



# Schwab Personal Choice Retirement Account® (PCRA)

## Omnibus Implementation Sheet

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www.schwab.com | 1-800-231-2855

### Plan Information (Please check one.)

☒ Trustee ☐ Custodian

Name: City of Santa Clara

Attach evidence of Trustee/Custodian agreement with the Plan.

### Independent Recordkeeper (IR) and Plan Information

IR ID	Plan Name City of Santa Clara Deferred Compensation Plan		
Plan Address 1500 Warburton Avenue	City Santa Clara	State CA	Zip Code 95050
Contact Name Francine Hunt	Contact Phone (408) 615-2160		
Plan Year-End December 31	Plan Tax ID Number 94-6000426		
Date Plan Established (mm/dd/yyyy) 01/21/1975			
Type of Plan <input type="checkbox"/> Profit Sharing <input type="checkbox"/> Money Purchase <input type="checkbox"/> 401(k) <input type="checkbox"/> 403(b) <input checked="" type="checkbox"/> 457b <input type="checkbox"/> 457f <input type="checkbox"/> Non-Qualified <input type="checkbox"/> Other (specify) _____			
Link to Existing Schwab Master Accounts (provide FA or SL number):			

FA Master (New)	
Upload Master 0813-0678	
Cash In/Cash Out 2064 0788/5071-7192	
EAO Login ID/Internal Contract Number 0057645	EAO Password

### Plan Features

Electronic Account Opening (EAO) (Please check one):

☒ Yes ☐ No

### Your Consent to Enroll in Schwab's Cash Features Program

The Cash Features Program is a service that offers the Bank Sweep feature (named with respect to retirement plans the "Schwab Bank Sweep for Benefit Plans" feature) (a "Cash Feature") to permit uninvested cash (the "Free Credit Balance") in the Plan and/or Participant brokerage accounts under the Plan, as applicable, to earn income while you and/or your Participants, as applicable, decide how those funds should be invested longer term.

You understand that the terms and conditions of the Cash Features Program and of each Cash Feature are set forth in the Cash Features Disclosure Statement.

You instruct and direct Schwab to include the Free Credit Balance under the Plan in the Cash Features Program, as described in the Cash Features Disclosure Statement.

The Bank Sweep feature (including the Schwab Bank Sweep for Benefit Plans feature) is designated as the Cash Feature for brokerage accounts of account holders residing in the U.S. Through the Bank Sweep feature, Schwab automatically makes deposits to and withdrawals from deposit accounts at one or more Sweep Banks that are insured by the Federal Deposit Insurance Corporation (FDIC) up to certain prescribed FDIC limits.

You understand and agree that Schwab may (1) make changes to the terms and conditions of the Cash Features Program; (2) make changes to the terms and conditions of any Cash Feature; (3) change, add, or discontinue any Cash Feature; (4) change the Plan's and/or any Participant's investment from one Cash Feature to another if the Plan and/or any Participant, as applicable, becomes ineligible for the current Cash Feature or the current Cash Feature is discontinued; and (5) make any other changes to the Cash Features Program or Cash Feature as allowed by law. Schwab will notify you in writing of changes to the terms of the Cash Features, changes to the Cash Features we make available, or changes to the Cash Features Program prior to the effective date of the proposed change.

Please note: Participants in 403(b) retirement plans will be placed in the Schwab Government Money Fund™ (SWGXX). If this is a 403(b) plan, you instruct and direct Schwab to include this fund.



**Trading Menu**

Please complete the Schwab PCRA Plan Trading Menu Establishment form attached.

This Agreement, as it pertains to the Recordkeeper, may be delivered via facsimile or otherwise scanned and delivered to Schwab. By signing below, you acknowledge and agree that this Agreement and any such scanned signatures will be treated as, and are just as binding as, an original copy.

**Signature and Acknowledgment****X**

IR Signature



Print Name Nicole Thacker

Date 11/15/2018

Authorized party? ☒ Yes ☐ No**Fax to PCRA Operations: 1-877-535-3403.**

# Schwab Personal Choice Retirement Account® (PCRA) Plan Trading Menu Establishment

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Complete each section below to indicate the securities<sup>1</sup> that PCRA Participants have the ability to trade. These selections create the PCRA Trading Menu and apply to any PCRA associated with the Plan.

