CITY OF LA 457 DEFERRED COMP

Schwab Personal Choice Retirement Account (PCRA) Quarterly Report

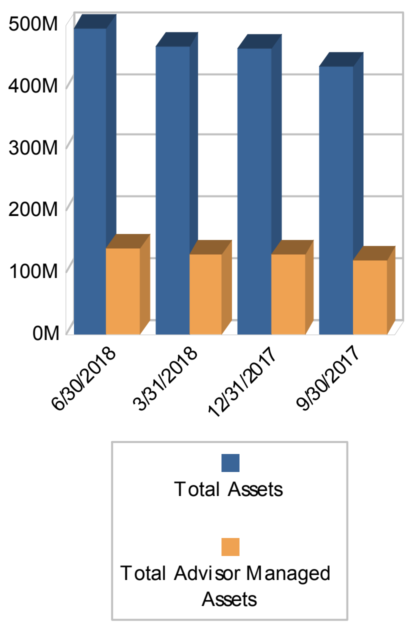
As of 6/30/2018

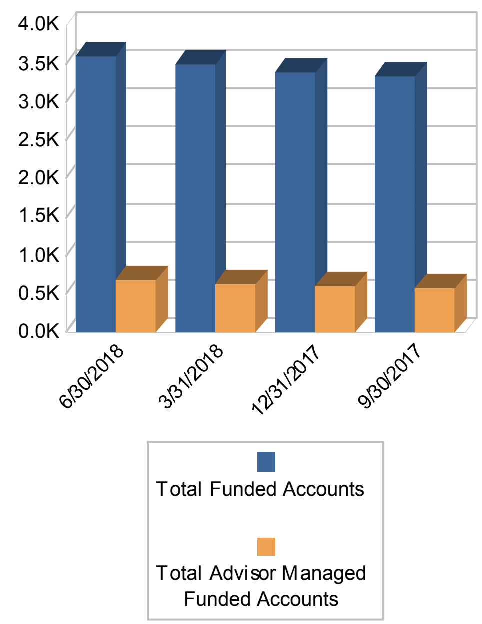
The Schwab Personal Choice Retirement Account (PCRA) Quarterly Report
CITY OF LA 457 DEFERRED COMP as of 6/30/2018

Plan Profile Information

Plan Type	457B
Total PCRA Assets	$495,502,443
Total Funded PCRA Accounts	3,592
Total Roth Assets	$7,869,261
Total Funded Roth Accounts	346
Total Advisor Managed PCRA Assets	$140,249,168
Total Advisor Managed Funded PCRA Accounts	689
PCRA Accounts Opened This Quarter	101
PCRA Assets In and Out This Quarter*	$11,011,405
Average PCRA Account Balance	$137,946

Assets and Accounts (Trailing 4 Quarters)





PCRA Participant Profile Information

Average Participant Age	52
Percent Male Participants	82%
Percent Female Participants	18%

Total Assets by Category

Cash Investments	$70,492,151
Equities	$186,004,600
ETFs	$75,962,194
Fixed Income	$4,366,764
Mutual Funds	$158,732,190
Other	-$55,455

Average Positions Per Account

Cash Investments	1.0
Equities	4.2
ETFs	1.5
Fixed Income	0.1
Mutual Funds	1.9
Other	0.0
Total	8.7

Average Trades Per Account

Equities	3.4
ETFs	1.5
Fixed Income	0.0
Mutual Funds	2.3
Other	0.1
Total	7.3

* Assets In and Out includes contributions and distributions.

The Schwab Personal Choice Retirement Account (PCRA) Quarterly Report
CITY OF LA 457 DEFERRED COMP as of 6/30/2018

Top 10 Mutual Fund Holdings**

Name	Category	Symbol	OS*	$MF Assets	%MF Assets
PROFUNDS ULTRA NASDAQ 100 INV CL	Specialized Funds	UOPIX	Y	$3,386,937	2.15%
DFA GLOBAL ALLOC 60/40 PORT INST CL	Hybrid Funds	DGSIX	N	$3,007,273	1.91%
DFA US CORE EQTY 2 PORT INSTL	Small Capitalization Stock Funds	DFQTX	N	$2,661,012	1.69%
JANUS HENDERSON GLBL TECH T	Specialized Funds	JAGTX	Y	$2,646,881	1.68%
T ROWE PRICE COMM AND TECH FUND INV	Specialized Funds	PRMTX	Y	$2,629,452	1.67%
PIMCO INCM INST CL	Taxable Bond Funds	PIMIX	N	$2,609,553	1.66%
RISKPRO DYNAMIC 15 TO 25 FD CL R	Hybrid Funds	PFDPX	Y	$2,336,817	1.48%
SCHWAB S&P 500 INDEX FD	Large Capitalization Stock Funds	SWPPX	Y	$2,307,387	1.46%
RISKPRO PFG AGGRESSIVE 30 PLUS FD CL R	International	PFSUX	Y	$2,170,651	1.38%
JANUS HENDERSON ENTERPRISE FD T	Small Capitalization Stock Funds	JAENX	Y	$2,067,442	1.31%

Top 10 Fund Families

Name	$MF Assets	%MF Assets
DFA	$19,443,973	12.33%
JANUS	$11,966,737	7.59%
SCHWAB	$7,413,190	4.70%
VANGUARD	$7,329,326	4.65%
T ROWE PRICE	$7,268,041	4.61%
PIMCO FUNDS	$5,365,395	3.40%
PROFUNDS	$5,180,889	3.29%
FIDELITY	$5,170,814	3.28%
BLACKROCK	$3,706,202	2.35%
OPPENHEIMER	$3,142,558	1.99%

**Top 10 Mutual Funds does not include Money Market Funds.
*OS = OneSource, no-load, no transaction fee.

Compliance number: 0517-ZGX6

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The Schwab Personal Choice Retirement Account (PCRA) Quarterly Report
CITY OF LA 457 DEFERRED COMP as of 6/30/2018

Top 10 Equity Holdings

Name	Category	Symbol	$EQ Assets	%EQ Assets
APPLE INC	Information Technology	AAPL	$20,313,412	10.92%
AMAZON.COM INC	Consumer Discretionary	AMZN	$12,345,647	6.64%
FACEBOOK INC CLASS A	Information Technology	FB	$7,048,958	3.79%
ALIBABA GROUP HOLDING FSPONSORED ADR	Information Technology	BABA	$5,336,585	2.87%
BANK OF AMERICA CORP	Financials	BAC	$5,081,700	2.73%
NETFLIX INC	Consumer Discretionary	NFLX	$5,031,050	2.70%
BERKSHIRE HATHAWAY CLASS B	Other	BRKB	$3,593,946	1.93%
ADVANCED MICRO DEVIC	Information Technology	AMD	$3,138,336	1.69%
NVIDIA CORP	Information Technology	NVDA	$3,059,175	1.64%
A T & T INC	Telecommunication Services	T	$2,746,487	1.48%

Top 10 ETF Holdings

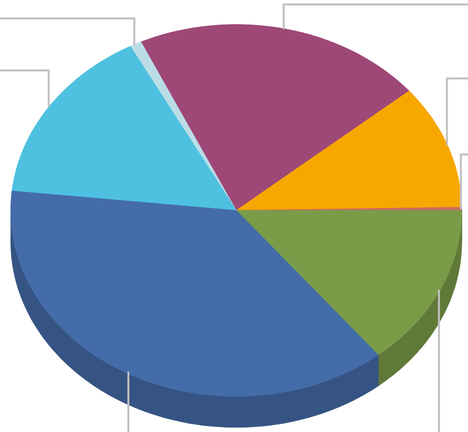
Name	Category	Symbol	OS*	$ETF Assets	%ETF Assets
SCHWAB INTERNATIONAL EQUITY ETF	International Equity	SCHF	Y	$4,884,879	6.43%
SCHWAB US BROAD MARKET ETF	US Equity	SCHB	Y	$4,879,142	6.42%
ISHARES 1-3 YEAR CREDIT BOND ETF	US FI	CSJ	N	$3,232,329	4.26%
SCHWAB US SMALL CAP ETF	US Equity	SCHA	Y	$2,426,237	3.19%
ISHARES INTERM CREDIT BOND ETF	US FI	CIU	N	$2,218,291	2.92%
SCHWAB US LARGE CAP GROWTH ETF	US Equity	SCHG	Y	$2,181,687	2.87%
SCHWAB US LARGE CAP VALUE ETF	US Equity	SCHV	Y	$2,122,448	2.79%
SCHWAB US AGGREGATE BONDETF	US FI	SCHZ	Y	$2,040,762	2.69%
CHARLES SCHWAB US MC ETF	US Equity	SCHM	Y	$1,827,659	2.41%
ISHARES CORE S&P 500 ETF	US Equity	IVV	N	$1,712,525	2.25%

*OS = OneSource, no transaction fee.

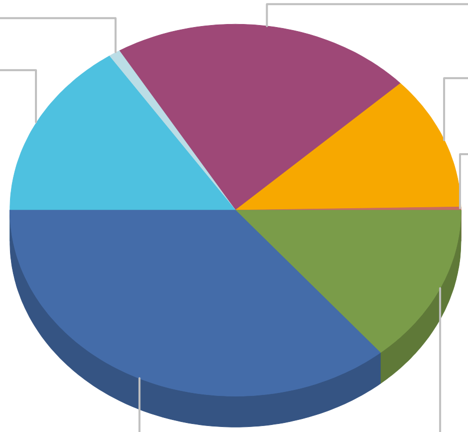
The Schwab Personal Choice Retirement Account (PCRA) Quarterly Report
CITY OF LA 457 DEFERRED COMP as of 6/30/2018

Market Value Allocation - All Assets (Quarter over Quarter)

6/30/2018

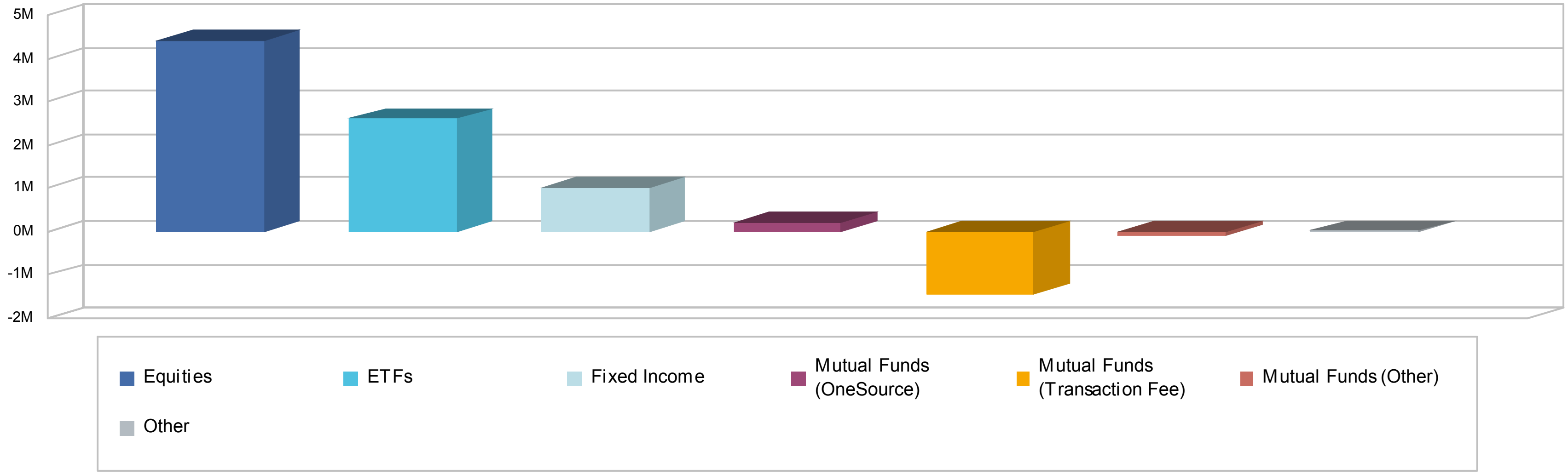


3/31/2018



The above charts illustrate the percent of PCRA participant assets in each noted asset class as percentage of total PCRA assets. Percentages are calculated as of quarter-end. Money Market Funds are classified under Mutual Funds.

