contact Optum Bank at **1-866-234-8913**.



Important Disclosures

Investments are not FDIC-insured, are not guaranteed by Optum Bank, and may lose value.

Health savings accounts (HSAs) are individual accounts offered or administered by Optum Bank® Member FDIC, and are subject to eligibility requirements and restrictions on deposits and withdrawals to avoid IRS penalties. State taxes may apply. Fees may reduce earnings on account. The content of this communication is not intended as legal or tax advice. Federal and state laws and regulations are subject to change.

Mutual fund investment options are made available through the services of an independent investment advisor. Shares are offered through a registered broker-dealer. Orders are accepted to effect transactions in securities only as an accommodation to HSA owners. Optum Bank is not a broker-dealer or registered investment advisor, and does not provide investment advice or research concerning securities, make recommendations concerning securities, or otherwise solicit securities transactions.

HSBA is offered through Charles Schwab & Co., Inc., a registered broker-dealer, which also provides other brokerage and custody services to its customers.

The Charles Schwab Corporation provides services to retirement and other benefit plans and participants through its separate but affiliated companies and subsidiaries: Charles Schwab & Co., Inc. ("Schwab"), Member SIPC; Schwab Retirement Technologies, Inc. ("Schwab RT"); Charles Schwab Bank, SSB ("CSB"); and Charles Schwab Trust Bank ("CSTB"). Schwab offers investment products and services that are not deposits or obligations of CSB or CSTB, are subject to investment risk, are not FDIC-insured, may lose value, and are not guaranteed by CSB or CSTB. Schwab RT is engaged in developing and licensing proprietary retirement plan recordkeeping systems to independent recordkeepers. CSB and CSTB are FDIC Members and provide trust, custody, deposit, and lending products and services.