The Trustee(s)/Custodian(s) and/or Plan Sponsor authorize Schwab to allow any Participant who completes a **Schwab PCRA Limited Power of Attorney (LPOA) for Participant** form to make trades in the Participant's PCRA. A Participant will never be restricted from selling a position unless Schwab is instructed to restrict the sale by the Trustee(s)/Custodian(s) and/or Plan Sponsor. The Trustee(s)/Custodian(s) and/or Plan Sponsor acknowledge that they are responsible for determining whether any of the investments selected below (including any employer securities) are permissible under the terms of the Plan, the Internal Revenue Code (the "Code"), or the Employee Retirement Income Security Act of 1974 ("ERISA") and that Schwab shall have no responsibility or liability with respect to such determination. Please note that, generally, 403(b) contributions can only be invested in SEC-registered fund shares.

**Trading restrictions.** PCRA's may not include trading on collectibles, currencies, precious metals, real estate, futures, commodities, private placements, margin accounts, or short sales. If specifically allowed by a Participant's retirement plan, a Participant may be able to write covered calls and buy protective puts. A Participant should complete a **Schwab Personal Choice Retirement Account (PCRA) Options Application—Participant** form to be approved to trade options.

At the time of conversion to the Schwab platform, securities in Participant accounts will be reviewed solely for the purpose of confirming if such securities are able to be held and traded on the Schwab broker-dealer platform. In addition, once assets have transferred, Schwab shall also review all securities solely to confirm that such securities are consistent with the authorization and direction from the Plan Sponsor via the Plan Trading Menu.

**Note:** From time to time, securities may change characteristics, which could change the availability of the asset within your Plan. Schwab has no obligation to review or monitor securities' classification following the initial review at conversion.

## A. Taxable Mutual Funds:

- ☒ All except those listed in Section I  
☐ Schwab Mutual Fund OneSource®/Schwab Funds® only<sup>2</sup>  
☐ None except those listed in Section I

## B. Tax-Exempt Mutual Funds:

- ☒ All except those listed in Section I  
☐ Schwab Mutual Fund OneSource/Schwab Funds only<sup>2</sup>  
☐ None except those listed in Section I

## C. Equities: (To include foreign securities that trade over-the-counter, you must select "All except those listed in Section I" below and under Section G.)

- ☒ All except those listed in Section I  
☐ Listed only<sup>3</sup>  
☐ Listed and NASDAQ market securities only<sup>4</sup> (Selecting this will exclude all foreign securities on other exchanges, including over-the-counter securities.)  
☐ Exchange-traded funds (ETFs) only<sup>5</sup>  
☐ Schwab ETF OneSource™ funds only<sup>5</sup>  
☐ Closed-end mutual funds only  
☐ ETFs and closed-end mutual funds  
☐ None except those listed in Section I

## D. Publicly Traded Limited Partnerships:<sup>6</sup> (Please read important footnote on the next page.)

- ☐ All except those listed in Section I  
☒ None except those listed in Section I

## E. Taxable Fixed Income:<sup>7</sup>

- ☒ All except those listed in Section I  
☐ None except those listed in Section I  
☐ Certificates of deposit (CDs) only

## F. Tax-Exempt Fixed Income:

- ☒ All except those listed in Section I  
☐ None except those listed in Section I  
☐ Treasuries only

## G. Foreign Securities:<sup>8</sup>

- ☐ All except those listed in Section I  
☒ None except those listed in Section I

## H. Options: (Options trading is limited to writing covered calls and buying protective puts.)

- ☐ Yes. Options trading is permitted on the Plan-level account by the Plan document and on all associated PCRA's. **Note:** All parties with trading authority must complete a separate Schwab options application.  
☒ No. Options trading is not permitted.

## I. Please list all exceptions below. If you have more than four exceptions, please attach an additional sheet.

Fund/Security Description	CUSIP Number	Symbol	Please check whichever applies.	
			Permitted	Not Permitted
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>



I certify under penalties of perjury that: (1) the Taxpayer Identification Number shown on this application is correct, (2) the Plan is not subject to backup withholding due to failure to report interest and dividend income, (3) the Plan is a U.S. person, and (4) the Plan is exempt from FATCA reporting. I understand that if I have been notified by the IRS that the Plan is subject to backup withholding as a result of dividend or interest underreporting and I have not received a notice from the IRS advising me that backup withholding is terminated, I must cross out Item 2 above.

THE INTERNAL REVENUE SERVICE DOES NOT REQUIRE YOUR CONSENT TO ANY PROVISIONS OF THIS DOCUMENT OTHER THAN THE CERTIFICATIONS REQUIRED TO AVOID BACKUP WITHHOLDING.