Net Flow - All Non-Cash Assets (3-Month Period Ending 6/30/2018)

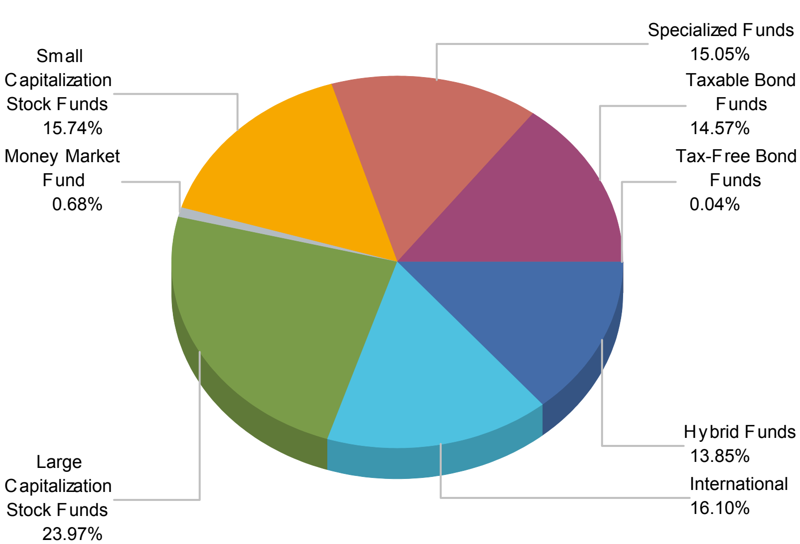


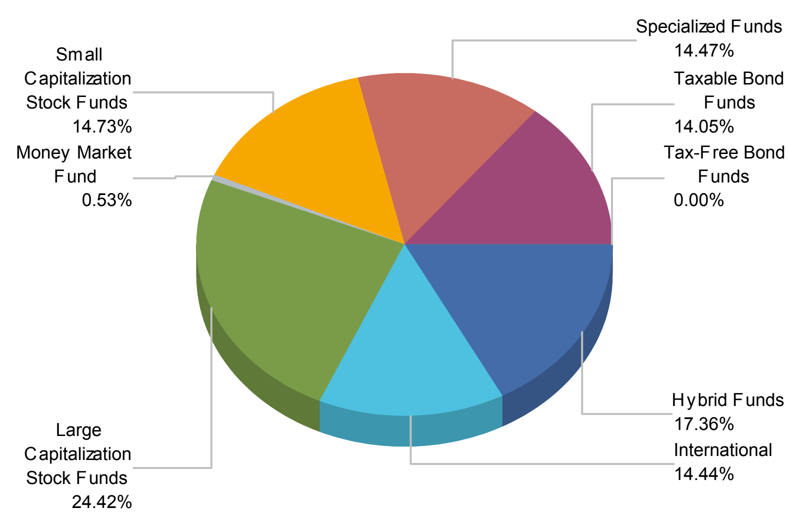
Net Flow is the net of all cash inflows and outflows in and out of financial assets; the performance of an asset or fund is not taken into account, only share redemptions, or outflows, and share purchases, or inflows.

Compliance number: 0517-ZGX6

The Schwab Personal Choice Retirement Account (PCRA) Quarterly Report
CITY OF LA 457 DEFERRED COMP as of 6/30/2018

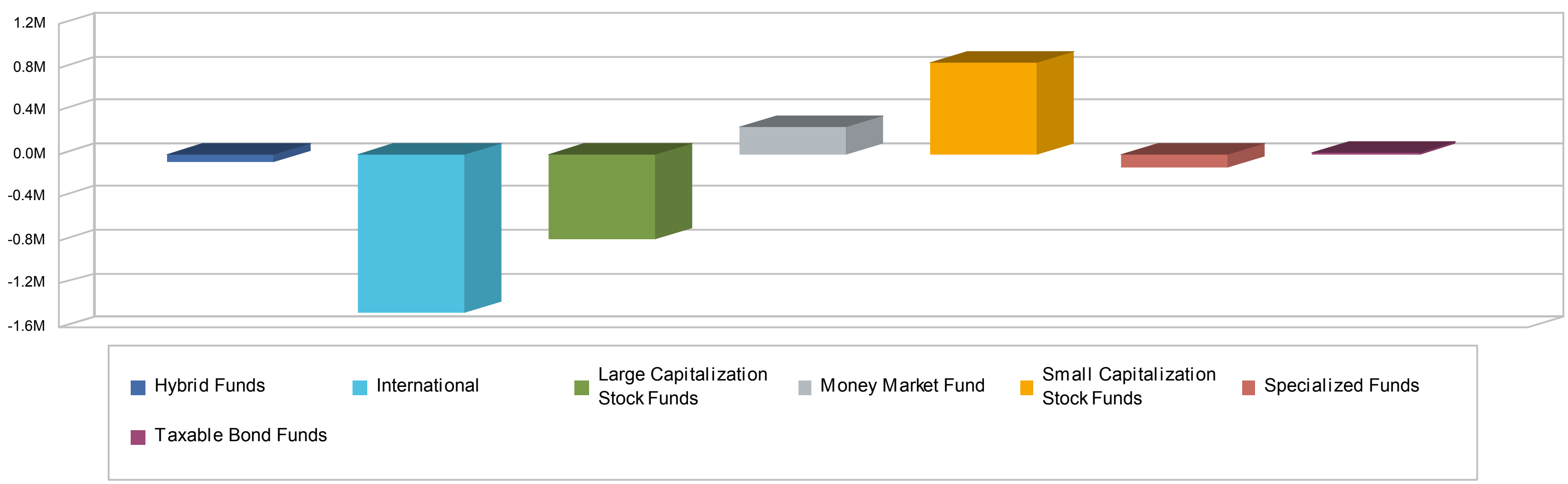
Market Value Allocation - Mutual Funds (Quarter over Quarter)





The above charts illustrate the percent of PCRA participant assets in each noted asset class as percentage of total PCRA assets. Percentages are calculated as of quarter-end. Money Market Funds are classified under Mutual Funds.

Net Flow by Sector - Mutual Funds (3-Month Period Ending 6/30/2018)



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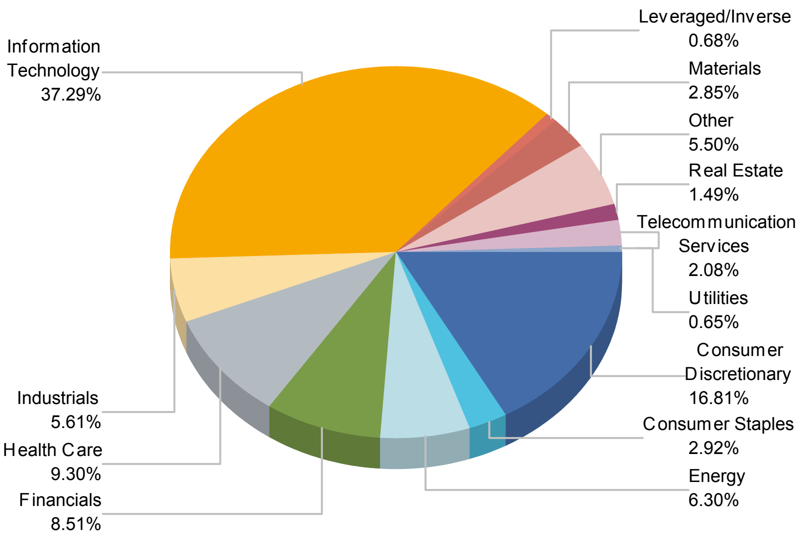
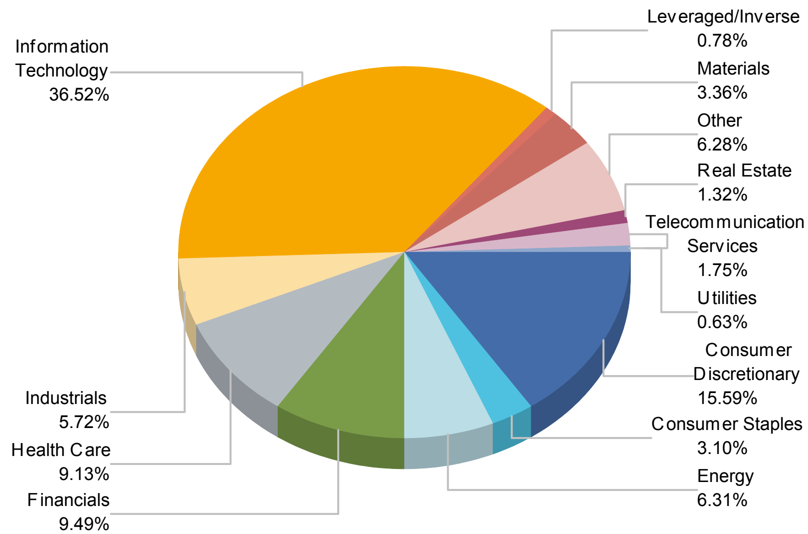
The Schwab Personal Choice Retirement Account (PCRA) Quarterly Report
CITY OF LA 457 DEFERRED COMP as of 6/30/2018

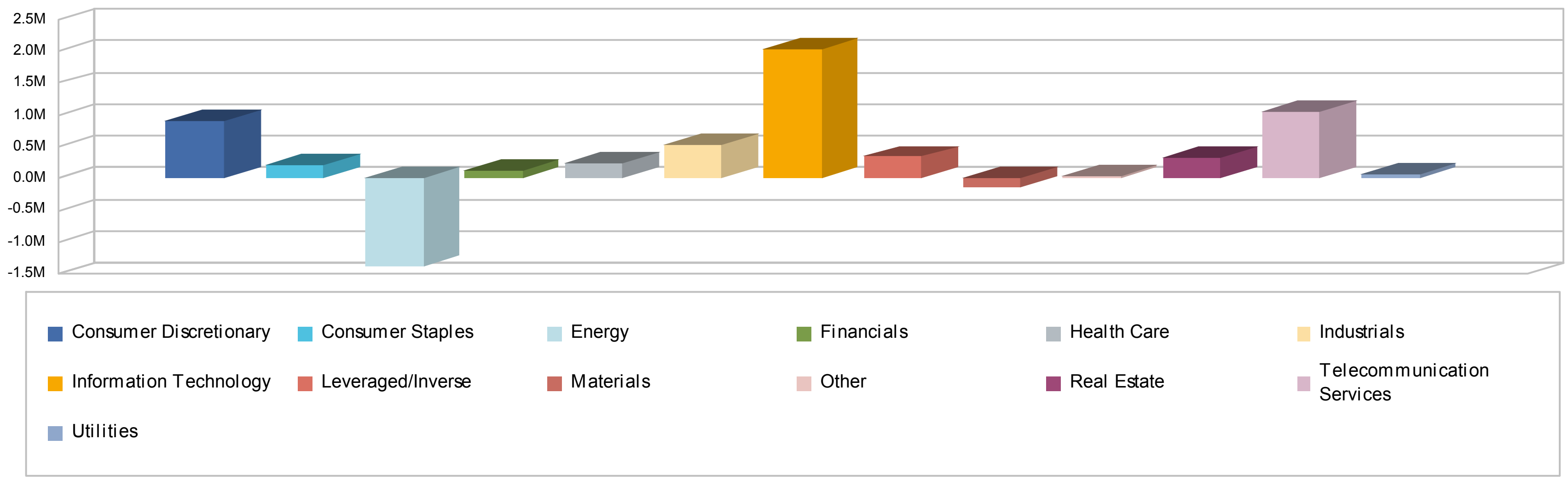
Market Value Allocation - Equities (Quarter over Quarter)





The above charts illustrate the percent of PCRA participant assets in each noted asset class as percentage of total PCRA assets. Percentages are calculated as of quarter-end. Money Market Funds are classified under Mutual Funds.

Net Flow by Sector - Equities (3-Month Period Ending 6/30/2018)



