
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): December 8, 2020

The Charles Schwab Corporation

(Exact name of registrant as specified in its charter)

Commission File Number: 1-9700

Delaware
(State or other jurisdiction
of incorporation)

94-3025021
(I.R.S. Employer
Identification No.)

211 Main Street, San Francisco, CA 94105
(Address of principal executive offices, including zip code)

(415) 667-7000
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

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 Act:

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

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 check mark 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.

Introductory Note

On December 11, 2020, The Charles Schwab Corporation (“CSC”) issued and sold 2,500,000 depositary shares (“Depositary Shares”), each representing a 1/100th ownership interest in a share of 4.000% fixed-rate reset non-cumulative perpetual preferred stock, Series H, \$0.01 par value per share, with a liquidation preference of \$100,000 per share (equivalent to \$1,000 per Depositary Share) (the “Series H Preferred Stock”). The net proceeds of the offering of the 2,500,000 Depositary Shares were approximately \$2,470,000,000, after deducting underwriting discounts and commissions and estimated offering expenses. This issuance is referred to as the “Preferred Issuance.”

Also on December 11, 2020, CSC issued \$1,250,000,000 aggregate principal amount of 0.900% Senior Notes due 2026 and \$750,000,000 aggregate principal amount of 1.650% Senior Notes due 2031 (collectively, the “Notes”). The net proceeds of the offering of the Notes were approximately \$1,981,000,000, after deducting underwriting discounts and commissions and estimated offering expenses. This issuance is referred to as the “Debt Issuance.”

Item 3.03 Material Modification to Rights of Security Holders

In connection with the Preferred Issuance, CSC filed a Certificate of Designations (the “Certificate of Designations”) with the Secretary of State of the State of Delaware, establishing the voting rights, powers, preferences and privileges, and the relative, participating, optional or other rights, and the qualifications, limitations or restrictions thereof, of the Series H Preferred Stock on December 10, 2020. Holders of the Depositary Shares will be entitled to all proportional rights and preferences of the Series H Preferred Stock (including dividend, voting, redemption and liquidation rights).

Under the terms of the Series H Preferred Stock, the ability of CSC to pay dividends on, make distributions with respect to, or to repurchase, redeem or acquire its common stock, nonvoting common stock or any preferred stock ranking on parity with or junior to the Series H Preferred Stock, is subject to restrictions in the event that CSC does not declare and either pay or set aside a sum sufficient for payment of dividends on the Series H Preferred Stock for the immediately preceding dividend period.

The terms of the Series H Preferred Stock are more fully described in the Certificate of Designations which is included as Exhibit 3.1 to this Current Report on Form 8-K and is incorporated by reference herein.

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

The Certificate of Designations became effective upon filing with the Secretary of State of the State of Delaware. The terms of the Series H Preferred Stock are more fully described in the Certificate of Designations which is included as Exhibit 3.1 to this Current Report on Form 8-K and is incorporated by reference herein.

Item 8.01 Other Events

Preferred Issuance:

On December 8, 2020, in connection with the Preferred Issuance, CSC entered into an Underwriting Agreement (the “Preferred Underwriting Agreement”) with BofA Securities, Inc., Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC, as the representatives of the several underwriters named therein (collectively, the “Preferred Underwriters”), under which CSC agreed to sell to the Preferred Underwriters 2,500,000 shares of Depositary Shares, each representing a 1/100th ownership interest in a share of Series H Preferred Stock.

The Preferred Underwriting Agreement contains customary representations, warranties and agreements of CSC, conditions to closing, indemnification rights and obligations of the parties, and termination provisions. Under the terms of the Preferred Underwriting Agreement, CSC agreed to indemnify the Preferred Underwriters against certain specified types of liabilities, including liabilities under the Securities Act of 1933, as amended, and to contribute to payments the Preferred Underwriters may be required to make in respect of these liabilities.

The offering was made pursuant to the prospectus supplement dated December 8, 2020 and the accompanying prospectus dated December 4, 2020, filed with the Securities and Exchange Commission (the “SEC”) pursuant to CSC’s effective registration statement on Form S-3 (File No. 333-251156) (the “Registration Statement”).

Copies of (a) the Preferred Underwriting Agreement, (b) the Certificate of Designations to which the Form of Certificate Representing the Series H Preferred Stock is attached as Exhibit A, (c) the Deposit Agreement, dated December 11, 2020, between CSC and Equiniti Trust Company, as Depository, to which the Form of Depository Share Receipt is attached as Exhibit A and (d) a validity opinion with respect to the Depository Shares and the Series H Preferred Stock are attached as Exhibits 1.1, 3.1, 4.1 and 5.1, respectively, to this Current Report on Form 8-K and are incorporated by reference into CSC’s Registration Statement.

Debt Issuance:

The Notes in the Debt Issuance were issued under a Senior Indenture, dated as of June 5, 2009 (the “Senior Indenture”), between CSC and The Bank of New York Mellon Trust Company, N.A., as trustee, as supplemented by the Fifteenth Supplemental Indenture, dated as of December 11, 2020 (the “Fifteenth Supplemental Indenture”). The offering was made pursuant to the prospectus supplement dated December 8, 2020 and the accompanying prospectus dated December 4, 2020, filed with the SEC pursuant to CSC’s Registration Statement.

On December 8, 2020, in connection with the Debt Issuance, CSC entered into an Underwriting Agreement (the “Debt Underwriting Agreement”) with BofA Securities, Inc., Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC, as representatives of the several underwriters named therein (collectively, the “Debt Underwriters”), pursuant to which CSC agreed to issue and sell the Notes to the Debt Underwriters.

The Debt Underwriting Agreement contains customary representations, warranties and agreements of CSC, conditions to closing, indemnification rights and obligations of the parties, and termination provisions. Under the terms of the Debt Underwriting Agreement, CSC agreed to indemnify the Debt Underwriters against certain specified types of liabilities, including liabilities under the Securities Act of 1933, as amended, and to contribute to payments the Debt Underwriters may be required to make in respect of these liabilities.

Copies of (a) the Debt Underwriting Agreement, (b) the Fifteenth Supplemental Indenture, (c) the form of 0.900% Senior Notes due 2026, (d) the form of 1.650% Senior Notes due 2031 and (e) a validity opinion with respect to the Notes are attached as Exhibits 1.2, 4.55, 4.56, 4.57 and 5.2, respectively, to this Current Report on Form 8-K and are incorporated by reference into the Registration Statement.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

- 1.1 [Underwriting Agreement, dated December 8, 2020, by and among CSC and BofA Securities, Inc., Citigroup Global Markets Inc., Credit Suisse Securities \(USA\) LLC, Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC, as the representatives of the several underwriters named therein.](#)
- 1.2 [Underwriting Agreement, dated December 8, 2020, by and among CSC and BofA Securities, Inc., Citigroup Global Markets Inc., Credit Suisse Securities \(USA\) LLC, Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC, as the representatives of the several underwriters named therein.](#)
- 3.1 [Certificate of Designations of 4.000% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series H, dated December 10, 2020, of CSC \(including the form of 4.000% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series H Certificate of CSC attached as Exhibit A thereto\).](#)
- 4.1 [Deposit Agreement, dated December 11, 2020, between CSC and Equiniti Trust Company, as Depositary \(including the form of Depositary Share Receipt attached as Exhibit A thereto\).](#)
- 4.55 [Fifteenth Supplemental Indenture, dated as of December 11, 2020, by and between CSC and The Bank of New York Mellon Trust Company, N.A., as Trustee.](#)
- 4.56 [Form of 0.900% Senior Notes due 2026 \(included in Exhibit 4.55\).](#)
- 4.57 [Form of 1.650% Senior Notes due 2031 \(included in Exhibit 4.55\).](#)
- 5.1 [Opinion of Arnold & Porter Kaye Scholer LLP, dated December 11, 2020.](#)
- 5.2 [Opinion of Arnold & Porter Kaye Scholer LLP, dated December 11, 2020.](#)
- 23.1 [Consent of Arnold & Porter Kaye Scholer LLP, dated December 11, 2020 \(included in Exhibit 5.1\).](#)
- 23.2 [Consent of Arnold & Porter Kaye Scholer LLP, dated December 11, 2020 \(included in Exhibit 5.2\).](#)
- 104 Cover Page Interactive Data File - the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.

Signature(s)

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

THE CHARLES SCHWAB CORPORATION

Date: December 11, 2020

By: /s/ Peter Crawford

Peter Crawford

Executive Vice President and Chief Financial Officer

THE CHARLES SCHWAB CORPORATION

2,500,000 Depositary Shares, Each Representing a 1/100th Interest in a Share of 4.000% Fixed
Rate Reset Non-Cumulative Perpetual Preferred Stock, Series H

UNDERWRITING AGREEMENT

DECEMBER 8, 2020

UNDERWRITING AGREEMENT

December 8, 2020

BofA Securities, Inc.
Citigroup Global Markets Inc.
Credit Suisse Securities (USA) LLC
Goldman Sachs & Co. LLC
J.P. Morgan Securities LLC

as Representatives of the
several Underwriters named
in Schedule A hereto

c/o BofA Securities, Inc.
One Bryant Park
New York, New York 10036

c/o Citigroup Global Markets Inc.
388 Greenwich Street
New York, New York 10013

c/o Credit Suisse Securities (USA) LLC
11 Madison Avenue
New York, New York 10010

c/o Goldman Sachs & Co. LLC
200 West Street
New York, New York 10282

c/o J.P. Morgan Securities LLC
383 Madison Avenue
New York, New York 10179

Ladies and Gentlemen:

The Charles Schwab Corporation, a Delaware corporation (the "Company"), proposes, subject to the terms and conditions stated herein, to issue and sell to the several underwriters named in Schedule A hereto (the "Underwriters"), for whom you are acting as Representatives, 2,500,000 depositary shares (the "Depositary Shares"), each such Depositary Share representing a 1/100th interest in a share of its 4.000% Fixed Rate Reset Non-Cumulative Perpetual Preferred Stock, Series H, par value \$0.01 per share, with a liquidation preference of \$100,000 per share (equivalent to \$1,000 per depositary share) (the "Preferred Stock"). The Depositary Shares and the Preferred Stock are described in the Prospectus that is referred to below. The Preferred Stock, when issued, will be deposited against delivery of depositary receipts (the "Depositary Receipts"), which will evidence the Depositary Shares and will be issued by Equiniti Trust Company (the "Depositary") under a deposit agreement, to be dated December 11, 2020 (the "Deposit Agreement"), among the Company, the Depositary and the holders from time to time of the Depositary Receipts issued hereunder.

The Preferred Stock is to be issued by the Company pursuant to the provisions of the certificate of designations relating to the Preferred Stock (the "Certificate of Designations") to be filed by the Company with the Secretary of State of the State of Delaware prior to the Closing Date (as defined below).

The Company has entered into an Agreement and Plan of Merger, dated as of November 24, 2019 (the "Merger Agreement"), with TD Ameritrade Holding Corporation, a Delaware corporation ("TD Ameritrade" which, together with its consolidated subsidiaries, shall be referred to herein as the "TD Ameritrade Entities"), and Americano Acquisition Corp., a Delaware corporation and wholly owned subsidiary of the Company. The Company completed its acquisition of TD Ameritrade Holding Corporation and its consolidated subsidiaries pursuant to the Merger Agreement, effective October 6, 2020.

The Company has prepared and filed, in accordance with the provisions of the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder (collectively, the "Act"), with the Securities and Exchange Commission (the "Commission") an automatic shelf registration statement on Form S-3 (File No. 333-251156) under the Act (the "registration statement"), including a prospectus, which registration statement incorporates by reference documents which the Company has filed, or will file, in accordance with the provisions of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (collectively, the "Exchange Act"). Such registration statement has become effective under the Act.

Except where the context otherwise requires, "Registration Statement", as used herein, means the registration statement, as amended at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the respective Underwriters (the "Effective Time"), including (i) all documents filed as a part thereof or incorporated or deemed to be incorporated by reference therein, (ii) any information contained or incorporated by reference in a prospectus filed with the Commission pursuant to Rule 424(b) under the Act, to the extent such information is deemed, pursuant to Rule 430B or Rule 430C under the Act, to be part of the registration statement at the Effective Time, and (iii) any registration statement filed to register the offer and sale of Depositary Shares pursuant to Rule 462(b) under the Act.

The Company has furnished or made available to you, for use by the Underwriters and by dealers in connection with the offering of the Depositary Shares, copies of one or more preliminary prospectus supplements, and the documents incorporated by reference therein, relating to the Depositary Shares and the Preferred Stock. Except where the context otherwise requires, "Pre-Pricing Prospectus", as used herein, means each such preliminary prospectus supplement, in the form so furnished, including any basic prospectus (whether or not in preliminary form) furnished to you by the Company and attached to or used with such preliminary prospectus supplement. Except where the context otherwise requires, "Basic Prospectus", as used herein, means any such basic prospectus attached to or used with the Prospectus Supplement (as defined below).

Except where the context otherwise requires, “Prospectus Supplement”, as used herein, means the final prospectus supplement, relating to the Depositary Shares and the Preferred Stock, filed by the Company with the Commission pursuant to Rule 424(b) under the Act on or before the second business day after the date hereof (or such earlier time as may be required under the Act), in the form furnished by the Company to you for use by the Underwriters and by dealers in connection with the offering of the Depositary Shares.

Except where the context otherwise requires, “Prospectus”, as used herein, means the Prospectus Supplement together with the Basic Prospectus attached to or used with the Prospectus Supplement.

“Permitted Free Writing Prospectuses”, as used herein, means the documents listed on Schedule B attached hereto and each “road show” (as defined in Rule 433 under the Act), if any, related to the offering of the Depositary Shares contemplated hereby that is a “written communication” (as defined in Rule 405 under the Act), including the Company’s electronic roadshow used on December 7, 2020. Each Underwriter severally covenants and agrees with the Company that such Underwriter has not offered or sold and will not offer or sell, without the Company’s consent, any Depositary Shares or Preferred Stock by means of any “free writing prospectus” (as defined in Rule 405 under the Act) that is required to be filed by the Underwriters with the Commission pursuant to Rule 433 under the Act, other than a Permitted Free Writing Prospectus.

“Covered Free Writing Prospectuses”, as used herein, means (i) each “issuer free writing prospectus” (as defined in Rule 433(h)(1) under the Act), if any, relating to the Depositary Shares or Preferred Stock, which is not a Permitted Free Writing Prospectus and (ii) each Permitted Free Writing Prospectus.

“Disclosure Package”, as used herein, means any Pre-Pricing Prospectus together with any combination of one or more of the Permitted Free Writing Prospectuses, if any, as of the Applicable Time.

“Applicable Time” means 5:12 p.m., New York City time, on the date of this Agreement.

Any reference herein to the Registration Statement, any Basic Prospectus, any Pre-Pricing Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the documents, if any, incorporated by reference, or deemed to be incorporated by reference, therein (the “Incorporated Documents”), including, unless the context otherwise requires, the documents, if any, filed as exhibits to such Incorporated Documents. Any reference herein to the terms “amend”, “amendment” or “supplement” with respect to the Registration Statement, any Basic Prospectus, any Pre-Pricing Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the filing of any document under the Exchange Act on or after the initial effective date of the Registration Statement, or the date of such Basic Prospectus, such Pre-Pricing Prospectus, the Prospectus Supplement, the Prospectus or such Permitted Free Writing Prospectus, as the case may be, and deemed to be incorporated therein by reference.

As used in this Agreement, “business day” shall mean any day other than a day on which banks are permitted or required to be closed in New York City. The terms “herein”, “hereof”, “hereto”, “hereinafter” and similar terms, as used in this Agreement, shall in each case refer to this Agreement as a whole and not to any particular section, paragraph, sentence or other subdivision of this Agreement. The term “or”, as used herein, is not exclusive.

The Company and the Underwriters agree as follows:

1. Sale and Purchase.

Upon the basis of the representations and warranties and subject to the terms and conditions herein set forth, the Company agrees to issue and sell to the respective Underwriters and each of the Underwriters, severally and not jointly, agrees to purchase from the Company the respective number of Depositary Shares set forth opposite the name of such Underwriter in Schedule A attached hereto, subject to adjustment in accordance with Section 8 hereof, at a purchase price equal to \$990.00 per Depositary Share.

The Company is advised by you that the Underwriters intend (i) to make a public offering of their respective portions of the Depositary Shares as soon after the effectiveness of this Agreement as in your judgment is advisable and (ii) initially to offer the Depositary Shares upon the terms set forth in the Prospectus. You may from time to time increase or decrease the public offering price after the initial public offering to such extent as you may determine.

Each Underwriter, severally and not jointly, represents and agrees as set forth in Appendix A hereto.

2. Payment and Delivery. Payment of the purchase price for the Depositary Shares shall be made to the Company by Federal Funds wire transfer against delivery of the Depositary Shares to you through the facilities of The Depository Trust Company (“DTC”) for the respective accounts of the Underwriters. Such payment and delivery with respect to the Depositary Shares shall be made at 10:00 a.m., New York City time, on December 11, 2020 (such time being referred to herein as the “Time of Purchase”, and such date being referred to herein as the “Closing Date”) (unless another time shall be agreed to by you and the Company or unless postponed in accordance with the provisions of Section 8 hereof). Electronic transfer of the Depositary Shares shall be made to you at the Time of Purchase in such names and in such denominations as you shall specify.

Deliveries of the documents described in Section 6 hereof with respect to the purchase of the Depositary Shares shall be made at the offices of Simpson Thacher & Bartlett LLP at 425 Lexington Avenue, New York, New York, 10017, at 9:00 a.m., New York City time, on the Closing Date.

