

2009 IMPACT Awards®

Frequently Asked Questions

Overview

1. ***What is the purpose of the IMPACT Awards program?***

Independent investment advisors have fundamentally changed the financial services landscape by providing client-centric, independent advice to affluent investors. The IMPACT Awards, established in 2006 by Charles Schwab & Co., Inc. (“Schwab”), honor advisors and firms who have advanced the industry through their visionary leadership, operational excellence and technology innovation.

In addition to the recognition, the awards program provides advisors with an opportunity to learn what leading firms are doing by sharing the winners’ best practices and achievements.

IMPACT Awards Categories

2. ***What are the IMPACT Awards categories?***

There are four IMPACT Awards categories:

- **The Charles R. Schwab IMPACT Award®** honors an individual trailblazer whose vision, leadership, client commitment and community engagement demonstrate the value of independent investment advice
- The **Best-in-Business Award** recognizes an independent investment advisory firm for excellence in business management and client services
- The **Best-in-Tech Award** honors an independent investment advisory firm that serves as a model for success in harnessing technology to extend the reach, responsiveness and growth of its business
- The **Pacesetter Award** recognizes an independent investment advisory firm that has realized accelerated growth through strategic management, innovative practices, and ongoing investments in business capabilities.

More information about each award category can be found at impactawards.schwab.com.

3. ***How many awards will be given?***

One winner will be selected for each of the four awards.

Eligibility

4. ***Who is eligible for the IMPACT Awards?***

The firms must:

- Be an SEC-registered independent investment advisory firm
- Have at least \$25 million in assets under management
- Have at least 75 percent of revenue as fee-based
- Have at least 75 percent of client base as individual investors, or manage at least \$100 million on behalf of individual investors
- Have been in business as an independent investment advisory firm for 10 years or more (Best-in-Business and Charles R. Schwab IMPACT Awards), 5 years or more (Best-in-Tech Award), and 10 years or less (Pacesetter Award)
- Not have been an IMPACT Awards winner within the past 5 years. Winners of the Charles R. Schwab IMPACT Award or Pacesetter Award may not participate again in those award categories.

In addition to the above criteria, the Charles R. Schwab IMPACT Award requires an individual to:

- Be a current principal or founder of an independent registered investment advisory (RIA) firm. (If an RIA is acquired by another firm, the principal must have held an ownership stake before the acquisition and currently hold a managerial position in the firm.)
- Have at least 10 years of personal experience managing investments in securities as an independent investment advisor, providing investment advice to individual investors as an officer or employee of an RIA.

Note: Self-nominations will not be accepted for this award.

5. ***If a registered investment advisor (RIA) firm is acquired by another firm, can a principal of the acquired RIA be eligible for the Charles R. Schwab IMPACT Award?***

If an independent RIA firm is acquired by another firm, a principal of the RIA can still be nominated if he or she currently holds a managerial position at the firm and held an ownership stake prior to the acquisition. The RIA firm must also meet the eligibility criteria for the Best-in-Business Award.

6. ***Does my firm need to have a relationship with Schwab to be eligible to participate in the IMPACT Awards?***

No. However, entrants must meet the eligibility criteria to participate.

Nominations

7. ***How do you participate in the IMPACT Awards program?***

Nominations for all awards will be accepted May 1 - June 15, 2009 at impactawards.schwab.com.

8. ***Is there a limit to how many nominations I can make?***

For the Best-in-Business, Best-in-Tech, and Pacesetter Awards, you may nominate your firm once in each category. For the Charles R. Schwab IMPACT Award, you may nominate as many candidates as you wish, but each individual only once.

Candidates for the Charles R. Schwab IMPACT Award will be accepted only through peer nominations; self-nominations will not be considered. Anyone, except an advisor's own clients, can nominate a candidate for this award.

Information you provide will be used to score and judge your nomination for the IMPACT Awards program.

9. ***If I participated in previous years, can I participate again?***

Yes, we encourage you to participate every year. However, Best-in-Business and Best-in-Tech Award winners will not be allowed to participate for five years; Charles R. Schwab IMPACT Award and Pacesetter Award winners cannot participate in those categories again and must wait five years to participate in the other categories.

10. ***Is there a fee to participate?***

There are no fees to participate in the IMPACT Awards.

11. ***Can I nominate my firm in more than one category?***

Yes, you can nominate your firm once in each of the categories. However, multiple nominations in each category – Best-in-Business, Best-in-Tech and Pacesetter Awards - are not permitted.

12. ***Can I nominate myself for the Charles R. Schwab IMPACT Award?***

No. For the Charles R. Schwab IMPACT Award, an individual must be nominated by another person to be considered.

13. ***Will supplemental materials in addition to the nomination form be accepted?***

At the time of nomination, only a completed form will be accepted. Later in the process, Schwab may ask for additional information.