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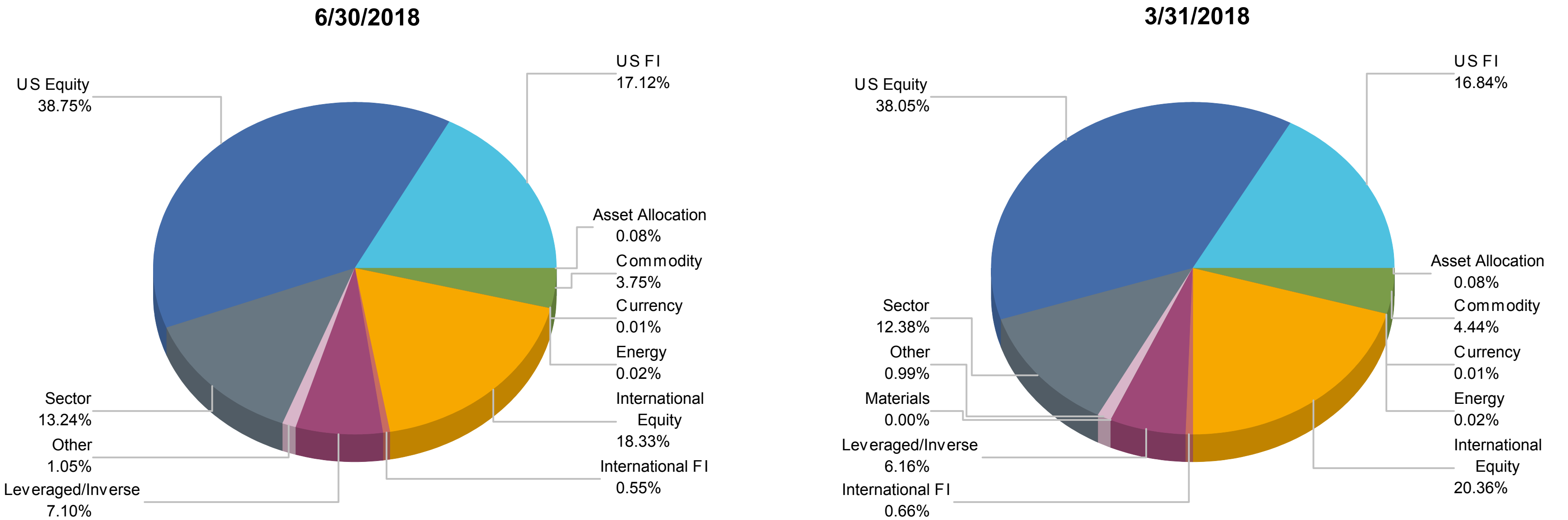
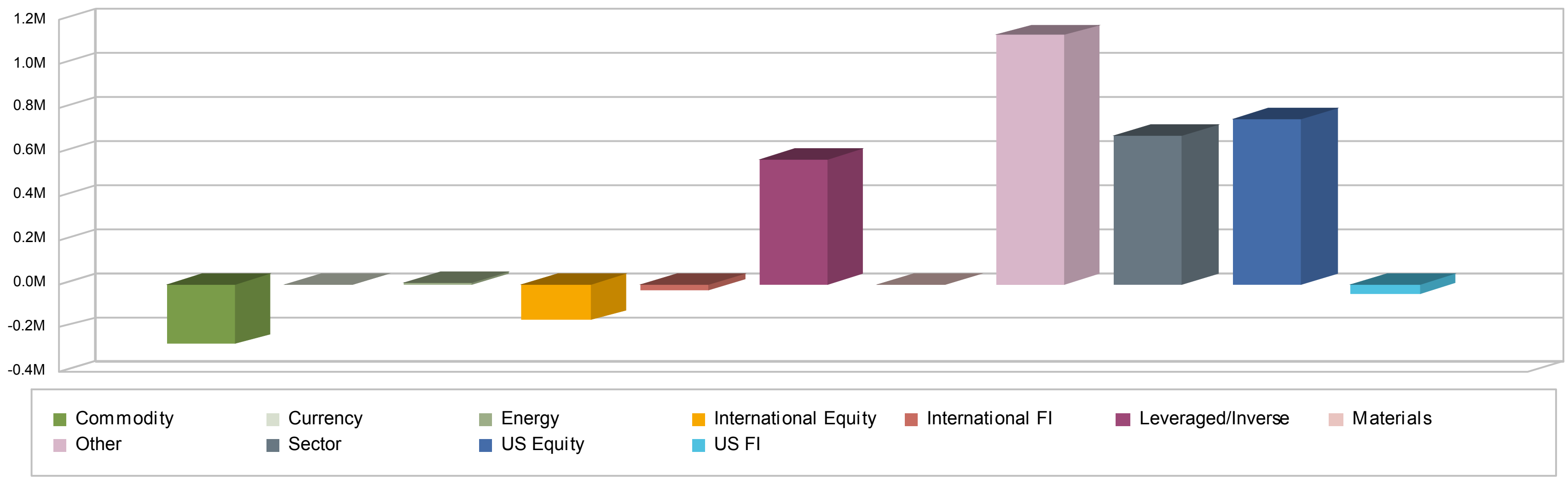
The Schwab Personal Choice Retirement Account (PCRA) Quarterly Report
CITY OF LA 457 DEFERRED COMP as of 6/30/2018

Market Value Allocation - ETF (Quarter over Quarter)



The above charts illustrate the percent of PCRA participant assets in each noted asset class as percentage of total PCRA assets. Percentages are calculated as of quarter-end. Money Market Funds are classified under Mutual Funds.

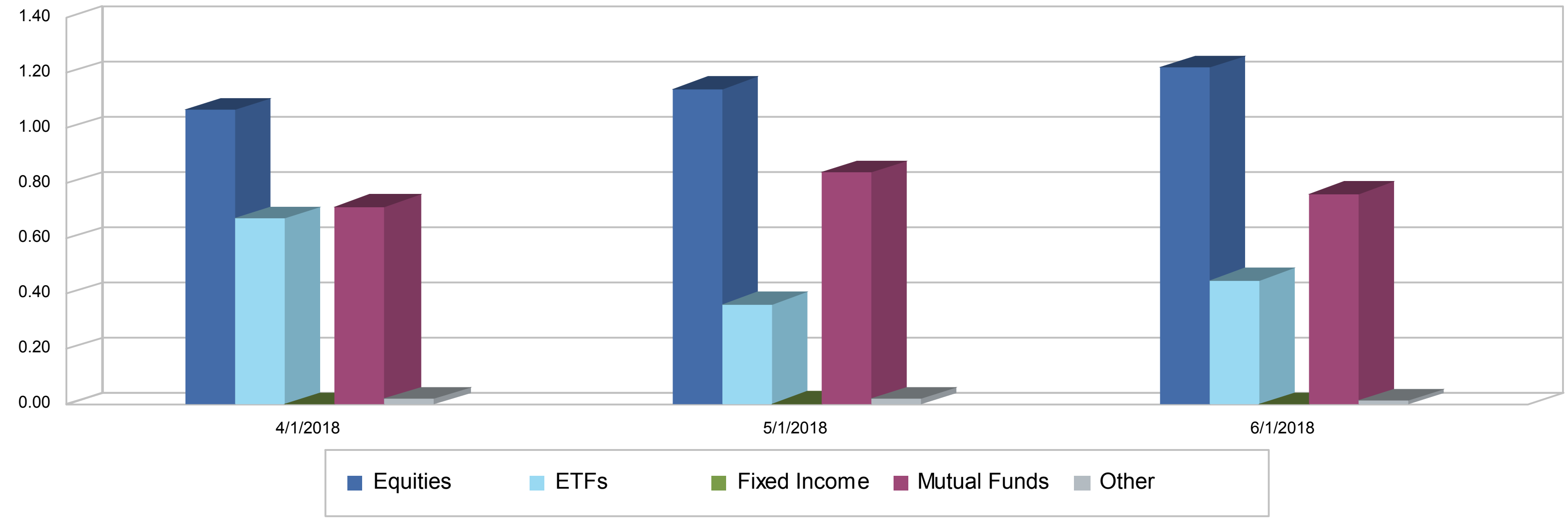
Net Flow by Sector - ETF (3-Month Period Ending 6/30/2018)



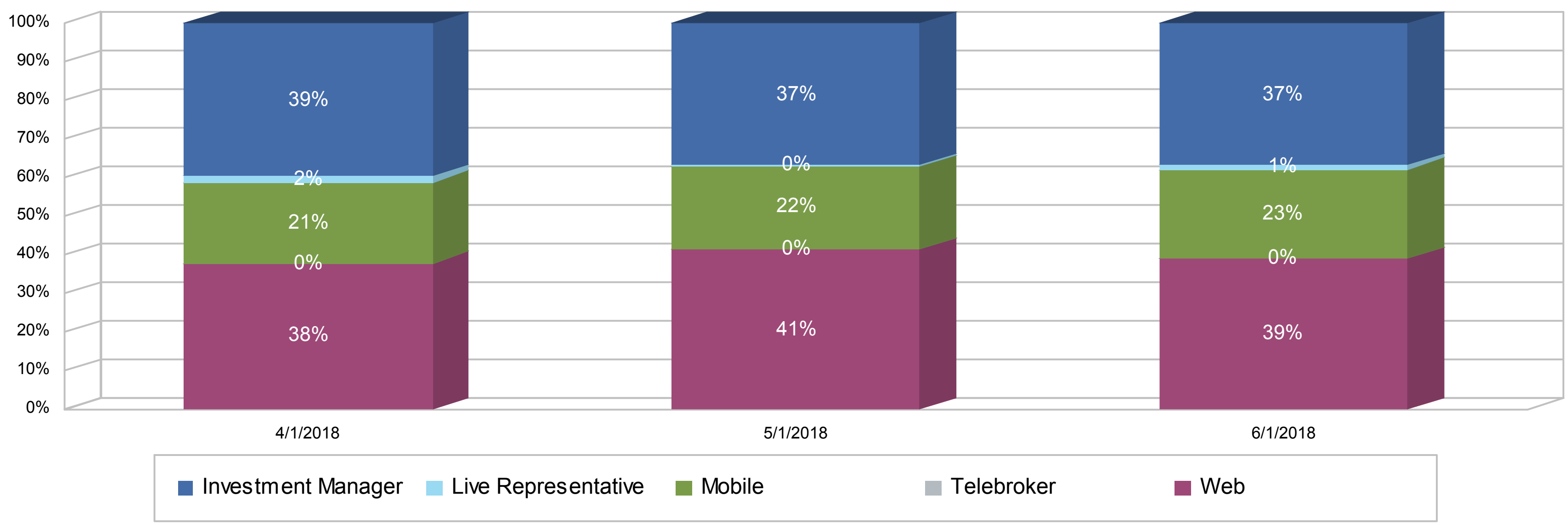
Net Flow is the net of all cash inflows and outflows in and out of financial assets; the performance of an asset or fund is not taken into account, only share redemptions, or outflows, and share purchases, or inflows.

The Schwab Personal Choice Retirement Account (PCRA) Quarterly Report
CITY OF LA 457 DEFERRED COMP as of 6/30/2018

Average Monthly Trades Per Account (3-Month Period Ending 6/30/2018)



Trading Channel Mix (Month over Month)



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The Schwab Personal Choice Retirement Account (PCRA) Quarterly Report
CITY OF LA 457 DEFERRED COMP as of 6/30/2018

Important Disclosures

Schwab Personal Choice Retirement Account (PCRA) is offered through Charles Schwab & Co., Inc. (Member SIPC), the registered broker/dealer, which also provides other brokerage and custody services to its customers.

For participants who utilize the Personal Choice Retirement Account (PCRA), the following fees and conditions may apply: Schwab's shortterm 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.

Trades in no-load mutual funds available through Mutual Funds OneSource service (including Schwab Funds) as well as certain other funds, are available without transaction fees when placed through schwab.com or our automated phone channels. 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 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.

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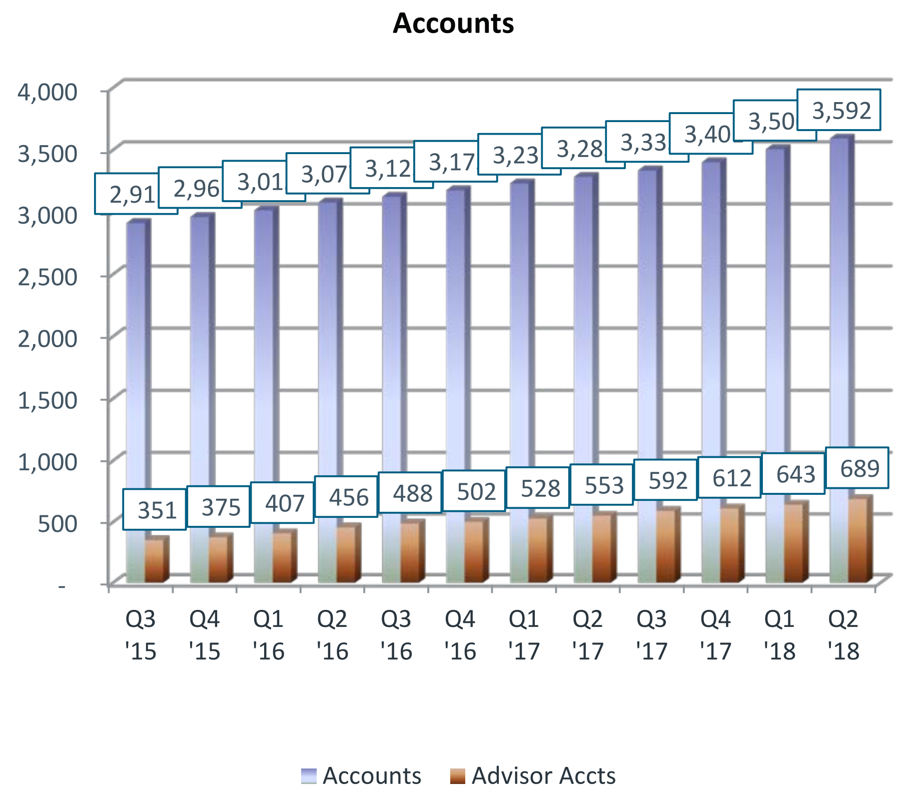
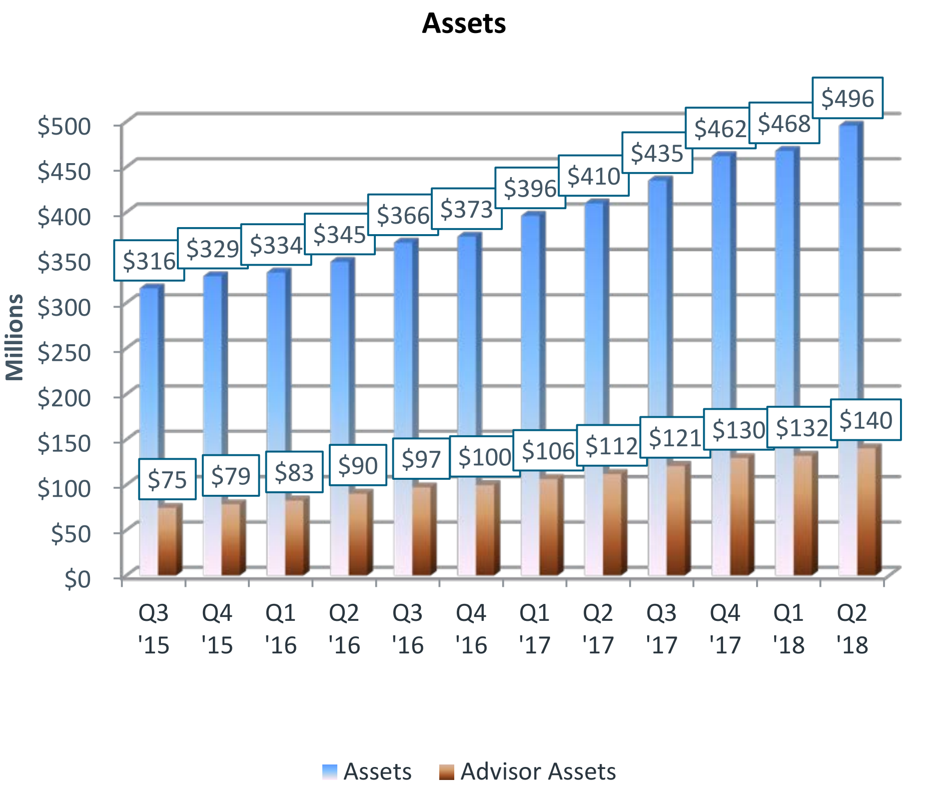
The information contained herein is obtained from third-party sources and believed to be reliable, but its accuracy or completeness is not guaranteed. This report is for informational purposes only and is not a solicitation, or a recommendation that any particular investor should purchase or sell any particular security.

