Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Exchange Act:

<table>
<thead>
<tr>
<th>Title of each class</th>
<th>Trading Symbol(s)</th>
<th>Name of each exchange on which registered</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common Stock - $.01 par value per share</td>
<td>SCHW</td>
<td>New York Stock Exchange</td>
</tr>
<tr>
<td>Depositary Shares, each representing a 1/40th ownership interest in a share of 6.00% Non-Cumulative Preferred Stock, Series C</td>
<td>SCHW PrC</td>
<td>New York Stock Exchange</td>
</tr>
<tr>
<td>Depositary Shares, each representing a 1/40th ownership interest in a share of 5.95% Non-Cumulative Preferred Stock, Series D</td>
<td>SCHW PrD</td>
<td>New York Stock Exchange</td>
</tr>
</tbody>
</table>

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by checkmark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐
On October 6, 2020 (the “Effective Date”), The Charles Schwab Corporation, a Delaware corporation (“Schwab”), completed its previously announced acquisition of TD Ameritrade Holding Corporation, a Delaware corporation (“TD Ameritrade”), pursuant to the Agreement and Plan of Merger, dated as of November 24, 2019, as amended (the “Merger Agreement”), by and among TD Ameritrade, Schwab and Americano Acquisition Corp., a wholly owned subsidiary of Schwab (“Merger Sub”). Pursuant to the Merger Agreement, Merger Sub merged with and into TD Ameritrade (the “Merger”), with TD Ameritrade continuing as the surviving corporation and as a wholly owned subsidiary of Schwab. This Current Report on Form 8-K is being filed to report various actions in connection with the Merger.

Pursuant to the Merger Agreement, at the effective time of the Merger (the “Effective Time”), each share of common stock, par value $0.01 per share, of TD Ameritrade (“TD Ameritrade Common Stock”) outstanding immediately prior to the Effective Time (other than certain shares held by TD Ameritrade and Schwab) was converted into the right to receive 1.0837 (the “Exchange Ratio”) shares of voting common stock, par value $0.01 per share, of Schwab (“Schwab Common Stock”); provided, however, that in accordance with the terms of the Merger Agreement, The Toronto-Dominion Bank, a Canadian-chartered bank (“TD Bank”) and its affiliates received Schwab Common Stock only up to a maximum of 9.9% of the Schwab Common Stock (including any other shares of Schwab Common Stock then owned by TD Bank and its affiliates) and otherwise received one share of nonvoting common stock, par value $0.01 per share, of Schwab (“Schwab Nonvoting Common Stock” and together with the Schwab Common Stock, the “Schwab Common Shares”), in lieu of each share of Schwab Common Stock that it would otherwise have received in excess of such percentage. No fractional shares of Schwab Common Stock were issued in the Merger, and TD Ameritrade stockholders became entitled to receive cash in lieu of any fractional shares (such cash and the newly issued shares of Schwab Common Stock and Schwab Nonvoting Common Stock, the “Merger Consideration”).

Treatment of Equity Awards

At the Effective Time, each outstanding option to purchase shares of TD Ameritrade Common Stock, whether vested or unvested, was assumed by Schwab and became an option to purchase shares of Schwab Common Stock, on the same terms and conditions as applied to such option immediately prior to the Effective Time, except that (a) the number of shares of Schwab Common Stock subject to such option became equal to the product of (i) the number of shares of TD Ameritrade Common Stock that were subject to such option immediately prior to the Effective Time multiplied by (ii) the Exchange Ratio, rounded down to the nearest whole share, and (b) the per-share exercise price became equal to the quotient of (i) the exercise price per share of TD Ameritrade Common Stock at which such option was exercisable immediately prior to the Effective Time, divided by (ii) the Exchange Ratio, rounded up to the nearest whole cent.

At the Effective Time, each outstanding restricted stock unit award with respect to shares of TD Ameritrade Common Stock, whether vested or unvested, became a restricted stock unit award with respect to shares of Schwab Common Stock, on the same terms and conditions as applied to such award immediately prior to the Effective Time, except that the number of shares of Schwab Common Stock subject to such award became equal to the product of (i) the number of shares of TD Ameritrade Common Stock that were subject to such award immediately prior to the Effective Time multiplied by (ii) the Exchange Ratio, rounded to the nearest whole share.

At the Effective Time, each outstanding restricted stock unit award with respect to shares of TD Ameritrade Common Stock that was eligible to vest based on the achievement of performance goals was assumed by Schwab and converted into a restricted stock unit award with respect to shares of Schwab Common Stock, on the same terms and conditions (other than performance-based vesting conditions) as applied to such award immediately prior to the Effective Time, except that the number of shares of Schwab Common Stock subject to such award became equal to the product of (i) the number of shares of TD Ameritrade Common Stock that were subject to such award immediately prior to the Effective Time multiplied by (ii) the Exchange Ratio, rounded to the nearest whole share.