14. ***Who can nominate a candidate for the Charles R. Schwab IMPACT Award?***

Anyone can nominate a candidate for the Charles R. Schwab IMPACT Award—with the exception of the advisor's own clients. You may nominate as many candidates as you wish, but each individual only once. Self-nominations are not accepted for this award.

15. ***Do I need to personally know the individual I am nominating for the Charles R. Schwab IMPACT Award?***

No, a direct relationship with a candidate is not required to complete a nomination. However, we do require you to provide contact information and background on why you are nominating the individual.

16. ***Can I nominate a candidate within my own firm for the Charles R. Schwab IMPACT Award?***

Yes, you can nominate a candidate from within your own firm for the Charles R. Schwab IMPACT Award. You may only nominate an individual one time. However, you can nominate as many individuals as you wish.

17. ***What if I do not complete the data requested on the nomination form?***

All fields must be completed for a nomination to be accepted.

18. ***Can I submit my nomination via regular mail?***

No. Only nominations received at impactawards.schwab.com will be accepted.

19. ***How will I know if I have been nominated for the Charles R. Schwab IMPACT Award?***

Individuals nominated for the Charles R. Schwab IMPACT Award will be notified via email to confirm that they wish to be considered and asked to provide supporting information.

20. ***If I nominate a candidate for the Charles R. Schwab IMPACT Award, will my nomination be identified publicly?***

Each individual nominated will be informed of the identity of the nominating party. Schwab reserves the right to publish excerpts from nominations supporting select candidates.

21. ***Can my firm use a previously published case study to fulfill the essay portion of the Best-in-Business, Best-in-Tech or Pacesetter Awards?***

Nominations may include previously produced content that is owned by the firm. However, information that is copyrighted by another source cannot be used.

Timeline

22. ***What are the program deadlines?***

Nominations will be accepted May 1 – June 15, 2009, at impactawards.schwab.com.

23. ***When will the winners of the IMPACT Awards be announced?***

The IMPACT Awards will be presented at IMPACT[®] 2009, a leading industry conference taking place September 13 - 16 in San Diego, CA. Information about the winners will be posted at impactawards.schwab.com after they are announced at the conference.

Notification

24. ***How will winners be notified?***

Winners will be notified in August. Winners will be announced at the IMPACT Awards ceremony at IMPACT 2009 and posted on impactawards.schwab.com.

25. ***Will runners-up be announced?***

Only one winner for each category will be announced. No runners-up will be selected.

Judging

26. ***How will winners be selected?***

The IMPACT Awards will be judged by a distinguished panel of leaders from across the business world and financial services industry who understand the challenges and opportunities facing today's investors and those who serve them. These judges will convene to review finalist nominations and select the winners in each category. Final selection will be subject to acceptance of the IMPACT Awards Terms & Conditions and final approval by Schwab.

27. ***What criteria will be used to decide the winners?***

Nominations for the Best-in-Business, Best-in-Tech and Pacesetter Awards will be evaluated based on the firm's ability to demonstrate success in the following areas:

Best-in-Business

- Business Planning
- Practice Management and Employee Development
- Client Loyalty

Pacesetter Awards

Demonstrated accelerated growth in tandem with the following

- Business Planning
- Practice Management and Employee Development
- Client Loyalty

Best-in-Tech

- Technology Strategy
- Operational Efficiencies
- Client Servicing

Charles R. Schwab IMPACT Award

- Leadership
- Client Loyalty
- Business Management
- Community Engagement
- Awards and/or other Distinctions

For more detailed information on “How Entries Are Evaluated” for all four awards, please review the judging section on impactawards.schwab.com.

28. ***How will Schwab use the information provided through the nomination forms?***

Information you provide will be used to score and judge your nomination for the IMPACT Awards program. Schwab, judges, and an outside consulting firm will maintain the confidentiality of your nominations. Schwab will not sell information collected. See the IMPACT Awards Terms & Conditions for more information.

29. ***How will objectivity be maintained in the selection process?***

Schwab will engage an outside consulting firm to score nominations and help select the finalists. Furthermore, a judging panel of industry experts will play the primary role in selecting the winners for all four awards.

Schwab is taking the additional step of concealing firm names on nominations for the Best-in-Business, Best-in-Tech and Pacesetter Awards prior to review.

Because the Charles R. Schwab IMPACT Award is focused on individual achievements, nominations will not be concealed during the selection process.

All IMPACT Awards winners are subject to Schwab’s final approval.

Miscellaneous

30. ***Will winners receive any prizes?***

The Charles R. Schwab IMPACT Award winner will be honored at IMPACT 2009, and will receive a trophy along with a \$25,000 donation to a charitable organization of the winner's choice from Schwab. Winners of the Best-in-Business, Best-in-Tech and Pacesetter Awards also will be honored at the ceremony, with each firm receiving a trophy and a \$10,000 donation to a charitable organization of their choice. The selection of each winner's charity is subject to Schwab's approval.

31. ***What if I have other questions?***

Please visit impactawards.schwab.com or email impactawards@schwab.com with any additional questions.