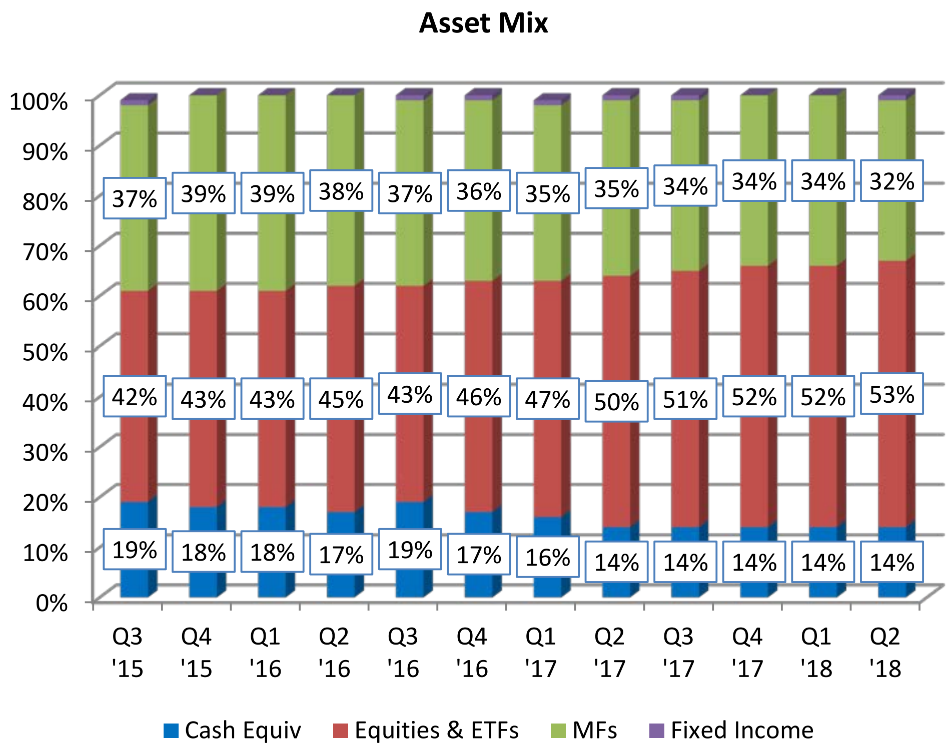
Additional Information

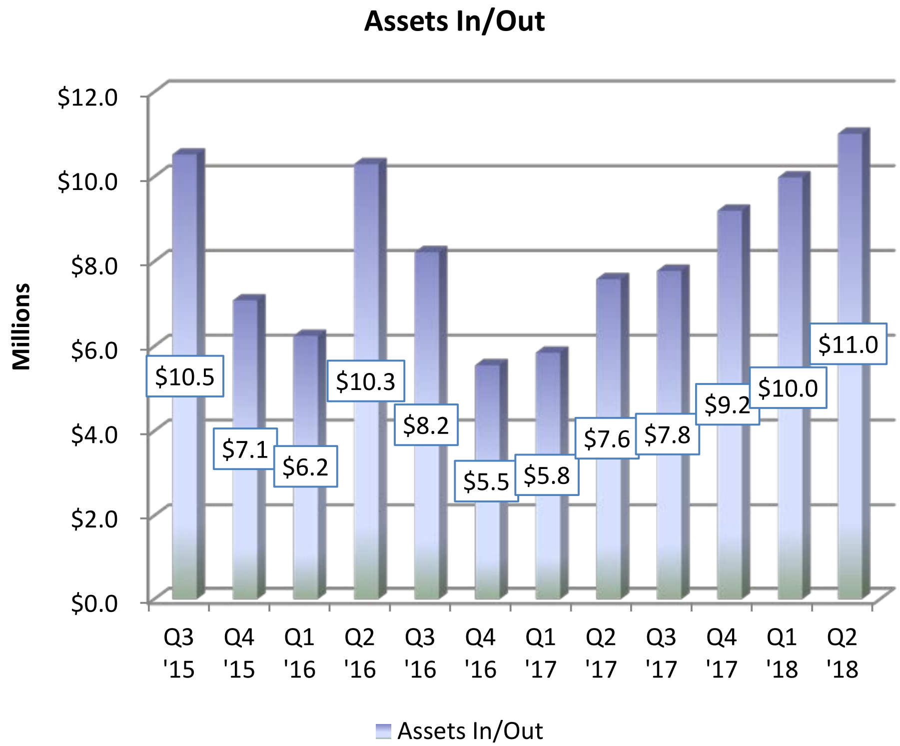
City of Los Angeles PCRA participant numbers





City of Los Angeles PCRA participant numbers (cont.)





PCRA sample large government plan statistics

Schwab Personal Choice Retirement Account (PCRA)					
Sample Large Government Plan Statistics					
data as of 6/30/18					
	City of LA	Government Plan #1	Government Plan #2	Government Plan #3	TOTAL Government
% Advisor Managed Accounts	19.2%	2.2%	64.3%	100.0%	26.0%
% Advisor Managed Assets	28.3%	3.6%	76.4%	0.0%	31.2%
Asset Mix					
Equities	37.5%	48.4%	14.4%	62.3%	31.1%
ETFs	15.3%	11.1%	17.1%	13.7%	16.1%
Mutual Funds	32.0%	19.6%	60.8%	9.4%	38.8%
Fixed Income	0.9%	2.9%	0.2%	0.8%	1.4%
Cash	14.2%	18.0%	7.5%	13.8%	12.6%
	100.0%	100.0%	100.0%	100.0%	100.0%
Trading (per account)					
Equities	3.4	0.0	1.0	5.6	1.9
ETFs	1.5	0.6	1.6	1.4	1.0
Mutual Funds	2.3	0.4	5.2	0.2	2.3
Fixed Income	0.0	0.0	0.0	0.0	0.0
Other	0.1	0.2	0.0	0.0	0.1

Government

Schwab Personal Choice Retirement Account (PCRA) Quarterly Report

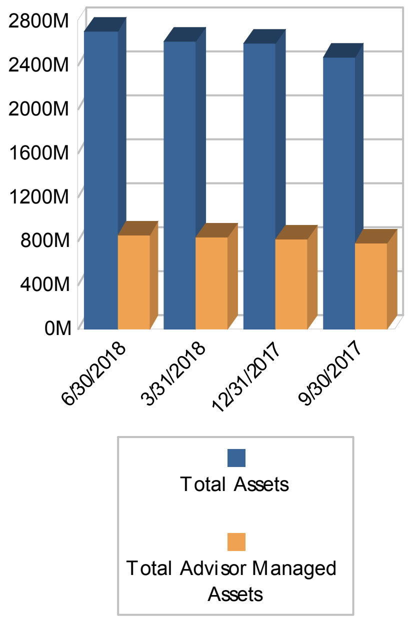
As of 6/30/2018

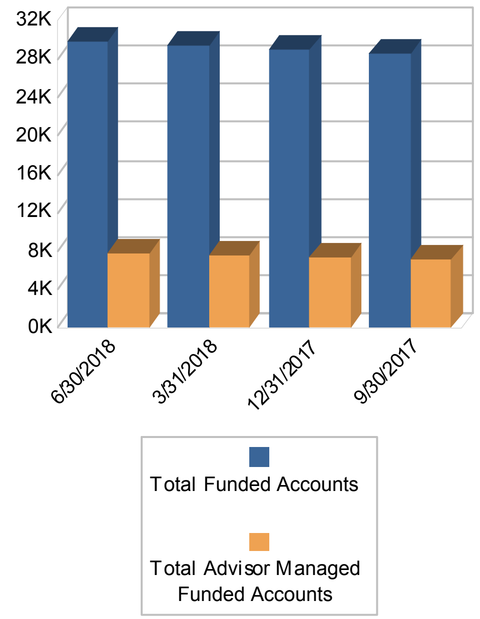
The Schwab Personal Choice Retirement Account (PCRA) Quarterly Report Government as of 6/30/2018

Plan Profile Information

Total PCRA Assets	$2,704,458,156
Total Funded PCRA Accounts	29,758
Total Roth Assets	$10,006,552
Total Funded Roth Accounts	363
Total Advisor Managed PCRA Assets	$844,838,600
Total Advisor Managed Funded PCRA Accounts	7,726
PCRA Accounts Opened This Quarter	705
PCRA Assets In and Out This Quarter*	$23,896,143
Average PCRA Account Balance	$90,882

Assets and Accounts (Trailing 4 Quarters)





* Assets In and Out includes contributions and distributions.

PCRA Participant Profile Information

Average Participant Age	53
Percent Male Participants	75%
Percent Female Participants	25%

Total Assets by Category

Cash Investments	$341,884,319
Equities	$840,352,764
ETFs	$434,777,033
Fixed Income	$39,056,387
Mutual Funds	$1,048,677,467
Other	-$290,768

Average Positions Per Account

Cash Investments	1.0
Equities	2.7
ETFs	1.2
Fixed Income	0.1
Mutual Funds	2.7
Other	0.0
Total	7.6

Average Trades Per Account

Equities	1.9
ETFs	1.0
Fixed Income	0.0
Mutual Funds	2.3
Other	0.1
Total	5.3

The Schwab Personal Choice Retirement Account (PCRA) Quarterly Report Government as of 6/30/2018

Top 10 Mutual Fund Holdings**

Name	Category	Symbol	OS*	$MF Assets	%MF Assets
SUMMIT GLBL INVST US LOW VOLATILITY EQTY I	Large Capitalization Stock Funds	SILVX	N	$26,050,163	2.51%
ARTISAN INTL VALUE FUND INV	International	ARTKX	Y	$22,180,152	2.14%
RISKPRO PFG EQUITY 30 PLUS FD CL R	Large Capitalization Stock Funds	PFDEX	Y	$20,307,529	1.96%
LITMAN GREGORY MASTERS ALT STRAT INV	Hybrid Funds	MASNX	Y	$20,045,827	1.93%
SCHWAB S&P 500 INDEX FD	Large Capitalization Stock Funds	SWPPX	Y	$19,895,411	1.92%
PIMCO INCM CL A	Taxable Bond Funds	PONAX	Y	$17,453,769	1.68%
BLACKROCK STRAT INCM OPPTY PORT INV A	Taxable Bond Funds	BASIX	Y	$15,843,186	1.53%
RISKPRO PFG AGGRESSIVE 30 PLUS FD CL R	International	PFSUX	Y	$15,203,655	1.47%
RISKPRO PFG BALANCED 20 TO 30 FD CL R	Hybrid Funds	PFDBX	Y	$14,721,862	1.42%
DREYFUS STANDISH GLOBAL FIXED INCM A	Taxable Bond Funds	DHGAX	Y	$13,056,829	1.26%

Top 10 Fund Families

Name	$MF Assets	%MF Assets
VANGUARD	$68,937,278	6.65%
SCHWAB	$62,375,880	6.02%
ARTISAN	$37,903,317	3.66%
J.P. MORGAN	$36,364,904	3.51%
OPPENHEIMER	$32,815,329	3.17%
DFA	$31,987,487	3.09%
PIMCO FUNDS	$30,252,741	2.92%
FIDELITY	$30,176,548	2.91%
T ROWE PRICE	$30,129,378	2.91%
SUMMIT GLOBAL FUNDS	$29,898,144	2.89%

**Top 10 Mutual Funds does not include Money Market Funds.
*OS = OneSource, no-load, no transaction fee.

The Schwab Personal Choice Retirement Account (PCRA) Quarterly Report
Government as of 6/30/2018

Top 10 Equity Holdings

Name	Category	Symbol	$EQ Assets	%EQ Assets
APPLE INC	Information Technology	AAPL	$95,420,464	11.35%
AMAZON.COM INC	Consumer Discretionary	AMZN	$44,905,316	5.34%
FACEBOOK INC CLASS A	Information Technology	FB	$26,840,061	3.19%
NETFLIX INC	Consumer Discretionary	NFLX	$21,423,355	2.55%
BANK OF AMERICA CORP	Financials	BAC	$19,526,260	2.32%
BERKSHIRE HATHAWAY CLASS B	Other	BRKB	$18,133,607	2.16%
NVIDIA CORP	Information Technology	NVDA	$17,742,439	2.11%
ALIBABA GROUP HOLDING FSPONSORED ADR	Information Technology	BABA	$17,064,678	2.03%
MICROSOFT CORP	Information Technology	MSFT	$12,246,384	1.46%
ALPHABET INC. CLASS A	Information Technology	GOOGL	$10,564,702	1.26%

