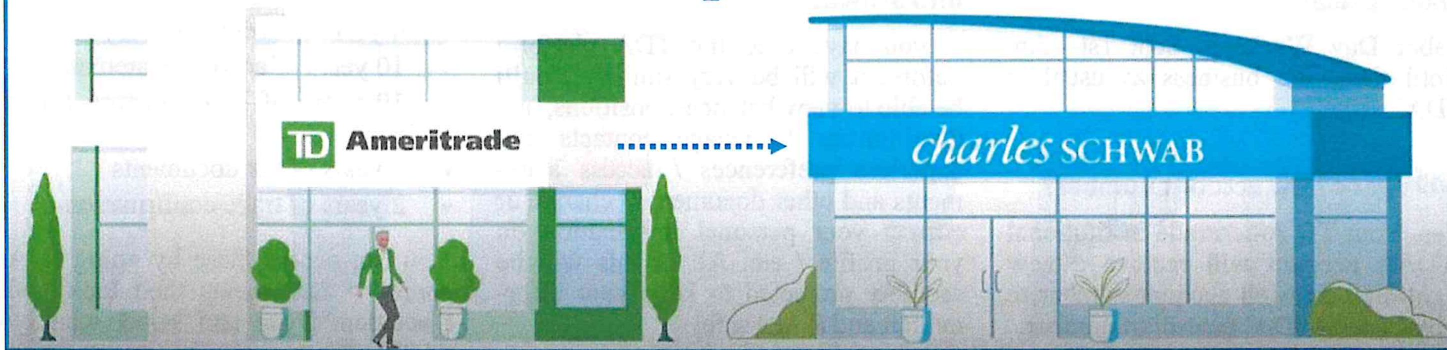
Southern Capital Newsletter



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TD AMERITRADE / SCHWAB MERGER

by Michelle Hunt, CFP®

Moving Made Easy

Moving day is almost here! This exciting development should allow us at Southern Capital to create more value to our clients through the merging of two top broker-dealer firms.

Please be assured, your relationship with Southern Capital Services, Inc. will not be changing. We will still have the same Team working together on your behalf aiming to give you the best service.

TDA/Schwab will take care of transferring your accounts and their information over. Most of you will not have to do anything other than <u>create your new Schwab login and learn your new account numbers</u>, which we will help explain in this newsletter.

Some Things You Should Know

- On August 1st, TDA/Schwab began prompting you to create your new Login ID and password for your new Schwab Alliance online viewing. This will take only a few minutes to complete. You will need this login after your account is securely in place at Schwab. **<u>(Note: If you have chosen not to use online access, this step is not necessary.)</u>**
- Until the transition, you can continue to access your TDA account as you usually do on the TDA online: <u>advisorclient.com</u>.
- Beginning Friday, September 1st at 8:30pm ET, your account will be temporarily unavailable as TDA and Schwab automatically and securely move your accounts, assets, and cash over during the Labor Day holiday weekend.
- On September 5th at 5:00am ET, your account will be available on the Schwab platform. You will then be able to login with your new Schwab credentials.
- After this date, you will no longer be able to see anything on your TDA online advisorclient.com webpage nor your mobile app.
- With the transition complete, you can now login to your new Schwab Alliance account webpage. There you can:
  - check your profile for accuracy & make changes
  - change or correct beneficiaries *(if applicable)*
  - grant "View Only" access to third parties *(CPAs, attorneys, family members, etc.)*
  - access important documents *(statements, tax documents & reports, trade confirmations)*
- If you login to your new Schwab Alliance page before the transition over Labor Day weekend, you will only see a secure page. If any information happens to be incorrect, the final migration of your data will override any information you see right now. No need to be concerned.

- The last day to initiate any money transactions — wire, deposits, checks, or debit cards — will be 4:00pm ET on September 1st. Any outstanding checks will be given 60 days to clear.

Feel free to visit *welcome.schwab.com/alliance* for more information on your new Schwab relationship.

With Charles Schwab as your new custodian, you will have a company experienced in serving the unique needs of both you as the client and your advisor—we here at Southern Capital.

FREQUENTLY ASKED QUESTIONS

When is the TDA/Schwab merge taking place?

Labor Day Weekend, Sept 1st—5th. Until then, it's business as usual at TDA.

Will I get a new account number?

Yes. Your TD Ameritrade Institutional (TDAI) account will receive a new eight-digit Schwab account number to replace each TDAI nine-digit number.

You'll see your new account number after your account transitions, when you log in to *Schwab Alliance*.

You'll also receive a package in the mail or email with important account information prior to your transition weekend. Please watch for it.

Reminder: If you've provided your TDAI account number to an employer, bank, or other third party for the purposes of moving money in and out of your account, you'll need to reestablish those instructions with your new Schwab account number after your account transition is complete.

Do I need to do anything to have my account(s) moved to Schwab?

No. Your account(s) will automatically move securely to Schwab.

Will I need a new User ID / password at Schwab?

Your present TDA User ID will transfer over **IF** that username is not already being used. If you need to change or setup your login, you may go to our website at *southerncapitalservices.com* and tap on the green TD Ameritrade button on the top right.

What can I expect the first time I log into Schwab?

If you have used the TDA platform before, it will be very similar. You'll be able to view balances, positions, and distributions / manage contacts and paperless preferences / access statements and other documents / change or correct your personal information on your profile / etc. All of this will be securely protected to keep your information and assets safe.

I have other accounts at Schwab. Will I need different Login IDs?

No. At Schwab, you can view all of your accounts together in one place including retail accounts. Schwab automatically groups accounts with the same owner together.

Is there a Schwab mobile app?

Yes! To download, visit the app store on your Android™ or Apple® device. Search for Schwab Mobile. You will use the same Schwab Alliance credentials you use for your online access.

Will my paperless (eDelivery) move over to Schwab?

Yes. Your preference for paperless delivery will remain. If you want to change to paper statements, you can change that now on *advisorclient.com* or wait to change it on Schwab.

What about my past statements, tax documents, RMDs?

Your historical documents will transition to Schwab and be accessible to you on your Schwab Alliance login.

The following shows what you will have access to:

- 4 years of account history
- 10 years of account statements
- 10 years of RMD history (on the statements)
- 7 years of tax documents
- 2 years of trade confirmations

You can access these by going to Accounts > Statements then look under Document Type and select what you are looking for.

Southern Capital will also have access to this information.

What tax documents will I receive for the year my accounts transition?

If you have had any activity in your account, you will receive two sets of tax documents for the 2023 tax year: one from TDA and one from Schwab.

Retirement accounts will receive a 1099R if any distributions were made in 2023. You may also receive a Form 5498 depending on when you contributed to your account.

When will I receive my last statement from TD Ameritrade?

Following the transition, you will receive two+ statements.

1. One will reflect your TDA account (showing a zero balance with no positions);
2. The second will reflect your new account with Schwab showing all your positions and balances.
3. If there is any residual activity in your TDA account, such as dividend or interest payments, you may receive additional statements.

Welcome to Schwab!

Both Schwab and TD Ameritrade take this move most seriously and with great expectancy. We, at Southern Capital, are encouraged and look forward to a harmonious merge and an exceptional custodian experience. We will keep you updated on new features as they come up. Please be patient with us as we grow accustomed to our newly upgraded experience!