Announcing Schwab’s Acquisition of TD Ameritrade

November 25, 2019

Building the Future of Modern Wealth Management

Own your tomorrow.
Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements include statements that refer to expectations, projections or other characterizations of future events or circumstances and are identified by words such as “believe,” “anticipate,” “expect,” “estimate,” “intend,” “plan,” “will,” “may,” “aim,” “could,” “should,” “continue,” “build,” “improve,” “growth,” “increase”, “accelerate,” “upside,” “assume,” “potential,” “opportunity,” and other similar expressions. These forward-looking statements relate to the business combination transaction involving The Charles Schwab Corporation (“Schwab”) and TD Ameritrade Holding Corporation (“TD Ameritrade”), including expected scale; operating efficiency; growth; client and stockholder benefits; key assumptions; timing of closing; revenue and expense synergies; Tier 1 Leverage Ratio; purchase price allocation; capital returns to stockholders; accretion; financial benefits; and integration spend, which reflect management’s beliefs, expectations and objectives as of the date hereof. Achievement of the expressed beliefs, expectations and objectives is subject to risks and uncertainties that could cause actual results to differ materially from those beliefs, expectations or objectives.

Important transaction-related factors that may cause such differences include, but are not limited to, the risk that expected revenue, expense and other synergies from the transaction may not be fully realized or may take longer to realize than expected; the parties are unable to successfully implement their integration strategies; failure of the parties to satisfy the closing conditions in the merger agreement in a timely manner or at all, including stockholder and regulatory approvals; and disruptions to the parties’ businesses as a result of the announcement and pendency of the merger. Other important factors include general market conditions, including the level of interest rates, equity valuations and trading activity; the parties’ ability to attract and retain clients and registered investment advisors and grow those relationships and client assets; competitive pressures on pricing, including deposit rates; the parties’ ability to develop and launch new and enhanced products, services, and capabilities, as well as enhance their infrastructure, in a timely and successful manner; client use of the parties’ advisory solutions and other products and services; client sensitivity to rates; the level of client assets, including cash balances; capital and liquidity needs and management; regulatory guidance; litigation or regulatory matters; any adverse impact of financial reform legislation and related regulations; and other factors set forth in Schwab’s and TD Ameritrade’s most recent reports on Form 10-K.

The information in this presentation speaks only as of November 25, 2019 (or such earlier date as may be specified herein). Schwab disclaims any obligation and does not intend to update or revise any of this information, including forward-looking statements.
Additional Statements

Important Information About the Transaction and Where to Find it

In connection with the proposed transaction between The Charles Schwab Corporation (“Schwab”) and TD Ameritrade Holding Corporation (“TD Ameritrade”), Schwab and TD Ameritrade will file relevant materials with the Securities and Exchange Commission (the “SEC”), including a Schwab registration statement on Form S-4 that will include a joint proxy statement of Schwab and TD Ameritrade that also constitutes a prospectus of Schwab, and a definitive joint proxy statement/prospectus will be mailed to stockholders of Schwab and TD Ameritrade. INVESTORS AND SECURITY HOLDERS OF SCHWAB AND TD AMERITRADE ARE URGED TO READ THE REGISTRATION STATEMENT, THE JOINT PROXY STATEMENT/PROSPECTUS AND ANY OTHER RELEVANT DOCUMENTS THAT ARE FILED OR WILL BE FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THESE DOCUMENTS, CAREFULLY AND IN THEIR ENTIRETY BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION AND RELATED MATTERS. Investors and security holders may obtain free copies of the registration statement and the joint proxy statement/prospectus (when available) and other documents filed with the SEC by Schwab or TD Ameritrade through the website maintained by the SEC at http://www.sec.gov or by contacting the investor relations department of Schwab or TD Ameritrade at the following:

The Charles Schwab Corporation
211 Main Street
San Francisco, CA 94105
Attention: Investor Relations
(415) 667-7000
Investor.relations@schwab.com

TD Ameritrade Holding Corporation
200 South 108th Avenue
Omaha, Nebraska 68154
Attention: Investor Relations
(800) 669-3900

Schwab, TD Ameritrade, their respective directors and certain of their respective executive officers may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. Information regarding the directors and executive officers of Schwab, and their direct or indirect interests in the transaction, by security holdings or otherwise, is contained in Schwab's Form 10-K for the year ended December 31, 2018, its proxy statement filed on March 29, 2019 and its Current Reports on Form 8-K filed on August 28, 2019, July 26, 2019 and May 16, 2019, which are filed with the SEC. Information regarding the directors and executive officers of TD Ameritrade, and their direct or indirect interests in the transaction, by security holdings or otherwise, is contained in TD Ameritrade's Form 10-K for the year ended September 30, 2019, its proxy statement filed on December 31, 2018 and its Current Reports on Form 8-K filed on July 22, 2019, May 20, 2019 and February 19, 2019, which are filed with the SEC. Additional information regarding the participants in the proxy solicitations and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the joint proxy statement/prospectus and other relevant materials to be filed with the SEC when they become available.

