



# Charles Schwab Trust Bank Collective Investment Trusts

## Schwab Indexed Retirement Trusts<sup>®</sup> (SIRT)

**Charles Schwab Trust Bank is pleased to announce a price reduction to 0.07% for the Schwab Indexed Retirement Trusts<sup>®</sup> (SIRT) effective December 6, 2019.**

The Schwab Indexed Retirement Trusts are bank-sponsored collective investment trusts maintained by Charles Schwab Trust Bank as trustee. The price reduction from 0.08% to 0.07% will be available for existing and future qualified retirement plan clients with no minimum investment requirement. The price reduction is automatic and effective December 6, 2019. We will work with your recordkeeper to implement this change and no action is required of current clients.

The Schwab Indexed Retirement Trusts can be a valuable component of an employer sponsored retirement plan by:

- Providing an allocation strategy that supports participants' needs to appropriately balance growth with downside protection throughout their lives to help them achieve retirement success.
- Utilizing a behavioral approach to risk allocations that has a history of demonstrated performance through multiple market cycles and a track record spanning over ten years.
- Delivering strong diversification through a variety of asset classes comprised from three industry leading well recognized sub-advisors.

Trusts	Unit Class	Old Expense	New Expense	Revenue Credit	Minimum Investment
SIRT Unit Class I	I	0.08%	0.07%*	0.00%	No minimum

\* Effective on December 6, 2019

<sup>1</sup>Charles Schwab Trust Bank uses an open-architecture sub-advised approach to investing. Trust investments are selected based on advice received from, or products (such as mutual funds, collective investment trusts, or ETFs) offered, by industry-recognized investment managers firms ("sub-advisors"). The Trusts may invest in other Schwab Trust Bank Collective Investment Trusts to access the underlying sub-advised strategies

The chart below represents the 2019 SIRT Policy Allocations.

### SIRT 2019 Policy Allocations

ASSET CLASS	UNDERLYING INVESTMENT	2060	2055	2050	2045	2040	2035	2030	2025	2020	2015	2010
<b>Equity</b>		<b>95.0</b>	<b>93.0</b>	<b>90.5</b>	<b>87.3</b>	<b>81.6</b>	<b>74.6</b>	<b>66.7</b>	<b>56.8</b>	<b>43.3</b>	<b>38.5</b>	<b>35.9</b>
Domestic Equity	BNY Mellon Large Cap Stock Fund	49.8	49.1	48.3	47.1	44.9	42.0	38.5	33.6	26.4	24.4	23.1
Domestic Equity	BNY Mellon Small Cap Stock Index Fund	6.8	6.5	6.2	5.8	5.1	4.3	3.5	2.7	1.8	1.6	1.5
International Equity	BNY Mellon International Stock Index Fund	26.1	25.5	24.8	23.9	22.3	20.4	18.2	15.5	11.7	10.6	9.6
Diversified Emerging Markets	State Street Emerging Markets Index Fund	6.3	6.0	5.5	5.0	4.2	3.3	2.4	1.5	0.6	0.0	0.0
Global Real Estate	BlackRock Developed Real Estate Index Fund	4.8	4.6	4.5	4.4	4.1	3.7	3.3	2.8	2.2	1.9	1.8
Commodities Broad Basket	BlackRock Commodity index Daily Fund	1.2	1.2	1.2	1.1	1.0	0.9	0.8	0.7	0.5	0.0	0.0
<b>Fixed Income</b>		<b>4.5</b>	<b>6.3</b>	<b>8.6</b>	<b>11.4</b>	<b>16.6</b>	<b>22.8</b>	<b>29.9</b>	<b>38.7</b>	<b>50.6</b>	<b>54.7</b>	<b>56.8</b>
Short-Term Bond	State Street U.S. Short-Term Government/Credit Bond Index Fund	0.5	0.7	1.0	1.4	2.1	3.0	4.2	5.9	8.4	9.4	9.9
Intermediate-Term Bond	BNY Mellon U.S. Aggregate Bond Index Fund	3.3	4.5	6.1	8.2	11.8	16.2	21.0	26.5	34.2	36.8	38.2
Inflation-Protected Bond (U.S.)	BlackRock U.S. TIPS Index Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.8	5.0	6.1	6.4
World Bond	BlackRock Global Aggregate Bond Fund Ex-USD	0.8	1.0	1.4	1.9	2.7	3.7	4.7	4.5	3.0	2.4	2.3
<b>Cash Equivalents</b>		<b>0.5</b>	<b>0.7</b>	<b>1.0</b>	<b>1.3</b>	<b>1.8</b>	<b>2.5</b>	<b>3.3</b>	<b>4.4</b>	<b>6.1</b>	<b>6.8</b>	<b>7.3</b>
Cash Equivalents	State Street U.S. Government Short Term Investment Fund	0.5	0.7	1.0	1.3	1.8	2.5	3.3	4.4	6.1	6.8	7.3

The above percentages represent the 2019 SIRT policy allocations, effective February 1, 2019. Percentages listed may not total 100% due to rounding.