At the Effective Time, each outstanding restricted stock unit award with respect to shares of TD Ameritrade Common Stock that was granted under the Directors Plan, whether vested or unvested, became vested (if unvested), and was cancelled and converted into the right to receive the Merger Consideration with respect to each underlying share of TD Ameritrade Common Stock.
The foregoing description of the Merger and the Merger Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Merger Agreement (including the amendment thereto), copies of which are filed hereto as Exhibit 2.1 and Exhibit 2.2, respectively, and incorporated herein by reference.

The aggregate number of Schwab Common Shares payable as Merger Consideration was approximately 509 million shares of Schwab Common Stock and approximately 77 million shares of Schwab Nonvoting Common Stock. The issuance of shares of Schwab Common Stock in connection with the Merger (other than the shares issued to TD Bank) was registered under the Securities Act of 1933, as amended (the “Securities Act”), pursuant to a registration statement on Form S-4 (File No. 333-237064), as amended, filed by Schwab with the Securities and Exchange Commission (the “Commission”) and declared effective on May 6, 2020 (the “Registration Statement”). The joint proxy statement/prospectus included in the Registration Statement contains additional information about the Merger Agreement and the transactions contemplated thereby.

**Item 2.01. Completion of Acquisition or Disposition of Assets.**

The information set forth in the Introductory Note, and the information describing Schwab’s previously disclosed entry into certain arrangements with TD Bank in connection with the Merger, as set forth in the joint proxy statement/prospectus of Schwab and TD Ameritrade that was included in the Registration Statement, is incorporated by reference into this Item 2.01.

**Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.**

On the Effective Date, Schwab entered into a guaranty supplement to guarantee the obligations of TD Ameritrade under its $300,000,000 Credit Agreement dated as of April 21, 2017, as amended by the First Amendment dated as of August 3, 2020. The provision of the guaranty supplement by Schwab was a condition for certain financial covenant and reporting obligations being modified in the credit agreement.

**Item 3.02. Unregistered Sales of Equity Securities.**

The information set forth in the Introductory Note, and the information describing the Schwab Nonvoting Common Stock, as set forth in the joint proxy statement/prospectus of Schwab and TD Ameritrade that was included in the Registration Statement, is incorporated by reference into this Item 3.02.

Pursuant to the Merger Agreement, on the Effective Date, Schwab issued approximately 177 million shares of Schwab Common Stock and approximately 77 million shares of Schwab Nonvoting Common Stock to TD Bank. Those shares of Schwab Common Stock and Schwab Nonvoting Common Stock were issued in reliance upon an exemption from registration afforded by Section 4(a)(2) of the Securities Act.

Immediately following the initial issuance of Schwab Common Stock and Schwab Nonvoting Common Stock to TD Bank, TD Bank exercised a right to exchange 500,000 shares of Schwab Common Stock for an equal number of shares of Schwab Nonvoting Common Stock. The shares of Schwab Nonvoting Common Stock issued in the exchange were issued in reliance on Section 3(a)(9) of the Securities Act.

**Item 3.03. Material Modification of Rights of Security Holders.**

The information set forth in the Introductory Note and Item 5.03 is incorporated by reference into this Item 3.03.

**Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

The information set forth in the Introductory Note is incorporated by reference into this Item 5.02.
Under the terms of the Merger Agreement, TD Ameritrade initially had the right to designate one director to the board of directors (“Board”) of Schwab, subject to certain qualifications and eligibility criteria set forth in the Merger Agreement. Under the terms of the Merger Agreement and the Stockholder Agreement dated as of November 24, 2019 by and between Schwab and TD Bank (the “Stockholder Agreement”), TD Bank initially has the right to designate two directors to the Board of Schwab, subject to certain qualifications, eligibility and stock ownership criteria as set forth in the Merger Agreement and the Stockholders Agreement. Pursuant to these agreements, TD Ameritrade designated Todd M. Ricketts, and TD Bank designated Brian M. Levitt and Bharat B. Masrani, to the Board of Schwab. On October 2, 2020, the Board of Schwab approved an increase in the size of the Board from 15 directors to 18 directors and elected Messrs. Ricketts, Levitt and Masrani to the Board to fill the resulting vacancies, in each case, effective upon the Effective Time. Messrs. Ricketts, Levitt and Masrani will serve as members of the respective classes of directors whose terms expire at the annual meeting of stockholders on 2023, 2022 and 2021, respectively. The Board determined Messrs. Ricketts and Levitt to be independent under the independence standards of the New York Stock Exchange.