No Offer or Solicitation

This communication is not intended to and shall not constitute an offer to sell or the solicitation of an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote of approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.
Management Attendees

Walt Bettinger  
President and CEO,  
Schwab

Stephen Boyle  
Interim President and CEO,  
TD Ameritrade

Peter Crawford  
EVP and CFO,  
Schwab
Agenda

Introduction and Strategic Rationale

Transaction Summary and Pro Forma Profile

Preliminary View on Synergies, Integration Planning, Other Considerations, and Next Steps

Q&A
Scale-enhancing transaction allows Schwab to further press its advantage on behalf of clients...

Enhanced client experience
Deeper resources for RIAs
Increased operating efficiency
Accelerate growth
Financially compelling

Combined organization is positioned to meet the needs of investors across every phase of their financial journey and to support the independent advisors who serve them.
...while building the future of modern wealth management.¹

Founded in 1971, Schwab (SCHW) has been an advocate for individual investors and the financial professionals who serve them.

- 19,800 Total Employees
- 7,500+ RIAs served

Schwab’s success with business fundamentals and financial performance demonstrates strength:

- $201B Core NNA
- 12.1M Brokerage Accounts
- $3.8T Client Assets
- 769K DATs

Note: YTD = Year-to-Date, NNA = Net New Assets, DATs = Daily Average Trades. PTPM = Pre-tax Profit Margin. (1) Business metrics are shown on a last 12-month basis through period-end September 2019; financial metrics are shown on a GAAP basis for the respective calendar YTD period.

Founded in 1975, TD Ameritrade (AMTD) aims to empower and serve self-directed investors, traders, and RIAs.

- 10,000 Total Employees
- 7,000+ RIAs served

TD Ameritrade’s dedication to client experience delivers robust results across all core metrics:

- $93B NNA
- 12.0M Brokerage Accounts
- $1.3T Client Assets
- 1,096K DATs

Note:

- 19,800 Total Employees
- 7,500+ RIAs served

Schwab’s success with business fundamentals and financial performance demonstrates strength:

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Transaction creates a large-scale, full-service investment firm with world class solutions...

<table>
<thead>
<tr>
<th></th>
<th>Schwab</th>
<th>TD Ameritrade</th>
<th>Combined¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Client Assets</td>
<td>$3.8</td>
<td>$1.3</td>
<td>$5.1</td>
</tr>
<tr>
<td>(trillions)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LTM NNA</td>
<td>$201</td>
<td>$93</td>
<td>$294</td>
</tr>
<tr>
<td>(billions)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3Q19 DATs</td>
<td>718</td>
<td>1,055</td>
<td>1,773</td>
</tr>
<tr>
<td>(thousands)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brokerage Accounts</td>
<td>12.1</td>
<td>12.0</td>
<td>24.1</td>
</tr>
<tr>
<td>(millions)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Client Cash</td>
<td>11.4%</td>
<td>11.7%</td>
<td>11.5%</td>
</tr>
<tr>
<td>(% total assets)</td>
<td></td>
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</tbody>
</table>

Comparison to Select Peers by Client Assets² (trillions):

<table>
<thead>
<tr>
<th></th>
<th>Fidelity</th>
<th>Vanguard</th>
<th>Schwab + TD Ameritrade</th>
<th>J.P. Morgan</th>
<th>Bank of America</th>
<th>Morgan Stanley</th>
<th>Wells Fargo</th>
<th>E*TRADE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$7.8</td>
<td>$5.7</td>
<td>$3.8</td>
<td>$3.1</td>
<td>$2.9</td>
<td>$2.6</td>
<td>$1.9</td>
<td>$0.5</td>
</tr>
</tbody>
</table>

Note: LTM = Last twelve months. Some numbers may not total due to rounding. Metrics as of September 30, 2019. (1) Combined excludes the impact of recently announced commission reductions and any potential transaction synergies. (2) Sourced from company filings and websites as of September 30, 2019; represents client asset levels for respective wirehouse wealth management segments.
...which will benefit clients of both firms and build upon a shared heritage of innovation.