3. Representations and Warranties of the Company. The Company represents and warrants to, and agrees with, each of the Underwriters that:

(a) the Registration Statement is an “automatic shelf registration statement” as defined under Rule 405 of the Act that has been filed with the Commission not earlier than three years prior to the date hereof and has heretofore become effective under the Act; no notice of objection of the Commission to the use of such registration statement or any post-effective

amendment thereto pursuant to Rule 401(g)(2) under the Act has been received by the Company; and no stop order of the Commission preventing or suspending the use of any Basic Prospectus, any Pre-Pricing Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus, or the effectiveness of the Registration Statement, has been issued, and no proceedings for such purpose have been instituted or, to the Company's knowledge, are threatened by the Commission;

(b) the Registration Statement complied when it became effective, complies as of the date hereof and, as amended or supplemented, at the Time of Purchase, and at all times during which a prospectus is required by the Act to be delivered (whether physically or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Depositary Shares, will comply, in all material respects, with the requirements of the Act; the conditions to the use of Form S-3 in connection with the offering and sale of the Depositary Shares as contemplated hereby have been satisfied; as of the determination date applicable to the Registration Statement (and any amendment thereof) and the offering contemplated hereby, and as of each time, if any, an "offer by or on behalf of" (within the meaning of Rule 163 under the Act) the Company was made prior to the initial filing of the Registration Statement, the Company is and was a "well-known seasoned issuer" as defined in Rule 405 under the Act; the Registration Statement meets, and the offering and sale of the Depositary Shares as contemplated hereby complies with, the requirements of Rule 415 under the Act (including, without limitation, Rule 415(a)(5) under the Act); the Registration Statement did not, as of the Effective Time, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; each Pre-Pricing Prospectus complied, at the time it was filed with the Commission, and complies as of the date hereof, in all material respects with the requirements of the Act; at no time during the period that begins on the earlier of the date of such Pre-Pricing Prospectus and the date such Pre-Pricing Prospectus was filed with the Commission and ends at the Time of Purchase did or will any Pre-Pricing Prospectus, as then amended or supplemented, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, and at no time during such period did or will any Pre-Pricing Prospectus, as then amended or supplemented, together with any combination of one or more of the then issued Permitted Free Writing Prospectuses, if any, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; each Basic Prospectus complied, as of its date and the date it was filed with the Commission, complies as of the date hereof and, at the Time of Purchase and at all times during which a prospectus is required by the Act to be delivered (whether physically or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Depositary Shares, will comply, in all material respects, with the requirements of the Act; at no time during the period that begins on the date of such Basic Prospectus and ends at the Time of Purchase did or will any Basic Prospectus, as then amended or supplemented, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading and at no time during such period did or will any Basic Prospectus, as then amended or supplemented, together with any combination of one

or more of the then issued Permitted Free Writing Prospectuses, if any, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; each of the Prospectus Supplement and the Prospectus will comply, as of the date that it is filed with the Commission, the date of the Prospectus Supplement, the Time of Purchase and at all times during which a prospectus is required by the Act to be delivered (whether physically or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Depositary Shares, in all material respects, with the requirements of the Act (in the case of the Prospectus, including, without limitation, Section 10(a) of the Act); at no time during the period that begins on the earlier of the date of the Prospectus Supplement and the date the Prospectus Supplement is filed with the Commission and ends at the later of the Time of Purchase and the end of the period during which a prospectus is required by the Act to be delivered (whether physically or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Depositary Shares did or will any Prospectus Supplement or the Prospectus, as then amended or supplemented, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; each Permitted Free Writing Prospectus complied in all material respects with the requirements of the Act, has been or will be (within the time period specified in Rule 433) filed in accordance with the Act (to the extent required thereby); at no time during the period that begins on the date of each Permitted Free Writing Prospectus and ends at the Time of Purchase did or will any Permitted Free Writing Prospectus include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Company makes no representation or warranty in this Section 3(b) with respect to any statement contained in the Registration Statement, any Pre-Pricing Prospectus, the Prospectus or any Permitted Free Writing Prospectus in reliance upon and in conformity with information concerning an Underwriter and furnished in writing by or on behalf of such Underwriter through you to the Company expressly for use in the Registration Statement, such Pre-Pricing Prospectus, the Prospectus or such Permitted Free Writing Prospectus; each Incorporated Document, at the time such document was filed with the Commission or at the time such document became effective, as applicable, complied, in all material respects, with the requirements of the Exchange Act and did not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(c) prior to the execution of this Agreement, the Company has not, directly or indirectly, offered or sold any Depositary Shares or any Preferred Stock by means of any “prospectus” (within the meaning of the Act) or used any “prospectus” (within the meaning of the Act) in connection with the offer or sale of the Depositary Shares, in each case other than the Pre-Pricing Prospectuses and the Permitted Free Writing Prospectuses, if any; the Company has not, directly or indirectly, prepared, used or referred to any Permitted Free Writing Prospectus except in compliance with Rule 163 or with Rules 164 and 433 under the Act; assuming that such Permitted Free Writing Prospectus is so sent or given after the Registration Statement was filed with the Commission (and after such Permitted Free

Writing Prospectus was, if required pursuant to Rule 433(d) under the Act, filed with the Commission), the sending or giving, by any Underwriter, of any Permitted Free Writing Prospectus will satisfy the provisions of Rule 164 and Rule 433 (without reliance on subsections (b), (c) and (d) of Rule 164); the conditions set forth in one or more of subclauses (i) through (iv), inclusive, of Rule 433(b)(1) under the Act are satisfied, and the registration statement relating to the offering of the Depositary Shares contemplated hereby, as initially filed with the Commission, includes a prospectus that, other than by reason of Rule 433 or Rule 431 under the Act, satisfies the requirements of Section 10 of the Act; neither the Company nor the Underwriters are disqualified, by reason of subsection (f) or (g) of Rule 164 under the Act, from using, in connection with the offer and sale of the Depositary Shares, “free writing prospectuses” (as defined in Rule 405 under the Act) pursuant to Rules 164 and 433 under the Act; the Company is not an ineligible issuer and is a well-known seasoned issuer, in each case as defined under the Act, in each case at the times specified in the Act in connection with the offering of the Depositary Shares; the parties hereto agree and understand that the content of any and all “road shows” (as defined in Rule 433 under the Act) related to the offering of the Depositary Shares contemplated hereby is solely the property of the Company;

(d) the Company has an authorized capitalization as set forth in the Pre-Pricing Prospectus and the Prospectus and all of the issued shares of capital stock of the Company have been duly authorized and validly issued and are fully paid and non-assessable, have been issued in compliance with all applicable securities laws and were not issued in violation of any preemptive right, right of first refusal or similar right under the General Corporation Law of the State of Delaware or the Company’s charter or bylaws or any agreement or other instrument to which the Company is a party;

(e) the Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware, with full corporate power and authority to own, lease and operate its properties and conduct its business as disclosed in the Registration Statement, the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any, to execute and deliver this Agreement and to issue, sell and deliver the Depositary Shares as contemplated herein;

(f) the Company is qualified to do business as a foreign corporation and is in good standing in each jurisdiction where the ownership or leasing of its properties or the conduct of its business requires such qualification, except where the failure to be so qualified and in good standing would not, individually or in the aggregate, have a material adverse effect on (i) the condition (financial or other), business, properties or results of operations of the Company and its subsidiaries taken as a whole, or (ii) the consummation of any of the transactions contemplated hereby (the foregoing clauses (i) and (ii) being referred to as a “Material Adverse Effect”);

(g) the Company owns directly or indirectly all of the issued and outstanding capital stock of each of Charles Schwab Bank, SSB, Charles Schwab Investment Management, Inc., Charles Schwab & Co., Inc., and Schwab Holdings, Inc., (collectively, the “Significant Subsidiaries”), TD Ameritrade, Inc. and TD Ameritrade Clearing, Inc. (together, the “TD Subsidiaries”); complete and correct copies of the charters and the

bylaws of the Company and each Significant Subsidiary and all amendments thereto have been delivered or made available to you, and no material changes therein will be made on or after the date hereof through and including the Time of Purchase; each Significant Subsidiary and each TD Subsidiary has been duly organized and is validly existing and in good standing under the laws of the jurisdiction of its organization, with full power and authority to own, lease and operate its properties and to conduct its business as disclosed in the Registration Statement, the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any; each Significant Subsidiary and each TD Subsidiary is duly qualified to do business as a foreign corporation and is in good standing in each jurisdiction where the ownership or leasing of its properties or the conduct of its business requires such qualification, except where the failure to be so qualified and in good standing would not, individually or in the aggregate, have a Material Adverse Effect; all of the outstanding shares of capital stock of each of the Significant Subsidiaries and TD Subsidiaries have been duly authorized and validly issued, are fully paid and non-assessable, have been issued in compliance with all applicable securities laws, were not issued in violation of any preemptive right, right of first refusal or similar right and are owned by the Company subject to no security interest or other encumbrance; no options, warrants or other rights to purchase, agreements or other obligations to issue or other rights to convert any obligation into shares of capital stock or ownership interests in the Significant Subsidiaries and TD Subsidiaries are outstanding; and the Company has no "significant subsidiary", as that term is defined in Rule 1-02(w) of Regulation S-X under the Act, other than Charles Schwab Bank, SSB, Charles Schwab & Co., Inc., and Schwab Holdings, Inc.;

(h) this Agreement has been duly authorized, executed and delivered by the Company; the Deposit Agreement has been duly authorized by the Company and, when validly executed and delivered by the Company and the Depositary, will constitute a legal, valid and binding agreement of the Company, enforceable against the Company in accordance with its terms, subject to (A) applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and other similar laws affecting creditors' rights generally from time to time in effect, and (B) general principles of equity, regardless of whether considered in a proceeding in equity or at law, and an implied covenant of good faith and fair dealing; and such Deposit Agreement will conform in all material respects to the description thereof in the Registration Statement, Disclosure Package and the Prospectus;

(i) the Preferred Stock has been duly authorized by the Company and, when issued and delivered and paid for in accordance with this Agreement and the Deposit Agreement, will be duly and validly issued, fully paid and nonassessable, and will have the rights, powers, preferences, privileges and designations set forth in the Certificate of Designations; the Depositary Shares, and the deposit of the Preferred Stock in accordance with the provisions of the Deposit Agreement, have been duly authorized by the Company; and, when the Depositary Shares have been issued and delivered and paid for and the Depositary Receipts have been duly executed and delivered by the Depositary, in accordance with this Agreement and the Deposit Agreement, the Depositary Shares will be duly and validly issued and the holders of the Depositary Shares will be entitled to the benefits of the Deposit Agreement and the Depositary Receipts; and the Depositary Shares and the Preferred Stock will conform in all material respects to the descriptions thereof contained in the Registration Statement, the Disclosure Package and the Prospectus;

(j) none of the Company or any of the Significant Subsidiaries or either of the TD Subsidiaries is in breach or violation of or in default under (nor has any event occurred which, with notice, lapse of time or both, would result in any breach or violation of, constitute a default under or give the holder of any indebtedness (or a person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a part of such indebtedness under) (A) its charter or bylaws, (B) any indenture, mortgage, deed of trust, bank loan or credit agreement or other evidence of indebtedness, or any license, lease, contract or other agreement or instrument to which it is a party or by which it or any of its properties may be bound or affected, (C) any federal, state, local or foreign law, regulation or rule, (D) any rule or regulation of any self-regulatory organization or other non-governmental regulatory authority (including, without limitation, the rules and regulations of The New York Stock Exchange ("NYSE") and the Financial Industry Regulatory Authority, Inc. ("FINRA")), or (E) any decree, judgment or order applicable to it or any of its properties (other than in the case of (A), except for breaches, violations or defaults which would not, individually or in the aggregate, have a Material Adverse Effect);

(k) the execution, delivery and performance of this Agreement and the Deposit Agreement, the issuance and sale of the Depositary Shares and compliance by the Company with all the provisions of this Agreement, the Deposit Agreement and of the Certificate of Designations and the consummation by the Company of the transactions contemplated hereby and under the Deposit Agreement will not conflict with, result in any breach or violation of or constitute a default under (nor constitute any event which, with notice, lapse of time or both, would result in any breach or violation of, constitute a default under or give the holder of any indebtedness (or a person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a part of such indebtedness under) (or result in the creation or imposition of a lien, charge or encumbrance on any property or assets of the Company or any Significant Subsidiary pursuant to) (A) the charter or bylaws of the Company or any of the Significant Subsidiaries, (B) any indenture, mortgage, deed of trust, bank loan or credit agreement or other evidence of indebtedness, or any license, lease, contract or other agreement or instrument to which the Company or any of the Significant Subsidiaries is a party or by which any of them or any of their respective properties may be bound or affected, (C) any federal, state, local or foreign law, regulation or rule, (D) any rule or regulation of any self-regulatory organization or other non-governmental regulatory authority (including, without limitation, the rules and regulations of the NYSE), or (E) any decree, judgment or order applicable to the Company or any of the Significant Subsidiaries or any of their respective properties (other than in the case of (A), except for conflicts, breaches, violations or defaults which would not, individually or in the aggregate, have a Material Adverse Effect);

(l) The Company is duly registered as a savings and loan holding company under the Home Owners' Loan Act of 1933, as amended ("HOLA"), and is subject to supervision and regulation by the Board of Governors of the Federal Reserve System (the "Federal Reserve"), and Charles Schwab Bank, SSB is a savings association for purposes of Section 10 of HOLA, a member of the Federal Reserve System and duly registered as a state savings bank with the Texas Department of Savings and Mortgage Lending;

(m) The Company and each of its subsidiaries are in compliance with all laws administered by the Federal Reserve, the Federal Deposit Insurance Corporation (“FDIC”), the Consumer Financial Protection Bureau (“CFPB”) and any other federal or state bank regulatory authorities (together with the Federal Reserve, the FDIC and the CFPB, the “Bank Regulatory Authorities”) with jurisdiction over the Company or any of the Significant Subsidiaries, except for failures to be so in compliance that would not individually or in the aggregate have a Material Adverse Effect, and the deposit accounts of Charles Schwab Bank, SSB are insured up to applicable limits by the FDIC and no proceeding for the termination or revocation of such insurance is pending or, to the knowledge of the Company, threatened;

(n) except as disclosed in the Pre-Pricing Prospectus and the Prospectus, or except for confidential supervisory information, which, under applicable law and regulation, the Company may not address in this representation, there are no material written agreements, memoranda of understanding, cease and desist orders, orders of prohibition or suspension or consent decrees, in each case that are material to the Company or any of the Significant Subsidiaries, between any Bank Regulatory Authority and the Company or any of the Significant Subsidiaries;

(o) no approval, authorization, consent or order of or filing with any federal, state, local or foreign governmental or regulatory commission, board, body, authority or agency, or of or with any self-regulatory organization or other non-governmental regulatory authority (including, without limitation, the NYSE), or approval of the stockholders of the Company, is required in connection with the issuance and sale of the Depositary Shares or the consummation by the Company of the transactions contemplated under this Agreement and the Deposit Agreement, other than (i) registration of the Depositary Shares under the Act, which has been effected (or, with respect to any registration statement to be filed hereunder pursuant to Rule 462(b) under the Act, will be effected in accordance herewith), (ii) any necessary qualification under the securities or blue sky laws of the various jurisdictions in which the Depositary Shares are being offered by the Underwriters or (iii) under the Conduct Rules of FINRA;

(p) each of the Company and its subsidiaries has all necessary licenses, authorizations, consents and approvals and has made all necessary filings required under any applicable law, regulation or rule, and has obtained all necessary licenses, authorizations, consents and approvals from other persons, in order to conduct their respective businesses, except where the failure to have such licenses, authorizations, consents and approvals and make such filings would not, individually or in the aggregate, have a Material Adverse Effect; neither the Company nor any of its subsidiaries is in violation of, or in default under, or has received notice of any proceedings relating to revocation or modification of, any such license, authorization, consent or approval or any federal, state, local or foreign law, regulation or rule or any decree, order or judgment applicable to the Company or any of its subsidiaries, except where such violation, default, revocation or modification would not, individually or in the aggregate, have a Material Adverse Effect;

(q) other than as set forth in the Pre-Pricing Prospectus, there are no actions, suits, claims, investigations or proceedings pending or, to the Company's knowledge, threatened, or contemplated by the Company, to which the Company or any of its subsidiaries or any of their respective directors or officers is or would be a party or of which any of their respective properties is or would be subject at law or in equity, before or by any federal, state, local or foreign governmental or regulatory commission, board, body, authority or agency, or before or by any self-regulatory organization or other non-governmental regulatory authority (including, without limitation, the NYSE), except any such action, suit, claim, investigation or proceeding which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect;

(r) Deloitte & Touche LLP, whose report on the financial statements of the Company and its subsidiaries is included or incorporated by reference in the Registration Statement, the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any, are independent registered public accountants as required by the Act and by the rules of the Public Company Accounting Oversight Board;

(s) the financial statements included or incorporated by reference in the Registration Statement, the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any, together with the related notes and schedules, of the Company present fairly in all material respects the consolidated financial position of the Company and its subsidiaries as of the dates indicated and the consolidated results of operations, cash flows and changes in stockholders' equity of the Company for the periods specified and have been prepared in compliance with the requirements of the Act and Exchange Act and in conformity with U.S. generally accepted accounting principles applied on a consistent basis during the periods involved; to the knowledge of the Company based on the diligence undertaken in connection with entering into the Merger Agreement, the financial statements included or incorporated by reference in the Registration Statement, the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any, together with the related notes and schedules, of TD Ameritrade and its subsidiaries present fairly in all material respects the consolidated financial position of TD Ameritrade and its subsidiaries as of the dates indicated and the consolidated results of operations, cash flows and changes in stockholders' equity of TD Ameritrade and its subsidiaries for the periods specified and have been prepared in conformity with U.S. generally accepted accounting principles applied on a consistent basis during the periods involved; the pro forma financial information and the related notes included or incorporated by reference in the most recent Pre-Pricing Prospectus and the Prospectus have been prepared in accordance with the applicable requirements of Regulation S-X under the Act and the assumptions underlying such pro forma financial information are reasonable and are set forth in the most recent Pre-Pricing Prospectus and the Prospectus; the other financial and statistical data contained or incorporated by reference in the Registration Statement, the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any, are accurately and fairly presented in all material respects and prepared on a basis consistent with the financial statements and books and records of the Company; there are no financial statements (historical or pro forma) that are

required to be included or incorporated by reference in the Registration Statement, any Pre-Pricing Prospectus or the Prospectus that are not included or incorporated by reference as required; the Company, the Significant Subsidiaries and the TD Subsidiaries do not have any material liabilities or obligations, direct or contingent (including any off-balance sheet obligations), not disclosed in the Registration Statement, each Pre-Pricing Prospectus and the Prospectus; all disclosures contained or incorporated by reference in the Registration Statement, the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any, regarding “non-GAAP financial measures” (as such term is defined by the rules and regulations of the Commission) comply with Regulation G of the Exchange Act and Item 10 of Regulation S-K under the Act, to the extent applicable; and the interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement, each Pre-Pricing Prospectus, the Prospectus and the Disclosure Package fairly present the information called for in all material respects and has been prepared in accordance with the Commission’s rules and guidelines applicable thereto;

(t) neither the Company nor any of the Significant Subsidiaries has sustained since the date of the latest audited financial statements included or incorporated by reference in the Pre-Pricing Prospectus and the Prospectus any material loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Pre-Pricing Prospectus and the Prospectus; and, since the respective dates as of which information is given or incorporated by reference in the Registration Statement and the Pre-Pricing Prospectus, there has not been any material change in the capital stock or long term debt of the Company or any of the Significant Subsidiaries or any material adverse change, or any development involving a prospective material adverse change, in or affecting the general affairs, management, financial position, stockholders’ equity or results of operations of the Company and its subsidiaries taken as a whole;

(u) the Company is not, and at no time during which a prospectus is required by the Act to be delivered (whether physically or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Depositary Shares will it be, and, after giving effect to the offering and sale of the Depositary Shares, it will not be, an “investment company” or an entity “controlled” by an “investment company”, as such terms are defined in the Investment Company Act of 1940, as amended;

(v) each of the Company and the Significant Subsidiaries owns or has licensed all material inventions, patent applications, patents, trademarks (both registered and unregistered), tradenames, service names, copyrights, trade secrets and other proprietary information disclosed in the Registration Statement, the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any, identified as being owned or licensed by it or which is necessary or material to the conduct of its businesses (collectively, the “Intellectual Property”). To the knowledge of the Company, neither the Company nor any of the Significant Subsidiaries has infringed or is infringing the intellectual property of a third party. Neither the Company nor any Significant Subsidiary has received written notice of any claim by a third party of infringement or conflict with any such rights of others to Intellectual Property, except for such claims as would not, individually or in the aggregate, have a Material Adverse Effect;

(w) all taxes and other assessments of a similar nature (whether imposed directly or through withholding), including any interest, additions to tax or penalties applicable thereto, due or claimed to be due from the Company and each of the Significant Subsidiaries have been timely paid, except (i) those being contested in good faith and for which adequate reserves have been provided, or (ii) where the failure to pay such taxes or other assessments would not, individually or in the aggregate, have a Material Adverse Effect;

(x) neither the Company nor any Significant Subsidiary has sent or received any communication regarding termination of, or intent not to renew, any of the material contracts or agreements referred to or described in any Pre-Pricing Prospectus, the Prospectus or any Permitted Free Writing Prospectus, or referred to or described in, or filed as an exhibit to, the Registration Statement or any Incorporated Document, and no such termination or non-renewal has been threatened by the Company or any Significant Subsidiary or, to the Company's knowledge, any other party to any such contract or agreement;

(y) the Company and each of the Significant Subsidiaries maintain a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorization; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management's general or specific authorization; (iv) the recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences; (v) interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement, the Pre-Pricing Prospectus, the Prospectus and the Disclosure Package is prepared in accordance with the Commission's rules and guidelines applicable thereto and (vi) except as disclosed in the Registration Statement, the Pre-Pricing Prospectus, the Prospectus and any Permitted Free Writing Prospectus, there are no material weaknesses in the Company's internal controls;

(z) the Company has established and maintains and evaluates "disclosure controls and procedures" (as such term is defined in Rule 13a-15 and 15d-15 under the Exchange Act) and "internal control over financial reporting" (as such term is defined in Rule 13a-15 and 15d-15 under the Exchange Act); such disclosure controls and procedures are designed to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to the Company's Chief Executive Officer and its Chief Financial Officer by others within those entities, and such disclosure controls and procedures are effective to perform the functions for which they were established; the Company's independent auditors and the Audit Committee of the Board of Directors of the Company have been advised of: (i) all significant deficiencies, if any, in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarize and report financial data; and (ii) all fraud, if any, whether or not

material, that involves management or other employees who have a role in the Company's internal controls; all material weaknesses, if any, in internal controls have been identified to the Company's independent auditors; since the date of the most recent evaluation of such disclosure controls and procedures and internal controls, there have been no significant changes in internal controls or in other factors that have materially affected or are reasonably likely to materially affect internal controls, including any corrective actions with regard to significant deficiencies and material weaknesses; the principal executive officers (or their equivalents) and principal financial officers (or their equivalents) of the Company have made all certifications required by the Sarbanes-Oxley Act of 2002 and any related rules and regulations promulgated by the Commission;

(aa) all statistical or market-related data included or incorporated by reference in the Registration Statement, the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any, are based on or derived from sources that the Company reasonably believes to be reliable and accurate, and the Company has obtained the written consent to the use of such data from such sources to the extent required;