Effective upon the Effective Time, the Board appointed Mr. Levitt as vice-chair and a member of the Compensation Committee and Mr. Masrani as a member of the Risk Committee. The new directors will each receive compensation for their services on the Board in accordance with Schwab’s standard compensatory arrangement for non-employee directors, including an annual retainer of $100,000 and an annual equity grant with an aggregate value of $185,000, split 40% in stock options, and 60% in restricted stock units. In addition, Mr. Levitt will receive an additional annual retainer of $10,000 as a member of the Compensation Committee and Mr. Masrani will receive an additional annual retainer of $15,000 as a member of the Risk Committee.

Mr. Masrani is group president and chief executive officer of TD Bank Group. Mr. Levitt is the Board Chair of TD Bank Group. In addition to Schwab entering into the Stockholder Agreement with TD Bank, Schwab also entered into the Amended and Restated Insured Deposit Account Agreement dated as of November 24, 2019 (the “IDA Agreement”), by and among Schwab and certain affiliates of TD Bank, and a Registration Rights Agreement dated as of November 24, 2019 (the “Registration Rights Agreement”), by and among Schwab, Charles R. Schwab, TD Bank and certain other stockholders described therein. The IDA Agreement and the Registration Rights Agreement became effective at the Effective Time.

TD Ameritrade currently transacts business and has various relationships with TD Bank and certain of its affiliates. Many of these relationships will continue after the Merger. See disclosure under Item 13 of TD Ameritrade’s Annual Report on Form 10-K/A for the fiscal year ended September 30, 2019 under “Transactions with Related Parties.”

The foregoing descriptions of the Stockholder Agreement, the Registration Rights Agreement and the IDA Agreement do not purport to be complete and are qualified in their entirety by reference to the full text of the Stockholder Agreement, the Registration Rights Agreement and the IDA Agreement, copies of which are filed as Exhibit 10.1, 10.5 and 10.6, respectively, to Schwab’s Current Report on Form 8-K, filed with the Commission on November 29, 2019 and incorporated herein by reference.

Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

The information set forth in the Introductory Note is incorporated by reference into this Item 5.03.

In accordance with the Merger Agreement, at the Effective Time, the certificate of incorporation of Schwab, as in effect immediately prior to the Effective Time, was amended to create a new class of nonvoting common stock. A copy of the Amendment to Fifth Restated Certificate of Incorporation of The Charles Schwab Corporation is attached as Exhibit 3.1 hereto and is incorporated herein by reference. The information describing the amendment and the terms of the Schwab Nonvoting Common Stock, as set forth in the joint proxy statement/prospectus of Schwab and TD Ameritrade that was included in the Registration Statement, is incorporated by reference into this Item 5.03.

On October 2, 2020, the Board of Schwab approved an amendment to Section 1.02 of Schwab’s Fourth Restated Bylaws (the “Bylaws Amendment”), effective as of January 1, 2021, to effect the relocation of Schwab’s principal office for the transaction of business and principal executive offices to Westlake Texas. A copy of the Bylaws Amendment is attached as Exhibit 3.2 hereto and is incorporated herein by reference.
Item 7.01.  Regulation FD Disclosure.

On the Effective Date, Schwab issued a press release announcing the completion of the Merger. A copy of the press release is furnished as Exhibit 99.1 hereto. Such press release shall not be deemed “filed” for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing made by Schwab under the Securities Act or the Exchange Act.

Item 9.01.  Financial Statements and Exhibits.

(a) Financial Statements of Business Acquired.

The financial statements required by Item 9.01(a) of Form 8-K will be filed by amendment to this Form 8-K no later than 71 days after the date this initial report on Form 8-K must be filed.

(b) Pro Forma Financial Information.

The pro forma financial statements required by Item 9.01(b) of Form 8-K will be filed by amendment to this Form 8-K no later than 71 days after the date this initial report on Form 8-K must be filed.

(d) Exhibits.

<table>
<thead>
<tr>
<th>Exhibit No.</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1</td>
<td>Agreement and Plan of Merger, dated as of November 24, 2019, by and among The Charles Schwab Corporation, TD Ameritrade Holding Corporation and Americano Acquisition Corp. (incorporated by reference to Exhibit 2.1 to Schwab’s Current Report on Form 8-K, filed with the Commission on November 29, 2019)</td>
</tr>
<tr>
<td>2.2</td>
<td>Amendment No. 1 to Agreement and Plan of Merger, dated as of May 14, 2020, by and among The Charles Schwab Corporation, TD Ameritrade Holding Corporation and Americano Acquisition Corp. (incorporated by reference to Exhibit 2.2 to Schwab’s Current Report on Form 8-K, filed with the Commission on May 15, 2020)</td>
</tr>
<tr>
<td>3.1</td>
<td>Amendment to Fifth Restated Certificate of Incorporation of The Charles Schwab Corporation, effective October 6, 2020</td>
</tr>
<tr>
<td>3.2</td>
<td>Amendment to Fourth Restated Bylaws of The Charles Schwab Corporation, to be effective January 1, 2021</td>
</tr>
<tr>
<td>99.1</td>
<td>Press Release</td>
</tr>
<tr>
<td>104</td>
<td>Cover Page Interactive Data File (formatted as inline XBRL document)</td>
</tr>
</tbody>
</table>
Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: October 6, 2020