- Robust suite of retail advisory solutions
  - Largest custodial platform helping RIAs grow, compete, and succeed
  - Access to proprietary, low cost products (e.g., CSIM funds and ETFs)
  - Leading omni-channel client service, including expansive branch network
  - Complementary savings and lending capabilities at Schwab Bank

Thoughtful approach to integration will prioritize best-in-class client experience across all products and solutions

- Sophisticated trading platform for active traders
- Incremental access to additional trading capabilities and products
- Comprehensive investor education tools
- Accelerated innovation and investment by leveraging benefits of scale
- Dedicated resources for RIAs

Note: CSIM = Charles Schwab Investment Management. ETFs = Exchange-traded funds.
AMTD stockholders receive attractive near-term value plus potential meaningful upside over time.

Current AMTD stockholders **gain ~31% ownership** in the combined company

Provides attractive value at a **17% premium** to 30-day VWAP exchange ratio\(^1\)

Preserves ability to **participate in future benefits of synergies and growth**

Individual clients and RIAs gain **access to the best features across both platforms**

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Note: VWAP = volume-weighted average price. (1) Exchange ratio based on closing prices as of November 20, 2019.
Transaction Summary and Key Assumptions

Transaction Structure

Merger:
- TD Bank: 43%
- AMTD: 100% AMTD Shares
- Other Stockholders: 57%
- SCHW Shares

Pro Forma Ownership:
- SCHW Existing Stockholders: 69%
- AMTD Existing Stockholders: 18%
- TD Bank: 13%
- SCHW + AMTD

Consideration & Timing
- 100% stock transaction at 1.0837x exchange ratio
- Expected to close during 2H 2020

Synergies
- $3.5–4.0 billion in total estimated synergies: primarily derived from expense savings and the IDA renegotiation
- Assumes 7.00% Tier 1 Leverage Ratio at close
- 30% of excess purchase price allocated to intangibles
- Capital return to stockholders will continue
- Subject to customary closing conditions and regulatory reviews

Regulatory
- Two Board seats provided to TD Bank
- One Board seat provided to AMTD

Governance
- Expect single-digit % Cash EPS accretion in Year 1
- GAAP EPS accretion of 10–15% in Year 3
- Cash EPS accretion of 15–20% in Year 3

Note: IDA = Insured Deposit Account. EPS = earnings per share. (1) Pro forma ownership includes <10% voting common stock, with the remainder issued as nonvoting common, as long as it is held by TD Bank. (2) Allocation to intangibles expected to be amortized on a straight-line basis. (3) Ongoing representation based on percentage ownership. (4) One-time right to nominate and fill the provided board seat. (5) Cash EPS calculation excludes advisory, financing, and integration costs as well as incremental transaction-related amortization.
Combination unlocks meaningful incremental financial benefits.

### Net Revenues ($M)

<table>
<thead>
<tr>
<th></th>
<th>SCHW</th>
<th>AMTD</th>
<th>Combined¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spread-based Revenue</td>
<td>31%</td>
<td>10%</td>
<td>19%</td>
</tr>
<tr>
<td>Balance-based Revenue</td>
<td>9%</td>
<td>35%</td>
<td>23%</td>
</tr>
<tr>
<td>Trading/Commissions &amp; Other</td>
<td>60%</td>
<td>55%</td>
<td>58%</td>
</tr>
</tbody>
</table>

### Operating Expenses ($M)

<table>
<thead>
<tr>
<th></th>
<th>SCHW</th>
<th>AMTD</th>
<th>Combined¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation &amp; Benefits</td>
<td>22%</td>
<td>30%</td>
<td>25%</td>
</tr>
<tr>
<td>Advertising &amp; Communications</td>
<td>11%</td>
<td>10%</td>
<td>11%</td>
</tr>
<tr>
<td>Professional Services</td>
<td>11%</td>
<td>16%</td>
<td>11%</td>
</tr>
<tr>
<td>Other</td>
<td>58%</td>
<td>44%</td>
<td>53%</td>
</tr>
</tbody>
</table>

### Pre-tax Profit Margin

- SCHW: 45.6%
- AMTD: 47.6%
- Combined¹: 46.3%

### EOCA

- SCHW: 16 bps
- AMTD: 24 bps
- Combined¹: 18 bps

### ROTCE

- SCHW: 21%
- AMTD: N.M.
- Combined¹: N.M.