(bb) neither the Company nor any of the Significant Subsidiaries nor either of the TD Subsidiaries nor, to the knowledge of the Company, any director, officer, employee or agent acting on behalf of the Company or any of the Significant Subsidiaries or either of the TD Subsidiaries or any affiliate that directly or indirectly is controlled by the Company (such affiliate, a "downstream affiliate") has violated or is in violation of the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder; the Company, the Significant Subsidiaries, the TD Subsidiaries and, to the knowledge of the Company, its downstream affiliates have instituted and maintain policies and procedures designed to ensure continued compliance therewith; and no part of the proceeds of the offering will be used by the Company, directly or indirectly, in violation of the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder;

(cc) the operations of the Company, the Significant Subsidiaries and the TD Subsidiaries are and have been conducted at all times in compliance in all material respects with applicable financial recordkeeping and reporting requirements, including those of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the applicable anti-money laundering statutes of all relevant jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "Anti-Money Laundering Laws"); and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator or non-governmental authority involving the Company or any of the Significant Subsidiaries or either of the TD Subsidiaries with respect to the Anti-Money Laundering Laws that could reasonably be expected to have a Material Adverse Effect is pending or, to the Company's knowledge, threatened;

(dd) neither the Company nor any of the Significant Subsidiaries nor either of the TD Subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee or affiliate of the Company or any of the Significant Subsidiaries or either of the TD Subsidiaries is currently subject to any sanctions administered or enforced by the

United States (including any administered or enforced by the Office of Foreign Assets Control of the U.S. Department of the Treasury (“OFAC”)) or any other relevant sanction authority; and the Company will not directly or indirectly use the proceeds of the offering of the Securities contemplated hereby, or lend, contribute or otherwise make available such proceeds to any Significant Subsidiary, a TD Subsidiary, joint venture partner or other person or entity for the purpose of financing the activities of any person currently subject to any U.S. sanctions administered by OFAC or any other relevant sanction authority;

(ee) no Significant Subsidiary is currently prohibited, directly or indirectly, from paying any dividends to the Company, from making any other distribution on such Significant Subsidiary’s capital stock, from repaying to the Company any loans or advances to such Significant Subsidiary from the Company or from transferring any of such Significant Subsidiary’s property or assets to the Company or any other Significant Subsidiary, except as disclosed in the Registration Statement, each Pre-Pricing Prospectus, the Prospectus and the Permitted Free Writing Prospectuses, if any; and

(ff) except as disclosed in the Registration Statement, each Pre-Pricing Prospectus and the Prospectus, (i) no person has the right, contractual or otherwise, to cause the Company to issue or sell to it any Depositary Shares or shares of any other capital stock or other equity interests of the Company; (ii) no person has any preemptive rights, resale rights, rights of first refusal or other rights to purchase from the Company or any of its affiliates any Depositary Shares or shares of any other capital stock of or other equity interests in the Company; (iii) no person has the right to act as an underwriter or as a financial advisor to the Company in connection with the offer and sale of the Depositary Shares; and (iv) no person has the right, contractual or otherwise, to cause the Company to register under the Act any Depositary Shares or shares of any other capital stock of or other equity interests in the Company, or to include any such shares or interests in the Registration Statement or the offering contemplated thereby;

(gg) the issuance and sale of the Depositary Shares as contemplated under this Agreement and under the Deposit Agreement will not cause any holder of any shares of capital stock, securities convertible into or exchangeable or exercisable for capital stock or options, warrants or other rights to purchase capital stock or any other securities of the Company to have any right to acquire any shares of preferred stock of the Company;

(hh) neither the Company nor any of the Significant Subsidiaries nor either of the TD Subsidiaries has taken, directly or indirectly, any action designed, or which has constituted or might reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Depositary Shares.

In addition, any certificate signed by any officer of the Company or any of the Significant Subsidiaries and delivered to the Underwriters or counsel for the Underwriters in connection with the offering of the Depositary Shares shall be deemed to be a representation and warranty by the Company, as to matters covered thereby, to each Underwriter.

4. Certain Covenants of the Company. The Company agrees:

(a) to prepare the Prospectus in a mutually agreed form and to file such Prospectus pursuant to Rule 424(b) under the Act not later than the Commission's close of business on the second business day following the date of this Agreement; to make no further amendment or any supplement to the Registration Statement, the Basic Prospectus, the Pre-Pricing Prospectus, the Prospectus or any Permitted Free Writing Prospectus, if any, prior to the Time of Purchase unless mutually agreed; to advise you, promptly after it receives notice thereof, of the time when any amendment to the Registration Statement has been filed or becomes effective or any amendment or supplement to the Prospectus has been filed and to furnish you with copies thereof; to prepare a final term sheet, containing solely a description of the Depositary Shares, in a form set forth in Schedule C hereto and to file such term sheet pursuant to Rule 433(d) under the Act within the time required by such Rule; to file promptly all other material required to be filed by the Company with the Commission pursuant to Rule 433(d) under the Act (without reliance on Rule 164(b) under the Act), and to comply with Rule 433(g) under the Act;

(b) to furnish such information as may be required and otherwise to cooperate in qualifying the Depositary Shares for offering and sale under the securities or blue sky laws of such states or other jurisdictions as you may designate and to maintain such qualifications in effect so long as you may request for the distribution of the Depositary Shares; provided, however, that the Company shall not be required to qualify as a foreign corporation or to consent to the service of process under the laws of any such jurisdiction (except service of process with respect to the offering and sale of the Depositary Shares); and to promptly advise you of the receipt by the Company of any notification with respect to the suspension of the qualification of the Depositary Shares for offer or sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose;

(c) to make available to the Underwriters, as soon as practicable after this Agreement becomes effective, and thereafter from time to time to furnish to the Underwriters, as many copies of the Prospectus (or of the Prospectus as amended or supplemented if the Company shall have made any amendments or supplements thereto after the effective date of the Registration Statement) as the Underwriters may request for the purposes contemplated by the Act; in case any Underwriter is required to deliver (whether physically or through compliance with Rule 172 under the Act or any similar rule), in connection with the sale of the Depositary Shares, a prospectus after the nine-month period referred to in Section 10(a)(3) of the Act, or after the time a post-effective amendment to the Registration Statement is required pursuant to Item 512(a) of Regulation S-K under the Act, the Company will prepare, at its expense, promptly upon request such amendment or amendments to the Registration Statement and the Prospectus as may be necessary to permit compliance with the requirements of Section 10(a)(3) of the Act or Item 512(a) of Regulation S-K under the Act, as the case may be;

(d) if, at the time this Agreement is executed and delivered, it is necessary or appropriate for a post-effective amendment to the Registration Statement, or a Registration Statement under Rule 462(b) under the Act, to be filed with the Commission and become effective before the Depositary Shares may be sold, the Company will use its reasonable

best efforts to cause such post-effective amendment or such Registration Statement to be filed and become effective, and will pay any applicable fees in accordance with the Act, as soon as possible; and the Company will advise you promptly and, if requested by you, will confirm such advice in writing, (i) when such post-effective amendment or such Registration Statement has become effective, and (ii) if Rule 430A under the Act is used, when the Prospectus is filed with the Commission pursuant to Rule 424(b) under the Act (which the Company agrees to file in a timely manner in accordance with such Rules);

(e) if, at any time during the period when a prospectus is required by the Act to be delivered (whether physically or through compliance with Rule 172 under the Act or any similar rule) in connection with the offering and sale of Depositary Shares, the Registration Statement shall cease to comply with the requirements of the Act with respect to eligibility for the use of the form on which the Registration Statement was filed with the Commission or the Registration Statement shall cease to be an “automatic shelf registration statement” (as defined in Rule 405 under the Act) or the Company shall have received, from the Commission, a notice, pursuant to Rule 401(g)(2), of objection to the use of the form on which the Registration Statement was filed with the Commission, to (i) promptly notify you, (ii) promptly file with the Commission a new registration statement under the Act, relating to the Depositary Shares, or a post-effective amendment to the Registration Statement, which new registration statement or post-effective amendment shall comply with the requirements of the Act and shall be in a form satisfactory to you, (iii) use its reasonable best efforts to cause such new registration statement or post-effective amendment to become effective under the Act as soon as practicable, (iv) promptly notify you of such effectiveness and (v) take all other action necessary or appropriate to permit the public offering and sale of the Depositary Shares to continue as contemplated in the Prospectus; all references herein to the Registration Statement shall be deemed to include each such new registration statement or post-effective amendment, if any;

(f) if the third anniversary of the initial effective date of the Registration Statement (within the meaning of Rule 415(a)(5) under the Act) shall occur at any time during the period when a prospectus is required by the Act to be delivered (whether physically or through compliance with Rule 172 under the Act or any similar rule) in connection with any offering and sale of Depositary Shares, to file with the Commission, prior to such third anniversary, a new registration statement under the Act relating to the Depositary Shares, which new registration statement shall comply with the requirements of the Act (including, without limitation, Rule 415(a)(6) under the Act) and shall be in a form satisfactory to you; such new registration statement shall constitute an “automatic shelf registration statement” (as defined in Rule 405 under the Act); provided, however, that if the Company is not then eligible to file an “automatic shelf registration statement” (as defined in Rule 405 under the Act), then such new registration statement need not constitute an “automatic shelf registration statement” (as defined in Rule 405 under the Act), but the Company shall use its reasonable best efforts to cause such new registration statement to become effective under the Act as soon as practicable, but in any event within 180 days after such third anniversary and promptly notify you of such effectiveness; the Company shall take all other action necessary or appropriate to permit the public offering and sale of the Depositary Shares to continue as contemplated in the Prospectus; all references herein to the Registration Statement shall be deemed to include each such new registration statement, if any;

(g) at any time during the period when a prospectus is required by the Act to be delivered (whether physically or through compliance with Rule 172 under the Act or any similar rule) in connection with the offering and sale of Depositary Shares, to advise you promptly, confirming such advice in writing, of any request by the Commission for amendments or supplements to the Registration Statement, any Pre-Pricing Prospectus, the Prospectus or any Permitted Free Writing Prospectus or for additional information with respect thereto, or of notice of institution of proceedings for, or the entry of a stop order, suspending the effectiveness of the Registration Statement and, if the Commission should enter a stop order suspending the effectiveness of the Registration Statement, to use the Company's reasonable best efforts to obtain the lifting or removal of such order as soon as possible; to advise you promptly of any proposal to amend or supplement the Registration Statement, any Pre-Pricing Prospectus or the Prospectus, and to provide you and Underwriters' counsel copies of any such documents for review and comment a reasonable amount of time under the circumstances prior to any proposed filing and to file no such amendment or supplement to which you shall object in writing;

(h) subject to Section 4(g) hereof, to file promptly all reports and documents and any preliminary or definitive proxy or information statement required to be filed by the Company with the Commission in order to comply with the Exchange Act for so long as a prospectus is required by the Act to be delivered (whether physically or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of the Depositary Shares; and to provide you, for your review and comment, with a copy of such reports and statements and other documents to be filed by the Company pursuant to Section 13, 14 or 15(d) of the Exchange Act during such period a reasonable amount of time prior to any proposed filing; and to promptly notify you of such filing;

(i) to pay the fees applicable to the Registration Statement in connection with the offering of the Depositary Shares within the time required by Rule 456(b)(1)(i) under the Act (without reliance on the proviso to Rule 456(b)(1)(i) under the Act) and in compliance with Rule 456 (b) and Rule 457(r) under the Act;

(j) to advise the Underwriters promptly of the happening of any event within the period during which a prospectus is required by the Act to be delivered (whether physically or through compliance with Rule 172 under the Act or any similar rule) in connection with the offering and sale of the Depositary Shares, which event could require the making of any change in the Prospectus then being used so that the Prospectus would not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading, and to advise the Underwriters promptly if, during such period, it shall become necessary to amend or supplement the Prospectus to cause the Prospectus to comply with the requirements of the Act, and, in each case, during such time, subject to Section 4(g) hereof, to prepare and furnish, at the Company's expense, to the Underwriters promptly such amendments or supplements to such Prospectus as may be necessary to reflect any such change or to effect such compliance;

(k) the Company agrees that if at any time following issuance of a Permitted Free Writing Prospectus any event occurred or occurs as a result of which such Permitted Free Writing Prospectus would conflict with the information in the Registration Statement, the Pre-Pricing Prospectus or the Prospectus or would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances then prevailing, not misleading, the Company will give prompt notice thereof to you and, if requested by you, will prepare and furnish without charge to each Underwriter a Covered Free Writing Prospectus or other document that will correct such conflict, statement or omission;

(l) to make generally available to its security holders, and to deliver to you, an earnings statement of the Company (which will satisfy the provisions of Section 11(a) of the Act) covering a period of twelve months beginning after the effective date of the Registration Statement (as defined in Rule 158(c) under the Act) as soon as is reasonably practicable after the termination of such twelve-month period;

(m) on your request, to furnish to you such reasonable number of copies of the Registration Statement, as initially filed with the Commission, and of all amendments thereto (including all exhibits thereto and documents incorporated by reference therein) and sufficient copies of the foregoing (other than exhibits) for distribution of a copy to each of the other Underwriters;

(n) to apply the net proceeds from the sale of the Depositary Shares in the manner set forth under the caption "Use of Proceeds" in the Prospectus Supplement;

(o) to pay all costs, expenses, fees and taxes in connection with (i) the preparation and filing of the Registration Statement, each Basic Prospectus, each Pre-Pricing Prospectus, the Prospectus Supplement, the Prospectus, each Permitted Free Writing Prospectus and any amendments or supplements thereto, and the printing and furnishing of copies of each thereof to the Underwriters and to dealers (including costs of mailing and shipment), (ii) the registration, issue, sale and delivery of the Depositary Shares to the Underwriters, including any transfer taxes and stamp or similar duties payable upon the sale, issuance or delivery of the Depositary Shares to the Underwriters, (iii) the producing, word processing and/or printing of this Agreement, any dealer agreements, any Powers of Attorney and any closing documents (including compilations thereof) and the reproduction and/or printing and furnishing of copies of each thereof to the Underwriters and (except closing documents) to dealers (including costs of mailing and shipment), (iv) the qualification of the Depositary Shares for offering and sale under state laws and the determination of their eligibility for investment under state law (including the reasonable legal fees and filing fees and other disbursements of counsel for the Underwriters) and the printing and furnishing of copies of any blue sky surveys or legal investment surveys to the Underwriters and to dealers, (v) any filing for review of the public offering of the Depositary Shares by FINRA, including the reasonable legal fees and filing fees and other disbursements of counsel to the Underwriters relating to thereto, (vi) the fees and disbursements of any trustee or paying agent for the Depositary Shares (including related fees and expenses of any counsel to such parties), (vii) the costs and expenses of the Company relating to presentations or meetings undertaken in connection with the

marketing of the offering and sale of the Depositary Shares to prospective investors and the Underwriters' sales forces, including, without limitation, expenses associated with the production of road show slides and graphics, fees and expenses of any consultants engaged in connection with the road show presentations, travel, lodging and other expenses incurred by the officers of the Company and any such consultants, and the cost of any aircraft chartered in connection with the road show, (viii) the fees and expenses of the Company's counsel and independent accountants and TD Ameritrade's independent accountants, (ix) any fees charged by rating agencies for rating the Depositary Shares, and (x) the performance of the Company's other obligations hereunder; provided, however, that except as otherwise set forth in this Section 4(o) and Sections 5 and 9 of this Agreement, the Underwriters shall pay their own costs and expenses, including the costs and expenses of counsel for the Underwriters;

(p) not, at any time at or after the execution of this Agreement, directly or indirectly, to offer or sell any Depositary Shares or any Preferred Stock by means of any "prospectus" (within the meaning of the Act), or use any "prospectus" (within the meaning of the Act) in connection with the offer or sale of the Depositary Shares or the Preferred Stock, in each case other than the Prospectus;

(q) through and including the Closing Date, not to, and to cause each of its direct and indirect subsidiaries not to, take, directly or indirectly, any action designed, or which will constitute, or has constituted, or might reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Depositary Shares;

(r) beginning on the date hereof and ending on, and including, the Closing Date, without your prior written consent, not to issue, sell, offer to sell, contract or agree to sell, hypothecate, pledge, grant any option to purchase or otherwise dispose of or agree to dispose of, directly or indirectly, or with respect to, any Depositary Shares (except for the Depositary Shares offered hereby), any Preferred Stock, any securities that are substantially similar to the Depositary Shares or the Preferred Stock, or any securities that are convertible into or exchangeable for or that represent the right to receive any such substantially similar securities of the Company; and

(s) to maintain a transfer agent and, if necessary under the jurisdiction of incorporation of the Company, a registrar for the Depositary Shares.

5. Reimbursement of Underwriters' Expenses. If the Depositary Shares are not delivered for any reason other than the termination of this Agreement pursuant to the fifth paragraph of Section 8 hereof or the default by one or more of the Underwriters in its or their respective obligations hereunder, the Company shall, in addition to paying the amounts described in Section 4(o) hereof, reimburse the Underwriters for all of their out-of-pocket expenses, including the reasonable fees and disbursements of their counsel.

6. Conditions of Underwriters' Obligations. The several obligations of the Underwriters hereunder are subject to the accuracy of the representations and warranties of the Company on the date hereof, the Applicable Time and the Closing Date and the performance by

the Company of its obligations hereunder and to the following additional conditions precedent:

- (a) The Company shall furnish to you at the Time of Purchase an opinion and negative assurance statement of Arnold & Porter Kaye Scholer LLP, special counsel for the Company, addressed to the Underwriters, and dated the Closing Date, with executed copies for each of the other Underwriters in the form set forth in Exhibit A hereto.
- (b) The Company shall furnish to you at the Time of Purchase an opinion of the Office of Corporate Counsel of the Company, addressed to the Underwriters, and dated the Closing Date, with executed copies for each of the other Underwriters in the form set forth in Exhibit B hereto.
- (c) You shall have received from each of Deloitte & Touche LLP and Ernst & Young LLP letters dated, respectively, the date of this Agreement and the Closing Date, and addressed to the Underwriters (with executed copies for each of the Underwriters) in the forms satisfactory to you, which letters shall cover, without limitation, the various financial disclosures contained in the Registration Statement, the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any, with respect to the Company and TD Ameritrade, as the case may be.
- (d) You shall have received at the Time of Purchase the written opinion and negative assurance statement of Simpson Thacher & Bartlett LLP, counsel for the Underwriters, dated the Time of Purchase, in form and substance reasonably satisfactory to the Representatives.
- (e) No Prospectus or amendment or supplement to the Registration Statement or the Prospectus shall have been filed to which you shall have objected in writing.
- (f) The Registration Statement and any registration statement required to be filed, prior to the sale of the Depositary Shares, under the Act pursuant to Rule 462(b) shall have been filed and shall have become effective under the Act. The Prospectus Supplement shall have been filed with the Commission pursuant to Rule 424(b) under the Act at or before 5:30 p.m., New York City time, on the second full business day after the date of this Agreement (or such earlier time as may be required under the Act). The final term sheet contemplated by Section 4(a) hereof, and any other material required to be filed by the Company pursuant to Rule 433(d) under the Act, shall have been filed with the Commission within the applicable time periods prescribed for such filings by Rule 433;
- (g) Prior to and at the Time of Purchase, (i) no stop order with respect to the effectiveness of the Registration Statement shall have been issued under the Act or proceedings initiated under Section 8(d) or 8(e) of the Act; (ii) the Registration Statement and all amendments thereto shall not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; (iii) none of the Pre-Pricing Prospectuses or the Prospectus, and no amendment or supplement thereto, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; (iv) the Disclosure

Package and any amendment or supplement thereto, shall not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; and (v) none of the Permitted Free Writing Prospectuses, if any, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading.

(h) The Company will at the Time of Purchase deliver to you a certificate of the Chief Financial Officer of the Company, dated the Closing Date, in the form attached as Exhibit C hereto.

(i) The Company shall have furnished to you such other documents and certificates as to the accuracy and completeness of any statement in the Registration Statement, any Pre-Pricing Prospectus, the Prospectus or any Permitted Free Writing Prospectus as of the Time of Purchase, as you may reasonably request.

(j) FINRA shall not have raised any objection with respect to the fairness or reasonableness of the underwriting, or other arrangements of the transactions, contemplated hereby.

7. Effective Date of Agreement; Termination. This Agreement shall become effective when the parties hereto have executed and delivered this Agreement.

