

Looking for a smarter way to borrow?

Schwab Bank's Pledged Asset Line® (PAL) is a non-purpose line of credit that allows you to borrow against non-retirement assets in your portfolio—without having to liquidate your investments.

Whether you are in need of bridge funding for a new home or home renovation, are investing in your business, or paying tuition or a tax bill, you can use your line of credit to access the funds you need while helping maintain your investment strategy.

Why consider a Pledged Asset Line?

- Avoid tax consequences that may result from selling assets to meet an immediate cash need.
- Save time and effort with a simplified application, compared to more traditional loans.
- Access competitive rates and exclusive discounts¹ with no setup fees or prepayment penalties.

Investor Advantage Pricing

With our exclusive offer¹, the more qualifying assets you have with Schwab Brokerage and Schwab Bank, the more you may be able to save on your PAL interest rate.

0.25%

interest rate discount
\$250K – \$749K in
qualifying assets

0.50%

interest rate discount
\$750K – \$4.49M in
qualifying assets

0.75%

interest rate discount
\$4.5M – \$8.9M in
qualifying assets

1.00%

interest rate discount
\$9M+ in qualifying
assets



Collateral for your flexible line of credit generally can include:

- Marginable equity securities valued at or above \$3/share at the time of funding and closing.
- Most mutual funds and exchange-traded funds.
- Certificates of deposit and cash.
- Many corporate, Treasury, municipal, and government agency bonds.

Retirement assets are not eligible as collateral.

Pledged Asset Line interest rates²

Rates below do not include Investor Advantage Pricing discounts.

Loan value of collateral at origination	Annual percentage rate (APR)
\$100,000 – \$249,999	SOFR + 4.40%
\$250,000 – \$499,999	SOFR + 3.90%
\$500,000 – \$999,999	SOFR + 3.40%
\$1,000,000 – \$2,499,999	SOFR + 2.90%
\$2,500,000 and above	SOFR + 2.40%

To learn more, talk with your
Regional Banking Manager
at 800-986-3700.

Brokerage Products: Not FDIC Insured ■ No Bank Guarantee ■ May Lose Value

1. **For Charles Schwab Bank & Charles Schwab Premier Bank Investor Advantage Pricing (IAP):** Loans are eligible for only one IAP discount per loan. PALs are eligible for an interest rate discount between 0.25% and 1.00% based on Borrower's Schwab brokerage and Schwab Bank combined qualifying assets totaling \$250,000 or greater. Loans to organizational borrowers are not currently eligible for IAP discounts. Access your account at schwaballiance.com and review the PAL product page under Bank Offerings for additional details.

2. Schwab Bank reserves the right to change any part of the interest rate after the Pledged Asset Line is established, including the index or interest rate spread. The APR will vary with the market based on the Secured Overnight Financing Rate ("SOFR").

The Pledged Asset Line is an uncommitted demand line of credit provided by either Charles Schwab Bank, SSB, or Charles Schwab Premier Bank, SSB. Entering into a Pledged Asset Line and pledging securities as collateral involves a high degree of risk. As a non-purpose line of credit, proceeds may not be used to purchase securities, pay down margin loans, or be deposited into any brokerage account. Access your account at schwaballiance.com and review the PAL product page under Bank Offerings for additional details. Before you decide to apply for a Pledged Asset Line, make sure you understand the risks. A Pledged Asset Line requires a brokerage account at Charles Schwab & Co., Inc.

Charles Schwab & Co., Inc. and Charles Schwab Bank, SSB are separate but affiliated companies and subsidiaries of The Charles Schwab Corporation. Brokerage products and services are offered by Charles Schwab & Co., Inc., Member SIPC. Deposit and lending products and services are offered by Charles Schwab Bank, SSB, Member FDIC and an Equal Housing Lender.

©2024 Charles Schwab Bank, SSB. All rights reserved. Member FDIC. (0324-PKWD)