THE CHARLES SCHWAB CORPORATION

By: /s/ Peter Crawford
    Peter Crawford
    Executive Vice President and Chief Financial Officer
Exhibit 3.1

AMENDMENT TO
FIFTH RESTATED CERTIFICATE OF INCORPORATION OF
THE CHARLES SCHWAB CORPORATION
(Originally incorporated on November 25, 1986,
under the name CL Acquisition Corporation)

It is hereby certified that

FIRST. The name of this corporation (hereinafter called the “Corporation”) is THE CHARLES SCHWAB CORPORATION.

SECOND. The Fifth Restated Certificate of Incorporation of the Corporation is hereby amended by striking out Article FOURTH thereof and restating it in its entirety as follows:

“FOURTH.

(A) This Corporation is authorized to issue three classes of stock: preferred stock, common stock and nonvoting common stock. The authorized number of shares of capital stock is Three Billion, Three Hundred Nine Million, Nine Hundred Forty Thousand (3,309,940,000) shares, of which the authorized number of shares of preferred stock is Nine Million, Nine Hundred Forty Thousand (9,940,000), the authorized number of shares of common stock is Three Billion (3,000,000,000) and the authorized number of shares of nonvoting common stock is Three Hundred Million (300,000,000). As used in this Fifth Restated Certificate of Incorporation, references to “common stock” refer to the class of voting shares of common stock, references to “Nonvoting common stock” refer to the class of nonvoting common stock, and the class of common stock together with the class of Nonvoting common stock are collectively referred to as the “Common Shares.” The stock, whether preferred stock, common stock or Nonvoting common stock, shall have a par value of one cent ($0.01) per share. The number of authorized shares of any class or classes of stock may be increased or decreased (but not below the number of shares of such class then outstanding plus the number of shares of such class reserved for issuance, including shares reserved for issuance upon the conversion or exercise of any security of the Corporation providing for the issuance or delivery of shares of such class upon the conversion or exercise thereof) by the affirmative vote of the holders of a majority of common stock.

(B) Common Shares.

(1) Dividends and Other Distributions. Subject to the preferences applicable to any series of preferred stock, if any, outstanding at any time, and subject to the proviso in the following sentence, the holders of Common Shares shall share equally and be treated identically, on a per share basis, in dividends and other distributions of cash, property or shares of stock of the Corporation as may be declared by the Board of Directors from time to time with respect to the Common Shares out of assets or funds of the Corporation legally available therefor, including, without limitation, in respect of related declaration dates, record dates and payment dates. In furtherance and not in limitation of the foregoing, no dividend may be declared or paid with respect to shares of common stock unless an identical per share dividend is simultaneously
declared and paid in respect of shares of Nonvoting common stock, and no dividend may be declared or paid with respect to shares of Nonvoting common stock unless an identical per share dividend is simultaneously declared and paid in respect of shares of common stock; provided, however, that in the event that any dividend is paid in the form of Common Shares or rights to acquire Common Shares, the holders of common stock shall receive common stock or rights to acquire common stock, as the case may be, and the holders of Nonvoting common stock shall receive Nonvoting common stock or rights to acquire Nonvoting common stock, as the case may be.

(2) Voting Rights.

(a) Except as otherwise provided by applicable law, this Restated Certificate of Incorporation or any certificate of designations, all of the voting power of the Corporation shall be vested in the holders of common stock, and each holder of common stock shall have one vote for each share of common stock held by such holder on all matters to be voted upon by the stockholders; provided, however, that, except as otherwise required by law, holders of common stock shall not be entitled to vote on any amendment to this Restated Certificate of Incorporation (including any certificate of designations relating to any series of preferred stock) that relates solely to the terms of one or more outstanding series of preferred stock if the holders of such affected series are entitled, either separately or together as a class with the holders of one or more other such series, to vote thereon pursuant to this Restated Certificate of Incorporation (including any certificate of designations relating to any series of preferred stock). For the avoidance of doubt, the reference to “this Corporation’s common stock” in the definition of “Voting Stock” in paragraph (C)(12) of Article TENTH shall be deemed to be a reference to the common stock.