The obligations of the several Underwriters hereunder shall be subject to termination in the absolute discretion of the Representatives, if (1) since the time of execution of this Agreement or the earlier respective dates as of which information is given in the Registration Statement, the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any (in the case of the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any, exclusive of any amendment or supplement thereto), there has been any change or any development involving a prospective change in the business, properties, management, financial condition or results of operations of the Company and its subsidiaries taken as a whole, the effect of which change or development is, in the sole judgment of the Representatives, so material and adverse as to make it impractical or inadvisable to proceed with the public offering or the delivery of the Depositary Shares on the terms and in the manner contemplated in the Registration Statement, the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any (in the case of the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any, exclusive of any amendment or supplement thereto), or (2) since the time of execution of this Agreement, there shall have occurred: (A) a suspension or material limitation in trading in securities generally on the NYSE, NYSE American LLC or the NASDAQ Stock Market; (B) a suspension or material limitation in trading in the Company's common stock on the NYSE; (C) a general moratorium on commercial banking activities declared by either federal or New York State authorities or a material disruption in commercial banking or securities settlement or clearance services in the United States; (D) an outbreak or escalation of hostilities or acts of terrorism involving the United States or a declaration by the United States of a national emergency or war; or (E) any other calamity or crisis or any change in financial, political or economic conditions in the United States or elsewhere, if the effect

of any such event specified in clause (D) or (E), in your sole judgment, makes it impractical or inadvisable to proceed with the public offering or the delivery of the Depositary Shares on the terms and in the manner contemplated in the Registration Statement, the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any (in the case of the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any, exclusive of any amendment or supplement thereto), or (3) since the time of execution of this Agreement, there shall have occurred any downgrading, or any notice or announcement shall have been given or made of: (i) any intended or potential downgrading or (ii) any watch, review or possible change that does not indicate an affirmation or improvement in the rating accorded any securities of or guaranteed by the Company or any Significant Subsidiary by any “nationally recognized statistical rating organization”, as that term is used in Rule 15c3-1(c)(2)(vi)(F) under the Exchange Act.

If the Representatives elect to terminate this Agreement as provided in this Section 7, the Company and each other Underwriter shall be notified promptly in writing.

If the sale to the Underwriters of the Depositary Shares, as contemplated by this Agreement, is not carried out by the Underwriters for any reason permitted under this Agreement, or if such sale is not carried out because the Company shall be unable to comply with any of the terms of this Agreement, the Company shall not be under any obligation or liability under this Agreement (except to the extent provided in Sections 4(o), 5 and 9 hereof), and the Underwriters shall be under no obligation or liability to the Company under this Agreement (except to the extent provided in Section 9 hereof) or to one another hereunder.

8. Increase in Underwriters' Commitments. Subject to Sections 6 and 7 hereof, if any Underwriter shall default in its obligation to take up and pay for the Depositary Shares to be purchased by it hereunder (otherwise than for a failure of a condition set forth in Section 6 hereof or a reason sufficient to justify the termination of this Agreement under the provisions of Section 7 hereof) and if the aggregate liquidation preference of Depositary Shares which all Underwriters so defaulting shall have agreed but failed to take up and pay for does not exceed 10% of the total aggregate liquidation preference of Depositary Shares, the non-defaulting Underwriters (including the Underwriters, if any, substituted in the manner set forth below) shall take up and pay for (in addition to the liquidation preference of Depositary Shares they are obligated to purchase pursuant to Section 1 hereof) the liquidation preference of Depositary Shares agreed to be purchased by all such defaulting Underwriters, as hereinafter provided. Such Depositary Shares shall be taken up and paid for by such non-defaulting Underwriters in such amount or amounts as you may designate with the consent of each Underwriter so designated or, in the event no such designation is made, such Depositary Shares shall be taken up and paid for by all non-defaulting Underwriters pro rata in proportion to the liquidation preference of Depositary Shares set forth opposite the names of such non-defaulting Underwriters in Schedule A.

Without relieving any defaulting Underwriter from its obligations hereunder, the Company agrees with the non-defaulting Underwriters that it will not sell any Depositary Shares hereunder unless all of the Depositary Shares are purchased by the Underwriters (or by substituted Underwriters selected by you with the approval of the Company or selected by the Company with your approval).

If a new Underwriter or Underwriters are substituted by the Underwriters or by the Company for a defaulting Underwriter or Underwriters in accordance with the foregoing provision, the Company or you shall have the right to postpone the Time of Purchase for a period not exceeding five business days in order that any necessary changes in the Registration Statement and the Prospectus and other documents may be effected.

The term "Underwriter" as used in this Agreement shall refer to and include any Underwriter substituted under this Section 8 with like effect as if such substituted Underwriter had originally been named in Schedule A hereto.

If the aggregate liquidation preference of Depositary Shares which the defaulting Underwriter or Underwriters agreed to purchase exceeds 10% of the total aggregate liquidation preference of Depositary Shares which all Underwriters agreed to purchase hereunder, and if neither the non-defaulting Underwriters nor the Company shall make arrangements within the five business day period stated above for the purchase of all the Depositary Shares which the defaulting Underwriter or Underwriters agreed to purchase hereunder, this Agreement shall terminate without further act or deed and without any liability on the part of the Company to any Underwriter and without any liability on the part of any non-defaulting Underwriter to the Company. Nothing in this paragraph, and no action taken hereunder, shall relieve any defaulting Underwriter from liability in respect of any default of such Underwriter under this Agreement.

9. Indemnity and Contribution.

(a) The Company agrees to indemnify, defend and hold harmless each Underwriter, its partners, directors and officers, and any person who controls any Underwriter within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and any "affiliate" that sells Depositary Shares on behalf of such Underwriters, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which, jointly or severally, any such Underwriter or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company) or arises out of or is based upon any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information concerning such Underwriter, as set forth in Section 10 hereof, furnished in writing by or on behalf of such Underwriter through you to the Company expressly for use in, the Registration Statement or arises out of or is based upon any omission or alleged omission to state a material fact in the Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of a material fact included in any Prospectus (the term Prospectus for the purpose of this Section 9 being deemed to include any Basic Prospectus, any Pre-Pricing Prospectus, the Prospectus Supplement, the Prospectus and

any amendments or supplements to the foregoing), in any Covered Free Writing Prospectus, in any “issuer information” (as defined in Rule 433 under the Act) of the Company, which “issuer information” is required to be, or is, filed with the Commission, or in any Prospectus together with any combination of one or more of the Covered Free Writing Prospectuses, if any, or arises out of or is based upon any omission or alleged omission to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, except, with respect to such Prospectus or Permitted Free Writing Prospectus, insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information concerning such Underwriter, as set forth in Section 10 hereof, furnished in writing by or on behalf of such Underwriter through you to the Company expressly for use in, such Prospectus or Permitted Free Writing Prospectus or arises out of or is based upon any omission or alleged omission to state a material fact in such Prospectus or Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

(b) Each Underwriter severally agrees to indemnify, defend and hold harmless the Company, its directors and officers and any person who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which, jointly or severally, the Company or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information concerning such Underwriter, as set forth in Section 10 hereof, furnished in writing by or on behalf of such Underwriter through you to the Company expressly for use in, the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company), or arises out of or is based upon any omission or alleged omission to state a material fact in such Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information concerning such Underwriter, as set forth in Section 10 hereof, furnished in writing by or on behalf of such Underwriter through you to the Company expressly for use in, a Prospectus or a Permitted Free Writing Prospectus, or arises out of or is based upon any omission or alleged omission to state a material fact in such Prospectus or such Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

(c) If any action, suit or proceeding (each, a “Proceeding”) is brought against a person (an “indemnified party”) in respect of which indemnity may be sought against the

Company or an Underwriter (as applicable, the “indemnifying party”) pursuant to subsection (a) or (b), respectively, of this Section 9, such indemnified party shall promptly notify such indemnifying party in writing of the institution of such Proceeding and such indemnifying party shall assume the defense of such Proceeding, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; provided, however, that the omission to so notify such indemnifying party shall not relieve such indemnifying party from any liability which such indemnifying party may have to any indemnified party or otherwise. The indemnified party or parties shall have the right to employ its or their own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of such indemnified party or parties unless the employment of such counsel shall have been authorized in writing by the indemnifying party in connection with the defense of such Proceeding or the indemnifying party shall not have, within a reasonable period of time in light of the circumstances, employed counsel to defend such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from, additional to or in conflict with those available to such indemnifying party (in which case such indemnifying party shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties), in any of which events such fees and expenses shall be borne by such indemnifying party and paid as incurred (it being understood, however, that such indemnifying party shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). The indemnifying party shall not be liable for any settlement of any Proceeding effected without its written consent but, if settled with its written consent, such indemnifying party agrees to indemnify and hold harmless the indemnified party or parties from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this Section 9(c), then the indemnifying party agrees that it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by such indemnifying party of the aforesaid request, (ii) such indemnifying party shall not have fully reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the indemnifying party at least 30 days’ prior notice of its intention to settle. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding and does not include an admission of fault or culpability or a failure to act by or on behalf of such indemnified party.

(d) If the indemnification provided for in this Section 9 is unavailable to an indemnified party under subsections (a) and (b) of this Section 9 or insufficient to hold an indemnified party harmless in respect of any losses, damages, expenses, liabilities or claims referred to therein, then each applicable indemnifying party shall contribute to the amount

paid or payable by such indemnified party as a result of such losses, damages, expenses, liabilities or claims (i) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters on the other hand from the offering of the Depositary Shares or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company on the one hand and of the Underwriters on the other in connection with the statements or omissions which resulted in such losses, damages, expenses, liabilities or claims, as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Underwriters on the other shall be deemed to be in the same respective proportions as the total proceeds from the offering (net of underwriting discounts and commissions but before deducting expenses) received by the Company, and the total underwriting discounts and commissions received by the Underwriters, bear to the aggregate public offering price of the Depositary Shares. The relative fault of the Company on the one hand and of the Underwriters on the other shall be determined by reference to, among other things, whether the untrue statement or alleged untrue statement of a material fact or omission or alleged omission relates to information supplied by the Company or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The amount paid or payable by a party as a result of the losses, damages, expenses, liabilities and claims referred to in this subsection shall be deemed to include any legal or other fees or expenses reasonably incurred by such party in connection with investigating, preparing to defend or defending any Proceeding.

(e) The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section 9 were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in subsection (d) above. Notwithstanding the provisions of this Section 9, no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Depositary Shares underwritten by such Underwriter and distributed to the public were offered to the public exceeds the amount of any damage which such Underwriter has otherwise been required to pay by reason of such untrue statement or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations to contribute pursuant to this Section 9 are several in proportion to their respective underwriting commitments and not joint.

(f) The indemnity and contribution agreements contained in this Section 9 and the covenants, warranties and representations of the Company contained in this Agreement shall remain in full force and effect regardless of any investigation made by or on behalf of any Underwriter, its partners, directors or officers or any person (including each partner, officer or director of such person) who controls any Underwriter within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, or by or on behalf of the Company, its directors or officers or any person who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and shall survive any termination

of this Agreement or the issuance and delivery of the Depositary Shares. The Company and each Underwriter agree promptly to notify each other of the commencement of any Proceeding against it and, in the case of the Company, against any of the Company's officers or directors in connection with the issuance and sale of the Depositary Shares, or in connection with the Registration Statement, any Basic Prospectus, any Pre-Pricing Prospectus, the Prospectus or any Permitted Free Writing Prospectus.

10. Information Furnished by the Underwriters. The statements set forth in (i) the first three sentences of the fourth paragraph, and in the tenth paragraph under the caption "Underwriting" in the Pre-Pricing Prospectus and (ii) the first three sentences of the fourth paragraph, and in the tenth paragraph under the caption "Underwriting" in the Prospectus Supplement, only insofar as such statements relate to the amount of selling concession and reallowance or stabilization activities that may be undertaken by the Underwriters, constitute the only information furnished by or on behalf of the Underwriters, as such information is referred to in Sections 3 and 9 hereof.

11. Notices. Except as otherwise herein provided, all statements, requests, notices and agreements shall be in writing or by facsimile or email, as applicable, and, if to the Underwriters, shall be sufficient in all respects if delivered or sent to BofA Securities, Inc., 1540 Broadway, NY8-540-26-01, New York, New York 10036, facsimile number (646) 855-5958, Attention: High Grade Transaction Management/Legal, email: dg.hg_ua_notices@bofa.com, Citigroup Global Markets Inc., 388 Greenwich Street, New York, New York 10013, facsimile number (646) 291-1469, Attention: General Counsel, Credit Suisse Securities (USA) LLC, Eleven Madison Avenue, New York, New York 10010-3629, facsimile number (212) 325-4296, Attention: IBCM-Legal, Goldman Sachs & Co. LLC, Attention: Registration Department, 200 West Street, New York, New York 10282, email: registration-syndops@ny.email.gs.com and J.P. Morgan Securities LLC, 383 Madison Avenue, New York, New York 10179, facsimile number (212) 834-6081, Attention: Investment Grade Syndicate Desk, with a copy, not constituting notice, to Simpson Thacher & Bartlett LLP, 425 Lexington Avenue, New York, New York 10017, facsimile number (212) 455-2502, Attention: Roxane F. Reardon, and, if to the Company, shall be sufficient in all respects if delivered or sent to the Company at the offices of the Company at 211 Main Street, San Francisco, CA 94105, Attention: Peter Morgan, facsimile number (415) 667-9814, with a copy, not constituting notice, to Arnold & Porter Kaye Scholer LLP, 3 Embarcadero Center, 10th Floor, San Francisco, CA 94111, Attention: Teresa L. Johnson, facsimile number (415) 471-3400.

12. Governing Law; Construction. This Agreement and any claim, counterclaim or dispute of any kind or nature whatsoever arising out of or in any way relating to this Agreement ("Claim"), directly or indirectly, shall be governed by, and construed in accordance with, the laws of the State of New York. The section headings in this Agreement have been inserted as a matter of convenience of reference and are not a part of this Agreement.

13. Submission to Jurisdiction. Except as set forth below, no Claim may be commenced, prosecuted or continued in any court other than the courts of the State of New York located in the City and County of New York or in the United States District Court for the Southern District of New York, which courts shall have jurisdiction over the adjudication of such matters, and the Company consents to the jurisdiction of such courts and personal service with respect thereto. The Company hereby consents to personal jurisdiction, service and venue in any court in which any Claim arising out of or in any way relating to this Agreement is brought by any third

party against any Underwriter or any indemnified party. Each Underwriter and the Company (on its behalf and, to the extent permitted by applicable law, on behalf of its stockholders and affiliates) waive all right to trial by jury in any action, proceeding or counterclaim (whether based upon contract, tort or otherwise) in any way arising out of or relating to this Agreement. The Company agrees that a final judgment in any such action, proceeding or counterclaim brought in any such court shall be conclusive and binding upon the Company and may be enforced in any other courts to the jurisdiction of which the Company is or may be subject, by suit upon such judgment.

14. Parties at Interest. The Agreement herein set forth has been and is made solely for the benefit of the Underwriters and the Company and, to the extent provided in Section 9 hereof, the controlling persons, partners, directors and officers and affiliates referred to in such Section, and their respective successors, assigns, heirs, personal representatives and executors and administrators. No other person, partnership, association or corporation (including a purchaser, as such purchaser, from any of the Underwriters) shall acquire or have any right under or by virtue of this Agreement.

15. No Fiduciary Relationship. The Company hereby acknowledges that the Underwriters are acting solely as underwriters in connection with the purchase and sale of the Depositary Shares. The Company further acknowledges that the Underwriters are acting pursuant to a contractual relationship created solely by this Agreement entered into on an arm's length basis, and in no event do the parties intend that the Underwriters act or be responsible as a fiduciary to the Company, its management, stockholders or creditors or any other person in connection with any activity that the Underwriters may undertake or have undertaken in furtherance of the purchase and sale of the Depositary Shares, either before or after the date hereof. The Underwriters hereby expressly disclaim any fiduciary or similar obligations to the Company, either in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions, and the Company hereby confirms its understanding and agreement to that effect. The Company and the Underwriters agree that they are each responsible for making their own independent judgments with respect to any such transactions and that any opinions or views expressed by the Underwriters to the Company regarding such transactions, including, but not limited to, any opinions or views with respect to the price or market for any of the Company's securities, do not constitute advice or recommendations to the Company. The Company hereby waives and releases, to the fullest extent permitted by law, any claims that it may have against the Underwriters with respect to any breach or alleged breach of any fiduciary or similar duty to the Company in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions.

16. Patriot Act. In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company, which information may include the name and address of the Underwriters' respective clients, as well as other information that will allow the Underwriters to properly identify their respective clients.

17. Counterparts. This Agreement may be signed by the parties in one or more counterparts which together shall constitute one and the same agreement among the parties. Counterparts may be delivered via facsimile, electronic mail (including any electronic signature covered by the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act, the

Electronic Signatures and Records Act or other applicable law, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

18. Successors and Assigns. This Agreement shall be binding upon the Underwriters and the Company and their successors and assigns and any successor or assign of any substantial portion of the Company's and any of the Underwriters' respective businesses and/or assets.

19. Recognition of the U.S. Special Resolution Regimes.

(a) In the event that any Underwriter that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from such Underwriter of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

(b) In the event that any Underwriter that is a Covered Entity or a BHC Act Affiliate of such Underwriter becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Underwriter are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

For purposes of this Section 19, a "BHC Act Affiliate" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k). "Covered Entity" means any of the following: (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b). "Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable. "U.S. Special Resolution Regime" means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

[The Remainder of This Page Intentionally Left Blank; Signature Page Follows]

If the foregoing correctly sets forth the understanding between the Company and the several Underwriters, please so indicate in the space provided below for that purpose, whereupon this Agreement and your acceptance shall constitute a binding agreement among the Company and the Underwriters, severally.

Very truly yours,

THE CHARLES SCHWAB CORPORATION

By: /s/ Peter Crawford

Name: Peter Crawford

Title: Executive Vice President and Chief Financial
Officer

[Signature Page to Underwriting Agreement]

Accepted and agreed to as of the date first above written, on behalf of itself and the other several Underwriters named in Schedule A.

BOFA SECURITIES, INC.

By: /s/ Randolph B. Randolph
Name: Randolph B. Randolph
Title: Managing Director

[Signature Page to Underwriting Agreement]

CITIGROUP GLOBAL MARKETS INC.

By: /s/ Adam D. Bordner
Name: Adam D. Bordner
Title: Director

[Signature Page to Underwriting Agreement]

CREDIT SUISSE SECURITIES (USA) LLC

By: /s/ Richard Meyers
Name: Richard Myers
Title: Managing Director

[Signature Page to Underwriting Agreement]

GOLDMAN SACHS & CO. LLC

By: /s/ Sam Chaffin
Name: Sam Chaffin
Title: Vice President

[Signature Page to Underwriting Agreement]

J.P. MORGAN SECURITIES LLC

By: /s/ Stephen L. Sheiner
Name: Stephen L. Sheiner
Title: Executive Director

[Signature Page to Underwriting Agreement]

SCHEDULE A

<u>Underwriter</u>	<u>Number of Depository Shares</u>
BofA Securities, Inc.	450,000
Citigroup Global Markets Inc.	450,000
Credit Suisse Securities (USA) LLC	450,000
Goldman Sachs & Co. LLC	450,000
J.P. Morgan Securities LLC	450,000
Morgan Stanley & Co. LLC	75,000
Wells Fargo Securities, LLC	75,000
Barclays Capital Inc.	25,000
PNC Capital Markets LLC	25,000
TD Securities (USA) LLC	25,000
U.S. Bancorp Investments, Inc.	25,000
Total	2,500,000

Schedule A-1

SCHEDULE B

Permitted Free Writing Prospectuses

Final Term Sheet prepared and filed pursuant to Section 4(a) and in the form of Schedule C.

