

To the Employer:

- Keep a copy for your files and return the original with your Adoption Agreement.

Investment Advisor ("IA") Information (This portion to be completed by IA.)

IA Firm Name (Please print) _____

IA Master Account Number _____ Service Team _____

1. The Employer acknowledges and agrees that:

- Charles Schwab & Co., Inc. ("Schwab") does not give legal or tax advice.
- In the role as Employer, the Employer is not opening a brokerage account relationship with Schwab, but is administering the Schwab SIMPLE IRA program in accordance with terms and conditions of the Schwab SIMPLE IRA Plan and current law.
- It is the Employer's responsibility to ensure that employee contributions are correct and transmitted to Schwab in a timely manner. The Employer will indemnify and hold harmless Schwab and Schwab's officers, directors, employees and affiliates from any liability that may result from following the Employer's instructions with respect to the allocation of employee contributions among employees' SIMPLE IRA investment accounts.
- The Employer has been advised that an Employer is not eligible to maintain a SIMPLE IRA Plan during any calendar year in which contributions are made, or benefits are accrued, with respect to another retirement plan it sponsors.

2. Schwab acknowledges and agrees that:

- The Employer will be provided with current information and updates to ensure the Schwab SIMPLE IRA Plan is correct based upon changes in law and regulations.
- Employer transmittals of contributions to employees' SIMPLE IRA investment accounts will be processed in a timely manner and deposited directly to each employee's account upon receipt of complete and legible instructions.

3. The Employer and Schwab agree:

to refer any disputes that cannot be resolved between them to arbitration.

4. Arbitration

Required Arbitration Disclosures. Regulatory authorities require that any brokerage agreement containing a predispute arbitration agreement must disclose that this agreement contains a predispute arbitration clause. This Agreement contains a predispute arbitration clause. By signing an arbitration agreement, the parties agree as follows:

- All parties to this agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.
- Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.
- The ability of the parties to obtain documents, witness statements and other discovery is

generally more limited in arbitration than in court proceedings.

- The arbitrators do not have to explain the reason(s) for their award.
- The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.
- The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.
- The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this agreement.

No person shall bring a putative or certified class action to arbitration, nor seek to enforce any predispute arbitration agreement against

any person who has initiated in court a putative class action; or who is a member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until:

1. the class certification is denied;
2. the class is decertified; or
3. the customer is excluded from the class by the court.

Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this Agreement except to the extent stated herein.

Arbitration Agreement. Any controversy or claim arising out of or relating to (i) this Agreement, any other agreement with Schwab, an instruction or authorization provided to Schwab or the breach of any such agreements, instructions, or authorizations; (ii) the Account,

For Charles Schwab Use Only

Print Name of Approver _____ Signature of Approver _____

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Index Code _____ Account Number _____ Date (mm/dd/yyyy) _____



4. Arbitration (Continued)

any other Schwab account or Services; (iii) transactions in the Account or any other Schwab account; (iv) or in any way arising from the relationship with Schwab, its parent, subsidiaries, affiliates, officers, directors, employees, agents or service providers, including any controversy over the arbitrability of a dispute, will be settled by arbitration.

This arbitration agreement will be binding upon and inure to the benefit of the parties hereto and their respective representatives, attorneys-in-fact, successors, assigns and any other persons having or claiming to have a legal or beneficial interest in the Account, including court-appointed trustees and receivers. This arbitration agreement will also inure to the benefit of third party service providers that assist Schwab in providing Services ("Third Party Service Providers") and such Third Party Service Providers are deemed to be third party beneficiaries of this arbitration agreement.

The parties agree that this arbitration agreement will apply even if the application to open the Account is denied and will survive the closure of your Account and/or the termination of services rendered under this Agreement.

Such arbitration will be conducted by, and according to the securities arbitration rules and regulations then in effect of, the National Association of Securities Dealers (NASD) or any national securities exchange that provides a forum for the arbitration of disputes, provided that Schwab is a member of such national securities exchange at the time the arbitration is initiated. Any party may initiate arbitration by filing a written claim with the

NASD or such eligible national securities exchange. If arbitration before the NASD or an eligible national securities exchange is unavailable or impossible for any reason, then such arbitration will be conducted by, and according to the rules and regulations then in effect of, the American Arbitration Association (AAA). If arbitration before the AAA is unavailable or impossible for any reason, the parties agree to have a court of competent jurisdiction appoint three (3) arbitrators to resolve any and all disputes or controversies between or among the parties. Each party shall bear its own initial arbitration costs, which are determined by the rules and regulations of the arbitration forum. In the event of financial hardship, the arbitration forum may waive certain costs in accordance with such rules. At the conclusion of the hearing, the arbitrators will decide how to assess the costs of the arbitration among the parties.

Any award the arbitrator makes shall be final and binding, and judgment on it may be entered in any court having jurisdiction. This arbitration agreement shall be enforced and interpreted exclusively in accordance with applicable federal laws of the United States, including the Federal Arbitration Act. Any costs, fees or taxes involved in enforcing the award shall be fully assessed against and paid by the party resisting enforcement of said award.

All notices from one party to the other involving arbitration shall be considered to have been fully given when so served, mailed by first-class, certified or registered mail, or otherwise given by other commercially accepted medium of written notification.

In addition to the above provisions, if a party to this Agreement is or becomes a non-U.S. resident at the time of any controversy subject to this arbitration agreement, such party acknowledges and agrees to the following additional provisions:

- (1) The rules of the organization administering the arbitration specifically provide for the formal designation of the place at which the arbitration is to be held.
- (2) Entering into this Agreement constitutes consent to submit to the personal jurisdiction of the courts of the state of California, U.S.A., to interpret or enforce any or all of these arbitration provisions. Judgment on any arbitration award may be entered in any court having jurisdiction, or application may be made to such court for judicial acceptance of the award and an order of enforcement, as the case may be.
- (3) The exclusive language to be used by the parties and the arbitrators in the arbitration proceedings shall be English. Any party wishing an interpreter shall make all arrangements directly with the interpreter and shall assume all costs of the service.
- (4) If a party is a foreign government or state, state-owned or state-operated enterprise or other instrumentality of a foreign government or state, such party waives all rights of sovereign immunity and neither the Federal Act of State doctrine nor the doctrine of sovereign immunity shall apply insofar as any enforcement in courts located in the U.S.A. is concerned.

Name of Employer* (Business Name) _____

Employer's Street Address (no P.O. boxes, please) _____ City _____ State _____ Zip Code _____

Business Telephone Number _____ Employer Identification Number (EIN) _____

This Agreement contains a predispute arbitration agreement in Section 4 above.

***The Employer is defined as the individual owner in the case of a sole proprietorship, or, in any other case, the corporation, partnership or other entity establishing the Schwab SIMPLE IRA.**

I represent that I am authorized by the above Employer to execute this Agreement on its behalf.

Authorized Signature: Employer _____ Date _____ (mm/dd/yyyy)

Print Name _____ Title _____

For Charles Schwab Use Only _____
Account Number _____