(b) Nonvoting common stock shall not have any voting power (and shall not be included in determining the number of shares voting or entitled to vote on a given matter), except (i) that any amendment, alteration or repeal (including by merger, consolidation or otherwise) of any provision of this Restated Certificate of Incorporation in a manner that significantly and adversely affects the rights or preferences of the Nonvoting common stock contained in this Fifth Restated Certificate of Incorporation, relative to the effect of such amendment, alteration or repeal on the common stock, shall require the affirmative vote of a majority of the outstanding shares of Nonvoting common stock, voting separately as a class, or (ii) as otherwise required by applicable law. Each holder of Nonvoting common stock shall have one vote for each share of Nonvoting common stock held by such holder on all matters to be voted upon by the holders of Nonvoting common stock.

(3) Liquidation. Subject to the preferences applicable to any series of preferred stock, if any outstanding at any time, in the event of the voluntary or involuntary liquidation, dissolution, distribution of assets or winding up of the Corporation, the holders of common stock and the holders of Nonvoting common stock shall be entitled to share equally, on a per share basis, all assets of the Corporation of whatever kind available for distribution to the holders of Common Shares.

(4) Subdivision or Combinations. If the Corporation in any manner subdivides or combines the outstanding shares of one class of Common Shares (including by way of a
dividend payable in shares of common stock or Nonvoting common stock, but subject to the proviso to Section (B)(1) of this Article FOURTH), the outstanding shares of the other class of Common Shares will be subdivided or combined in the same manner proportionately and on the same basis per share.

(5) Transfer Restrictions.

(a) No holder of shares of Nonvoting common stock may transfer any shares of Nonvoting common stock except pursuant to (i) a Permitted Inside Transfer or (ii) a Permitted Outside Transfer.

(b) Any attempt to transfer any shares of Nonvoting common stock not in compliance herewith shall be null and void, and the Corporation shall not, and shall cause the transfer agent, if any, for Nonvoting common stock not to, give any effect in the Corporation’s stock records to such attempted transfer.

(6) Conversion of Nonvoting Common Stock.

(a) Automatic Conversion Upon Permitted Outside Transfer. Upon any Permitted Outside Transfer, each share of Nonvoting common stock so transferred shall, automatically and without the act of the holder thereof, be converted into one share of common stock in the hands of the transferee, subject to paragraph (B)(6)(b) of this Article FOURTH. Such conversion shall take effect simultaneously with the applicable Permitted Outside Transfer.

(b) Certain Conversion Terms. After any Permitted Outside Transfer, the new holder of the shares of Nonvoting common stock so converted shall present to the Corporation such evidence of transfer as the Corporation may reasonably request, and as soon as practicable after the presentation thereof and, if required, the payment of all transfer and similar taxes, the Corporation shall issue and register in book-entry form in the name of such holder the number of shares of common stock issuable upon such conversion. Each holder of Nonvoting common stock shall give prompt notice to the Corporation of any Permitted Outside Transfer of shares of Nonvoting common stock by such holder; provided that in the case of any shares of Nonvoting common stock that are sold by a holder thereof in an offering that is a widespread public distribution under an effective registration statement pursuant to the Securities Act of 1933, as amended, no further evidence or notice of transfer shall be required and each transferee shall receive shares of common stock in such transfer, subject to the concurrent delivery of the shares of Nonvoting common stock to the Corporation. All shares of common stock issued or delivered upon conversion of shares of Nonvoting common stock shall be validly issued, fully paid and non-assessable and shall be free of preemptive or similar rights and free of any lien or adverse claim created by the Corporation. The Corporation shall take all such actions as may be necessary to assure that all such shares of common stock issuable upon conversion of the Nonvoting common stock (i) will be listed or quoted on each securities exchange upon which the common stock is listed or quoted and (ii) will be so issued without violation of any applicable law or governmental regulation (insofar as such applicable law or governmental regulation applies generally to such issuance and not to unique circumstances related to the relevant holder) or any requirements of any securities exchange upon which shares may be listed or quoted (except, in the case of clauses (i) and (ii), for official notice of issuance which shall be
immediately delivered by the Corporation upon each such issuance). The Corporation shall not close its books against the transfer of Nonvoting common stock or of common stock issued or issuable upon conversion of Nonvoting common stock in any manner which interferes with the timely conversion of Nonvoting common stock.

(c)  Effect of Conversion. Upon conversion as provided herein, each outstanding share of Nonvoting common stock so converted shall cease to be outstanding, dividends and distributions on such share shall cease to accrue or be due and all rights in respect of such share shall terminate, other than (i) the right to receive, upon compliance with paragraph (B)(6)(b) of this Article FOURTH, appropriate evidence of the share of common stock registered in book-entry form into which such share of Nonvoting common stock has been converted and (ii) on the appropriate payment date after the date of conversion, the amount of all dividends or other distributions payable with respect to such share of Nonvoting common stock with a record date prior to the date of conversion and a payment date subsequent to the date of conversion. The conversion of shares of Nonvoting common stock shall be made without charge to the holder or holders of such shares for any issuance tax in respect thereof or other costs incurred by the Corporation in connection with such conversion.

