

Managed Account Service Frequently Asked Questions

1 | What is a managed account service?

Your workplace retirement plan includes a managed account service designed to provide you with a personalized retirement strategy. When you are focused on today's priorities, it can be hard to find the time and motivation to focus on your financial future. Your employer wants to help you take action! You have access to a managed account service provided by Morningstar Investment Management LLC and Mariner, LLC, independent registered investment advisers* as part of your company's overall employee benefits package.

The managed account service uses details like your age, salary, and retirement plan account balance to create a professionally managed portfolio mix which includes specific investment recommendations designed for your financial situation. When you enroll in the managed account service, you receive (1) an investment strategy based on your personal and financial situation; (2) selection of investment options appropriate for your strategy from the investment options available in the retirement plan; and (3) ongoing account monitoring and automatic adjustments to your investments as your retirement needs change and you get closer to retirement.

2 | How do I access the managed account service and how does it work?

You can get started by calling Schwab Retirement Plan Services, Inc. at 800-724-7526 to schedule an appointment with an advice consultant who can help you enroll in the managed account service, or you can access the online tool directly through workplace.schwab.com and complete the enrollment process on your own. The managed account service helps you figure out answers to these kinds of tough questions:

- How much money do I need in retirement?
- When will I be able to retire?
- How much money should I be saving now?
- How much market risk should I take on?
- What investments should I choose?

These questions can be complicated because there are a lot of factors to consider and so much depends on your unique situation. The managed account service takes several factors into account – your age, financial situation, other sources of income, etc. – and then runs simulations to create a savings and investment strategy that's personalized to your circumstances with the aim of helping you achieve your retirement savings goals.

3 | Why use a managed account service?

Saving and investing for retirement is something we all know we have to do, but it can be difficult to find the time and motivation. A managed account service may help to make it easier by providing you with a personalized plan to help you figure out how much you need to save and how to invest your savings. Professional management of your retirement plan account includes ongoing investment monitoring of your retirement plan account and will make automatic adjustments to your investments as your retirement needs change and you get closer to retirement.

4 | How much does the managed account service cost?

There are fees for the managed account service, which includes a fee of 0.08% charged by Schwab Retirement Plan Services for the non-advisory services it provides to the plan for the managed account service, based on the average daily balance of eligible assets.

In addition to the above fees for the non-advisory services for the managed account service, your Plan has retained Morningstar Investment Management and Mariner, LLC who provide certain investment advisory services related to Managed Accounts which may include, but is not necessarily limited to, developing the underlying investment strategies used for the managed account service.

The fees charged by Morningstar Investment Management are 0.14% based on the average daily balance of eligible assets.

The fees charged by Mariner, LLC are 0.25% based on the average daily balance of eligible assets and the number of days you are in the service, which is applied to your plan account on a quarterly basis.

To learn more about the eligible assets referenced above, visit workplace.schwab.com and click on “History & Statements,” then “Statements & Reports,” to view the latest annual Fee and Investment Notice and any subsequent Change Notices.

5 | Can I opt out of the managed account service?

You may discontinue the managed account service at any time, with no cancellation fee or penalty of any kind. If for any reason you decide you no longer want to remain enrolled in the managed account service, all you need to do is give us a call at 800-724-7526 or go online at workplace.schwab.com and select your own investments. When you chose to manage your retirement plan account yourself you will be responsible for creating your own savings and investment strategy, regularly monitoring your retirement plan investments, rebalancing and routinely adjusting your retirement plan portfolio. You'll find a complete list of available investments online; click on Statements and Reports and view the most recent annual Fee and investment Notice and any subsequent Change Notices.

6 | Who do I call if I have more questions?

You can speak with a Schwab Retirement Plan Services participant services representative by calling 800-724-7526.

*At the direction of the Plan Sponsor or Plan Administrator, Participants may have access to Advisory Services offered by Morningstar Investment Management LLC, a registered investment adviser and subsidiary of Morningstar, Inc., that are intended for citizens or legal residents of the United States or its territories. Advisory Services include retirement savings and investment recommendations (“Recommendations”) offered as a point-in-time nondiscretionary service (“Advice”) and/or an ongoing discretionary asset management service (“Managed Accounts”). Mariner, LLC, an independent registered investment adviser chosen by the Plan Sponsor or Plan Administrator, is solely responsible for the creation of the investment portfolios available to Participants through the Advisory Services. Morningstar Investment Management LLC is solely responsible for assigning Participants to an investment portfolio from those created by Mariner, LLC and for other Recommendations provided through the Advisory Services. Mariner, LLC and Morningstar Investment Management are not affiliated. The term “personalized advice” refers to personal participant data such as age, salary, and Plan account balance, which will form the basis by which Mariner, LLC and Morningstar Investment Management will establish the Participant’s retirement Plan account Recommendations. Morningstar Investment Management’s Recommendations are formulated based on information provided and are limited to the investment options available under the Plan as selected by the Plan Sponsor, Plan Administrator, or other Plan Fiduciary. For plans that do not include a salary deferral feature, a savings rate recommendation will not be included. Projections and other information regarding the likelihood of various retirement income and/or investment outcomes are hypothetical in nature, do not reflect actual results, and are not guarantees of future results. Results may vary with each use and over time. All investments involve risk, including the loss of principal. There can be no assurance that any financial strategy will be successful. Diversification and asset allocation strategies do not ensure a profit and cannot protect against losses in a declining market. There is no guarantee that a Participant’s savings and investment strategy will provide adequate income at or through their retirement. Morningstar Investment Management does not guarantee that the results or objectives of their Recommendations will be achieved. Neither Mariner, LLC nor Morningstar Investment Management is affiliated with or an agent of Schwab Retirement Plan Services, Inc. (SRPS); Charles Schwab & Co., Inc. (CS&Co.), a federally registered investment advisor; or their affiliates. Neither SRPS, CS&Co., nor their affiliates supervise, make recommendations with respect to, or take responsibility for monitoring the Advisory Services. SRPS and CS&Co. are not fiduciaries or investment advisers with respect to the Advisory Services under ERISA, as amended, the Investment Advisers Act of 1940, or other law, rule, or regulation. Advice Consultants are registered representatives of CS&Co., not employees of Mariner, LLC or Morningstar Investment Management. Advice Consultants may facilitate Participant access to the Advisory Services, but they do not provide investment advice or recommendations with respect to the Advisory Services. There is no additional cost for the Advice service beyond the expenses imposed by the underlying investments and the standard fees paid to SRPS, CS&Co., and their affiliates for recordkeeping and related services. However, there is a cost for the Managed Accounts service, an asset-based fee that may be charged to the Participant Plan account based on the Participant’s account balance subject to the service. For a complete list of the investments available under the Plan, and any associated fees, visit workplace.schwab.com and click on “History & Statements,” then “Statements & Reports,” to view the latest annual Fee and Investment Notice and any subsequent Change Notices. Participants should carefully consider information contained in the materials furnished at their Plan Sponsor’s or Plan Administrator’s direction regarding the recordkeeping services provided by SRPS and its affiliates and the Advisory Services provided by Morningstar Investment Management and Mariner, LLC, including information regarding compensation, affiliations, and potential conflicts. The Morningstar name and logo are registered marks of Morningstar, Inc.

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