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**Important Information about the new Sprint**

The Sprint/Nextel merger was finalized as the new company will now be Sprint, with a new symbol of "S". However the symbol "S" was previously used by Sears, before it was merged into K-Mart and became "SHLD". As a result your system may already contain the symbol "S", resulting in information for the new Sprint security being posted to Sears.

To ensure that information for the new Sprint is accounted for properly, the following steps will need to be taken if Sears “S” already exists in your systems.

**Note:** If you do not have Sears “S” already defined in your system you can move to Merger Information for the securities held in your system.

**Important!!:** As with any corporate action that is accounted for manually, it is imperative that you first un-post and block all transactions (typically credits and debits) related to the action. Also DO NOT combine Sears and Sprint.

**Accounting for the new symbol for Sprint:**

- Edit the symbol of Sears from "S" to "SEARS" under the Securities tab.
- Manually define the security Sprint, symbol "S", under Equities in the securities tab
- In the interface securities mapping table edit the mapping for the symbol “S” so that the PC Symbol is also “S”.

**If you currently hold Sprint** you have two options. You can combine the original Sprint security symbol “FON” into the new Sprint security, symbol "S". If you wish to record the date the merger took place through transactions run the Merger/Exchange wizard with the following information. **DO NOT** combine and use the Merger/Exchange wizard, do one or the other.

*Please see the note below the merger information fields regarding the use of the Transaction Writer.

**Merger Information for Holders of Sprint (FON)**

<table>
<thead>
<tr>
<th>Merger/Exchange Wizard Field</th>
<th>Data:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Merger/Exchange Date:</td>
<td>8/15/05</td>
</tr>
<tr>
<td>2. Security Type:</td>
<td>Equity</td>
</tr>
<tr>
<td>3. Original Company Symbol:</td>
<td>FON</td>
</tr>
<tr>
<td>4. Original Company Price Per Share:</td>
<td>26.15</td>
</tr>
<tr>
<td>5. New Company Security Type:</td>
<td>Equity</td>
</tr>
<tr>
<td>6. New Company Symbol:</td>
<td>S</td>
</tr>
<tr>
<td>7. Share Distribution Ratio:</td>
<td>1</td>
</tr>
<tr>
<td>8. Conversion Price for Cash In Lieu:</td>
<td>NA</td>
</tr>
</tbody>
</table>
If you currently hold Nextel you will need to run the merger exchange wizard using the information listed below.

**Merger Information for Holders of Nextel (NXTL)**

<table>
<thead>
<tr>
<th>Merger/Exchange Wizard Field</th>
<th>Data:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Merger/Exchange Date:</td>
<td>8/15/05</td>
</tr>
<tr>
<td>2. Security Type:</td>
<td>Equity</td>
</tr>
<tr>
<td>3. Original Company Symbol:</td>
<td>NXTL</td>
</tr>
<tr>
<td>4. Original Company Price Per Share:</td>
<td>33.32</td>
</tr>
<tr>
<td>5. New Company Security Type:</td>
<td>Equity</td>
</tr>
<tr>
<td>6. New Company Symbol:</td>
<td>S</td>
</tr>
<tr>
<td>7. Share Distribution Ratio:</td>
<td>1.2675</td>
</tr>
<tr>
<td>8. Conversion Price for Cash In Lieu:</td>
<td>Not Available</td>
</tr>
</tbody>
</table>

**Important Information about Using the Transaction Writer**

With using the transaction writer, it is important to post the debit security transactions before posting the credit security transactions. Follow these steps while using the transaction writer.

**Important! Please Read!!**

You can use the Merger/Exchange Wizard in Centerpiece/PortfolioCenter to post corporate mergers, name changes or share exchanges. One field you are prompted to enter in the Merger/Exchange Wizard is “Cash In Lieu for Fractional Shares”. If you leave this field blank, no sell is created for fractional shares. Therefore, all fractional shares are retained in the position and no cash transaction is created. This might cause reconciliation problems in the future or might be tedious to correct.

Cash In Lieu prices might not be available for a few days or weeks. In the event the Cash In Lieu price is not available, it is recommended that you wait to use the Merger/Exchange wizard in Centerpiece until you have a published Cash In Lieu Price.

