

The charts and associated glossary are presented for general informational purposes only. Schwab makes no recommendations or endorsements with respect to any of the strategies, chart patterns, or indicators referenced; nor does Schwab recommend the use of technical analysis as a sole means of investment research. Schwab recommends that investors define their goals, risk tolerance, time horizon, and investment objectives in addition to researching possible investment choices through multiple channels. Technical analysis may result in increased frequency of trading and, therefore, significantly higher transaction costs than a fundamental approach.

Investors should consider carefully information contained in the prospectus or, if available, the summary prospectus, including investment objectives, risks, charges and expenses. You can view, download, and print a prospectus by clicking on <a href="Prospectus & Reports">Prospectus & Reports</a> or by calling 1-800-435-4000. Please read the prospectus carefully before investing.

Past performance does not guarantee future performance. Investment value will fluctuate, and shares, when redeemed, may be worth more or less than original cost. If an expense waiver was in place during the period, the net expense ratio was used to calculate fund performance.

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. For each of these trade orders placed through a broker, a \$25 service charge applies. Funds are also subject to management fees and expenses.

Trades in no-load mutual funds available through Mutual Funds OneSource service (including SchwabFunds) as well as certain other funds, are available without transaction fees. For each of these trade orders placed through a broker, a \$25 service charge applies. 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.

Charles Schwab & Co., Inc., member of SIPC, receives remuneration from fund companies for record keeping, shareholder services, and other administrative services for shares purchased through its Mutual Fund OneSource service. Schwab also may receive remuneration from transaction fee fund companies for certain administrative services.

The Morningstar Rating<sup>™</sup> for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating for 60-119 months of total returns, 60% five-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Morningstar Ratings do not take into account sales loads that may apply to certain third party funds. The Overall Morningstar Ratings are derived from a weighted average of the risk adjusted performance figures associated with a Fund's 3-, 5-, and 10-year (if applicable) Morningstar Rating <sup>™</sup> metrics.

Except as noted below, all data provided by Morningstar, Inc., and may not be copied or redistributed for any purpose and may only be used for noncommercial, personal purposes. The information contained herein is not represented or warranted to be accurate, correct, complete, or timely. Morningstar, Inc., shall not be responsible for investment decisions, damages, or other losses resulting from use of the information. Morningstar, Inc., has not granted consent for it to be considered or deemed an "expert" under the Securities Act of 1933. Charles Schwab Investment Management, Inc. and Charles Schwab & Co., Inc. are separate but affiliated companies and subsidiaries of The Charles Schwab Corporation.

Market data for Daily Fund (NAVs) and charts provided by Markit on Demand.

Charles Schwab Investment Management, Inc. (CSIM) is the investment advisor for Schwab Funds and Laudus Funds. Charles Schwab & Co., Inc. (Schwab), Member SIPC, is the distributor for Schwab Funds and Laudus Funds. CSIM and Schwab are separate but affiliated companies and subsidiaries of The Charles Schwab Corporation.

(0911-5805)