Top 10 ETF Holdings

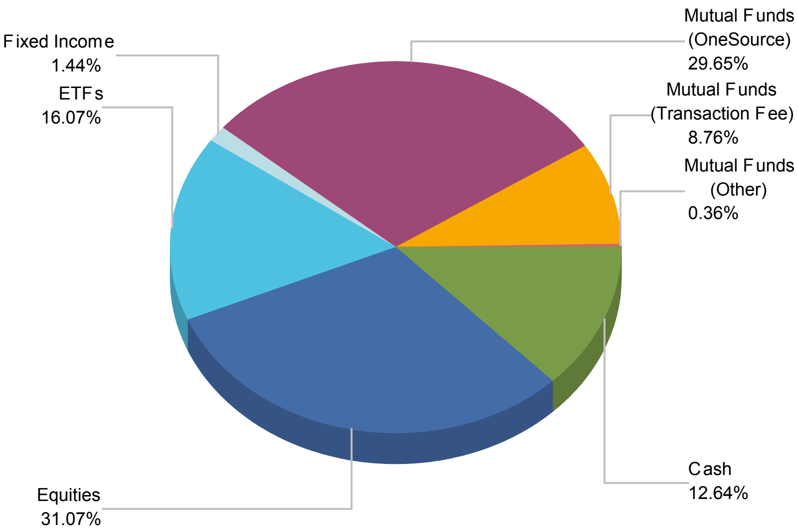
Name	Category	Symbol	OS*	$ETF Assets	%ETF Assets
SCHWAB US BROAD MARKET ETF	US Equity	SCHB	Y	$17,525,840	4.03%
INVESCO QQQ TRUST	US Equity	QQQ	N	$17,125,863	3.94%
SCHWAB US AGGREGATE BONDETF	US FI	SCHZ	Y	$16,681,027	3.84%
SCHWAB INTERNATIONAL EQUITY ETF	International Equity	SCHF	Y	$14,897,129	3.43%
VANGUARD TOTAL STOCK MARKET ETF	US Equity	VTI	N	$11,791,882	2.71%
SCHWAB US LARGE CAP ETF	US Equity	SCHX	Y	$10,961,222	2.52%
SPDR S&P 500 ETF	US Equity	SPY	N	$9,101,565	2.09%
SPDR GOLD SHARES ETF	Commodity	GLD	N	$8,076,861	1.86%
SCHWAB US SMALL CAP ETF	US Equity	SCHA	Y	$7,798,286	1.79%
SCHWAB US LARGE CAP GROWTH ETF	US Equity	SCHG	Y	$7,231,348	1.66%

*OS = OneSource, no transaction fee.

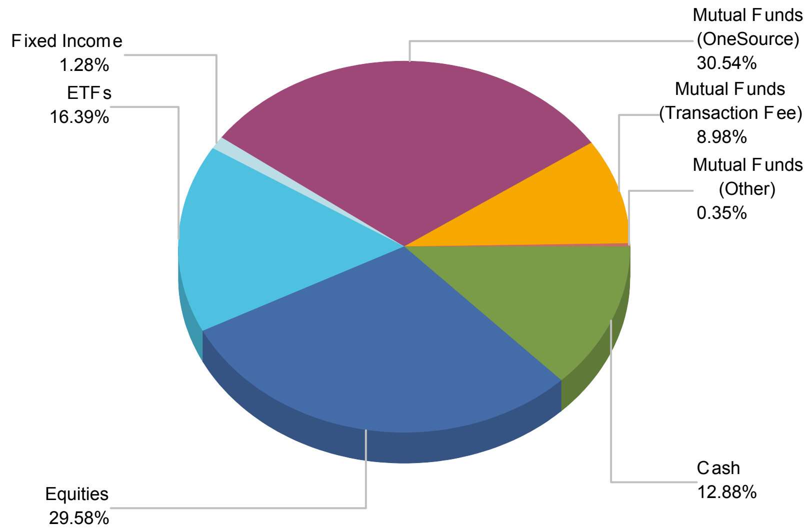
The Schwab Personal Choice Retirement Account (PCRA) Quarterly Report Government as of 6/30/2018

Market Value Allocation - All Assets (Quarter over Quarter)

6/30/2018

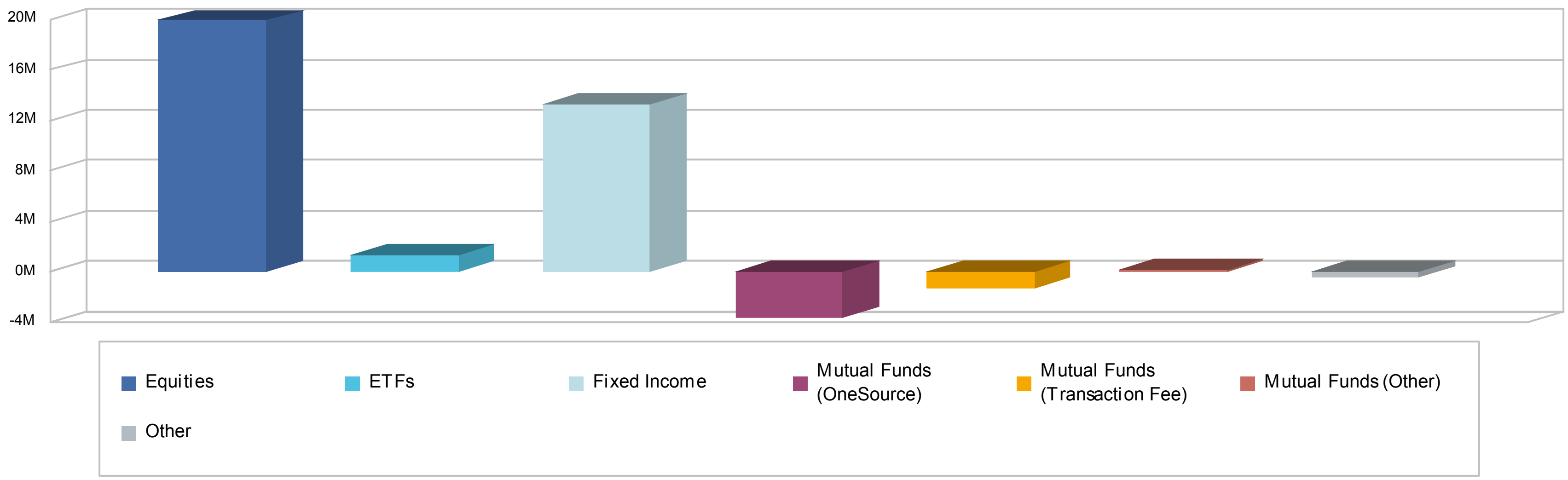


3/31/2018



The above charts illustrate the percent of PCRA participant assets in each noted asset class as percentage of total PCRA assets. Percentages are calculated as of quarter-end. Money Market Funds are classified under Mutual Funds.

Net Flow - All Non-Cash Assets (3-Month Period Ending 6/30/2018)



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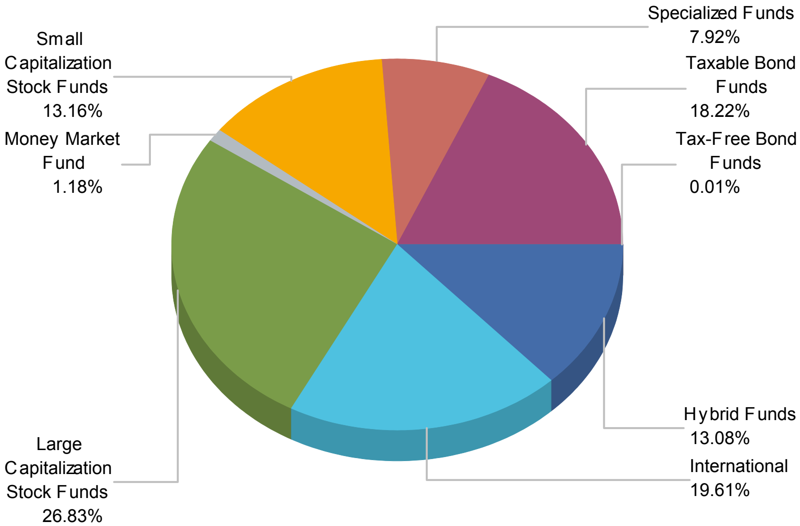
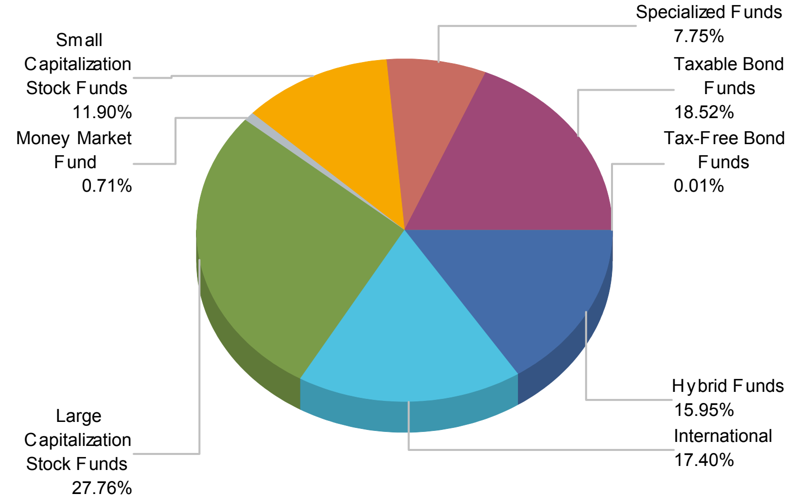
The Schwab Personal Choice Retirement Account (PCRA) Quarterly Report Government as of 6/30/2018

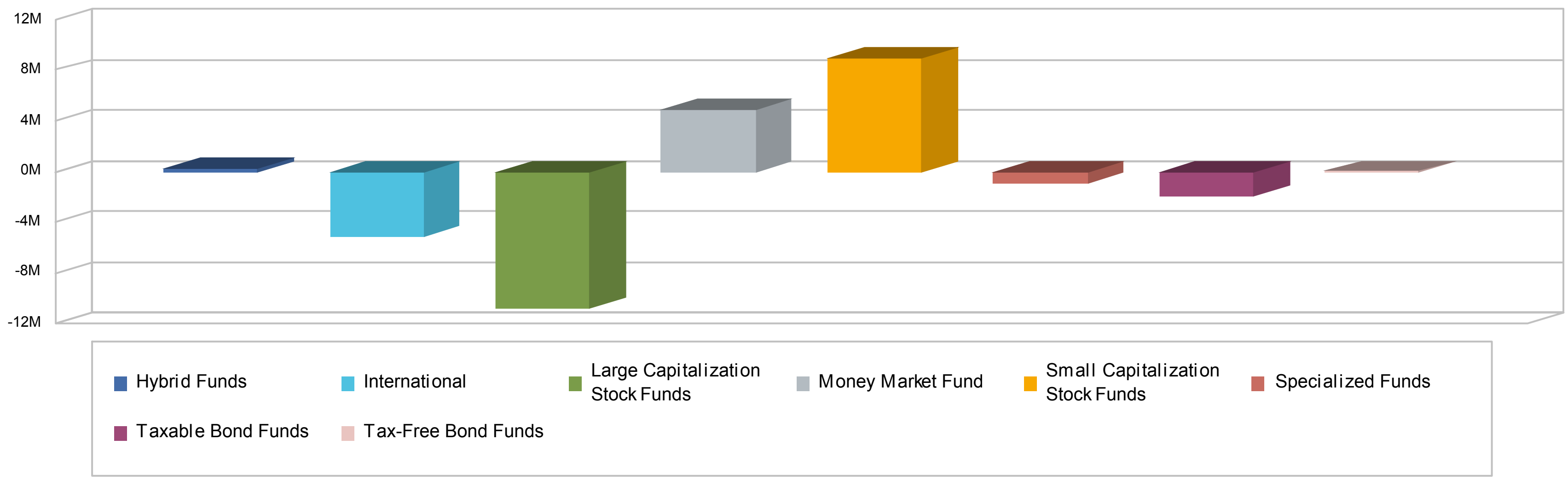
Market Value Allocation - Mutual Funds (Quarter over Quarter)





The above charts illustrate the percent of PCRA participant assets in each noted asset class as percentage of total PCRA assets. Percentages are calculated as of quarter-end. Money Market Funds are classified under Mutual Funds.