### Illustrative View²

- Gains from IDA renegotiation offset recent commission cuts
- Potential benefit equal to 60-65% of standalone AMTD cost base

### Impacts

- Recent commission reductions
- IDA agreement renegotiation
- Potential expense synergies

Note: Spread-based revenue = Net interest and related revenue. Balance-based revenue = asset management and other fee-based revenue. EOCA = Expense on Average Client Assets. Bps = basis points. ROTCE = Return on Tangible Common Equity. N.M. = Not Meaningful. Some numbers may not total due to rounding. Figures as of period-end September 2019. (1) Combined excludes the impact of recently announced commission reductions and any potential transaction synergies. (2) Represents 3Q19 results plus the estimated quarterly impact of recently announced commission pricing cuts as well as the impact of anticipated net run-rate synergies.
Insured Deposit Account Cash Sweep Program

Overview and Objectives

- Upon closing, Schwab will assume TD Ameritrade's rights and obligations under existing IDA agreement
- Intent is to minimize disruption to existing clients while providing a stable funding source for Schwab and a low-risk revenue stream for TD Bank
- Upon closing, servicing fee paid by Schwab is reduced by 10 bps (from 25 bps to 15 bps)
- Combination of an extended term plus fixed pricing will help promote stability
- Arrangement is capped and the IDA program will see no increase in volumes beyond July 2021 (or sooner subject to certain milestones)
- Schwab maintains flexibility to also sweep its clients' cash to its own banks, other sweep providers, and other liquid investment options (e.g., money market funds)

Term of Agreement

- 10-year term starting in 2021, with auto renewal (absent notice)
- Upon expiration, IDA balances enter into a run-off period
- For an interim period from close until July 2021, balances in the legacy IDA platform will be swept to TD Bank
- Thereafter, Schwab may reduce the balances under the IDA by up to $10B annually, subject to $50B program minimum

Deposits

- Schwab will direct a minimum of 80% of deposits into fixed rates for the first five years of the agreement
- Funds not “termed-out” will earn a short-term floating rate
- TD Bank will earn a fixed basis point service fee on the aggregate deposit balance

Fixed Rate Obligation / Service Fee

Note: (1) Subject to maintaining minimum agreed upon balances within TD Bank IDA program. (2) Cap on reduction limited to a rolling 12-month period.
Combination creates opportunity for significant expense synergies and revenue lift.

### Potential Opportunities

<table>
<thead>
<tr>
<th>Expense Synergies</th>
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<tbody>
<tr>
<td>▪ Potential cost savings of $1.8–2.0 billion</td>
</tr>
<tr>
<td>▪ Approximately 60–65% of AMTD’s expense base or 18–20% of blended cost base</td>
</tr>
<tr>
<td>▪ Expected to achieve full run-rate by the end of Year 3</td>
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<table>
<thead>
<tr>
<th>Revenue Synergies</th>
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<tbody>
<tr>
<td>▪ IDA restructuring offers improved net cash yields and balance sheet growth</td>
</tr>
<tr>
<td>▪ Opportunity to introduce AMTD customers to Schwab’s breadth and depth of capabilities</td>
</tr>
<tr>
<td>▪ Opportunity for Schwab clients to leverage AMTD’s trading capabilities</td>
</tr>
<tr>
<td>▪ Offer Schwab’s high-quality, low-cost investment products and solutions across an expanded client base</td>
</tr>
</tbody>
</table>

### Illustrative Sources

<table>
<thead>
<tr>
<th>Technology and Marketing Spend</th>
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<tbody>
<tr>
<td>Geodraphic Footprint Rationalization</td>
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<tr>
<td>Workforce Overlap</td>
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<tr>
<th>Full Suite of Advisory Solutions</th>
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<tbody>
<tr>
<td>Fund Products and Integrated Trading Platforms</td>
</tr>
<tr>
<td>Bank / IDA Restructuring</td>
</tr>
</tbody>
</table>

Currently estimating integration spend of $1.6 billion over 3 years post closing to support synergies
Other Considerations and Next Steps

- Schwab stockholders vote on stock issuance for transaction and creation of new class of nonvoting common stock
- AMTD stockholders vote to approve transaction (majority of all holders and majority of minority\(^1\))
- Receive regulatory approvals
- File documents with SEC
- Close transaction

Note: (1) Represents vote to approve the transaction, which excludes TD Bank and certain other stockholders.
Combined firm is positioned to meet the needs of investors and to support the independent advisors who serve them.

Enhances scale and efficiency while helping to drive profitable growth

Leverages merits of both platforms to further improve client experience

Unlocks attractive long-term stockholder value via potential synergy opportunities

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Note: Combined business and financial metrics shown represent annualized figures as of period-end September 2019; these metrics exclude the impact of recently announced commission reductions and any potential transaction synergies.
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