Schedule B-1

SCHEDULE C

[See attached]

Schedule C-1

THE CHARLES SCHWAB CORPORATION

**2,500,000 DEPOSITARY SHARES,
EACH REPRESENTING A 1/100th INTEREST IN A SHARE OF 4.000% FIXED-RATE RESET NON-CUMULATIVE PERPETUAL
PREFERRED STOCK, SERIES H
(liquidation preference \$100,000 per share (equivalent to \$1,000 per depositary share))**

SUMMARY OF TERMS

Issuer:	The Charles Schwab Corporation
Security Offered:	Depositary Shares, Each Representing a 1/100 th Interest in a Share of 4.000% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series H (the "Series H Preferred Stock")
Expected Ratings*:	[Intentionally Omitted]
Size:	\$2,500,000,000 (2,500,000 depositary shares)
Over-allotment Option:	None
Liquidation Preference:	\$100,000 per share of Series H Preferred Stock (equivalent to \$1,000 per depositary share)
First Reset Date:	December 1, 2030
Reset Date:	The First Reset Date and each date falling on the tenth anniversary of the preceding Reset Date
Reset Period:	The period from, and including, the First Reset Date to, but excluding, the next following Reset Date and thereafter each period from, and including, each Reset Date to, but excluding, the next following Reset Date
Dividend Rate (Non-Cumulative):	From December 11, 2020 to, but excluding, December 1, 2030, 4.000%, and from, and including, December 1, 2030, during each reset period (as defined in the preliminary prospectus supplement dated December 8, 2020 (the "preliminary prospectus supplement")), the ten-year treasury rate as of the most recent reset dividend determination date (as defined in the preliminary prospectus supplement) plus 3.079%
Dividend Payment Dates:	Quarterly in arrears on the 1st day of March, June, September and December of each year, commencing on March 1, 2021

Day Count:	30/360
Term:	Perpetual
Optional Redemption:	In whole or in part, from time to time, on any dividend payment date on or after December 1, 2030, or in whole but not in part, at any time within 90 days following a regulatory capital treatment event (as defined in the preliminary prospectus supplement), in each case at a redemption price equal to \$100,000 per share (equivalent to \$1,000 per depositary share), plus any declared and unpaid dividends, without accumulation of any undeclared dividends
Trade Date:	December 8, 2020
Settlement Date:	December 11, 2020 (T+3)
Public Offering Price:	\$1,000 per depositary share
Underwriting Discount:	\$10.00 per depositary share
Estimated Net Proceeds to Issuer, After Deducting Underwriting Discount:	\$2,475 million
CUSIP/ISIN for Depositary Shares:	808513 BJ3 / US808513BJ38
Joint Book-Running Managers:	BofA Securities, Inc. Citigroup Global Markets Inc. Credit Suisse Securities (USA) LLC Goldman Sachs & Co. LLC J.P. Morgan Securities LLC
Senior Co-Managers:	Morgan Stanley & Co. LLC Wells Fargo Securities, LLC
Co-Managers:	Barclays Capital Inc. PNC Capital Markets LLC TD Securities (USA) LLC U.S. Bancorp Investments, Inc.

* Note: A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time.

It is expected that delivery of the depositary shares will be made through the facilities of The Depository Trust Company on or about December 11, 2020, which will be the third business day following the initial sale of the depositary shares (this settlement cycle being referred to as “T+3”). Under Rule 15c6-1 of the Securities Exchange Act of 1934, as amended, trades in the secondary market generally are required to settle in two business days, unless the parties to a trade expressly agree otherwise. Accordingly, purchasers who wish to trade the depositary shares prior to the second business day before the delivery of the depositary shares will be required, by virtue of the fact that the depositary shares initially will settle on a delayed basis, to specify alternative settlement arrangements at the time of any such trade to prevent a failed settlement and should consult their own advisor.

The Issuer has filed a registration statement (including a preliminary prospectus supplement and accompanying prospectus) with the U.S. Securities and Exchange Commission (the “SEC”) for the offering to which this communication relates. Before you invest, you should read the preliminary prospectus supplement and accompanying prospectus and other documents the Issuer has filed with the SEC for more complete information about the Issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, the Issuer, any underwriter or any dealer participating in the offering will arrange to send you the preliminary prospectus supplement and accompanying prospectus if you request it by calling BofA Securities, Inc. toll-free at (800) 294-1322, Citigroup Global Markets Inc. toll-free at (800) 831-9146, Credit Suisse Securities (USA) LLC toll-free at (800) 221-1037, Goldman Sachs & Co. LLC collect at (212) 902-1171, J.P. Morgan Securities LLC collect at (212) 834-4533.

Any disclaimer or other notice that may appear below is not applicable to this communication and should be disregarded. Such disclaimer or notice was automatically generated as a result of this communication being sent by Bloomberg or another email system.

Schedule C-4

EXHIBIT A

FORM OF OPINION OF
AND NEGATIVE ASSURANCE LETTER OF
ARNOLD & PORTER KAYE SCHOLER LLP

[See attached]

[], 2020

BofA Securities, Inc.
Citigroup Global Markets Inc.
Credit Suisse Securities (USA) LLC
Goldman Sachs & Co. LLC
J.P. Morgan Securities LLC
as Representatives of the several
Underwriters named in Schedule A
of the Underwriting Agreement

c/o BofA Securities, Inc.
One Bryant Park, 8th Floor
New York, New York 10036

c/o Citigroup Global Markets Inc.
388 Greenwich Street
New York, New York 10013

c/o Credit Suisse Securities (USA) LLC
11 Madison Avenue
New York, New York 10010

c/o Goldman Sachs & Co. LLC
200 West Street
New York, New York 10282

c/o J.P. Morgan Securities LLC
383 Madison Avenue
New York, New York 10179

Re: **Underwritten Public Offering of [] Depositary Shares, Each Representing a 1/100th Interest in a Share of []% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series H of The Charles Schwab Corporation**

Ladies and Gentlemen:

You have requested our opinion as special legal counsel to The Charles Schwab Corporation, a Delaware corporation (the “*Company*”), with respect to certain matters in connection with the sale today to the Underwriters of [] depositary shares (the “*Depositary Shares*”), each representing a 1/100th interest in a share of the []% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series H of the Company (the “*Series H Preferred Stock*,” and together with the Depositary Shares, the “*Securities*”), pursuant to that certain Underwriting

Agreement dated [], 2020 by and among the Company and the several Underwriters named in Schedule A thereto (the “**Underwriting Agreement**”). Except as otherwise specified, all capitalized terms used herein have the same meanings given to them in the Underwriting Agreement. (For the avoidance of doubt and without limiting the generality of the foregoing sentence, the terms “Registration Statement,” “Prospectus,” “Disclosure Package,” “Pre-Pricing Prospectus” and “Basic Prospectus” have the same meanings given to them in the Underwriting Agreement.) This opinion is rendered pursuant to Section 6(a) of the Underwriting Agreement.

In this connection, we have examined the following documents:

- (1) The Underwriting Agreement;
- (2) The Deposit Agreement dated [], 2020 by and among the Company, Equiniti Trust Company (the “**Depositary**”), and the holders from time to time of the Depositary Receipts (such agreement, the “**Deposit Agreement**”);
- (3) The Certificate of Designations of the []% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series H of the Company, filed with the Secretary of State of the State of Delaware on [], 2020 (the “**Certificate of Designation**”);
- (4) The executed stock certificate evidencing the shares of Series H Preferred Stock deposited with the Depositary (the “**Stock Certificate**”);
- (5) The executed global depositary receipt evidencing the Depositary Shares (the “**Global Depositary Receipt**”);
- (6) The registration statement on Form S-3 (File No. 333-251156) and the exhibits thereto filed by the Company with the Securities and Exchange Commission (the “**Commission**”) on December 4, 2020 (the “**Registration Statement**”) pursuant to the Securities Act of 1933, as amended, and the rules and regulations thereunder (the “**Securities Act**”);
- (7) The preliminary prospectus supplement (File No. 333-251156) filed by the Company with the Commission on [], 2020 (the “**Preliminary Prospectus Supplement**”);
- (8) The free writing prospectus (File No. 333-251156) filed by the Company with the Commission on [], 2020;
- (9) The final prospectus supplement (File No. 333-251156) filed by the Company with the Commission on [], 2020 (the “**Final Prospectus Supplement**”);
- (10) The following documents filed by the Company with the Commission pursuant to the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (the “**Exchange Act**”): (i) the Company’s annual report on Form 10-K for the fiscal

year ended December 31, 2019, (ii) the Company's quarterly reports on Form 10-Q for the quarters ended March 31, 2020, June 30, 2020 and September 30, 2020; and (iii) the Company's current reports on Form 8-K filed on March 20, 2020, March 25, 2020, April 30, 2020, May 15, 2020, May 15, 2020, May 26, 2020, May 27, 2020, June 4, 2020, June 5, 2020, July 27, 2020, October 1, 2020, and October 6, 2020 and on Form 8-K/A filed on December 4, 2020 (collectively, the "**Incorporated Documents**");

(11) Resolutions of the Board of Directors of the Company adopted on [October 22, 2020], and resolutions of the Shelf Securities Pricing Committee of the Board of Directors adopted on December [], 2020;

(12) The Company's Fifth Restated Certificate of Incorporation, filed with the Secretary of State of the State of Delaware on May 15, 2001, as amended by the Certificate of Designations of Fixed to Floating Rate Non-Cumulative Perpetual Preferred Stock, Series A filed with the Secretary of State of the State of Delaware on January 24, 2012, by the Certificate of Designations of 6.00% Non-Cumulative Perpetual Preferred Stock, Series B filed with the Secretary of State of the State of Delaware on May 31, 2012, by the Certificate of Designations of 6.00% Non-Cumulative Perpetual Preferred Stock, Series C filed with the Secretary of State of the State of Delaware on July 30, 2015, by the Certificate of Designations of 5.95% Non-Cumulative Perpetual Preferred Stock, Series D filed with the Secretary of State of the State of Delaware on March 3, 2016, by the Certificate of Designations of 4.625% Fixed to Floating Rate Non-Cumulative Perpetual Preferred Stock, Series E filed with the Secretary of State of the State of Delaware on October 28, 2016, by the Certificate of Designations of 5.00% Fixed to Floating Rate Non-Cumulative Perpetual Preferred Stock, Series F filed with the Secretary of State of the State of Delaware on October 30, 2017, by the Certificate of Elimination of 6.00% Non-Cumulative Perpetual Preferred Stock, Series B filed with the Secretary of State of the State of Delaware on December 15, 2017, by the Certificate of Designations of 5.375% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series G filed with the Secretary of State of the State of Delaware on April 29, 2020, and by the amendment filed as Exhibit 3.1 to the Company's current report on Form 8-K dated October 2, 2020; the Certificate of Incorporation of Schwab Holdings, Inc. ("**Holdings**") filed with the Secretary of State of the State of Delaware on June 8, 1982, as amended by the Certificates of Amendment filed with the Secretary of State of the State of Delaware on January 28, 1983 and April 30, 1987; the Restated Certificate of Incorporation of Charles Schwab Investment Management, Inc. ("**CSIM**") filed with the Secretary of State of the State of Delaware on February 1, 1990; and the Certificate of Restated Articles of Charles Schwab & Co., Inc. ("**CS & Co.**") filed with the Secretary of State of the State of California on March 4, 1981, as amended by the Certificate of Amendment filed with the Secretary of State of the State of California on November 7, 1988 (collectively, the "**Charters**");

(13) The Company's Fourth Restated Bylaws dated December 12, 2007, as amended on July 28, 2009 January 27, 2010 and October 2, 2020; the bylaws of Holdings dated

July 1, 1982; the bylaws of CSIM, certified as of the date hereof by an officer of the Company; and the bylaws of CS & Co., certified as of the date hereof by an officer of the Company (collectively, the “*Bylaws*”);

(14) Certificates, each dated as of a recent date, from the Secretary of State of the State of Delaware as to the good standing of the Company, Holdings and CSIM in that state, from the Secretary of State of the State of California as to the good standing of CS & Co. in that state, from the Secretary of State of the State of California as to the qualification of the Company to do business in that state, and from the respective Secretaries of State of the states of Arizona, Colorado, Florida, Illinois, Indiana, New Jersey, New York, Pennsylvania, Texas and Washington as to the qualification of CS & Co. to do business in such states (collectively, the “*Good Standing Certificates*”);

(15) The minute books of the Company and of each of Holdings, CSIM and CS & Co. (collectively, the “*Significant Subsidiaries*”) provided to us by one or more officers of the Company (collectively, the “*Minute Books*”);

(16) The contracts listed on **EXHIBIT A** hereto (the “*Company Contracts*”);

(17) One or more certificates provided to us by one or more officers of the Company (the “*Officers’ Certificates*”);

(18) The written order of the Company, pursuant to Section 2.2 of the Deposit Agreement, directing the Depository to execute and deliver the Global Depository Receipt; and

(19) A certificate of the Depository.

The Underwriting Agreement and the Deposit Agreement are referred to hereafter as the “*Transaction Agreements*.”

In rendering the opinions set forth below, we have assumed the legal capacity of individuals, that the signatures on all documents not executed in our presence are genuine, that all documents submitted to us as originals are authentic, that all documents submitted to us as reproduced or certified copies conform to the original documents, that all Company Contracts filed with the Commission conform to the original documents, that all corporate records of the Company and the Significant Subsidiaries provided to us for review are accurate and complete, and that any reviews and searches of public records obtained by us are accurate and complete. We have further assumed that each of the parties to the Transaction Agreements other than the Company is duly qualified to engage in the transactions contemplated by the Transaction Agreements; that the Transaction Agreements have been duly authorized, executed, and delivered by, and constitute the valid and binding obligations of, each of the parties thereto other than the Company, and are enforceable against the parties thereto other than the Company in accordance with their respective

terms; that the parties to the Transaction Agreements other than the Company have the requisite power and authority to perform their respective obligations under the Transaction Agreements executed and delivered by them; and that there are no documents, agreements or understandings among or between any parties to the Transaction Agreements or others that would modify the respective rights and obligations of such parties as set forth in the Transaction Agreements or that otherwise would have an effect on the opinions rendered below.

As to matters of fact material to our opinions, we have relied solely upon our review of the documents referred to in the second paragraph of this letter, and upon oral advice from the staff of the Commission and information made available by the Commission on its website. We have assumed that the recitals of fact and the representations and warranties of all parties as to factual matters set forth in the documents referred to above are true, complete and correct on the date hereof. We have not independently verified any factual matters or the validity of any assumptions made by us in this letter, and we express no opinion or belief, and disclaim any implication or inference, as to the reasonableness of any such assumption.

For purposes of this opinion letter, we have considered only Applicable Laws (as defined herein). “**Applicable Laws**” means those laws, statutes, rules and regulations of the United States of America and the State of California presently in effect that, in our experience, are normally applicable to transactions of the kind contemplated by the Transaction Agreements (collectively, “**California Law**”) and the Delaware General Corporation Law; provided, however, that, with respect to our opinions in clause (ii) of the second sentence of paragraph 4 below, and in the second sentence of paragraph 5 below, “Applicable Laws” means those laws, statutes, rules and regulations of the United States of America and the State of New York presently in effect that, in our experience, are normally applicable to transactions of the kind contemplated by the Deposit Agreement (collectively, “**New York Law**”) and the Delaware General Corporation Law; and provided, further, that, with respect to our opinions in the last sentence of paragraph 3 below, “Applicable Laws” means California Law, New York Law, and the Delaware General Corporation Law; and provided, further, that, with respect to execution and delivery of the Transaction Agreements, “Applicable Laws” means California Law, to the extent such execution and delivery are governed by California Law, New York Law, to the extent such execution and delivery are governed by New York Law, and the Delaware General Corporation Law, to the extent such execution and delivery are governed by the Delaware General Corporation Law. Without suggesting that any of the following might otherwise be applicable to transactions of the kind contemplated by the Transaction Agreements, “Applicable Laws” specifically does not include, among other laws, the following “**Excluded Laws**”: any laws, statutes, ordinances, rules, regulations, decisions or administrative interpretations (a) of any county, locality or municipality, (b) pertaining to taxes (except U.S. federal income tax law for purposes of paragraph 10 below); securities (except the Securities Act for purposes of paragraphs 7 through 12 below, and the Investment Company Act for purposes of paragraph 13 below); the regulation of banks, thrifts, savings and loan associations or any similar entity that is engaged in the business of lending as one

of its principal business activities, or holding companies of any of the foregoing; labor, employee or management relations; money laundering; privacy; environment; health and safety; trade regulation; franchising; antitrust; intellectual property; unfair competition; or pension, retirement, deferred compensation or any other employee benefits, including ERISA, (c) relating to choice of law or conflicts of law and/or (d) to which the transactions are or may be subject because of the legal or regulatory status of any person other than the Company or because of any facts pertaining to any such person. Although Excluded Laws may apply to the Transaction Agreements (or performance under any of them), we express no opinion with respect to the effect of Excluded Laws on the matters involved in the opinions set forth herein.

Whenever an opinion herein is qualified by the phrase “known to us,” “to our knowledge,” “of which we are aware,” or any similar phrase, we intend to indicate that during the course of our representation of the Company, no information has come to the attention of those attorneys currently employed by this law firm who have rendered legal services to the Company in connection with substantive legal matters that would give such attorneys actual knowledge of the inaccuracy of such opinions. We have not undertaken or conducted any independent investigation to determine the accuracy of opinions herein qualified as described in the preceding sentence, and any limited inquiry undertaken by us during the preparation of this opinion letter should not be regarded as such an investigation; no inference as to our knowledge of any matters bearing on the accuracy of any such opinion should be drawn from the fact of our representation of the Company. Further, we call to your attention that the Company is a holding company for, and therefore engages directly or indirectly in, multi-faceted and complex businesses, and that we have not represented the Company in connection with all of its business activities. Accordingly, our actual knowledge typically does not extend to or encompass any matter or issue as to which we have not advised the Company.

The opinions set forth below are subject to the following:

(i) The factual basis for our opinions in paragraph 1 below is based solely on our review of the Charters, the Minute Books, the Good Standing Certificates and the Officers’ Certificates;

(ii) Our opinions in paragraph 3, clauses (c) and (d), and paragraph 14 below are based solely upon an examination of the Company Contracts. We have made no further investigation. With regard to the Company Contracts, we have assumed with respect to each Company Contract that such Company Contract would be interpreted in accordance with its plain meaning and that it is governed by the substantive laws of the State of California (without regard to conflicts-of-law and choice-of-law principles), even though the terms of such Company Contract may provide that the law of a jurisdiction other than California is the governing law of such Company Contract. We express no opinion as to any statement or writing that may constitute parol evidence bearing on interpretation or construction of any Company Contract. Further, to the extent that any of the Company Contracts contain any financial covenants, provisions relating to the occurrence of a

“material adverse effect” or similar provisions, for purposes of our opinions in paragraph 3, clauses (c) and (d) below, we have relied solely on the Officers’ Certificates as to (i) the Company’s compliance with any and all such financial covenants and provisions, and (ii) the conclusion that the execution, delivery and performance by the Company of its obligations under the Transaction Agreements and the issuance and sale of the Securities do not, under any such financial covenants or provisions, constitute a default or result in the imposition of a lien or encumbrance, and we have undertaken no investigation or analysis, nor conducted any financial computations, with respect thereto;

(iii) Our opinion in the second sentence of paragraph 8 below is based solely upon our review of the information made available by the Commission at <http://www.sec.gov/litigation/stoporders.shtml> as of [] am Eastern Time on [], 2020;

(iv) Except to the limited extent set forth in paragraphs 10, 11 and 12 below, we express no opinion whatsoever as to the compliance or noncompliance by any person with antifraud or information delivery provisions of state or federal laws, rules and regulations;

(v) We express no opinion regarding the rights or remedies available to any party for material violations or breaches that are the proximate result of actions taken by any party other than the party against whom enforcement is sought; and

(vi) Our opinion in paragraph 10 below is subject to the facts, assumptions and conditions set forth in the Preliminary Prospectus Supplement and the Final Prospectus Supplement and is limited to the U.S. federal income tax matters discussed under the heading referred to in that paragraph. Our opinion referred to in paragraph 10 is based on the U.S. Internal Revenue Code of 1986, as amended, U.S. Department of the Treasury Regulations (in final, proposed and temporary form), U.S. Internal Revenue Service (“**IRS**”) rulings and pronouncements, cases and other interpretative authority as they exist on the date of the Preliminary Prospectus Supplement and the Final Prospectus Supplement, respectively. To the extent that we have examined and relied upon authorities that may not be cited as precedent by taxpayers other than those to whom such authorities were addressed, we have assumed for purposes of this opinion that such authorities nevertheless accurately reflect the policy and practice of the IRS with respect to the subject matter thereof and will be followed by the IRS with respect to the documents and transactions that are the subject of our opinion below. These authorities are all subject to change, possibly with retroactive effect. We can give no assurance that, after such change, our opinion would not be different. We undertake no responsibility to advise any person of any change in law subsequent to the date hereof if any applicable laws change after the date hereof or if we become aware of any facts that might change the opinion expressed herein after the date hereof.