Net Flow by Sector - Mutual Funds (3-Month Period Ending 6/30/2018)



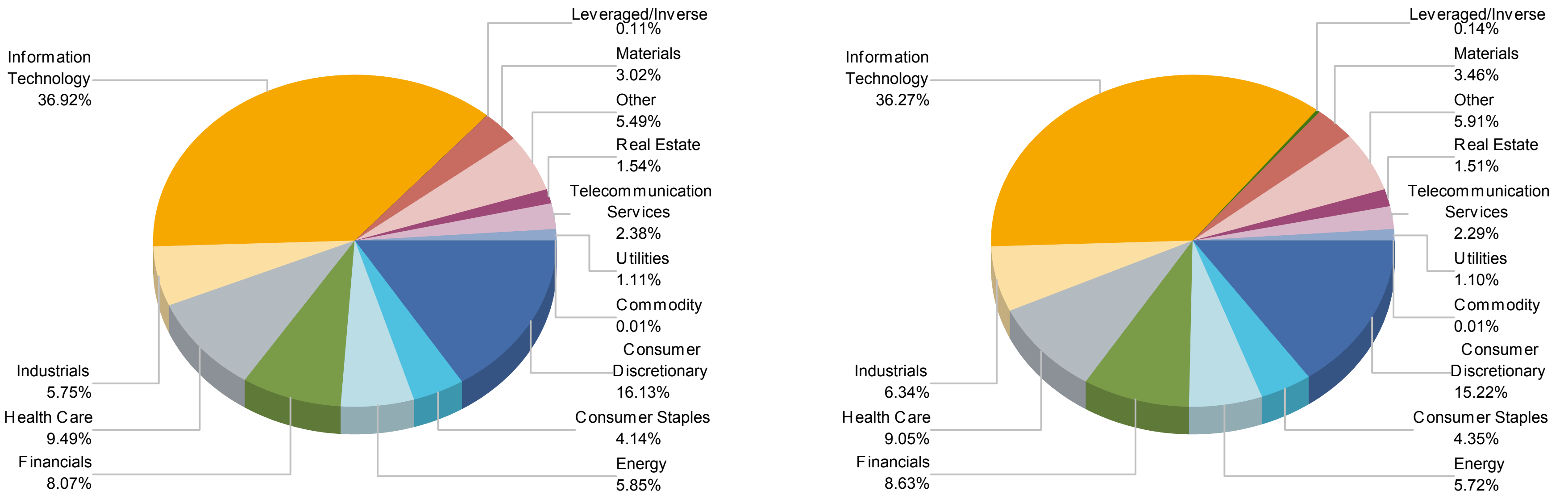
Net Flow is the net of all cash inflows and outflows in and out of financial assets; the performance of an asset or fund is not taken into account, only share redemptions, or outflows, and share purchases, or inflows.

Compliance number: 0517-ZGX6

For Institutional Use Only

The Schwab Personal Choice Retirement Account (PCRA) Quarterly Report
Government as of 6/30/2018

Market Value Allocation - Equities (Quarter over Quarter)



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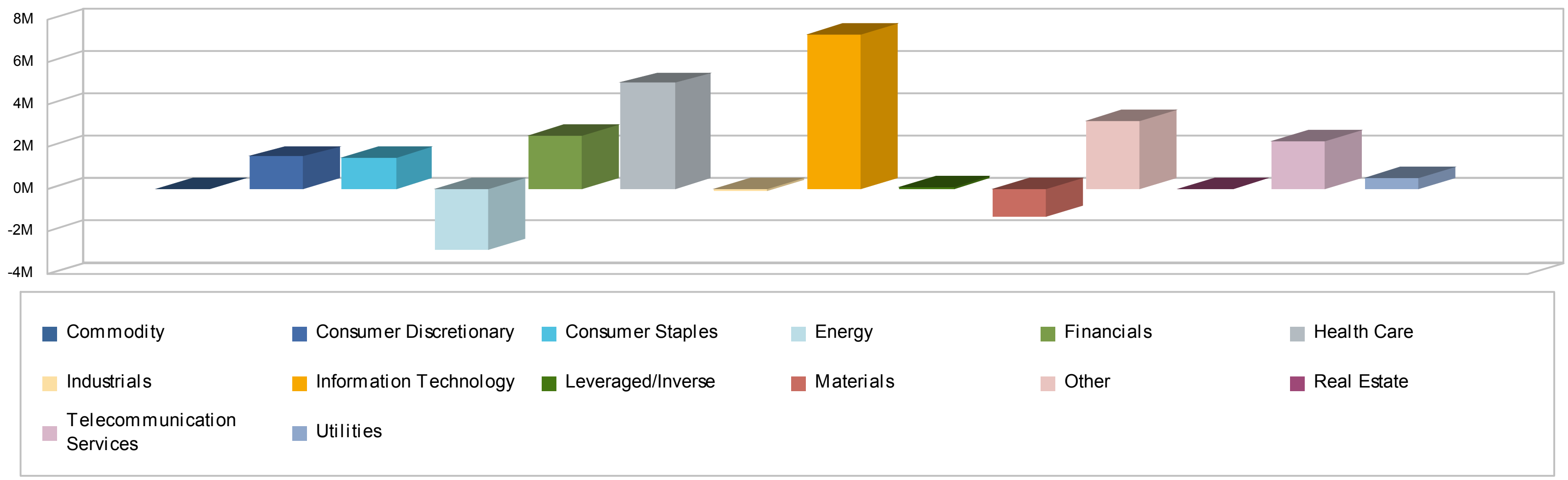
Net Flow by Sector - Equities (3-Month Period Ending 6/30/2018)



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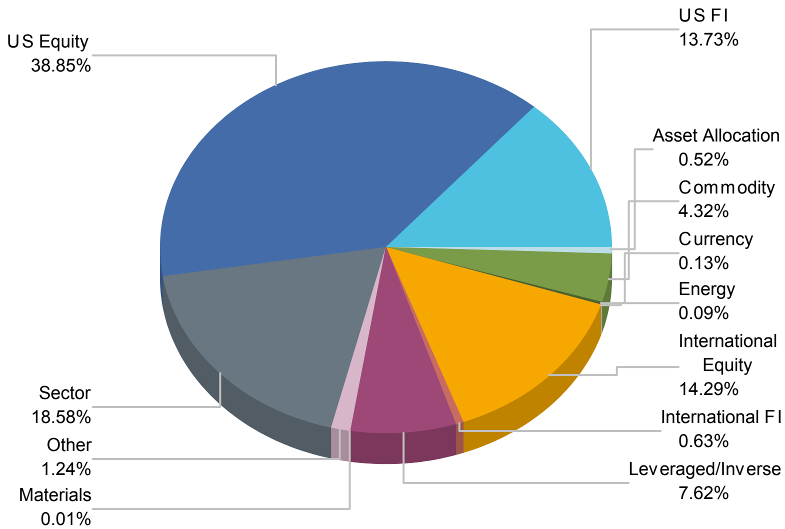
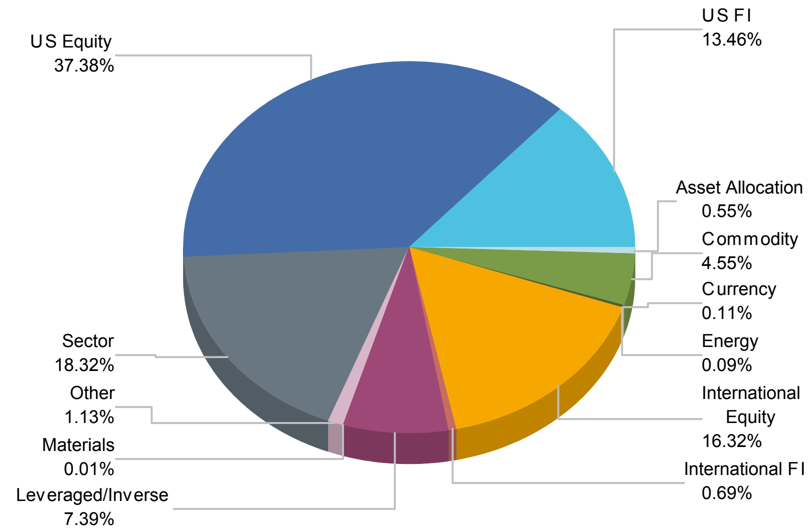
The Schwab Personal Choice Retirement Account (PCRA) Quarterly Report
Government as of 6/30/2018

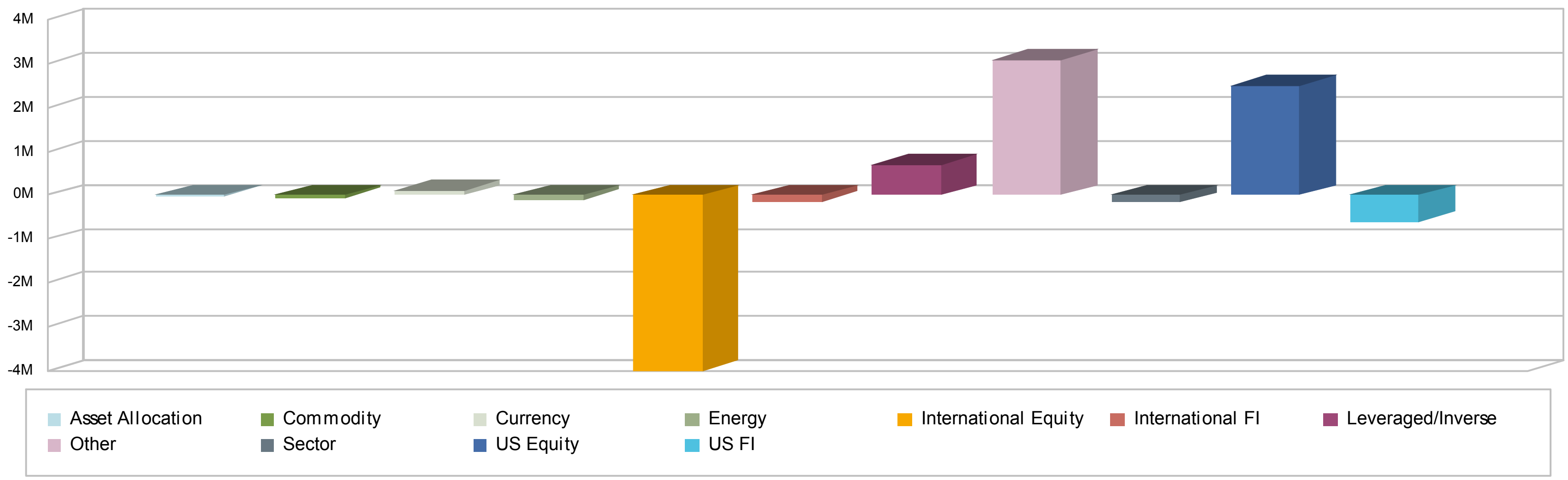
Market Value Allocation - ETF (Quarter over Quarter)





The above charts illustrate the percent of PCRA participant assets in each noted asset class as percentage of total PCRA assets. Percentages are calculated as of quarter-end. Money Market Funds are classified under Mutual Funds.

Net Flow by Sector - ETF (3-Month Period Ending 6/30/2018)