Please refer to [www.schwabtrustbankcollectives.com](http://www.schwabtrustbankcollectives.com) for current information on the Schwab Trust Bank Collective Investment Trusts 2019 target date policy allocations. An amended and restated Declaration of Trust and Participation Agreement will be made available as of December 6, 2019, no action is required by plan sponsors at this time.

## Contact us:

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**The values of the trusts will fluctuate up to and after the target dates. Past performance is no guarantee of future results. There is no guarantee the trusts will provide adequate income at or through retirement.** Diversification and asset allocation strategies do not ensure a profit and cannot protect against losses in a declining market. The Trusts are subject to market volatility and risks associated with the underlying investments. Risks include exposure to international and emerging markets, small company and sector equity securities, and fixed income securities subject to changes in inflation, interest rates, market valuations, liquidity, prepayments, and early redemption. The trusts are built for investors who expect to start gradual withdrawals of trust assets on the target date, to begin covering expenses in retirement. The principal value of the trusts is not guaranteed at any time, and will continue to fluctuate up to and after the target date.

The Schwab Managed Retirement Trust Funds™, Schwab Indexed Retirement Trust Funds® and Schwab Institutional Trust Funds® (each a “Trust”, collectively the “Trusts” or “Collective Investment Trusts (CITs)”) are collective investment trusts maintained by Charles Schwab Trust Bank (CSTB), as trustee. They are available for investment only by eligible retirement plans and entities. Charles Schwab Trust Bank’s Collective Investment Trusts are not insured by FDIC or any other type of deposit insurance; are not deposits or other obligations of, and are not guaranteed by CSTB or any of its affiliates; and involve investment risks, including possible loss of principal invested. The Trusts are not mutual funds and are exempt from registration and regulation under the Investment Company Act of 1940 (the “1940 Act”), and their units are not registered under the Securities Act of 1933, or applicable securities laws of any state or other jurisdiction. Unit holders of the Trusts are not entitled to the protections of the 1940 Act. The decision to invest in the Trusts should be carefully considered. The Trusts’ unit values will fluctuate and may be worth more or less when redeemed, so unit holders may lose money. The Trusts are not sold by prospectus and are not available for investment by the public. The Trusts’ prices are not quoted in newspapers.

Effective January 1, 2019, Charles Schwab Bank transferred its Collective Investment Trusts to CSTB, a subsidiary of The Charles Schwab Corporation. CSTB serves as successor trustee of the Trusts and succeeds to the rights and obligations of Charles Schwab Trust Bank under the Trusts’ Participation Agreement. This transfer resulted in no material change to the investment management, operations or structure of the Trusts.

The Charles Schwab Corporation provides services to retirement and other employee benefit plans and participants through its separate but affiliated companies and subsidiaries: Charles Schwab Bank (CSB); Charles Schwab Trust Bank (CSTB); Charles Schwab & Co., Inc.; Charles Schwab Investment Management, Inc. (CSIM); and Schwab Retirement Plan Services, Inc. Trust, custody and deposit products and services are available through CSB and CSTB, Members of FDIC. Brokerage products and services are offered by Charles Schwab & Co., Inc. (Member SIPC). Schwab Retirement Plan Services, Inc. is not a fiduciary to retirement plans or participants and only provides recordkeeping and related services to retirement plans. CSIM is an investment adviser registered with the Securities and Exchange Commission and provides investment research, advice, and administration services to CSTB and the Trusts.

The Schwab Trust Bank Collective Investment Trusts select investments based on advice received from, or products offered by, industry-recognized investment management firms (“sub-advisors”). The Trusts access strategies through various investment vehicles including, but not limited to, collective investment trusts, separate accounts, mutual funds, and exchange-traded funds. Exposure to some strategies may be indirect through the investment in other Schwab Trust Bank Collective Investment Trusts. See the Trusts’ Financial Statements for additional information.

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