In the event that Cash In Lieu price is never published by the companies involved, you can manually create the transactions you need to reconcile with your broker/dealer or fund company. If you post interface transactions from a broker/dealers or fund company, you might have Journals (to cash) or deposits. You have 3 options to correct Cash In Lieu:

1. **Cancel or block the Journal or Deposit** you received from the download then manually enter sells for the fractional share. The quantity of the sell is equal to the fractional share and the proceeds of the sell are equal to the dollar amount of the journal or deposit.

2. **Post the Journal or Deposit and create a debit** for the fractional shares. The Journal or Deposit should reconcile your cash and the debit should reconcile your share balance. If you post a debit, make the market value of the debit equal to the journal or deposit on that day.

3. **Globally cancel the transactions** created by the Merger/Exchange wizard, using the globally cancel transactions tool in Centerpiece/PortfolioCenter, and re-enter the data for the merger/exchange wizard.
**Note**
Conversion Price for Cash in Lieu (Line 8 above) will only be posted in this document if the parent company sets a universal conversion price that will be used by all brokers. If a Conversion Price is not indicated, please obtain the Conversion Price used by your brokerage. Please see the note at the top of this document for more instructions on handling Cash in Lieu.

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**Enter Merger/Exchange Information in Centerpiece**

**Notes**
If you decide to use the Merger/Exchange wizard in Centerpiece/PortfolioCenter, you must cancel any transactions you posted from the interface (credits and debits or receipts of security and transfer of security). Be sure to cancel those transactions **before** entering the following information in the Merger/Exchange Wizard in Centerpiece/PortfolioCenter.

If you have not posted the information from the interfaces, you can block the transactions from posting. To block the transactions, select the transactions to block | Edit menu | Block Transactions. This should show the transaction file as posted with an asterisk (*) to the right of the status on the interfaces tab.

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To open the Merger/Exchange wizard, go to: **Securities | Tools | Merger/Exchange Wizard**

1. Enter Merger/Exchange Date (#1 in table above).
2. Select Security Type (#2 in table above) in the Security Type field.
3. Select Original Company’s symbol (#3 in table above) in the Symbol field.
4. Enter Original Company’s Price per share (#4 in table above) in the Price Per Share Field.
5. Enter notes (for example: ABC/XYZ Merger/Exchange). Click **Next**.
6. Enter new company security type (#5 in table above)
7. Enter new company symbol (#6 in table above)
8. Enter the Share Distribution Ratio (#7 in table above)
9. Enter the conversion price for Cash In Lieu (#8 in table above). Click **Next**.
10. Choose what portfolios you would like to run the Merger/Exchange for

**Transactions you should see after executing the Merger/Exchange Wizard:**
- One Debit Security transaction for the entire position of the original company.
- One Credit Security transaction to the new company for each open trade lot of the original company.
- One sell (if applicable) of the new security for cash in lieu for fractional shares.
Definitions

**Conversion price for cash in lieu**: The price the fractional shares are sold to create cash in lieu for fractional shares. Fractional shares are usually created by the share exchange ratio.

**Cost Basis**: The tax basis of the security.

**Credit Security**: Centerpiece/PortfolioCenter transaction used to journal shares from one position to another. A Credit security adds to a position.

**Cusip Number**: A secondary trading symbol or identifier for each publicly traded security on AMEX or NASDAQ.

**Debit Security**: Centerpiece/PortfolioCenter transaction used to journal shares from one position to another. A Debit security subtracts from a position.

**Exchange**: A trade of shares of one company for shares of another company.

**Merger**: Reorganization of company structures where two companies become a single company.

**New Company Price Per Share**: The opening trading price of the new company, usually the initial offer price.

**Open Trade Lot**: A trade lot with shares left to sell.

**Parent company**: Originally held security. In most spin-off situations, the investor continues to hold shares of the parent company after the spin-off.

**Parent company Price Per Share**: The price per share of the parent company. For Centerpiece/PortfolioCenter purposes, use the price at the close of the market the night before the Spin-off date.

**Share exchange ratio**: The number of shares the investor receives of the new company based on the number of shares the investor owns of the original company expressed in decimal format.

**Spin-off Date**: The date that the shares for the new company are distributed.

**Ticker Symbol**: The trading symbol representing a publicly traded company on the trading markets (American Stock Exchange <AMEX> or NASDAQ) and are usually assigned to equities and mutual funds. Each ticker symbol is unique to each security trading on that particular market, but can change over time, usually due to mergers, exchanges and/or spin-offs.