### Signature and Date Required

**X**

Plan Sponsor Signature

Deanna J. Santana

Print Name

City Manager

Title

Date

11/13/18

Fax to PCRA Operations: 1-877-535-3403.

<sup>1</sup> If company is publicly traded, most companies will restrict the trading of employer stock inside a PCRA. Note: Schwab cannot monitor PCRA's for insider trading.

<sup>2</sup> 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<sup>®</sup> program. Schwab also may receive remuneration from transaction fee fund companies for certain administrative services.

Trades in no-load mutual funds available through OneSource (including Schwab Funds<sup>®</sup>), 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.

<sup>3</sup> Equity trading is limited to securities listed on the New York Stock Exchange (NYSE), NYSE Amex Equities, and other exchanges (excludes the NASDAQ Stock Market, Inc. [NASDAQ] and over-the-counter [OTC] securities).

<sup>4</sup> Securities that are not available to trade include pink sheets, OTC securities, and Bulletin Board stocks.

<sup>5</sup> Conditions apply: Trades in ETFs available through Schwab ETF OneSource<sup>™</sup> (including Schwab ETFs<sup>™</sup>) are available without commissions when placed online through 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 the *Charles Schwab Pricing Guide for Retirement Plan Accounts* (the "Pricing Guide") for additional information.

Investment returns will fluctuate and are subject to market volatility, so that an investor's shares, when redeemed or sold, may be worth more or less than their original cost. Shares are bought and sold at market price, which may be higher or lower than the net asset value (NAV).

Charles Schwab & Co., Inc. receives remuneration from third-party ETF companies participating in Schwab ETF OneSource for recordkeeping, shareholder services, and other administrative services, including program development and maintenance. Third parties are not affiliated with Schwab. Schwab makes no representation about the accuracy of the information provided by them or its appropriateness for any given situation.

Schwab ETFs are distributed by SEI Investments Distribution Co. (SIDCO). SIDCO is not affiliated with Charles Schwab & Co., Inc. Learn more at schwab.com/schwabETFs.

<sup>6</sup> Restricting publicly traded limited partnerships will exclude the purchase of any publicly traded limited partnership and any security (which may include certain ETFs, royalty trusts, and other possible securities) that reports income via a Schedule K-1 Form and, as a result, could generate Unrelated Business Taxable Income (UBTI).

<sup>7</sup> Excludes debt securities issued by Charles Schwab & Co., Inc. and its affiliates. These securities are not allowed to be purchased in a PCRA.

<sup>8</sup> Restricting foreign securities does not include American Depositary Receipt (ADR) securities and foreign securities traded on a domestic equity market, but does restrict the purchase of non-ADR foreign securities available on the U.S. OTC market. Some foreign securities may be subject to additional foreign tax withholding requirements, including ADRs and foreign securities traded on a domestic market.





# Cash Features Program

## General Terms and Conditions

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The automatic investment of your free credit balance, including the frequency and the amount of each sweep, is governed by the terms and conditions set forth in the Cash Features Disclosure Statement and in the Account Agreement applicable to your account. The material in this document is intended for informational purposes only. If there is any conflict between the descriptions in this document and the terms of your Account Agreement, your Account Agreement will control.