(d)  Reservation of Common Stock. The Corporation shall, at all times when any shares of Nonvoting common stock are outstanding, reserve and keep available, free from preemptive rights, out of its authorized but unissued common stock, the full number of shares of common stock then issuable upon conversion of all then outstanding shares of Nonvoting common stock. Notwithstanding anything herein to the contrary, the Corporation may, at its election, deliver, upon conversion of Nonvoting common stock, treasury shares of common stock or other shares of common stock that the Corporation has reacquired, provided such shares comply with the third sentence of paragraph (B)(6)(b) of this Article FOURTH.

(7)  No Optional Conversion. At no time may any share of Nonvoting common stock be converted at the option of the holder thereof. For the avoidance of doubt, this paragraph (B)(7) of this Article FOURTH shall not affect the automatic conversion of Nonvoting common stock upon a Permitted Outside Transfer pursuant to paragraph (B)(6) of this Article FOURTH.

(8)  Equal Status. Except as expressly provided in this Article FOURTH, common stock and Nonvoting common stock shall have the same rights and privileges and rank equally, share ratably, be identical in all respect as to all matters and be treated equally by the Corporation in any merger (other than any merger to create a holding company in which the common stock and Nonvoting common stock are treated equally except that each receives securities that mirror their respective Common Shares), consolidation, share repurchase pursuant to an exchange offer by the Corporation, share repurchase pursuant to a tender offer, tender offer pursuant to an agreement to which the Corporation is a party or other similar transaction; provided that, for the avoidance of doubt, the foregoing shall not prohibit the Corporation from making open market repurchases of common stock without repurchasing or offering to repurchase Nonvoting common stock.

(9) The following definitions shall apply with respect to this Article FOURTH:
(a) “Affiliate” means, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with such Person. For purposes of this definition, “control” (including, with correlative meanings, the terms “controlled by” and “under common control with”) has the meaning set forth in 12 C.F.R. § 238.2(e) or 12 C.F.R. § 225.2(e)(1), as applicable.

(b) “Permitted Inside Transfer” means any transfer of shares of Nonvoting common stock by a holder thereof to an Affiliate of such holder; provided that, for the avoidance of doubt, if, following such transfer, the transferee ceases to be an Affiliate of the transferor, such transfer shall not be considered a Permitted Outside Transfer that results in the conversion of the Nonvoting common stock into common stock pursuant to paragraph (B)(6) of Article FOURTH.

(c) “Permitted Outside Transfer” means any transfer of shares of Nonvoting common stock by a holder thereof (i) in a widespread public distribution (or to an underwriter solely for the purpose of conducting a widespread public distribution), (ii) in a transfer in which no relevant transferee (or group of associated transferees) would receive 2% or more of the outstanding securities of any “class of voting shares” (as defined in 12 C.F.R. § 238.2(r)(3) or 12 C.F.R. § 225.2(q)(3), as applicable) of the Corporation, (iii) to a transferee that would control more than 50% of every “class of voting shares” (as defined in 12 C.F.R. § 238.2(r)(3) or 12 C.F.R. § 225.2(q)(3), as applicable) of the Corporation without any transfer from the transferring holder or (iv) to the Corporation; provided that, notwithstanding anything to the contrary in this definition, any transfer of shares of Nonvoting common stock by a holder thereof in any transaction described in any of the foregoing clauses (i), (ii), (iii) or (iv) that is also a Permitted Inside Transfer shall constitute a Permitted Inside Transfer and not a Permitted Outside Transfer.

(C) Preferred Stock. Shares of preferred stock may be issued from time to time in one or more series. The Board of Directors of this Corporation is hereby authorized to fix or alter the voting rights, powers, preferences and privileges, and the relative, participating, optional or other rights, if any, and the qualifications, limitations or restrictions thereof, of any wholly unissued series of preferred stock; and to increase or decrease the number of shares of any series of preferred stock (but not below the number of shares thereof then outstanding)."

THIRD. This Amendment to the Fifth Restated Certificate of Incorporation of The Charles Schwab Corporation amends Article FOURTH of the Fifth Restated Certificate of Incorporation of The Charles Schwab Corporation pursuant to Sections 242 of the Delaware General Corporation Law.

FOURTH. This Amendment to the Fifth Restated Certificate of Incorporation of The Charles Schwab Corporation shall be effective as of 12:01 a.m. on October 6, 2020.