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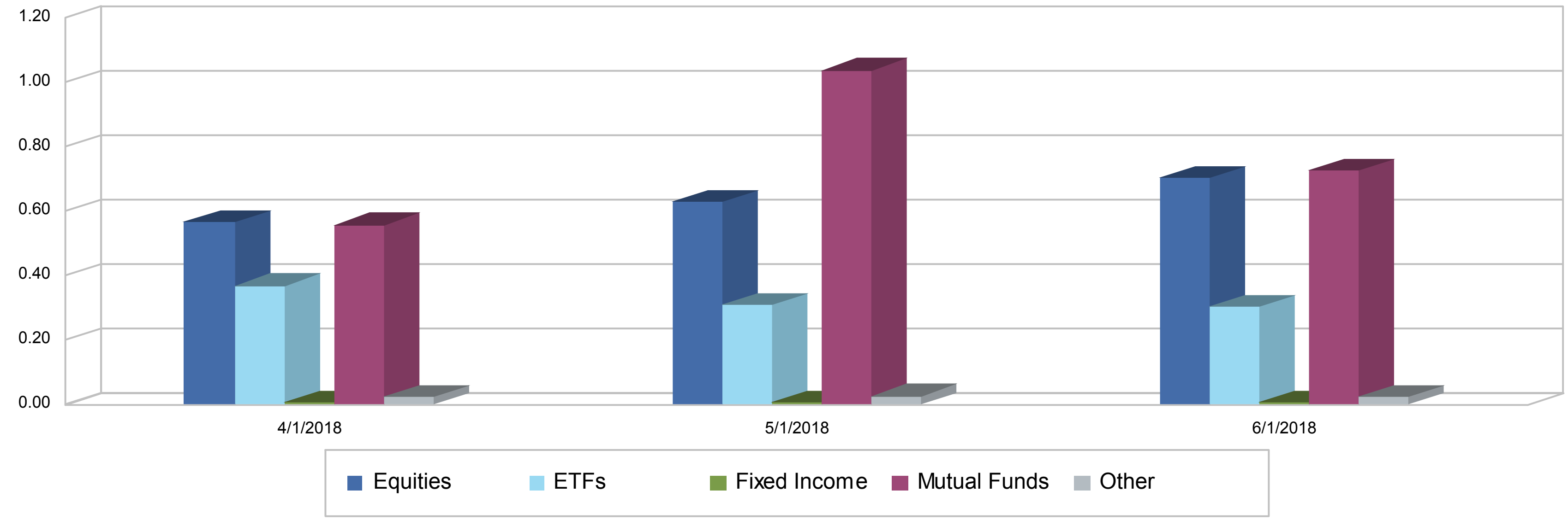
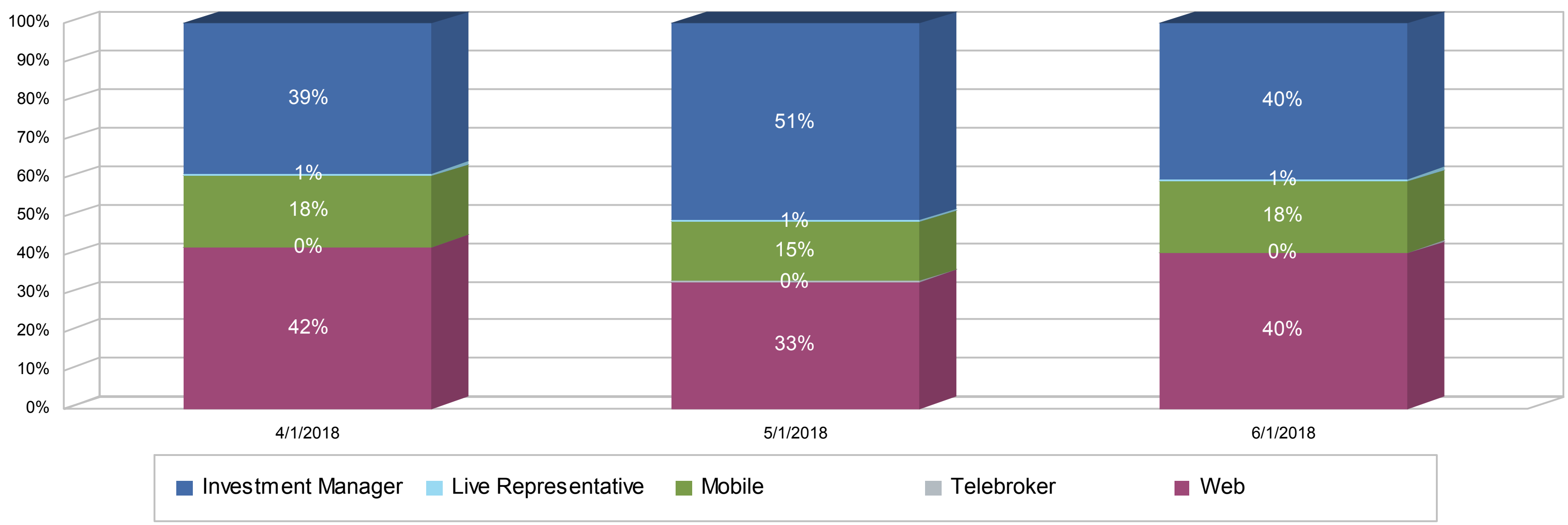
The Schwab Personal Choice Retirement Account (PCRA) Quarterly Report
Government as of 6/30/2018

Average Monthly Trades Per Account (3-Month Period Ending 6/30/2018)



Trading Channel Mix (Month over Month)



Compliance number: 0517-ZGX6

The Schwab Personal Choice Retirement Account (PCRA) Quarterly Report Government as of 6/30/2018

Important Disclosures

Schwab Personal Choice Retirement Account (PCRA) is offered through Charles Schwab & Co., Inc. (Member SIPC), the registered broker/dealer, which also provides other brokerage and custody services to its customers.

For participants who utilize the Personal Choice Retirement Account (PCRA), the following fees and conditions may apply: Schwab's shortterm 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.

Trades in no-load mutual funds available through Mutual Funds OneSource service (including Schwab Funds) as well as certain other funds, are available without transaction fees when placed through schwab.com or our automated phone channels. 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 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.

This material is for institutional use only.

The information contained herein is obtained from third-party sources and believed to be reliable, but its accuracy or completeness is not guaranteed. This report is for informational purposes only and is not a solicitation, or a recommendation that any particular investor should purchase or sell any particular security.

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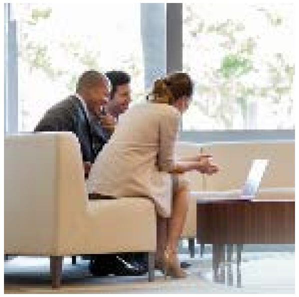
City of Los Angeles Deferred Compensation Plan

Personal Choice Retirement Account® (PCRA)

September 18, 2018

You’ve made the choice to offer a self-directed brokerage account. What do you get with Schwab?



A partnership with your recordkeeper Voya

Support for you and your participants

Investment opportunities for your participants

The Schwab difference: empowering the individual investor

Value **Service** **Trust**

- Founded 46 years ago: brokerage is Schwab's core competency
- **11.2 million** active brokerage accounts;
- **1.6 million** corporate retirement plan participants
- **$3.40 trillion** in client assets
- **$119.0 billion** in net new assets in first half of 2018

Schwab Data as of July 31, 2018

Schwab PCRA: a legacy of innovation, a culture of service

24 years of innovation and dedication improving industry-leading SDBA product

Multi-Channel access for brokerage needs (web, mobile, voice ID, reps)

Aligns with Schwab's purpose to put participant **First,** with **200,000** individual PCRAs and **38 billion** in client assets

Your core service team – dedicated to serving the City of Los Angeles

Ken Nichols
Relationship Manager
Email: Kenneth.Nichols@schwab.com
Phone: (602) 355-3359

- Focuses on understanding your goals and ensuring your satisfaction with PCRA.
  Works with an integrated service team to continuously improve our service to you.

Annabel Sanchez
Client Service Manager
Email: Annabel.Sanchez@schwab.com
Phone: (800) 355-7584, Ext. 33208

- Ensures the files for opening new PCRA accounts and transferring money between core and PCRA are processed daily in a timely and accurate manner. Functions as daily
  operations and client service point of contact.

Robert Jesch
Product Director
Email: Robert.Jesch@schwab.com
Phone: (720) 418-2192

- Oversees the ongoing development of PCRA. Provides oversight and strategic direction to a team of Relationship Managers to ensure your satisfaction.

Marina Rolbin
Marketing Manager
Email: Marina.Rolbin@schwab.com
Phone: (720) 418-3827

- Assistance with the development of participant communication and marketing materials for PCRA.

Schwab awards and recognition

Investor satisfaction

- Highest ranking for the third year in a row in overall satisfaction in the J.D. Power 2018 Full-Service Self-Directed Satisfaction Study[1]
- For the fourth year in a row, ranked among best brokers in Investors Business Daily Online Brokers Survey. Ranked #1 in Customer Service, Trade Reliability, Site Performance and ETF Choices.
- 4 Star ranking in Barron's 2018 Best Online Brokers, including high marks in the categories of Investor Education, Long-Term Investing, In-person Service and Best for Novices.

Careers & the disABLED- a top 50 employer

- Among top 2018 companies who provide a positive working environment for people with disabilities

2018 Superaccelerator

- Heidrick & Struggles award for demonstrating sustained profitable growth over the long haul

One of FORTUNE's best

- Selected as one of FORTUNE's top 50 World's Most Admired Companies for 2018.
- Ranked No. 1 for innovation, use of corporate assets and social responsibility.

FORTUNE WORLD'S MOST ADMIRED COMPANIES 2018

What’s new with PCRA

Redesign of Schwab.com PCRA account open

- New look and feel, easier to navigate; no change to functionality

11 new ETFs added to OneSource™

- Access to 265 ETFs, covering 70 Morningstar Categories with $0 online commissions, no enrollment requirements or early redemption fees

Cash secured equity puts trading launch on Sept. 19, 2018

- Option-approved accounts eligible to trade cash secured equity puts (CSEPs) on Sept. 19, 2018.

Trusted Contact form in participant LPOA

- FINRA rule: allows the collection of Trusted Contact information for all new participants.

Schwab security: commitment to protecting client information

Information Security

- Security program protects client accounts and data in multiple ways
- Culture of risk management: collaborate with government and law enforcement agencies and other financial firms to address potential threats

Technology

- Advanced encryption technology secures schwab.com and client accounts
- Multi-layered measures beyond login name/password before account access

Operational Controls

- High standards/established protocol for employees handling sensitive information
- Employees trained in privacy and security
- All channels where clients can access Schwab are protected

SchwabSafe

- Schwab Security Guarantee: Schwab will cover 100% of any losses in any Schwab accounts due to unauthorized activity
- More Information – www.schwab.com/schwabsafe

We support the City of Los Angeles by:

- **Dedicated staff** supporting the City of Los Angeles when they need assistance
- **Establishing and maintaining** data transfers between Schwab and Voya
- **Processing files** in a timely manner
- **Responding and resolving** issues if they arise
- **Proactively** looking for ways to streamline and improve processes

Industry-leading customizable trading menu

City of Los Angeles allows :

- Taxable funds-ALL
  - Mutual Fund OneSource Funds (No Load, NTF)
  - Transaction Fee Mutual Funds
- Tax-exempt Mutual Funds-NONE
- Equities-ALL
  - Listed Nasdaq and OTC stocks
  - Exchange-traded funds (ETFs)
  - Schwab ETF OneSource™ ETFs
  - Closed-end mutual funds
- Publicly Traded Limited Partnerships-NONE
- Taxable Fixed Income-ALL
- Tax-Exempt Fixed Income
  - Treasuries only
- Foreign Securities (ADRs and U.S Traded only)
- Option contracts (covered calls/protective puts and cash secured equity puts)

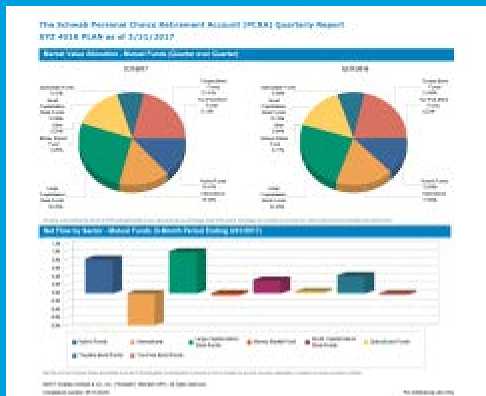
ERISA/Schwab restrictions:

- Collectibles
- Futures
- Commodities
- Precious metals
- Currencies
- Physical assets, such as real estate
- Margin accounts
- Short sales
- Private placements
- Limited partnerships
- Physical assets (ex. real estate)
- Options (excluding covered calls, protective puts and cash secured equity puts)
- Alternative Investments

Keeping you informed with comprehensive, convenient and timely plan reporting

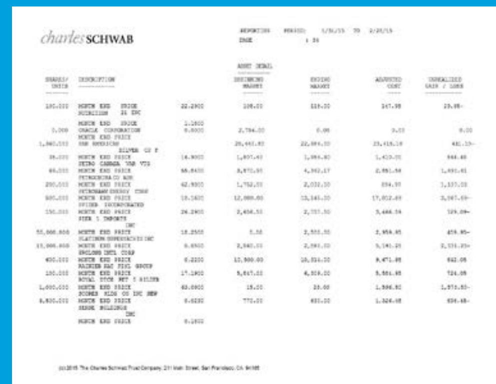
Plan-level quarterly reporting

High level PCRA trading and investing statistics and trends



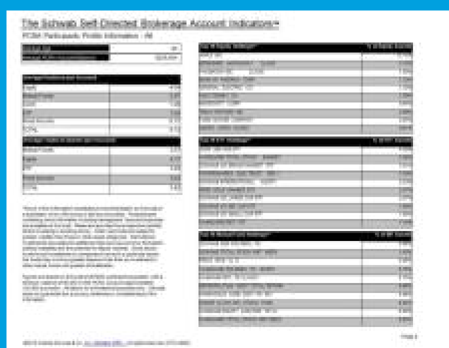
PCRA trust reporting

Comprehensive online monthly and annual trust statements



Self-directed brokerage account indicators report

Asset allocation trends, asset flow categories and trading activity at www.schwab.com/sdbaindicators



Assistance with audit requests, including ad hoc reporting

Fee transparency by providing ERISA disclosures

404(a)(5) Participant Fee Disclosure Assistance

Schwab PCRA fee information report

- Sent to participants quarterly
- Update of fees assessed in PCRA during the previous quarter

Pricing Guide

- Fees and commissions in PCRA

Online and live trade order verification process

- Notifies of any commissions or fees prior to placing a trade

408(b)(2) Sponsor Fee Disclosure

Initial report

- Sent to plan sponsors prior to implementation

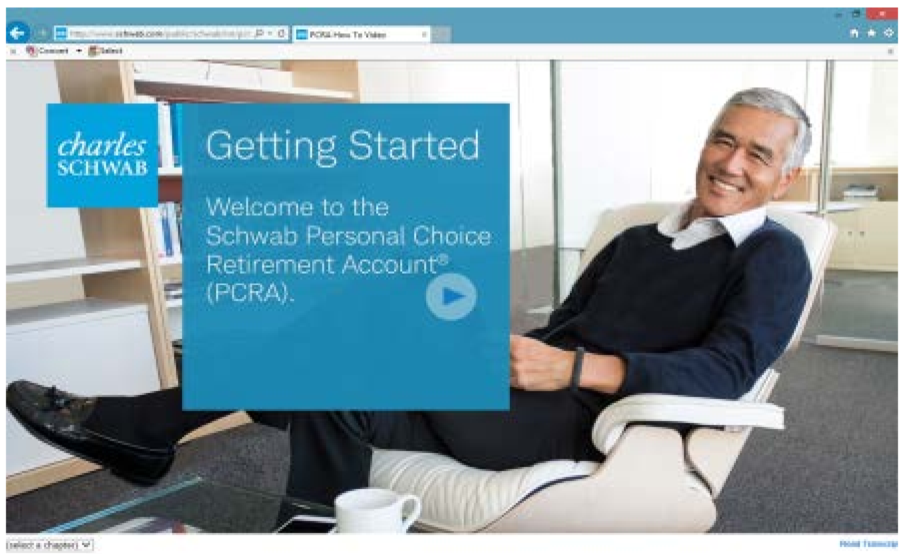
Monthly basis

- Automated process checks for changes; updated change report is sent as necessary