<b>How the Cash Features Program Works</b>	Schwab's Cash Features Program is the service (described in the Cash Features Disclosure Statement) that we provide to automatically invest, or "sweep," the Free Credit Balance in your account into a liquid investment to earn interest. The program permits you to earn income while you decide how those funds should be invested longer term.
<b>Available Cash Feature</b>	<p>The available cash features currently consist of:</p> <ul style="list-style-type: none"><li>▪ Interest payments by Schwab on the Free Credit Balance in your eligible account (the "Schwab One® Interest feature");</li><li>▪ Interest-bearing Deposit Accounts at our affiliated bank, Schwab Bank (the "Bank Sweep feature," which consists of the "Schwab Bank Sweep feature" and the "Schwab Bank Sweep for Benefit Plans feature"); and</li><li>▪ For some accounts, one or more affiliated money market mutual funds (the "Money Fund Sweep feature").</li></ul>
<b>Eligibility</b>	Eligibility for each cash feature is based on the registered ownership and the type of account. Not all account registrations and account types will be eligible for all cash features. Some account registrations and account types will be eligible for only one cash feature. Please see your Account Application and the Cash Features Disclosure Statement for more complete eligibility details.
<b>Duty to Monitor Eligibility for Cash Features</b>	It is your responsibility to monitor your eligibility for the cash features and determine the best cash feature available to you. Schwab is not responsible for contacting you if you are, or later become, eligible for other higher-yielding cash features.
<b>Interest Rates and Yields</b>	<p>The interest rates and yields for the different cash features vary over time. Current interest rates and yields can be obtained by contacting your independent investment advisor or your Financial Consultant, or by calling us at 1-800-435-4000. If you already have an account, you can visit our website at <a href="http://www.schwab.com/cash">www.schwab.com/cash</a>. If your account is an Advisor Services account, please contact your advisor, visit <a href="http://www.schwab.com/SA_cash">www.schwab.com/SA_cash</a>, or call Schwab Alliance at 1-800-515-2157.</p> <ul style="list-style-type: none"><li>▪ The interest rate on the Schwab One Interest feature is set by Schwab. We may seek to pay as low a rate as possible consistent with our views of competitive necessities. With certain exceptions, the rate will be tiered based upon the overall Household Balance of your account(s).</li><li>▪ The interest rate on the Schwab Bank Sweep feature is set by Schwab Bank, which may seek to pay as low a rate as possible consistent with its views of competitive necessities. With certain exceptions, the rate will be tiered based upon account type and the overall household value of your account(s) with Schwab and Schwab Bank.</li><li>▪ The interest rate on the Schwab Bank Sweep for Benefit Plans feature is set by Schwab Bank, which intends to pay interest consistent with reasonable rate provisions of applicable legal and regulatory authority. Interest rates do not vary by tiers and do not vary based on householding of assets.</li></ul>

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

<b>Interest Rates and Yields</b> (Continued)	<ul style="list-style-type: none"> <li>▪ Money market mutual funds offered through the Money Fund Sweep feature seek to achieve the highest yield (less fees and expenses) consistent with prudence and their investment objectives.</li> </ul> <p>Cash features are not intended to be long-term investments. If you desire to maintain cash balances for other than a short-term period and/or are seeking the highest yields currently available in the market, please contact your Schwab representative or visit <a href="http://www.schwab.com/cash">www.schwab.com/cash</a> for investment options that may be available outside of the Cash Features Program to help maximize your return potential consistent with your investment objectives and risk tolerance. If your account is an Advisor Services account, please contact your advisor, visit <a href="http://www.schwab.com/SA_cash">www.schwab.com/SA_cash</a>, or call Schwab Alliance at 1-800-515-2157.</p>
<b>Benefits to Schwab</b>	<p>We may charge fees and receive certain benefits under the different cash features. A portion of these fees and benefits may be shared with your investment professional. Because of these fees and benefits, we have a financial incentive to select the particular cash features included in the Cash Features Program.</p>
<b>Differing Risks and Account Protection</b>	<p>The different cash features are subject to different risks and account protection:</p> <ul style="list-style-type: none"> <li>▪ The Schwab One® Interest feature is not subject to market risk and value loss but is subject to the risk of Schwab's failure. In the unlikely event that Schwab fails, cash is eligible for SIPC coverage up to a limit of \$250,000 (including principal and interest) per client in each insurable capacity (e.g., individual or joint). Free Credit Balances held at Schwab are not insured or guaranteed by the FDIC.</li> <li>▪ The Bank Sweep feature, which includes the Schwab Bank Sweep feature and the Schwab Bank Sweep for Benefit Plans feature, is not subject to market risk and value loss but is subject to the risk of Schwab Bank's failure. In the unlikely event that Schwab Bank fails, deposits at Schwab Bank are eligible for FDIC insurance protection up to a limit of \$250,000 (including principal and interest) per depositor in each insurable capacity (e.g., individual, joint, and plan participant). This limit includes any other deposits you may have at Schwab Bank outside of the Bank Sweep feature. <b>You are responsible for monitoring your bank balances in the Bank Sweep feature and the balances in any of your other bank accounts at Schwab Bank to determine if these, in total, exceed FDIC insurance limits. Monies held in the Bank Sweep feature are not covered by SIPC.</b></li> <li>▪ Money market mutual funds in the Money Fund Sweep feature invest in high-quality, short-term securities and seek to maintain a stable value, but are subject to market risks and potential value loss. They are not bank accounts and are not subject to FDIC insurance protection. They are instead covered by SIPC, which protects against the custodial risk (and not a decline in market value) when a brokerage firm fails by replacing missing securities and cash up to a limit of \$500,000, of which \$250,000 may be cash. Shares held through the Money Fund Sweep feature are not considered cash, but are treated as securities for SIPC coverage.</li> </ul>

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