

**STATEMENT OF WORK NO. 196**  
**Schwab Economic Modeling Tool**

Markit On Demand, Inc. ("MOD"), formerly known as Wall Street On Demand, Inc., and Charles Schwab & Co., Inc. ("Schwab"), hereby agree to supplement their Master Internet Site Agreement effective as of February 1, 2001, (the "Agreement") with the following Statement of Work No. 196 (the "SOW"), dated January 13, 2012 and effective as of June 8, 2010 (the "SOW Effective Date").

This SOW will incorporate by reference the Agreement upon execution hereof by both parties. In the event of any conflict between the terms and conditions of this SOW and the Agreement, the Agreement will control.

The Agreement and this SOW are the entire agreement between the parties concerning WSOD's provision of the products and services described in this SOW. This SOW is composed of the following:

- Exhibit A: Schwab Economic Modeling Tool**  
**Exhibit B: Service Level and Support Obligations**  
**Exhibit C: Term, Fees and Expenses**

**In witness whereof**, the parties to this SOW execute it through their duly authorized representatives. The parties hereby acknowledge that they have read this SOW, including all exhibits and the Agreement, and understand and agree to be bound by its terms and conditions.

**Charles Schwab & Co., Inc.:**

**Markit On Demand, Inc.:**

(Signature)

(Signature)

(Printed Name)

James Tanner

(Title)

Global Head of Distribution, Markit

(Date)

(Date)

**EXHIBIT A TO STATEMENT OF WORK NO. 196**  
**Schwab Economic Modeling Tool**

**SCHWAB ECONOMIC MODELING TOOL SPECIFICATIONS**

Specifications and Services

MOD will perform the following Services in connection with the Schwab Economic Modeling Tool, which includes the design, development, hosting and maintenance of two websites. The websites will host and feature two different versions of tools based on Schwab's Economic Model.

- 1) The first website will be publicly accessible and will be a basic version of the Economic Model. This version of the tool will have scaled down functionality as directed by Schwab, and is intended to give users a high level understanding of what would be available with the full version of the Economic Modeling Tool.
  - 2 ) The second website will require a username and password to access and will be available to Schwab personnel (Business Development Officers ("BDO")), or others as deemed necessary) and prospective Investment Advisors.
- MOD will work with Schwab to create a web-based model outlining the costs and benefits for Investment Advisors looking to start their own firm or to join a firm. The calculations used to create the model will be based on Schwab's current model.
  - The Economic Modeling Tool created for BDO users and Schwab prospects will have multiple user tiers with one tier being an administrator who will be able to manage users.
  - Both versions of the Economic Modeling tool will accept inputs from users and use those inputs to create a model specific to that user.
  - The Economic Modeling Tool for BDO users will include PDF reporting capabilities based on the results of the tool and the users input. The tool will also allow BDOs to save models and return later to complete/update them as needed.
  - Schwab may request updates/changes to the Economic Modeling tool once per quarter. MOD will perform such requested changes so long as the requests are reasonable and MOD does not need to incur significant costs to do so.

(collectively, the "Business Requirements"). In addition, the Schwab Economic Modeling Tool will incorporate certain modifications and enhancements at no additional cost as mutually agreed by the parties.

- The monthly hosting fee will cover site hosting (bandwidth and hardware), technical infrastructure upgrades and certain requested enhancements of feature development work as set forth above.
- If Schwab requests material enhancement or maintenance work that requires MOD to incur additional costs or expenses that are not within the scope of the SOW as contemplated when creating the SOW, then MOD will provide Schwab with a written good faith assessment of such costs and expenses and the time required to perform the modifications required, for Schwab's consideration. If Schwab accepts the written estimate and agrees to have MOD

perform the enhancements or maintenance work, this Statement of Work shall be amended to include the additional scope, requirements, time and fees, or a separate SOW may be entered into between the parties.

michael@justbuildit.com - Jul 29, 2024, 1:14:36 PM America/New\_York



**EXHIBIT B TO STATEMENT OF WORK NO. 196**  
**Schwab Economic Modeling Tool**

**SERVICE LEVEL AND SUPPORT OBLIGATIONS**

Support and training:

1. MOD will provide reasonable training to certain representatives of Schwab as requested by Schwab from time to time, including but not limited to its Business Development Officers.
2. MOD will provide documentation as deemed necessary by Schwab.
3. All calls relating to Schwab content or functionality received by MOD will be referred to representatives of Schwab.
4. The Schwab Economic Modeling Tool will be available 24 hours a day, 7 days a week, excluding scheduled maintenance as mutually agreed by the parties, or emergency maintenance. Scheduled maintenance shall be defined as the period once each calendar month per data center not to exceed three (3) consecutive hours in length during which the Services shall be inaccessible. With the exception of emergency maintenance, or scheduled maintenance that has been mutually agreed upon, maintenance will occur on no more than once a month between 12:00am and 3:00am Eastern time. MOD will use commercially reasonable efforts to ensure any actual downtime is minimized through the use of a redundant Data Center. If the scheduled maintenance falls on a holiday weekend the maintenance will be postponed to the following weekend. MOD may require additional time; any additional time taken is not considered a Scheduled Outage provided it is completed by no later than 7:00 am Eastern time, or has been approved by Schwab two (2) days prior to said scheduled maintenance. Scheduled maintenance is excluded from Availability calculations.
5. If the Schwab Economic Modeling Tool becomes unavailable for any reason, MOD will immediately act to remedy the problem and shall provide updates to Schwab's designated point-of-contact per the following time table:

Severity Level	Severity Definition	Examples	Target Notification Time	Status Updates
Level 1	<b>Critical Impact</b> Enterprise-wide outages (no work-around) Device or service outage affecting all sites (no work-around)	Enterprise-wide outages (no work-around); All communication lines are down; Device or service outage affecting all sites (no work-around)	Within 15 minutes	Every 30 minutes
Level 2	<b>Major Impact</b> Outages or functionality incidents affecting one site but some clients are still able to use the service satisfactorily	All the servers on one data center are completely down; or complete component outage (e.g. rankings fall on all servers)	Within 30 minutes	Every 1 hour
Level 3	<b>Moderate Impact</b> Outages or functionality incidents which do not prevent the clients from using the services	A partial component outage of some servers or a disruption of the redundancy model; A particular piece of functionality is impaired on limited set of servers (e.g. a quote retrieval system is falling for a specific symbol on a single server instance, or one WAN line is down)	Within 4 hours	Every 1 hour
Level 4	<b>Minor Impact</b> Incidents or issuers are not impacting on the satisfactory operation of the service	One server is down (seamless to the end users) or a minor data disruption such as a blank High Low for a symbol	Within 24 hours	

**EXHIBIT C TO STATEMENT OF WORK NO. 196**  
**Schwab Economic Modeling Tool**

**TERM, FEES AND EXPENSES**

**I. Term and Fees.**

The term of this SOW will commence on the SOW Effective Date and last for twelve (12) months after launch of Development Phase II (as described below) (the "Initial Term"), at which time it shall renew for additional thirty (30) day periods (each a "Renewal Term") until terminated by Schwab at any time, on thirty (30) days prior written notice to MOD. The Initial Term and Renewal Terms are referred to herein collectively as the "Term." There are three phases to this SOW:

- A) Design Phase.** The design phase of this SOW commenced on the SOW Effective Date and was completed on or about July 29, 2011. As of December 31, 2010, the parties agree and acknowledge that Schwab paid MOD a one-time, fixed design fee of \$81,500 for this design work, and no further fees are due for this design phase.
- B) Development Phase I.** Upon completion and acceptance of the design phase, MOD will begin the first development phase ("Development Phase I"). Development Phase I will conclude with the completed development and acceptance by Schwab of the following elements as approved by Schwab in the Design Phase:
- A public facing version of Schwab's Economic Modeling Tool that will be hosted by MOD that can be linked to from the Schwab Advisor Services public website
  - This Economic Modeling Tool will incorporate limited user inputs that then generate a one year revenue and expenses results table based on an advisor transitioning from either a wire house or a captive hybrid to the RIA model
  - This Economic Modeling Tool will also illustrate the longer-term business and total value of the RIA model as compared to the wire house and captive hybrid models.

Schwab shall pay MOD a monthly fee of two thousand five hundred dollars (\$2,500) per month beginning on the earlier of (a) February 14, 2012, or (b) upon the completion and acceptance of the Development Phase I and launch of these functionalities to a MOD production environment..

- C) Development Phase II.** Upon completion of Development Phase I, on approximately February 14, 2012, MOD will begin the second Development Phase (Development Phase II). Development Phase II will conclude with launch of the following elements as approved by Schwab in the Design Phase to a MOD production environment:



- An enhanced version of the public version of the Economic Modeling Tool (Development Phase I) that adds greater customization and more detailed assumptions that generate comparisons between the RIA, wire house and captive hybrid models.
- The Economic Modeling Tool (Development Phase II) will also provide a more in-depth analysis of transition costs, and allow users to over-ride specified fields in support of specific business case scenarios.
- The Economic Modeling Tool will provide PDF reporting capabilities based on the results of the Economic Modeling Tool and the users input.
- The Economic Modeling Tool allows internal Schwab users and prospective advisors to make changes to the Economic Modeling Tool; these changes/updates are recorded for future follow-up and ongoing customization.

MOD will complete and deliver the functionality in Development Phase II to Schwab for QA testing on approximately August 15, 2012. Upon launch of Development Phase II to a MOD production environment, MOD shall invoice Schwab a one-time, fixed development fee of \$18,500. Upon launch of these Development Phase II functionalities to a MOD production environment, Schwab shall pay an additional monthly fee to MOD of two thousand five hundred dollars (\$2,500) per month.

For the avoidance of doubt, upon the completion and acceptance of Development Phase II, the total monthly fees for ongoing hosting and maintenance under this SOW shall be a total of \$5,000 per month (\$2,500 for the hosting and maintenance of the functionality delivered in Development Phase I and \$2,500 for the hosting and maintenance of the functionality delivered in Development Phase II).

## **II. Other.**

- A) Should Schwab opt to include new third party data or content providers, Schwab is responsible for all license and other fees payable to the third-party information providers for the use of their information or content for the Economic Modeling tool.
- B) Unless the parties agree in writing to expand the scope of the Services to be provided under the SOW, there are no other fees or costs to be paid by Schwab to MOD for the Services and deliverables provided under this SOW.