[Remainder of page intentionally left blank; signature page follows]
Executed this 5th day of October 2020.

/s/ R. Scott McMillen
R. Scott McMillen
Assistant Corporate Secretary

Acknowledged:

/s/ Susan L. Stapleton
Susan L. Stapleton
Assistant Corporate Secretary
Section 1.02 shall read in its entirety, effective as of January 1, 2021:

“Section 1.02. Principal Office. The principal office for the transaction of the business of the Corporation shall be at 3000 Schwab Way, Westlake, TX, 76262. The Board of Directors (hereafter called the “Board”) is hereby granted full power and authority to change said principal office from one location to another.”
News Release

Contacts:

**MEDIA**
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Charles Schwab
Phone: 415-667-1525
mayura.hooper@schwab.com

**INVESTORS/ANALYSTS**
Richard Fowler
Charles Schwab
Phone: 415-667-1841
richard.fowler@schwab.com

**SCHWAB COMPLETES ACQUISITION OF TD AMERITRADE**
Creates company with approximately $6 trillion in client assets across 28 million brokerage accounts
Enhances company’s position as a leading provider of services and solutions
to investors and independent advisors

SAN FRANCISCO, October 6, 2020 — The Charles Schwab Corporation (“Schwab”) today announced that it has completed its acquisition of TD Ameritrade Holding Corporation (“TD Ameritrade”). The combination will create a company with enhanced scale, an even better portfolio of world-class services and solutions, and a talented team united by an unwavering commitment to clients and a shared heritage of innovation.

Schwab President and CEO Walt Bettinger said, “This is a historic moment that brings together two leading companies with proud and successful histories of making investing more accessible to all. As we begin this next chapter, we remain focused on continuing to be the industry’s most trusted leader in investment services. Looking forward, we intend to quickly and efficiently harness our complementary strengths in order to break down even more barriers for investors. In doing so, we intend to deliver a winning combination of low costs, great service and industry-leading technology to support our clients, and the advisors who serve them, across every phase of their financial journey.”

Bettinger continued, “Schwab is proud to welcome TD Ameritrade’s talented employees, and we look forward to serving TD Ameritrade’s clients. We are committed to maintaining our sharp focus on seeing...
‘Through Clients’ Eyes’ as we begin to integrate our companies carefully and thoughtfully and prepare our plans to transition brokerage accounts at TD Ameritrade’s broker-dealers to Schwab’s broker-dealer in the future.”

The integration of Schwab’s and TD Ameritrade’s operations is expected to occur over the next 18 to 36 months, though planning for it has been underway since the acquisition was announced on November 25, 2019. Until the integration is complete, Schwab and TD Ameritrade will continue to operate separate broker-dealers to serve their respective clients. Until then, the products, services and delivery channels currently available from the two companies remain largely unchanged, and clients should continue to call Schwab for Schwab account business and TD Ameritrade for TD Ameritrade account business. More information and FAQs for clients of both companies is available at welcome.schwab.com.

The acquisition of TD Ameritrade delivers significant scale to Schwab, which will help the company drive long-term growth and serve a broad range of clients at lower costs. With a combined total of approximately $6 trillion in client assets, 28 million brokerage accounts and more than 5 million daily average trades,* Schwab expects its enhanced scale will lower operating expenses as a percentage of client assets (EOCA). Combining the respective strengths of Schwab and TD Ameritrade will enable the company to invest in enhanced client experience capabilities and further its financial success to the benefit of clients, employees and stockholders.

In addition, the combined company will be positioned to deliver a broader and more extensive range of services and solutions to Schwab and TD Ameritrade clients, including individual investors as well as the Registered Investment Advisors (RIAs) who custody their clients’ assets with the companies. As a first step, on August 5, 2020, Schwab announced it intends to integrate TD Ameritrade’s award-winning thinkorswim® and thinkpipes® trading platforms, educational resources and tools into its trader offerings for retail and independent advisor clients. Schwab also plans to retain TD Ameritrade Institutional’s customizable portfolio rebalancing solution iRebal® as part of its offering for independent advisor clients. Following the integration, the combined company’s other innovative and client-centric products will include leading wealth management platforms, RIA custody platforms and tools, investor education, award-winning service, retirement services, banking and asset management.

As previously announced, TD Ameritrade stockholders received 1.0837 shares of Schwab common stock for each share of TD Ameritrade, except The Toronto-Dominion Bank (“TD Bank”) and its affiliates received Schwab common stock only up to a maximum of 9.9% of the Schwab common stock (including any other shares of Schwab common stock then owned by TD Bank and its affiliates) and otherwise received newly created Schwab nonvoting common stock. The aggregate number of shares of Schwab
stock issuable as merger consideration was approximately 509 million shares of Schwab common stock and 77 million shares of Schwab nonvoting common stock.

