



Schwab Bank Collective Trust Funds

SIRT Unit Class II Merger

Important Notice: On October 20, 2017 Schwab Bank will merge Schwab Indexed Retirement Trust Fund (SIRT) Unit Class II into Unit Class I.

As you may recall, last year, Schwab Bank reduced SIRT Unit Class I's expense ratio from 0.14% to 0.08% and announced the intention to complete a future merger of SIRT Unit Class II into SIRT Unit Class I. Below are the key dates associated with that merger, now scheduled later this year. There will be no difference in the funds' objective or the expense ratio.

Date	What will happen
October 16, 2017	The last date purchases are allowed into SIRT Unit Class II.
October 19, 2017	The last date redemptions out of SIRT Unit Class II will be accepted.
October 20, 2017	After close of business, SIRT Unit Class II will merge into SIRT Unit Class I, all positions held in Unit Class II will be moved into Unit Class I. Merger ratio information is expected to be available end of day.
October 24, 2017	Investors that previously owned SIRT Unit Class II should see their positions in Unit Class I on or around October 24th or when processed by the recordkeeper.

Plan sponsor and third party administrator (TPA) next steps:

- Take no action. Investor positions in SIRT Unit Class II will automatically be moved into SIRT Unit Class I at 8 bps, as described above. There will be no difference in fund expense for investors. Positions will transition to SIRT Unit Class I on October 23, 2017.

OR

- Should a plan sponsor choose to make a fund change from SIRT Unit Class II to Unit Class I, by October 13, 2017, the TPA should submit the sells from Unit Class II, and the buys into Unit Class I.

Fund name and CUSIP details for both SIRT Class I and II are listed in the chart below:

Fund name	CUSIP	Expense ratio		Fund name	CUSIP	Expense ratio
SIRT 2010 Class II	80851W 101	0.08%	Merging to	SIRT 2010 Class I	808518583	0.08%
SIRT 2015 Class II	80851W 200	0.08%		SIRT 2015 Class I	808518575	0.08%
SIRT 2020 Class II	80851W 309	0.08%		SIRT 2020 Class I	808518567	0.08%
SIRT 2025 Class II	80851W 408	0.08%		SIRT 2025 Class I	808518559	0.08%
SIRT 2030 Class II	80851W 507	0.08%		SIRT 2030 Class I	808518542	0.08%
SIRT 2035 Class II	80851W 606	0.08%		SIRT 2035 Class I	808518534	0.08%
SIRT 2040 Class II	80851W 705	0.08%		SIRT 2040 Class I	808518526	0.08%
SIRT 2045 Class II	80851W 804	0.08%		SIRT 2045 Class I	808518518	0.08%
SIRT 2050 Class II	80851W 887	0.08%		SIRT 2050 Class I	808518492	0.08%
SIRT 2055 Class II	80851W 879	0.08%		SIRT 2055 Class I	808518369	0.08%
SIRT 2060 Class II	80851W 853	0.08%		SIRT 2060 Class I	80851W861	0.08%

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The values of the funds will fluctuate up to and after the target dates. Past performance is no guarantee of future results. There is no guarantee the funds will provide adequate income at or through retirement.

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

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