Based upon the foregoing, and subject to the assumptions, exceptions, limitations and qualifications stated herein, we are of the opinion that:

1. Each of the Company, Holdings and CSIM is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware. CS & Co. is a corporation duly incorporated, validly existing and in good standing under the laws of the State of California. The Company is qualified to do business as a foreign corporation in the State of California. CS & Co. is qualified to do business as a foreign corporation in the states of Arizona, Colorado, Florida, Illinois, Indiana, New Jersey, New York, Pennsylvania, Texas and Washington.
2. Each of the Company and the Significant Subsidiaries has the corporate power and corporate authority to own or lease its properties and assets and to conduct its business as described in the Disclosure Package and the Prospectus. The Company has the corporate power and corporate authority to execute, deliver and perform its obligations under the Transaction Agreements. The Company's execution, delivery and performance of its obligations under the Transaction Agreements, including the deposit of the Series H Preferred Stock in accordance with the terms of the Deposit Agreement, have been duly authorized by all necessary corporate action on the part of the Board of Directors of the Company.
3. The execution, delivery and performance by the Company of its obligations under the Transaction Agreements on the date hereof in accordance with their respective terms and the issuance and sale of the Securities do not (a) violate the Charters or the Bylaws, (b) violate any judgment, writ, decree or order of any court to which the Company is named as a party and of which we are aware, (c) constitute a default by the Company or any Significant Subsidiary under any Company Contract, or (d) result in the imposition of a lien or encumbrance on any material properties of the Company or of any Significant Subsidiary pursuant to any Company Contract. The execution and delivery by the Company of the Transaction Agreements, and the issuance and sale of the Securities on the date hereof in accordance with the terms of the Transaction Agreements, do not violate any Applicable Law.
4. The Company's authorized capital stock is as set forth in the Basic Prospectus, the Preliminary Prospectus Supplement and the Final Prospectus Supplement. The Securities have been duly authorized by the Company and, upon payment and delivery in accordance with the Transaction Agreements, (i) the Securities will be validly issued, fully paid and nonassessable, and (ii) the holders of the Depositary Shares will be entitled to the rights specified in the Deposit Agreement and the Global Depositary Receipt. The Global Depositary Receipt complies with the form therefor prescribed in the Deposit Agreement.
5. The Transaction Agreements have been duly executed and delivered by the Company. The Deposit Agreement constitutes the valid and binding obligation of the Company, enforceable against the Company in accordance with its terms.
6. The Certificate of Designation has been duly filed with the Secretary of State of the State of Delaware. The form of Stock Certificate complies in all material respects with the requirements of the Delaware General Corporation Law, the Charter and the Bylaws.

7. No consent, approval or authorization of, or designation, declaration or filing with, any Delaware, California or federal governmental authority is required by the Company under any Applicable Law in connection with the execution, delivery and performance by the Company of its obligations under the Transaction Agreements in accordance with their respective terms, and the issuance and the sale of the Securities in accordance with the terms of the Transaction Agreements, other than (i) those that have already been obtained and are in full force and effect, and (ii) those that are required or permitted to be obtained after the date hereof (except that we express no opinion with respect to any consent, approval, authorization, designation, declaration or filing required under the state securities or “blue sky” laws of the various jurisdictions in which the Securities are being offered by the Underwriters, and we express no opinion with respect to the Conduct Rules of the Financial Industry Regulatory Authority (FINRA)).

8. The Registration Statement has become effective under the Securities Act. To our knowledge, no stop order suspending the effectiveness of the Registration Statement or any part thereof has been issued and no proceedings for that purpose are pending under the Securities Act. The Preliminary Prospectus Supplement and the Final Prospectus Supplement were filed with the Commission pursuant to Rule 424(b) under the Securities Act.

9. The Registration Statement (including, for the avoidance of doubt, the Pre-Pricing Prospectus and the Prospectus) appears on its face to be responsive as to form in all material respects to all applicable requirements of the Securities Act (including without limitation Section 10(a) of the Securities Act), provided, however, that we express no view as to any financial statements, schedules and notes and other financial and statistical information derived therefrom and included therein.

10. The statements contained in the Preliminary Prospectus Supplement and the Final Prospectus Supplement under the caption “Certain Material U.S. Federal Income Tax Considerations,” insofar as such statements purport to constitute summaries of matters of U.S. federal income tax law and regulations or legal conclusions with respect thereto, constitute in all material respects accurate summaries of such matters or conclusions, as the case may be.

11. The statements contained in the Preliminary Prospectus Supplement and the Final Prospectus Supplement under the captions “Description of Series H Preferred Stock” and “Description of Depositary Shares,” and the statements contained in the Basic Prospectus under the caption “Description of Preferred Stock” and “Description of Depositary Shares,” insofar as such statements purport to constitute summaries of certain terms of documents referred to therein or summaries of matters of law, constitute in all material respects accurate summaries of such terms or matters, as the case may be.

12. To our knowledge, there are no contracts or documents required under the Securities Act (i) to be filed as exhibits to the Registration Statement or incorporated by reference therein which have not been so filed or incorporated by reference as required, or (ii) to be described in the Registration Statement (including, for the avoidance of doubt, the Pre-Pricing Prospectus and the Prospectus) which have not been so described as required.

13. The Company is not, and will not become as a result of the consummation of the transactions contemplated by the Transaction Agreements, an “investment company” or a company “controlled” by an “investment company” within the meaning of the Investment Company Act of 1940, as amended, and the rules and regulations thereunder (the “*Investment Company Act*”).

14. No person has the right (which right has not been waived or complied with) pursuant to the terms of any Company Contract to cause the Company to register under the Securities Act any Securities or shares of any other capital stock or other equity interest of the Company, or to include any such shares or interest in the Registration Statement or the offering contemplated thereby.

Our opinions in clause (ii) of the second sentence of paragraph 4 above, and in the second sentence of paragraph 5 above, are subject to the following:

- (a) Such opinions are subject to general principles of equity (regardless of whether considered in a proceeding in equity or at law) and to the effect of any applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or similar laws. In addition, the availability of specific performance, injunctive relief, the appointment of a receiver and other equitable remedies is subject to the discretion of the tribunal before which any proceeding therefor may be brought.
- (b) Notwithstanding any language of the Deposit Agreement to the contrary, indemnification of any party thereunder may be limited to recovery of only reasonable expenses, including, without limitation, reasonable attorneys’ fees and legal expenses. Such opinions, insofar as they relate to the enforceability of indemnification provisions set forth in the Deposit Agreement, are subject to laws and judicial decisions rendering unenforceable indemnification contrary to federal and state securities laws and the public policies underlying such laws, and laws limiting the enforceability of provisions exculpating or exempting a party, or requiring indemnification of a party for, liability for its own action or inaction, to the extent the action involves negligence, recklessness, willful misconduct or unlawful conduct.
- (c) We express no opinion as to the enforceability of provisions of the Deposit Agreement to the extent they contain:
 - a. waivers by the Company of any statutory or constitutional rights or remedies;

- b. grants by the Company of powers of attorney;
 - c. cumulative remedies strictly to the extent such cumulative remedies purport to compensate, or would have the effect of compensating, the party entitled to the benefits thereof in an amount in excess of the actual loss suffered by such party; or
 - d. terms to the effect that provisions in the Deposit Agreement may not be waived or modified except in writing, which may not be enforceable under certain circumstances.
- (d) We express no opinion as to whether courts other than state or federal courts in the State of New York would give effect to the choice of New York law governing the Deposit Agreement.
- (e) Insofar as such opinions relate to the provisions of the Deposit Agreement regarding jurisdiction, service of process and venue (and the defense of an inconvenient forum), such opinions are limited to jurisdiction and service of process in respect of any action arising out of or based upon the Deposit Agreement brought, or sought to be brought, in any New York State or U.S. federal court in The City of New York. We express no opinion as to the subject matter jurisdiction of any federal court of the United States of America over any action between two parties neither of which is a “citizen” of any State for the purposes of 28 U.S.C. § 1332.

Wherever above we have rendered an opinion regarding a document, the opinion is limited to that document and does not encompass, cover or pertain to, or take into account the potential effect on the opinion rendered above of, any agreement attached as a schedule or an exhibit to that document, referred to in that document or executed contemporaneously with that document, except for any such other agreement or exhibit that is expressly referred to in the relevant opining language.

Notwithstanding anything in this opinion letter to the contrary, the opinions set forth above are given only as of the date hereof. Without limiting the generality of the foregoing, any opinion rendered above that refers to the performance of obligations under any Transaction Agreement assumes that there have been no changes in facts or law since the date hereof at the time of such performance. We disclaim any obligation to update any of the opinions rendered herein and express no opinion as to the effect of events occurring, circumstances arising, or changes of law that become effective or occur, after the date hereof on the matters addressed in this opinion letter, and we assume no responsibility to inform you of additional or changed facts, or changes in law, of which we may become aware.

BofA Securities, Inc., et al.

[], 2020

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The opinions set forth above are expressly limited to the matters stated. No opinion is implied or may be inferred beyond what is explicitly stated in this letter. This letter is rendered solely for your benefit in connection with the transactions contemplated by the Transaction Agreements and may not be relied upon by any other person or entity. Copies of this letter may not be circulated or furnished to any other person or entity and this letter may not be referred to in any report or document furnished to any other person or entity, without our prior written consent.

Very truly yours,

Exhibit A

Company Contracts Listed as Exhibits to the Company's Form 10-K for the Year Ended December 31, 2019:

- 10.4 Form of Release Agreement dated as of March 31, 1987 among BAC, the Company, Schwab Holdings, Inc., Charles Schwab & Co., Inc. and former shareholders of Schwab Holdings, Inc., filed as Exhibit 10.4 to the Company's Registration Statement No. 33-16192 on Form S-1.
- 10.72 Restatement of Assignment and License, as amended January 25, 1988, among Charles Schwab & Co., Inc., Charles R. Schwab and the Company, filed as Exhibit 10.72 to the Company's Form 10-K for the year ended December 31, 2014.
- 10.271 The Charles Schwab Corporation Directors' Deferred Compensation Plan, as amended through December 8, 2004, filed as Exhibit 10.271 to the Company's Form 10-K for the year ended December 31, 2014.
- 10.272 The Charles Schwab Corporation Deferred Compensation Plan, as amended through December 8, 2004, filed as Exhibit 10.272 to the Company's Form 10-K for the year ended December 31, 2014.
- 10.314 Employment Agreement dated as of March 13, 2008, between the Company and Charles R. Schwab.
- 10.338 The Charles Schwab Corporation 2004 Stock Incentive Plan, as approved at the Annual Meeting of Stockholders on May 17, 2011, filed as Exhibit 10.338 to the Company's Form 10-Q for the quarter ended June 30, 2016.
- 10.349 The Charles Schwab Severance Pay Plan, as Amended and Restated Effective May 1, 2012, filed as Exhibit 10.349 to the Company's Form 10-Q for the quarter ended June 30, 2017.
- 10.362 The Charles Schwab Corporation Directors' Deferred Compensation Plan II, as amended and restated as of April 24, 2013.
- 10.381 Form of Notice and Retainer Stock Option Agreement for Non-Employee Directors under The Charles Schwab Corporation 2013 Stock Incentive Plan and successor plans, filed as Exhibit 10.381 to the Company's Form 10-Q for the quarter ended September 30, 2017.
- 10.382 Form of Notice and Retainer Restricted Stock Unit Agreement for Non-Employee Directors under The Charles Schwab Corporation 2013 Stock Incentive Plan and successor plans, filed as Exhibit 10.382 to the Company's Form 10-Q for the quarter ended September 30, 2017.

- 10.383 Form of Notice and Stock Option Agreement for Non-Employee Directors under The Charles Schwab Corporation Directors' Deferred Compensation Plan II and successor plans, filed as Exhibit 10.383 to the Company's Form 10-Q for the quarter ended September 30, 2017.
- 10.384 Form of Notice and Restricted Stock Unit Agreement for Non-Employee Directors under The Charles Schwab Corporation Directors' Deferred Compensation Plan II and successor plans, filed as Exhibit 10.384 to the Company's Form 10-Q for the quarter ended September 30, 2017.
- 10.385 The Charles Schwab Corporation Deferred Compensation Plan II, as amended and restated as of December 13, 2017, filed as Exhibit 10.385 to the Company's Form 10-K for the year ended December 31, 2017.
- 10.386 Form of Notice and Performance-Based Restricted Stock Unit Agreement under The Charles Schwab Corporation 2013 Stock Incentive Plan and successor plans, filed as Exhibit 10.386 to the Company's Form 10-K for the year ended December 31, 2017.
- 10.389 The Charles Schwab Corporation Corporate Executive Bonus Plan, restated to include amendments approved at the Annual Meeting of Stockholders on May 13, 2015, as amended and restated as of December 13, 2017, filed as Exhibit 10.389 to the Company's Form 10-K for the year ended December 31, 2017.
- 10.390 Summary of Non-Employee Director Compensation, filed as Exhibit 10.390 to the Company's Form 10-K for the year ended December 31, 2017.
- 10.391 2013 Stock Incentive Plan, as amended and restated, filed as Exhibit 10.391 to the Company's Form 8-K dated May 15, 2018.
- 10.402 Form of Notice and Nonqualified Stock Option Agreement under The Charles Schwab Corporation 2013 Stock Incentive Plan and successor plans, filed as Exhibit 10.402 to the Company's Form 10-Q for the quarter ended September 30, 2019 (supersedes Exhibit 10.393).
- 10.403 Form of Notice and Restricted Stock Unit Agreement under The Charles Schwab Corporation 2013 Stock Incentive Plan and successor plans, filed as Exhibit 10.403 to the Company's Form 10-Q for the quarter ended September 30, 2019 (supersedes Exhibit 10.394).
- 10.404 Form of Notice and Restricted Stock Unit Agreement (no accelerating vesting for retirement) under The Charles Schwab Corporation 2013 Stock Incentive Plan and successor plans (supersedes Exhibit 10.396), filed as Exhibit 10.404 to the Company's 10-Q for the quarter ended September 30, 2019.

- 10.405 Stockholder Agreement, dated as of November 24, 2019, by and between the Company and the Toronto-Dominion Bank filed as Exhibit 10.1 to the Company's Form 8-K dated November 24, 2019.
- 10.406 Registration Rights Agreement by and among the Company, Charles R. Schwab, The Toronto-Dominion Bank, and certain other stockholders filed as Exhibit 10.5 to the Company's Form 8-K dated November 24, 2019.
- 10.407 Amended and Restated Insured Deposit Account Agreement by and among TD Bank USA, National Association, TD Bank, National Association, and the Company filed as Exhibit 10.6 to the Company's Form 8-K dated November 24, 2019.
- 10.408 Form of Notice Performance-Based Restricted Stock Unit Agreement under The Charles Schwab Corporation 2013 Stock Incentive Plan and successor plans (supersedes Exhibit 10.386).
- 10.409 Summary of Non-Employee Director Compensation (supersedes Exhibit 10.390).
- 10.410 2013 Stock Incentive Plan, as amended and restated, filed as Exhibit 10.410 to the Company's Form 8-K dated May 12, 2020 (supersedes Exhibit 10.391).
- 10.411 Credit Agreement (364 – Day Commitment) dated as of May 29, 2020, between the Company and financial institutions therein, filed as exhibit 10.411 to the Company's Form 10-Q for the quarter ended June 30, 2020 (supersedes Exhibit 10.395).
- 10.412 Form of Notice and Retainer Stock Option Agreement for Non-Employee Directors under The Charles Schwab Corporation 2013 Stock Incentive Plan and successor plans, filed as exhibit 10.412 to the Company's Form 10-Q for the quarter ended September 30, 2020 (supersedes Exhibit 10.397).
- 10.413 Form of Notice and Retainer Restricted Stock Unit Agreement for Non-Employee Directors under The Charles Schwab Corporation 2013 Stock Incentive Plan and successor plans, filed as exhibit 10.413 to the Company's Form 10-Q for the quarter ended September 30, 2020 (supersedes Exhibit 10.398).
- 10.414 Form of Notice and Stock Option Agreement for Non-Employee Directors under The Charles Schwab Corporation Directors' Deferred Compensation Plan II and successor plans, filed as exhibit 10.414 to the Company's Form 10-Q for the quarter ended September 30, 2020 (supersedes Exhibit 10.399).
- 10.415 Form of Notice and Restricted Stock Unit Agreement for Non-Employee Directors under The Charles Schwab Corporation Directors' Deferred Compensation Plan II and successor plans, filed as exhibit 10.412 to the Company's Form 10-Q for the quarter ended September 30, 2020 (supersedes Exhibit 10.401).

- 10.416 Credit Agreement, dated April 21, 2017, among TD Ameritrade Holding Corporation, the lenders party thereto, U.S. Bank National Association, as syndication agent, Barclays Bank PLC, TD Securities (USA) LLC and Wells Fargo Securities, LLC, as co-documentation agents and JPMorgan Chase Bank, N.A., as administrative agent, filed as Exhibit 10.1 to TD Ameritrade Holding Corporation's Form 8-K dated April 21, 2017.
- 10.417 First Amendment, dated as of August 3, 2020, to Credit Agreement dated April 21, 2017, among TD Ameritrade Holding Corporation, the lenders party thereto and JP Morgan Chase Bank, N.A., as administrative agent, filed as Exhibit 10.1 to TD Ameritrade Holding Corporation's Form 8-K dated August 3, 2020.
- 10.418 Credit Agreement, dated April 21, 2017, among TD Ameritrade Clearing, Inc., the lenders party thereto, U.S. Bank National Association, as syndication agent, Barclays Bank PLC, TD Securities (USA) LLC and Wells Fargo Securities, LLC, as co-documentation agents and JPMorgan Chase Bank, N.A., as administrative agent, filed as Exhibit 10.2 to TD Ameritrade Holding Corporation's Form 8-K dated April 21, 2017.
- 10.419 First Amendment, dated May 17, 2018, to Credit Agreement, dated April 21, 2017, among TD Ameritrade Clearing, Inc., the lenders party thereto, U.S. Bank National Association, as syndication agent, Barclays Bank PLC, TD Securities (USA) LLC, Wells Fargo Securities, LLC, and Industrial and Commercial Bank of China Ltd., New York Branch, as co-documentation agents and JPMorgan Chase Bank, N.A., as administrative agent, filed as Exhibit 10.2 to TD Ameritrade Holding Corporation's Form 8-K dated May 17, 2018.
- 10.420 Second Amendment, dated as of August 3, 2020, to Credit Agreement dated April 21, 2017, among TD Ameritrade Clearing, Inc., the lenders party thereto and JP Morgan Chase Bank, N.A., as administrative agent, filed as Exhibit 10.2 to TD Ameritrade Holding Corporation's Form 8-K dated August 3, 2020.
- 10.421 Credit Agreement, dated May 16, 2019, among TD Ameritrade Clearing, Inc., the lenders parties thereto, Wells Fargo Securities, LLC, Barclays Bank PLC, Citibank, N.A., JPMorgan Chase Bank, N.A., U.S. Bank National Association, TD Securities (USA) LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated and Morgan Stanley Senior Funding, Inc., as joint bookrunners and joint lead arrangers, and Wells Fargo Bank, National Association, as administrative agent, filed as Exhibit 10.1 to TD Ameritrade Holding Corporation's Form 8-K dated May 15, 2019.
- 10.422 First Amendment, dated as of April 21, 2020, to Credit Agreement dated May 16, 2019, among TD Ameritrade Clearing, Inc., the lenders party thereto and Wells Fargo Bank, National Association, as administrative agent, filed as Exhibit 10.1 to TD Ameritrade Holding Corporation's Form 8-K dated April 21, 2020.

Other Company Contracts:

Senior Indenture dated as of June 5, 2009 by and between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee.

Second Supplemental Indenture dated as of July 22, 2010 by and between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee.

Exchange and Registration Rights Agreement, dated August 27, 2012, by and among the Company and Citigroup Global Markets Inc., Goldman, Sachs & Co. and Wells Fargo Securities, LLC.

Third Supplemental Indenture dated as of August 27, 2012 by and between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee.

Sixth Supplemental Indenture dated as of March 10, 2015 by and between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee.

Deposit Agreement, dated August 3, 2015, between the Company and Wells Fargo Bank, N.A., as Depository (including the form of Depository Share Receipt attached as Exhibit A thereto).

Seventh Supplemental Indenture dated as of November 13, 2015 by and between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee.

Deposit Agreement, dated March 7, 2016, between the Company and Wells Fargo Bank, N.A., as Depository (including the form of Depository Share Receipt attached as Exhibit A thereto).

Deposit Agreement, dated October 31, 2016, between the Company and Wells Fargo Bank, N.A., as Depository (including the form of Depository Share Receipt attached as Exhibit A thereto).

Eighth Supplemental Indenture dated as of March 2, 2017 by and between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee.

Deposit Agreement, dated October 31, 2017, between the Company and Wells Fargo Bank, N.A., as Depository (including the form of Depository Share Receipt attached as Exhibit A thereto).

Ninth Supplemental Indenture dated as of November 30, 2017 by and between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee.