Effective upon the merger, Todd M. Ricketts, Brian M. Levitt and Bharat B. Masrani were elected to Schwab’s board. Mr. Ricketts was designated by TD Ameritrade pursuant to the terms of the merger agreement and Messrs. Levitt and Masrani were designated by TD Bank pursuant to the terms of the merger agreement and the stockholder agreement between Schwab and TD Bank.

In conjunction with the close of the acquisition, Schwab announced that effective January 1, 2021, it expects to complete the planned change in the designation of its corporate headquarters from San Francisco to its new campus in Westlake, Texas, first announced last November. Opened in late 2019, the Westlake location and facility were specifically chosen and designed as a more centrally located hub for the company given Schwab’s nationwide presence across a network of branches and operations centers. It will also serve as a central location for meetings of the company’s board and its leadership team, which is also geographically dispersed across the country. The company does not anticipate any impact on the vast majority of San Francisco-based roles and expects to continue hiring in the city. Any additional real estate decisions will be made over time as part of the integration process.

Credit Suisse Securities (USA) LLC served as financial advisor and Davis Polk & Wardwell LLP acted as legal advisor to Schwab. PJT Partners LP and Piper Sandler & Co. served as financial advisors and Wachtell, Lipton, Rosen & Katz acted as legal advisor to the strategic development committee of the board of directors of TD Ameritrade.

Commentary from the CFO

Peter Crawford, Executive Vice President and Chief Financial Officer for Schwab, provides perspectives on post-closing reporting and certain other aspects of the TD Ameritrade acquisition at: www.aboutschwab.com/cfo-commentary.

Forward-Looking Statements

This press release contains forward-looking statements relating to Schwab’s acquisition of TD Ameritrade and the combined company, including scale; client and stockholder benefits; integration timing and plans; growth; EOCA; and financial success, that reflect management’s expectations as of the date hereof. Achievement of these expectations is subject to risks and uncertainties that could cause actual results to differ materially from the expressed expectations.

Important factors that may cause such differences include, but are not limited to, the risk that expected revenue, expense, operational and other synergies from the transaction may not be fully realized or may take longer to realize than expected; the companies are unable to successfully implement their integration strategies and plans; general market conditions, including equity valuations, trading activity, the level of interest rates - which can impact money market fund fee waivers - and credit spreads; the companies’ 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 companies’ 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 companies’ advisory solutions and other products and services; client cash allocations; client sensitivity to rates; the level of client assets, including cash balances; the companies’ ability to monetize client assets; capital and liquidity needs and management; the scope and duration of the COVID-19 pandemic and actions taken by governmental authorities to contain the spread of the virus and the economic impact; regulatory guidance; litigation or regulatory matters; and any adverse impact of financial reform legislation and related regulations. Other important factors are set forth in Schwab’s and TD Ameritrade’s definitive joint proxy statement/prospectus dated May 4, 2020, as supplemented, and Schwab’s and TD Ameritrade’s most recent reports on Form 10-K and Form 10-Q.

About Charles Schwab

The Charles Schwab Corporation (NYSE: SCHW) is a leading provider of financial services, with 28 million active brokerage accounts, 2 million corporate retirement plan participants, 1.5 million banking accounts, and approximately $6 trillion in client assets.* Through its operating subsidiaries, the company provides a full range of wealth management, securities brokerage, banking, asset management, custody, and financial advisory services to individual investors and independent investment advisors. Its broker-dealer subsidiaries Charles Schwab & Co., Inc., TD Ameritrade, Inc., and TD Ameritrade Clearing, Inc., (members SIPC, https://www.sipc.org), and their affiliates offer a complete range of investment services and products including an extensive selection of mutual funds; financial planning and investment advice; retirement plan and equity compensation plan services; referrals to independent, fee-based investment advisors; and custodial, operational and trading support for independent, fee-based investment advisors through Schwab Advisor Services. Its primary banking subsidiary, Charles Schwab Bank, SSB (member FDIC and an Equal Housing Lender), provides banking and lending services and products. More information is available at www.aboutschwab.com. Follow us on Twitter, Facebook, YouTube and LinkedIn.

TD Ameritrade, Inc. and TD Ameritrade Clearing, Inc. are separate but affiliated companies and subsidiaries of TD Ameritrade Holding Corporation. TD Ameritrade Holding Corporation is a wholly owned subsidiary of The Charles Schwab Corporation. TD Ameritrade is a trademark jointly owned by TD Ameritrade IP Company, Inc. and The Toronto-Dominion Bank.

* Total client assets based on combined data for Schwab and TD Ameritrade as of August 31, 2020, using company reports; all other combined data as of June 30, 2020, calculated using Schwab’s methodology.