Schwab offers the City of Los Angeles marketing and communications support to keep your participants informed

PCRA marketing & communications

- **Customized** Fact Sheets with plan specific information and instructions on account opening
- **Comprehensive** Welcome Kit sent to participants after account opening
- **Plan specific** content to include on plan website or other documents (newsletters etc.)
- **APEX** Awards winner for Publication Excellence in marketing collateral
- PCRA “How-to” video with step by step instructions of how to research, trade and monitor investments: **schwab.com/pcrahowto**



A personal connection: dedicated PCRA call center and investment product support

100% focus on supporting PCRA participants

- **Experienced** in both retirement and brokerage industries
- **Knowledgeable** in the plan's specifics
- **Tenured:** 12 years average with Schwab and 16 in the industry
- **Monday-Friday, 6:00 a.m. – 4:30 p.m. PST**
- **1-888-393-PCRA**

Specialized product support

- **Fixed Income** specialists
- **Active** investor/trading specialists
- **Sophisticated** trading tools
- **Global** trading services
- **Schwab professionals**
- **Mobile technology**

Value and low fees to help participants take ownership of their financial life

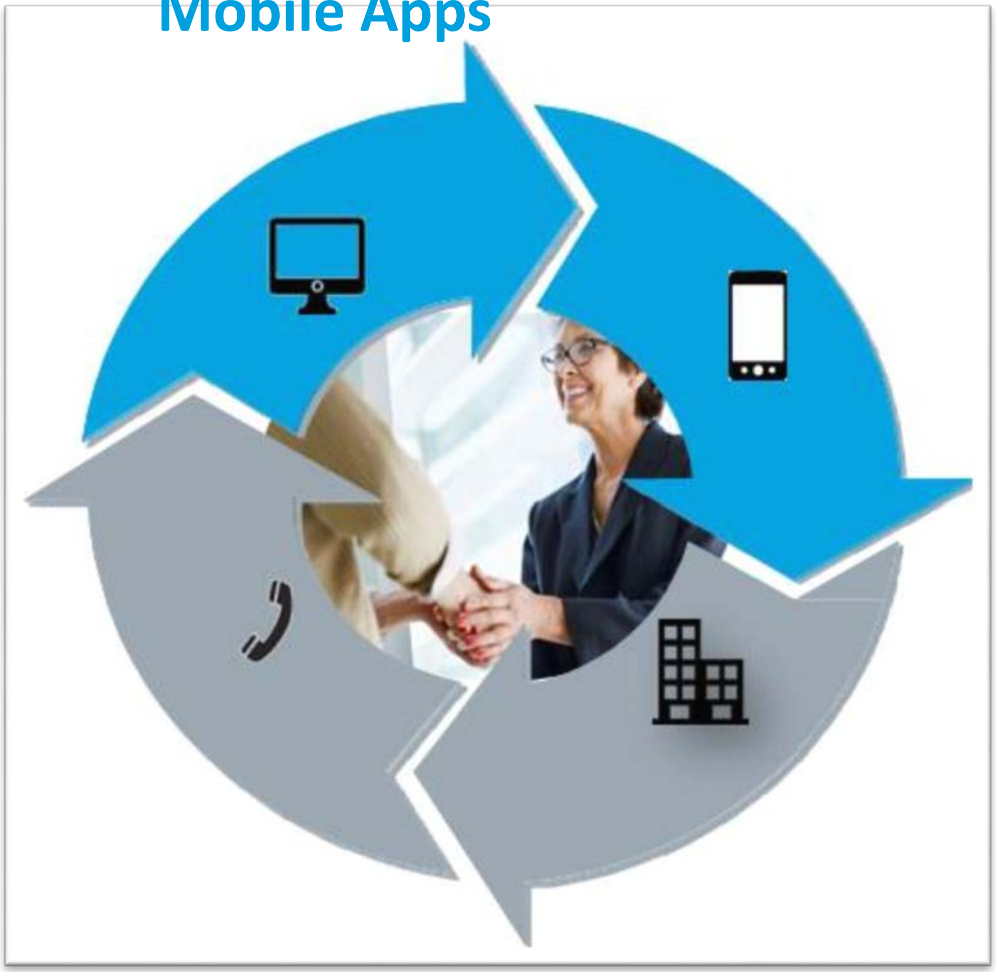
PCRA fees and commissions

- **$4.95**[2] commission for electronic equity and non-ETF OneSource™ ETF* trades
- **Options**: 4.95 per trade; $0.65 per contract
- **No load**: all Schwab mutual funds available for new purchase in PCRA are no load
- **No transaction fees:** with over 4,000 of more than 8,400 mutual funds[3] offered through PCRA
- **No commissions:** Schwab offers 265 ETFs covering 70 Morningstar categories, with no early redemption fees, through the ETF OneSource™[4] program
- **$50** buy side only commission for transaction fee mutual funds

* All broker-assisted trades are subject to service charges

Multi-channel tools to stay connected

from Digital Channels and Mobile Apps



to Traditional Channels

- Mobile apps (iPhone®, iPad®, Android™, KindleFire, Apple Watch™)[5]
- Automatic Investment Plan (AIP)
- Schwab Voice ID Service
  - “At Schwab, my voice is my password”
- Apple’s Touch and Facial ID
  - Log into accounts on compatible devices
- Dedicated call center, including Chat functionality
- 345+ Schwab branches

Resources and educational materials to help participants make smart decisions

Workshops: make the most out of Schwab.com; Visit schwab.com/ workshops

PCRA "How-to" video: schwab.com/ pcrahowto

PCRA resources sections of Schwab.com website

Electronic statements, trade confirmations, regulatory materials

Schwab Affiliated Advisor program

Independent fee-based advisors

- Seamless
  - Schwab provides back office services for over 7,500 independent fee based Registered Investment Advisors (RIAs); PCRA is seamless for Advisors on Schwab Advisor Services platform[6]
- PCRA total managed advisor stats
  - **19%** of all PCRA accounts
  - **31%** of all PCRA assets
  - **$11.7 billion** managed by advisors in PCRA
- City of LA managed advisor stats
  - **19%** of all City of LA accounts
  - **28%** of all City of LA assets
- Government Sponsor managed advisor stats
  - **26%** of all Government Sponsor accounts
  - **31%** of all Government Sponsor assets

Schwab Data as July 31, 2018

Personal choice: easy participant steps to add an advisor

Working with independent fee-based advisors

- Participant may give their advisor trading authority and authority to withdraw asset management fees
- Participant completes a Schwab PCRA LPOA for an Investment Advisor form
- Form is submitted to PCRA Operations
- Advisor trades in the PCRA through Schwab's institutional website
- Advisor able to import client data into sophisticated portfolio management system and use other tools and technology provided by Schwab Advisor Services

Guidance that empowers: investment brokers and other third parties

Brokers/Advisors not on Schwab platform and other third parties

- Participants may give a broker/advisor or other third party authority to trade only
- Participant completes a Schwab PCRA LPOA for a Third Party form (with notary)
- Notarized form is mailed or faxed to Schwab
- Advisor or third party trades on Schwab.com with personal ID and password

Schwab PCRA has a long legacy of being an SDBA industry leader

Year 1992 1996 2000 2004 2008 2009 2010 2012 2016 2017

1992
Established a supermarket of no-load, no-transaction-fee mutual funds[1]

Founded Charles Schwab Trust Company

1994
Launched Schwab Personal Choice Retirement Account® (PCRA) product

2002
Released SDBA Indicators Report™ for industry benchmarking

2003
Introduced Electronic Account Opening (EAO) for PCRA

2006
PCRA Educational Webcasts released

PCRA Tab" on Schwab.com with content specific for PCRA account holders

2008
Redesigned Schwab.com to improve client experience and reduce time to find information

Multiple PCRA capability

2008
First public Schwab.com pages for PCRA

2008
Revised trading restrictions to break out ETFs CEMs CDs

2009
Launched low cost proprietary ETFs and first to waive commissions.

Reduced proprietary mutual fund OERs to match ETFs

2010
Reduced pricing to flat $8.95 during financial crisis

2012
Reduced transaction fee mutual fund pricing

2013
Launched Schwab ETF OneSource™

Began Fee Disclosure Reports

2016
Increased ETF OneSource™ offering; currently at 254 ETFs

voice ID feature:
"At Schwab, my voice is my password"

2017
Reduced online equity and ETF commissions to **$4.95** and options contracts to **$.65**.

Lowered Schwab market cap index mutual funds

Eliminated company's Fundamental Index mutual funds minimums

2018
Began offering Schwab's innovative Trade Check™[7] technology to PCRA clients

Disclosures

[1] Charles Schwab received the highest numerical score in the J.D. Power 2016-2018 Full Service Investor Satisfaction Study. 2018 study based on 4,419 total responses from 18 firms measuring opinions of investors who used full-service investment institutions, surveyed November-December 2017. Your experiences may vary. Visit jdpower.com/awards.

[2] Restrictions apply: The $4.95 commission does not apply to foreign stock transactions, large block transactions requiring special handling, or restricted stock transactions. All broker-assisted trades are subject to service charges. See our Pricing Guide for full fee and commission schedules.

[3] Charles Schwab & Co., Inc. (Member SIPC) receives remuneration from fund companies for recordkeeping and shareholder services and for other administrative services for shares purchased through Schwab's Mutual Fund OneSource® program. Schwab also may receive remuneration from transaction-fee fund companies for certain administrative services. Trades in no-load mutual funds available through OneSource (including Schwab Funds®), as well as certain other funds, are available without transaction fees when placed through Schwab's electronic channels such as, Schwab.com, mobile applications, or automated phone services. 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.

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[4] Conditions apply: Trades in ETFs available through Schwab ETF OneSource (including Schwab ETFs™) are available without commissions when placed online through a Schwab account. Service charges apply for trade orders placed through a broker ($25). An exchange processing fee applies to sell transactions. Certain types of Schwab ETF OneSource transactions are not eligible for the commission waiver, such as short sells and buys to cover (not including Schwab ETFs). Schwab reserves the right to change the ETFs we make available without commissions. All ETFs are subject to management fees and expenses. Please see the *Charles Schwab Pricing Guide for Retirement Plan and Health Savings Accounts* (the "Pricing Guide") for additional information.

Investment returns will fluctuate and are subject to market volatility, so that an investor's shares, when redeemed or sold, may be worth more or less than their original cost. Shares, unlike mutual funds, are bought and sold at market price, which may be higher or lower than the net asset value (NAV).

Charles Schwab & Co., Inc. receives remuneration from third-party ETF companies participating in Schwab ETF OneSource™ for recordkeeping, shareholder services, and other administrative services, including program development and maintenance.

Schwab ETFs™ are distributed by SEI Investments Distribution Co. (SIDCO). SIDCO is not affiliated with Charles Schwab & Co., Inc. Learn more at schwab.com/SchwabETFs. Third-party Schwab ETF OneSource shares purchased may not be immediately marginable at Schwab.

[5] Apple®, the Apple logo, Apple Watch™, iPhone®, and iPad® are trademarks of Apple Inc., registered in the U.S. and other countries. App Store is a service mark of Apple Inc. Android is a trademark of Google Inc. Use. of this trademark is subject to Google Permissions. Amazon, Kindle, KindleFire and the Amazon Kindle logo are trademarks of Amazon.com, Inc. or its affiliates.

[6] Schwab Advisor Services serves independent investment advisors and includes the custody, trading and support services of Charles Schwab & Co., Inc. ("Schwab"). Independent investment advisors are not owned, affiliated with, or supervised by Schwab.

[7] Trade Check is a product of Compliance Solutions partner Schwab Compliance Technologies, Inc. (formerly Compliance11, Inc.) ("SchwabCT"). Compliance Solutions is comprised of SchwabCT and Schwab Designated Brokerage Services (DBS), a division of Charles Schwab & Co., Inc. ("Schwab"). Compliance Solutions provides technology, compliance, and brokerage solutions for corporate clients who monitor their employees' securities activity. PCRA is a product of Schwab. SchwabCT and Schwab are separate but affiliated entities, and each is a subsidiary of The Charles Schwab Corporation.

Schwab Personal Choice Retirement Account® (PCRA) is offered through Charles Schwab & Co., Inc. (Member SIPC), a registered broker-dealer which also provides other brokerage and custody services to its customers.

Investors should carefully consider information contained in the prospectus of any fund/investment, including investment objectives, risks, trading policies, charges and expenses. You can request a prospectus by calling Schwab's dedicated PCRA Call Center at (888)393-PCRA (7272). You may also request a prospectus at www.schwab.com/prospectus. Please read the prospectus carefully before investing.