Tenth Supplemental Indenture dated as of December 7, 2017 by and between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee.

Eleventh Supplemental Indenture dated as of May 22, 2018 by and between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee.

Twelfth Supplemental Indenture dated as of October 31, 2018 by and between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee.

Thirteenth Supplemental Indenture dated as of May 22, 2019 by and between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee.

Fourteenth Supplemental Indenture dated as of March 24, 2020 by and between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee.

Deposit Agreement, dated as of April 30, 2020 by and between Equiniti Trust Company, as Depositary (including the form of Depositary Share Receipt attached as Exhibit A thereto).

Indenture dated as of October 22, 2014 by and between TD Ameritrade Holding Corporation and U.S. Bank National Association as Trustee.

Supplemental Indenture dated as of October 22, 2014 between TD Ameritrade Holding Corporation and U.S. Bank National Association as Trustee.

Second Supplemental Indenture dated as of March 9, 2015 between TD Ameritrade Holding Corporation and U.S. Bank National Association as Trustee.

Third Supplemental Indenture dated as of April 27, 2017 between TD Ameritrade Holding Corporation and U.S. Bank National Association as Trustee.

Fourth Supplemental Indenture dated as of November 1, 2018 between TD Ameritrade Holding Corporation and U.S. Bank National Association as Trustee.

Fifth Supplemental Indenture dated as of August 16, 2019 between TD Ameritrade Holding Corporation and U.S. Bank National Association as Trustee.

[], 2020

BofA Securities, Inc.
Citigroup Global Markets Inc.
Credit Suisse Securities (USA) LLC
Goldman Sachs & Co. LLC
J.P. Morgan Securities LLC
as Representatives of the several
Underwriters named in Schedule A
of the Underwriting Agreement

c/o BofA Securities, Inc.
One Bryant Park, 8th Floor
New York, New York 10036

c/o Citigroup Global Markets Inc.
388 Greenwich Street
New York, New York 10013

c/o Credit Suisse Securities (USA) LLC
11 Madison Avenue
New York, New York 10010

c/o Goldman Sachs & Co. LLC
200 West Street
New York, New York 10282

c/o J.P. Morgan Securities LLC
383 Madison Avenue
New York, New York 10179

Re: **Underwritten Public Offering of [] Depositary Shares, Each Representing a 1/100th Interest in a Share of []% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series H of The Charles Schwab Corporation**

Ladies and Gentlemen:

We have acted as special legal counsel to The Charles Schwab Corporation, a Delaware corporation (the “*Company*”), with respect to certain matters in connection with the sale today to the Underwriters of [] depositary shares (the “*Depositary Shares*”), each representing a 1/100th interest in a share of the []% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series H of the Company (the “*Series H Preferred Stock*,” and together with the Depositary Shares, the “*Securities*”), pursuant to that certain Underwriting Agreement dated [], 2020 by and among the Company and the several Underwriters named in Schedule A thereto (the “*Underwriting*”).

Agreement”). Except as otherwise specified, all capitalized terms used herein have the same meanings given to them in the Underwriting Agreement. This letter is furnished pursuant to Section 6(a) of the Underwriting Agreement.

In connection with the preparation of the Registration Statement (including, for the avoidance of doubt, the Pre-Pricing Prospectus and the Prospectus), we have participated in conferences with officers and other representatives of the Company, including representatives of the independent public accountants of the Company, and representatives of the Underwriters, including their counsel, at which conferences the contents of the Registration Statement were discussed (except that the Underwriters and their counsel did not participate in any such conferences at the time of the preparation and filing of the registration statement on Form S-3 (File No. 333-251156) filed by the Company with the Commission on December 4, 2020). Although we have not independently verified, are not passing upon and do not assume responsibility for the accuracy, completeness or fairness of the statements contained in the Registration Statement (including, for the avoidance of doubt, the Pre-Pricing Prospectus and the Prospectus) or any amendments or supplements thereto (except to the extent set forth in paragraphs 10 and 11 of our opinion letter to you of even date herewith), on the basis of the foregoing, nothing has come to our attention that causes us to believe that (i) as of the Effective Time, the Registration Statement contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) as of the Applicable Time, the Disclosure Package contained an untrue statement of a material fact or omitted to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, or (iii) as of its date or as of the date hereof, the Prospectus contained or contains an untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, provided, however, that we express no view as to (a) any financial statements, schedules and notes and other financial and statistical information derived therefrom and included in any of the foregoing, or (b) the representations and warranties contained in any exhibit to (i) the Registration Statement, or (ii) any document incorporated by reference into the Disclosure Package or the Prospectus Supplement.

Notwithstanding anything in this letter to the contrary, the statement set forth above is made only as of the date hereof. We disclaim any obligation to update this letter and express no view as to the effect of events occurring or circumstances arising after the date hereof on the matters addressed in this letter, and we assume no responsibility to inform you of additional or changed facts of which we may become aware.

The statement set forth above is expressly limited to the matters stated. No view is implied or may be inferred beyond what is explicitly stated in this letter. This letter is furnished solely for your benefit in connection with the transactions contemplated by the Underwriting Agreement and may not be relied upon by any other person or entity. Copies of this letter may not be circulated or furnished to any other person or entity and this letter may not be referred to in any report or document furnished to any other person or entity, without our prior written consent.

Very truly yours,

EXHIBIT B

FORM OF OPINION OF
OFFICE OF CORPORATE COUNSEL OF THE COMPANY

[See attached]

Exhibit B-4

[], 2020

BofA Securities, Inc.
Citigroup Global Markets Inc.
Credit Suisse Securities (USA) LLC
Goldman Sachs & Co. LLC
J.P. Morgan Securities LLC
as Representatives of the several
Underwriters named in Schedule A
of the Underwriting Agreement

c/o BofA Securities, Inc.
One Bryant Park, 8th Floor
New York, New York 10036

c/o Citigroup Global Markets Inc.
388 Greenwich Street
New York, New York 10013

c/o Credit Suisse Securities (USA) LLC
11 Madison Avenue
New York, New York 10010

c/o Goldman Sachs & Co. LLC
200 West Street
New York, New York 10282

c/o J.P. Morgan Securities LLC
383 Madison Avenue
New York, New York 10179

Re: **Underwritten Public Offering of [] Depository Shares, Each Representing a 1/100th Interest in a Share of []% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series H of The Charles Schwab Corporation**

Ladies and Gentlemen:

I am Vice President and Associate General Counsel of The Charles Schwab Corporation, a Delaware corporation (the “Company”).

This opinion is rendered to you at the request of the Company pursuant to Section 6(b) of the Underwriting Agreement dated [], 2020 (the “Agreement”), by and among you and the Company regarding the purchase by you of [] depository shares (the “Depository Shares”), each representing a 1/100th interest in a share of the []% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series H of The Charles Schwab Corporation. Capitalized terms used, but not defined herein, have the same meanings given them in the Agreement.

I have examined the Company's Registration Statement on Form S-3 (File No. 333-251156) (the "Registration Statement"), the Prospectus Supplement, the Disclosure Package, the Company's annual report on Form 10-K for the fiscal year ended December 31, 2019, the Company's quarterly reports on Form 10-Q for the quarters ended March 31, 2020, June 30, 2020 and September 30, 2020, the Company's current reports on Form 8-K filed on March 20, 2020, March 25, 2020, April 30, 2020, May 15, 2020, May 15, 2020, May 26, 2020, May 27, 2020, June 4, 2020, June 5, 2020, July 27, 2020, October 1, 2020, and October 6, 2020 and on Form 8-K/A filed on December 4, 2020.

In addition, I have examined the certificates of incorporation and bylaws of the Company, Charles Schwab & Co., Inc. ("Schwab"), Schwab Holdings, Inc. ("Schwab Holdings"), Charles Schwab Investment Management, Inc. ("CSIM"), and Charles Schwab Bank, SSB ("Schwab Bank"), and such corporate records, certificates and other documents (of which I am aware) and such questions of law as I have considered necessary or appropriate for the purposes of rendering the opinions that follow.

In giving the opinions that follow I have relied as to matters of fact without investigation, to the extent I deemed proper, upon certificates from officers of the Company and certain of its affiliates, and certificates, facsimiles, and other documents from, and oral conversations with, public officials. I have assumed without investigation the authenticity of each document submitted to me as an original, the conformity to the originals of each document submitted to me as a copy, the authenticity of the originals of such latter documents, the genuineness of all signatures, and the legal capacity of all natural persons.

Based on and subject to the foregoing, it is my opinion that:

1. Schwab Bank is a state savings bank under the supervision of the Texas Department of Savings and Mortgage Lending.
2. Each of Schwab, Schwab Holdings, Schwab Bank and CSIM is duly qualified to transact business and is in good standing in each jurisdiction in which the conduct of its business or its ownership or leasing of property requires such qualifications, except to the extent that the failure to be so qualified or be in good standing would not have a material adverse effect on the Company and its subsidiaries, taken as a whole.
3. To my knowledge after due inquiry, there are no legal or governmental proceedings pending or threatened to which the Company or any of its subsidiaries is a party or to which any of the properties of the Company or any of its subsidiaries is subject that are required to be described in the Registration Statement, the Pre-Pricing Prospectus or the Prospectus, and are not so described.

This opinion is dated as of [], 2020 ("Opinion Date"). The opinions expressed herein are given as of the Opinion Date only, and are not given as of any later date. I have not undertaken any factual or legal investigation beyond the Opinion Date, and I disclaim any obligation to notify you or any other person after the Opinion Date if any change in fact and/or law should change my opinion with respect to any matters set forth herein.

I am a member of the bar of the State of California. I express no opinion as to any laws of any other jurisdiction other than the federal laws of the United States to the extent applicable to the scope of the opinions expressed above. Further, I express no opinion regarding choice of law or conflicts of laws.

This opinion is rendered to you as Underwriters under the Agreement and may not be relied upon for any other purpose or by any other person without my express written consent.

Very truly yours,

R. Scott McMillen
Vice President and Associate General Counsel

EXHIBIT C

THE CHARLES SCHWAB CORPORATION

OFFICER'S CERTIFICATE

December 11, 2020

I, Peter Crawford, Executive Vice President and Chief Financial Officer of The Charles Schwab Corporation, a Delaware corporation (the "Company"), on behalf of the Company, do hereby certify pursuant to Section 6(h) of that certain Underwriting Agreement dated December 8, 2020 (the "Underwriting Agreement") among the Company and, on behalf of the several Underwriters named therein, BofA Securities, Inc., Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC, that as of the date hereof:

1. The representations and warranties of the Company as set forth in the Underwriting Agreement are true and correct as of the date hereof and as if made on the date hereof.

2. The Company has performed all of its obligations under the Underwriting Agreement as are to be performed at or before the date hereof.

3. Subsequent to the date of the most recent financial statements contained, or incorporated by reference, in the Registration Statement, the Disclosure Package and the Prospectus (exclusive of any supplement thereto), there has not occurred any material adverse change to the condition (financial or other), business, properties or results of operations of the Company and its subsidiaries, taken as a whole.

Capitalized terms used herein without definition shall have the respective meanings ascribed to them in the Underwriting Agreement.

IN WITNESS WHEREOF, I have hereunto signed this certificate as of the date first written above.

Name: Peter Crawford
Title: Executive Vice President and Chief Financial
Officer

Exhibit C-1

THE CHARLES SCHWAB CORPORATION

\$1,250,000,000 0.900% Senior Notes due 2026
\$750,000,000 1.650% Senior Notes due 2031

UNDERWRITING AGREEMENT

December 8, 2020

UNDERWRITING AGREEMENT

December 8, 2020

BofA Securities, Inc.
Citigroup Global Markets Inc.
Credit Suisse Securities (USA) LLC
Goldman Sachs & Co. LLC
J.P. Morgan Securities LLC

as Representatives of the
several Underwriters named
in Schedule A hereto

c/o BofA Securities, Inc.
One Bryant Park
New York, New York 10036

c/o Citigroup Global Markets Inc.
388 Greenwich Street
New York, New York 10013

c/o Credit Suisse Securities (USA) LLC
11 Madison Avenue
New York, New York 10010

c/o Goldman Sachs & Co. LLC
200 West Street
New York, New York 10282

c/o J.P. Morgan Securities LLC
383 Madison Avenue
New York, New York 10179

Ladies and Gentlemen:

The Charles Schwab Corporation, a Delaware corporation (the "Company"), proposes, subject to the terms and conditions stated herein, to issue and sell to the several underwriters named in Schedule A hereto (the "Underwriters"), for whom you are acting as Representatives, \$1,250,000,000 aggregate principal amount of its 0.900% Senior Notes due 2026 (the "2026 Notes") and \$750,000,000 aggregate principal amount of its 1.650% Senior Notes due 2031 (the "2031 Notes") and, together with the 2026 Notes, the "Securities"). The Securities are described in the Prospectus that is referred to below.

The Securities are to be issued by the Company pursuant to the provisions of the Senior Indenture (the "Base Indenture"), dated as of June 5, 2009, as amended and supplemented by a fifteenth supplemental indenture, to be dated as of the Closing Date (together with the Base Indenture, the "Indenture"), between the Company and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee").

The Company has entered into an Agreement and Plan of Merger, dated as of November 24, 2019 (the “Merger Agreement”), with TD Ameritrade Holding Corporation, a Delaware corporation (“TD Ameritrade” which, together with its consolidated subsidiaries, shall be referred to herein as the “TD Ameritrade Entities”), and Americano Acquisition Corp., a Delaware corporation and wholly owned subsidiary of the Company. The Company completed its acquisition of TD Ameritrade Holding Corporation and its consolidated subsidiaries pursuant to the Merger Agreement, effective October 6, 2020.

The Company has prepared and filed, in accordance with the provisions of the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder (collectively, the “Act”), with the Securities and Exchange Commission (the “Commission”) an automatic shelf registration statement on Form S-3 (File No. 333-251156) under the Act (the “registration statement”), including a prospectus, which registration statement incorporates by reference documents which the Company has filed, or will file, in accordance with the provisions of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (collectively, the “Exchange Act”). Such registration statement has become effective under the Act.

Except where the context otherwise requires, “Registration Statement”, as used herein, means the registration statement, as amended at the time of such registration statement’s effectiveness for purposes of Section 11 of the Act, as such section applies to the respective Underwriters (the “Effective Time”), including (i) all documents filed as a part thereof or incorporated or deemed to be incorporated by reference therein, (ii) any information contained or incorporated by reference in a prospectus filed with the Commission pursuant to Rule 424(b) under the Act, to the extent such information is deemed, pursuant to Rule 430B or Rule 430C under the Act, to be part of the registration statement at the Effective Time, and (iii) any registration statement filed to register the offer and sale of Securities pursuant to Rule 462(b) under the Act.

The Company has furnished or made available to you, for use by the Underwriters and by dealers in connection with the offering of the Securities, copies of one or more preliminary prospectus supplements, and the documents incorporated by reference therein, relating to the Securities. Except where the context otherwise requires, “Pre-Pricing Prospectus”, as used herein, means each such preliminary prospectus supplement, in the form so furnished, including any basic prospectus (whether or not in preliminary form) furnished to you by the Company and attached to or used with such preliminary prospectus supplement. Except where the context otherwise requires, “Basic Prospectus”, as used herein, means any such basic prospectus attached to or used with the Prospectus Supplement (as defined below).

Except where the context otherwise requires, “Prospectus Supplement”, as used herein, means the final prospectus supplement, relating to the Securities, filed by the Company with the Commission pursuant to Rule 424(b) under the Act on or before the second business day after the date hereof (or such earlier time as may be required under the Act), in the form furnished by the Company to you for use by the Underwriters and by dealers in connection with the offering of the Securities.

Except where the context otherwise requires, “Prospectus”, as used herein, means the Prospectus Supplement together with the Basic Prospectus attached to or used with the Prospectus Supplement.

“Permitted Free Writing Prospectuses”, as used herein, means the documents listed on Schedule B attached hereto and each “road show” (as defined in Rule 433 under the Act), if any, related to the offering of the Securities contemplated hereby that is a “written communication” (as defined in Rule 405 under the Act), including the Company’s electronic roadshow used on December 7, 2020. Each Underwriter severally covenants and agrees with the Company that such Underwriter has not offered or sold and will not offer or sell, without the Company’s consent, any Securities by means of any “free writing prospectus” (as defined in Rule 405 under the Act) that is required to be filed by the Underwriters with the Commission pursuant to Rule 433 under the Act, other than a Permitted Free Writing Prospectus.

“Covered Free Writing Prospectuses”, as used herein, means (i) each “issuer free writing prospectus” (as defined in Rule 433(h)(1) under the Act), if any, relating to the Securities, which is not a Permitted Free Writing Prospectus and (ii) each Permitted Free Writing Prospectus.

“Disclosure Package”, as used herein, means any Pre-Pricing Prospectus together with any combination of one or more of the Permitted Free Writing Prospectuses, if any, as of the Applicable Time.

“Applicable Time” means 5:12 p.m., New York City time, on the date of this Agreement.

Any reference herein to the Registration Statement, any Basic Prospectus, any Pre-Pricing Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the documents, if any, incorporated by reference, or deemed to be incorporated by reference, therein (the “Incorporated Documents”), including, unless the context otherwise requires, the documents, if any, filed as exhibits to such Incorporated Documents. Any reference herein to the terms “amend”, “amendment” or “supplement” with respect to the Registration Statement, any Basic Prospectus, any Pre-Pricing Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the filing of any document under the Exchange Act on or after the initial effective date of the Registration Statement, or the date of such Basic Prospectus, such Pre-Pricing Prospectus, the Prospectus Supplement, the Prospectus or such Permitted Free Writing Prospectus, as the case may be, and deemed to be incorporated therein by reference.

As used in this Agreement, “business day” shall mean any day other than a day on which banks are permitted or required to be closed in New York City. The terms “herein”, “hereof”, “hereto”, “hereinafter” and similar terms, as used in this Agreement, shall in each case refer to this Agreement as a whole and not to any particular section, paragraph, sentence or other subdivision of this Agreement. The term “or”, as used herein, is not exclusive.

The Company and the Underwriters agree as follows:

1. Sale and Purchase. Upon the basis of the representations and warranties and subject to the terms and conditions herein set forth, the Company agrees to issue and sell to the respective

Underwriters and each of the Underwriters, severally and not jointly, agrees to purchase from the Company the respective principal amount of Securities set forth opposite the name of such Underwriter in Schedule A attached hereto, subject to adjustment in accordance with Section 8 hereof, at a purchase price equal to 99.278% per 2026 Note and 99.154% per 2031 Note.

The Company is advised by you that the Underwriters intend (i) to make a public offering of their respective portions of the Securities as soon after the effectiveness of this Agreement as in your judgment is advisable and (ii) initially to offer the Securities upon the terms set forth in the Prospectus. You may from time to time increase or decrease the public offering price after the initial public offering to such extent as you may determine.

Each Underwriter, severally and not jointly, represents and agrees as set forth in Appendix A hereto.

2. Payment and Delivery. Payment of the purchase price for the Securities shall be made to the Company by Federal Funds wire transfer against delivery of the Securities to you through the facilities of The Depository Trust Company (“DTC”) for the respective accounts of the Underwriters. Such payment and delivery shall be made at 10:00 a.m., New York City time, on December 11, 2020 (such time being referred to herein as the “Time of Purchase”, and such date being referred to herein as the “Closing Date”) (unless another time shall be agreed to by you and the Company or unless postponed in accordance with the provisions of Section 8 hereof). Electronic transfer of the Securities shall be made to you at the Time of Purchase in such names and in such denominations as you shall specify.

Deliveries of the documents described in Section 6 hereof with respect to the purchase of the Securities shall be made at the offices of Simpson Thacher & Bartlett LLP at 425 Lexington Avenue, New York, New York, 10017, at 9:00 a.m., New York City time, on the Closing Date.

