

Lifetime Income Illustration

The logo for Charles Schwab, featuring the word "charles" in a lowercase, italicized serif font above the word "SCHWAB" in a bold, uppercase sans-serif font, all contained within a blue square.

For:

Birth (M/Y): /

12/31/2023 Balance: **\$0.00**

This Lifetime Income Disclosure is designed to help provide you with a realistic illustration of how much monthly retirement income you might expect based on your year-end retirement savings balance.

Single Life Annuity: \$0.00

Joint and 100% Survivor Annuity: \$0.00

Understanding this Disclosure

The estimated monthly payments in this statement are for illustrative purposes only; they are not a guarantee.

Explanation of a Single Life Annuity

A single life annuity is an arrangement that pays you a fixed amount of money each month for the rest of your life. Following your death, no further payments would be made to your spouse or heirs.

Explanation of Joint & Survivor Annuity

A qualified joint and 100% survivor annuity is an arrangement that pays you and your spouse a fixed monthly payment for the rest of your joint lives. In addition, after your death, this type of annuity would continue to provide the same fixed monthly payment to your surviving spouse for his or her life.

An annuity with a lower survivor percentage may be available, and reducing the survivor percentage (below 100%) would increase monthly payments during your lifetime but would decrease what your surviving spouse would receive after your death.

Actual Monthly Payment Amounts Will Vary Depending on Circumstances

The estimated monthly payments in this statement are based on prevailing market conditions and other assumptions required under federal regulations. If you decide to purchase an annuity, the actual payments you receive will depend on a number of factors and may vary substantially from the estimated monthly payments in this statement.

For example, your actual age at retirement, your actual account balance (reflecting future investment gains and losses, contributions, distributions, and fees), and the market conditions at the time of purchase will affect your actual payment amounts. The estimated monthly payments in this statement

are the same whether you are male or female. This is required for annuities payable from an employer's plan. However, the same amount paid for an annuity available outside of an employer's plan may provide a larger monthly payment for males than for females since females are expected to live longer.

Assumptions and Other Explanations

To make proper use of this information, it is crucial that you understand the assumptions underlying this disclosure. The income projections in this disclosure are based on the following assumptions, prescribed in rules issued by the U.S. Department of Labor (DOL).

Commencement Date and Age

The estimated monthly payments in this statement assume that payments begin December 31, 2023 and that you are on this date.

Monthly payments beginning at a younger age would be lower than shown since payments would be made over more years. Monthly payments beginning at an older age would be higher than shown since they would be made over fewer years.

Marital Status

The estimated monthly payments for a qualified joint and 100% survivor annuity in this statement assumes that you are married with a spouse who is the same age as you (even if you do not currently have a spouse, or if you have a spouse who is a different age).

If your spouse is younger, monthly payments would be lower than shown since they would be expected to be paid over more years. If your spouse is older, monthly payments would be higher than shown since they would be expected to be paid over fewer years.

Interest Rate

The estimated monthly payments in this statement are based on an interest rate of 4.22, which is the 10-year constant maturity U.S. Treasury securities yield rate as of December 1, 2023, as required by federal regulations. This rate fluctuates based on market conditions. The lower the interest rate, the smaller your monthly payment will be, and the higher the interest rate, the larger your monthly payment will be.

Mortality

The estimated monthly payments in this statement are based on how long you and a spouse who is assumed to be your age are expected to live. For this purpose, federal regulations require that your life expectancy be estimated using gender neutral mortality assumptions established by the Internal Revenue Service.

No Increase for Cost of Living

Unlike Social Security payments, the estimated monthly payments in this statement do not increase each year with a cost-of-living adjustment. Therefore, should prices increase over time, the fixed monthly payments will buy fewer goods and services.

Projections Based on Total Benefits Accrued

The estimated monthly payment amounts in this statement assume that your account balance is 100%

vested.

Projections Generally Include Outstanding Loan Balances

If you have taken a loan from the plan and are not in default on the loan, the estimated monthly payments in this statement assume that the loan has been fully repaid (provided the year-end balance reflected in this disclosure includes the value of the outstanding loan).

The assumptions provided by this tool are for illustrative purposes only and in no way guarantee or promise any actual return or payment amount. Information provided is not intended to substitute professional tax, legal or investment advice. Consult with your tax advisor for details specific to your personal situation.