

SELF-DIRECTED BROKERAGE ACCOUNT



Everything You Need to Know & More

General Information

What is the Self-Directed Brokerage Account?

The Self-Directed Brokerage Account (SDBA) provides you with access to most individual stocks and bonds, and more than 13,000 mutual funds, including 3,000 no-load, no-transaction-fee funds.¹ Brokerage services are provided by Charles Schwab,² a registered broker-dealer and member of FINRA/SIPC. **This account is also referred to as the Schwab Personal Choice Retirement Account (PCRA).**

Am I eligible to open a brokerage account?

Before you can open a brokerage account, you must have an account balance of at least \$500 in the plan account. This total balance, which excludes any assets you may have invested in your brokerage account, is referred to as your “core” account balance. The core account includes the Missouri Target Date Funds and/or Missouri Stable Income Fund. When you transfer money to your brokerage account, you must leave at least \$500 in the core account. **The minimum transfer amount is also \$500.** 457 and 401 brokerage assets are managed separately. The \$500 minimum applies to each plan—the 457 and the 401—before you can transfer money to the corresponding brokerage account.



Prior to using the SDBA, you must accept and sign the *Waiver for Participation* within your online account.

How do I fund my brokerage account? (Where does the money come from?)

You may fund your brokerage account by transferring money from other investments in your deferred comp account and/or allocating up to 90% of your future contributions to the SDBA.

Money you transfer to the brokerage account, and proceeds from the sale of securities within the account, will be automatically invested in the **Schwab Sweep Account**.³

Investors should carefully consider the investment objectives, risks, charges, and expenses of any mutual fund before investing. To obtain a prospectus containing this and other important information, please visit <https://client.schwab.com/Login/SignOn/CustomerCenterLogin.aspx> or call a Charles Schwab representative at 888-393-7272. Please read the prospectus carefully before investing.

Who is responsible for choosing my investment options within my SDBA?

In the SDBA, **you bear the ultimate responsibility for selecting investments.** In addition, you are solely responsible for all risk, losses and expenses resulting from your investment decisions within your account. The SDBA is for hands-on investors and should not be entered into without an understanding of the available investment options and their associated risks.

What fees or charges are involved?

For a complete list of brokerage account fees and charges, please refer to [Schwab Pricing Summary document](#). All Charles Schwab fees are deducted directly from your brokerage account.

How do I open a brokerage account?

1. Log in to your MO Deferred Comp account at www.modeferredcomp.org.
2. Choose an account to open a brokerage account.
3. Go to the **Investments & Research** tab in the menu and select **Self-Directed Brokerage Account**.
4. Click the **Open An Account** link and follow the instructions.
5. Follow these steps for each plan type in order to open a brokerage in both plans.

Charles Schwab will provide you with an account number and you will create a Personal Identification Number (PIN) that you will use to establish a Charles Schwab User ID and password for accessing your new brokerage account online. If you are unable to enroll online, please contact MO Deferred Comp at 800-392-0925 for assistance.

¹ 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.

² Charles Schwab & Co., Inc. and Voya Financial are not affiliated and are not responsible for the products and services provided by the other. 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.

³ The Schwab Sweep Account is the designated sweep vehicle in the brokerage program.

I'm all signed up! Now how do I perform transactions?

Request trades by accessing your brokerage account online or by calling Charles Schwab at 888-393-7272. To access your account online:

1. Visit www.modeferredcomp.org and log in to your deferred comp account.
2. Choose an account to open a brokerage account.
3. Hover over the **Investments & Research** tab in the menu and select **Self-Directed Brokerage Account**.
4. In the table under the **Manage Investments** column, click **Fund Transfer** to transfer funds or click **Go To My SDBA Account**.

When it's time to make withdrawals — how do I do that?

To withdraw funds in your brokerage account, you must sell securities in the amount you wish to withdraw, and then transfer the assets back to your core account(s). You may not withdraw assets directly from your brokerage account.

You can transfer money from your brokerage account to your core account funds through MO Deferred Comp, in the same way that you would transfer money to other available investments. However, only assets in the Charles Schwab Sweep Account can be transferred back to your core account funds, and, if applicable, only after settlement of securities you sell is complete, which may take up to three business days. **Please note that any tax documents related to withdrawals will come directly from the plan recordkeeper.**

Will I receive statements or confirmations of my transactions?

MO Deferred Comp will send you transaction confirmations when you move funds from your core account to your brokerage account or from your brokerage account to your core account. Charles Schwab will send you confirmations of any transactions within your brokerage account.

Deferred comp's quarterly statements will include the total value of your brokerage account, but the details of the underlying investments within the account will be provided on separate statements from Charles Schwab. Charles Schwab will send a separate monthly statement if any activity occurred within the account during the month. Otherwise, Charles Schwab will send statements to you on a quarterly basis.



You bear the ultimate responsibility for selecting investments within your brokerage account. MO Deferred Comp, Voya Financial, and Charles Schwab will not provide you with any advice concerning your individual investment selections.

Roth and Pretax Contributions to Brokerage

The MO Deferred Comp Plan offers separate brokerage accounts for your Roth and pretax assets.

Two Brokerage Source Account Options:

1. Roth-only PCRA-funded exclusively with Roth or "post-tax" fund transfers and contributions.
2. Standard PCRA-funded exclusively with pretax fund transfers and contributions.⁴

Accessing Multiple Charles Schwab Accounts

If you have multiple Charles Schwab accounts, your accounts will automatically link together. You will be able to view each account with a single ID and password.

If you have any difficulties viewing your brokerage accounts, please call Charles Schwab's participant services group at 888-393-7272.

Who can I call for additional information?

If you have any questions about your brokerage account, please call Charles Schwab at 888-393-7272, Monday through Friday, from 7:00 a.m. to 6:00 p.m. Central Time.

⁴ You can no longer mix pretax and Roth assets in your brokerage account.