3. Representations and Warranties of the Company. The Company represents and warrants to, and agrees with, each of the Underwriters that:

(a) the Registration Statement is an “automatic shelf registration statement” as defined under Rule 405 of the Act that has been filed with the Commission not earlier than three years prior to the date hereof and has heretofore become effective under the Act; no notice of objection of the Commission to the use of such registration statement or any post-effective amendment thereto pursuant to Rule 401(g)(2) under the Act has been received by the Company; and no stop order of the Commission preventing or suspending the use of any Basic Prospectus, any Pre-Pricing Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus, or the effectiveness of the Registration Statement, has been issued, and no proceedings for such purpose have been instituted or, to the Company’s knowledge, are threatened by the Commission;

(b) the Registration Statement complied when it became effective, complies as of the date hereof and, as amended or supplemented, at the Time of Purchase, and at all times during which a prospectus is required by the Act to be delivered (whether physically or through compliance with Rule 172 under the Act or any similar rule) in connection with

any sale of Securities, will comply, in all material respects, with the requirements of the Act and the Trust Indenture Act of 1939, as amended, and the rules and regulations of the Commission thereunder (collectively, the "Trust Indenture Act"); the conditions to the use of Form S-3 in connection with the offering and sale of the Securities as contemplated hereby have been satisfied; as of the determination date applicable to the Registration Statement (and any amendment thereof) and the offering contemplated hereby, and as of each time, if any, an "offer by or on behalf of" (within the meaning of Rule 163 under the Act) the Company was made prior to the initial filing of the Registration Statement, the Company is and was a "well-known seasoned issuer" as defined in Rule 405 under the Act; the Registration Statement meets, and the offering and sale of the Securities as contemplated hereby complies with, the requirements of Rule 415 under the Act (including, without limitation, Rule 415(a)(5) under the Act); the Registration Statement did not, as of the Effective Time, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; each Pre-Pricing Prospectus complied, at the time it was filed with the Commission, and complies as of the date hereof, in all material respects with the requirements of the Act; at no time during the period that begins on the earlier of the date of such Pre-Pricing Prospectus and the date such Pre-Pricing Prospectus was filed with the Commission and ends at the Time of Purchase did or will any Pre-Pricing Prospectus, as then amended or supplemented, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, and at no time during such period did or will any Pre-Pricing Prospectus, as then amended or supplemented, together with any combination of one or more of the then issued Permitted Free Writing Prospectuses, if any, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; each Basic Prospectus complied, as of its date and the date it was filed with the Commission, complies as of the date hereof and, at the Time of Purchase and at all times during which a prospectus is required by the Act to be delivered (whether physically or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Securities, will comply, in all material respects, with the requirements of the Act; at no time during the period that begins on the date of such Basic Prospectus and ends at the Time of Purchase did or will any Basic Prospectus, as then amended or supplemented, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading and at no time during such period did or will any Basic Prospectus, as then amended or supplemented, together with any combination of one or more of the then issued Permitted Free Writing Prospectuses, if any, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; each of the Prospectus Supplement and the Prospectus will comply, as of the date that it is filed with the Commission, the date of the Prospectus Supplement, the Time of Purchase and at all times during which a prospectus is required by the Act to be delivered (whether physically or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Securities, in all material respects, with the requirements of the Act (in the case

of the Prospectus, including, without limitation, Section 10(a) of the Act); at no time during the period that begins on the earlier of the date of the Prospectus Supplement and the date the Prospectus Supplement is filed with the Commission and ends at the later of the Time of Purchase and the end of the period during which a prospectus is required by the Act to be delivered (whether physically or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Securities did or will any Prospectus Supplement or the Prospectus, as then amended or supplemented, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; each Permitted Free Writing Prospectus complied in all material respects with the requirements of the Act, has been or will be (within the time period specified in Rule 433) filed in accordance with the Act (to the extent required thereby); at no time during the period that begins on the date of each Permitted Free Writing Prospectus and ends at the Time of Purchase did or will any Permitted Free Writing Prospectus include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Company makes no representation or warranty in this Section 3(b) with respect to any statement contained in the Registration Statement, any Pre-Pricing Prospectus, the Prospectus or any Permitted Free Writing Prospectus in reliance upon and in conformity with information concerning an Underwriter and furnished in writing by or on behalf of such Underwriter through you to the Company expressly for use in the Registration Statement, such Pre-Pricing Prospectus, the Prospectus or such Permitted Free Writing Prospectus; each Incorporated Document, at the time such document was filed with the Commission or at the time such document became effective, as applicable, complied, in all material respects, with the requirements of the Exchange Act and did not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(c) prior to the execution of this Agreement, the Company has not, directly or indirectly, offered or sold any Securities by means of any “prospectus” (within the meaning of the Act) or used any “prospectus” (within the meaning of the Act) in connection with the offer or sale of the Securities, in each case other than the Pre-Pricing Prospectuses and the Permitted Free Writing Prospectuses, if any; the Company has not, directly or indirectly, prepared, used or referred to any Permitted Free Writing Prospectus except in compliance with Rule 163 or with Rules 164 and 433 under the Act; assuming that such Permitted Free Writing Prospectus is so sent or given after the Registration Statement was filed with the Commission (and after such Permitted Free Writing Prospectus was, if required pursuant to Rule 433(d) under the Act, filed with the Commission), the sending or giving, by any Underwriter, of any Permitted Free Writing Prospectus will satisfy the provisions of Rule 164 and Rule 433 (without reliance on subsections (b), (c) and (d) of Rule 164); the conditions set forth in one or more of subclauses (i) through (iv), inclusive, of Rule 433(b)(1) under the Act are satisfied, and the registration statement relating to the offering of the Securities contemplated hereby, as initially filed with the Commission, includes a prospectus that, other than by reason of Rule 433 or Rule 431 under the Act, satisfies the requirements of Section 10 of the Act; neither the Company nor the Underwriters are disqualified, by reason of subsection (f) or (g) of Rule 164 under the Act,

from using, in connection with the offer and sale of the Securities, “free writing prospectuses” (as defined in Rule 405 under the Act) pursuant to Rules 164 and 433 under the Act; the Company is not an ineligible issuer and is a well-known seasoned issuer, in each case as defined under the Act, in each case at the times specified in the Act in connection with the offering of the Securities; the parties hereto agree and understand that the content of any and all “road shows” (as defined in Rule 433 under the Act) related to the offering of the Securities contemplated hereby is solely the property of the Company;

(d) the Company has an authorized capitalization as set forth in the Pre-Pricing Prospectus and the Prospectus and all of the issued shares of capital stock of the Company have been duly authorized and validly issued and are fully paid and non-assessable, have been issued in compliance with all applicable securities laws and were not issued in violation of any preemptive right, right of first refusal or similar right under the General Corporation Law of the State of Delaware or the Company’s charter or bylaws or any agreement or other instrument to which the Company is a party;

(e) the Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware, with full corporate power and authority to own, lease and operate its properties and conduct its business as disclosed in the Registration Statement, the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any, to execute and deliver this Agreement and to issue, sell and deliver the Securities as contemplated herein;

(f) the Company is qualified to do business as a foreign corporation and is in good standing in each jurisdiction where the ownership or leasing of its properties or the conduct of its business requires such qualification, except where the failure to be so qualified and in good standing would not, individually or in the aggregate, have a material adverse effect on (i) the condition (financial or other), business, properties or results of operations of the Company and its subsidiaries taken as a whole, or (ii) the consummation of any of the transactions contemplated hereby (the foregoing clauses (i) and (ii) being referred to as a “Material Adverse Effect”);

(g) the Company owns directly or indirectly all of the issued and outstanding capital stock of each of Charles Schwab Bank, SSB, Charles Schwab Investment Management, Inc., Charles Schwab & Co., Inc., and Schwab Holdings, Inc. (collectively, the “Significant Subsidiaries”), TD Ameritrade, Inc. and TD Ameritrade Clearing, Inc. (together, the “TD Subsidiaries”); complete and correct copies of the charters and the bylaws of the Company and each Significant Subsidiary and all amendments thereto have been delivered or made available to you, and no material changes therein will be made on or after the date hereof through and including the Time of Purchase; each Significant Subsidiary and each TD Subsidiary has been duly organized and is validly existing and in good standing under the laws of the jurisdiction of its organization, with full power and authority to own, lease and operate its properties and to conduct its business as disclosed in the Registration Statement, the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any; each Significant Subsidiary and each TD Subsidiary is duly qualified to do business as a foreign corporation and is in good standing in each jurisdiction where the ownership or leasing of its properties or the conduct of its

business requires such qualification, except where the failure to be so qualified and in good standing would not, individually or in the aggregate, have a Material Adverse Effect; all of the outstanding shares of capital stock of each of the Significant Subsidiaries and TD Subsidiaries have been duly authorized and validly issued, are fully paid and non-assessable, have been issued in compliance with all applicable securities laws, were not issued in violation of any preemptive right, right of first refusal or similar right and are owned by the Company subject to no security interest or other encumbrance; no options, warrants or other rights to purchase, agreements or other obligations to issue or other rights to convert any obligation into shares of capital stock or ownership interests in the Significant Subsidiaries and TD Subsidiaries are outstanding; and the Company has no “significant subsidiary”, as that term is defined in Rule 1-02(w) of Regulation S-X under the Act, other than Charles Schwab Bank, SSB, Charles Schwab & Co., Inc., and Schwab Holdings, Inc.;

(h) this Agreement has been duly authorized, executed and delivered by the Company;

(i) the Indenture has been duly authorized by the Company and when validly executed and delivered by the Company and the Trustee will constitute a valid and legally binding obligation of the Company, enforceable in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, moratorium, reorganization and other laws of general applicability relating to or affecting creditors’ rights and to general equity principles, regardless of whether enforceability is considered in a proceeding in equity or at law (collectively, the “Enforceability Exceptions”); the Indenture has been duly qualified under the Trust Indenture Act;

(j) the Securities have been duly authorized by the Company and, when duly executed, authenticated by the Trustee and delivered as provided in the Indenture and paid for as provided herein, will be duly and validly issued and will constitute valid and legally binding obligations of the Company, enforceable in accordance with their terms, subject to the Enforceability Exceptions, and will be entitled to the benefits of the Indenture;

(k) the Indenture (including the form of Securities), which will be in substantially the form filed as an exhibit to the Registration Statement, will conform to the descriptions thereof in the Registration Statement, the Pre-Pricing Prospectus, the Prospectus and the Permitted Free Writing Prospectuses, if any;

(l) none of the Company or any of the Significant Subsidiaries or either of the TD Subsidiaries is in breach or violation of or in default under (nor has any event occurred which, with notice, lapse of time or both, would result in any breach or violation of, constitute a default under or give the holder of any indebtedness (or a person acting on such holder’s behalf) the right to require the repurchase, redemption or repayment of all or a part of such indebtedness under) (A) its charter or bylaws, (B) any indenture, mortgage, deed of trust, bank loan or credit agreement or other evidence of indebtedness, or any license, lease, contract or other agreement or instrument to which it is a party or by which it or any of its properties may be bound or affected, (C) any federal, state, local or foreign law, regulation or rule, (D) any rule or regulation of any self-regulatory organization or

other non-governmental regulatory authority (including, without limitation, the rules and regulations of The New York Stock Exchange (“NYSE”) and the Financial Industry Regulatory Authority, Inc. (“FINRA”), or (E) any decree, judgment or order applicable to it or any of its properties (other than in the case of (A), except for breaches, violations or defaults which would not, individually or in the aggregate, have a Material Adverse Effect);

(m) the execution, delivery and performance of this Agreement and the Indenture and the issuance and sale of the Securities and compliance by the Company with all the provisions hereof and thereof and the consummation by the Company of the transactions contemplated hereby and thereby will not conflict with, result in any breach or violation of or constitute a default under (nor constitute any event which, with notice, lapse of time or both, would result in any breach or violation of, constitute a default under or give the holder of any indebtedness (or a person acting on such holder’s behalf) the right to require the repurchase, redemption or repayment of all or a part of such indebtedness under) (or result in the creation or imposition of a lien, charge or encumbrance on any property or assets of the Company or any Significant Subsidiary pursuant to) (A) the charter or bylaws of the Company or any of the Significant Subsidiaries, (B) any indenture, mortgage, deed of trust, bank loan or credit agreement or other evidence of indebtedness, or any license, lease, contract or other agreement or instrument to which the Company or any of the Significant Subsidiaries is a party or by which any of them or any of their respective properties may be bound or affected, (C) any federal, state, local or foreign law, regulation or rule, (D) any rule or regulation of any self-regulatory organization or other non-governmental regulatory authority (including, without limitation, the rules and regulations of the NYSE), or (E) any decree, judgment or order applicable to the Company or any of the Significant Subsidiaries or any of their respective properties (other than in the case of (A), except for conflicts, breaches, violations or defaults which would not, individually or in the aggregate, have a Material Adverse Effect);

(n) The Company is duly registered as a savings and loan holding company under the Home Owners’ Loan Act of 1933, as amended (“HOLA”), and is subject to supervision and regulation by the Board of Governors of the Federal Reserve System (the “Federal Reserve”), and Charles Schwab Bank, SSB is a savings association for purposes of Section 10 of HOLA, a member of the Federal Reserve System and duly registered as a state savings bank with the Texas Department of Savings and Mortgage Lending;

(o) The Company and each of its subsidiaries are in compliance with all laws administered by the Federal Reserve, the Federal Deposit Insurance Corporation (“FDIC”), the Consumer Financial Protection Bureau (“CFPB”) and any other federal or state bank regulatory authorities (together with the Federal Reserve, the FDIC and the CFPB, the “Bank Regulatory Authorities”) with jurisdiction over the Company or any of the Significant Subsidiaries, except for failures to be so in compliance that would not individually or in the aggregate have a Material Adverse Effect, and the deposit accounts of Charles Schwab Bank, SSB are insured up to applicable limits by the FDIC and no proceeding for the termination or revocation of such insurance is pending or, to the knowledge of the Company, threatened;

(p) except as disclosed in the Pre-Pricing Prospectus and the Prospectus, or

except for confidential supervisory information, which, under applicable law and regulation, the Company may not address in this representation, there are no material written agreements, memoranda of understanding, cease and desist orders, orders of prohibition or suspension or consent decrees, in each case that are material to the Company or any of the Significant Subsidiaries between any Bank Regulatory Authority and the Company or any of the Significant Subsidiaries;

(q) no approval, authorization, consent or order of or filing with any federal, state, local or foreign governmental or regulatory commission, board, body, authority or agency, or of or with any self-regulatory organization or other non-governmental regulatory authority (including, without limitation, the NYSE), or approval of the stockholders of the Company, is required in connection with the issuance and sale of the Securities or the consummation by the Company of the transactions contemplated hereby, other than (i) registration of the Securities under the Act, which has been effected (or, with respect to any registration statement to be filed hereunder pursuant to Rule 462(b) under the Act, will be effected in accordance herewith), (ii) any necessary qualification under the securities or blue sky laws of the various jurisdictions in which the Securities are being offered by the Underwriters, (iii) under the Conduct Rules of FINRA, or (iv) the qualification of the Indenture under the Trust Indenture Act, which has been effected;

(r) each of the Company and its subsidiaries has all necessary licenses, authorizations, consents and approvals and has made all necessary filings required under any applicable law, regulation or rule, and has obtained all necessary licenses, authorizations, consents and approvals from other persons, in order to conduct their respective businesses, except where the failure to have such licenses, authorizations, consents and approvals and make such filings would not, individually or in the aggregate, have a Material Adverse Effect; neither the Company nor any of its subsidiaries is in violation of, or in default under, or has received notice of any proceedings relating to revocation or modification of, any such license, authorization, consent or approval or any federal, state, local or foreign law, regulation or rule or any decree, order or judgment applicable to the Company or any of its subsidiaries, except where such violation, default, revocation or modification would not, individually or in the aggregate, have a Material Adverse Effect;

(s) other than as set forth in the Pre-Pricing Prospectus, there are no actions, suits, claims, investigations or proceedings pending or, to the Company's knowledge, threatened, or contemplated by the Company, to which the Company or any of its subsidiaries or any of their respective directors or officers is or would be a party or of which any of their respective properties is or would be subject at law or in equity, before or by any federal, state, local or foreign governmental or regulatory commission, board, body, authority or agency, or before or by any self-regulatory organization or other non-governmental regulatory authority (including, without limitation, the NYSE), except any such action, suit, claim, investigation or proceeding which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect;

(t) Deloitte & Touche LLP, whose report on the financial statements of the Company and its subsidiaries is included or incorporated by reference in the Registration

Statement, the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any, are independent registered public accountants as required by the Act and by the rules of the Public Company Accounting Oversight Board;

(u) the financial statements included or incorporated by reference in the Registration Statement, the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any, together with the related notes and schedules, of the Company present fairly in all material respects the consolidated financial position of the Company and its subsidiaries as of the dates indicated and the consolidated results of operations, cash flows and changes in stockholders' equity of the Company for the periods specified and have been prepared in compliance with the requirements of the Act and Exchange Act and in conformity with U.S. generally accepted accounting principles applied on a consistent basis during the periods involved; to the knowledge of the Company based on the diligence undertaken in connection with entering into the Merger Agreement, the financial statements included or incorporated by reference in the Registration Statement, the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any, together with the related notes and schedules, of TD Ameritrade and its subsidiaries present fairly in all material respects the consolidated financial position of TD Ameritrade and its subsidiaries as of the dates indicated and the consolidated results of operations, cash flows and changes in stockholders' equity of TD Ameritrade and its subsidiaries for the periods specified and have been prepared in conformity with U.S. generally accepted accounting principles applied on a consistent basis during the periods involved; the pro forma financial information and the related notes included or incorporated by reference in the most recent Pre-Pricing Prospectus and the Prospectus have been prepared in accordance with the applicable requirements of Regulation S-X under the Act and the assumptions underlying such pro forma financial information are reasonable and are set forth in the most recent Pre-Pricing Prospectus and the Prospectus; the other financial and statistical data contained or incorporated by reference in the Registration Statement, the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any, are accurately and fairly presented in all material respects and prepared on a basis consistent with the financial statements and books and records of the Company; there are no financial statements (historical or pro forma) that are required to be included or incorporated by reference in the Registration Statement, any Pre-Pricing Prospectus or the Prospectus that are not included or incorporated by reference as required; the Company, the Significant Subsidiaries and the TD Subsidiaries do not have any material liabilities or obligations, direct or contingent (including any off-balance sheet obligations), not disclosed in the Registration Statement, each Pre-Pricing Prospectus and the Prospectus; all disclosures contained or incorporated by reference in the Registration Statement, the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any, regarding "non-GAAP financial measures" (as such term is defined by the rules and regulations of the Commission) comply with Regulation G of the Exchange Act and Item 10 of Regulation S-K under the Act, to the extent applicable; and the interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement, each Pre-Pricing Prospectus, the Prospectus and the Disclosure Package fairly present the information called for in all material respects and has been prepared in accordance with the Commission's rules and guidelines applicable thereto;

(v) Neither the Company nor any of the Significant Subsidiaries has sustained since the date of the latest audited financial statements included or incorporated by reference in the Pre-Pricing Prospectus and the Prospectus any material loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Pre-Pricing Prospectus and the Prospectus; and, since the respective dates as of which information is given or incorporated by reference in the Registration Statement and the Pre-Pricing Prospectus, there has not been any material change in the capital stock or long term debt of the Company or any of the Significant Subsidiaries or any material adverse change, or any development involving a prospective material adverse change, in or affecting the general affairs, management, financial position, stockholders' equity or results of operations of the Company and its subsidiaries taken as a whole;

(w) the Company is not, and at no time during which a prospectus is required by the Act to be delivered (whether physically or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Securities will it be, and, after giving effect to the offering and sale of the Securities, it will not be, an "investment company" or an entity "controlled" by an "investment company", as such terms are defined in the Investment Company Act of 1940, as amended;

(x) each of the Company and the Significant Subsidiaries owns or has licensed all material inventions, patent applications, patents, trademarks (both registered and unregistered), tradenames, service names, copyrights, trade secrets and other proprietary information disclosed in the Registration Statement, the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any, identified as being owned or licensed by it or which is necessary or material to the conduct of its businesses (collectively, the "Intellectual Property"). To the knowledge of the Company, neither the Company nor any of the Significant Subsidiaries has infringed or is infringing the intellectual property of a third party. Neither the Company nor any Significant Subsidiary has received written notice of any claim by a third party of infringement or conflict with any such rights of others to Intellectual Property, except for such claims as would not, individually or in the aggregate, have a Material Adverse Effect;

(y) all taxes and other assessments of a similar nature (whether imposed directly or through withholding), including any interest, additions to tax or penalties applicable thereto, due or claimed to be due from the Company and each of the Significant Subsidiaries have been timely paid, except (i) those being contested in good faith and for which adequate reserves have been provided, or (ii) where the failure to pay such taxes or other assessments would not, individually or in the aggregate, have a Material Adverse Effect;

(z) neither the Company nor any Significant Subsidiary has sent or received any communication regarding termination of, or intent not to renew, any of the material contracts or agreements referred to or described in any Pre-Pricing Prospectus, the Prospectus or any Permitted Free Writing Prospectus, or referred to or described in, or filed as an exhibit to, the Registration Statement or any Incorporated Document, and no such termination or non-renewal has been threatened by the Company or any Significant Subsidiary or, to the Company's knowledge, any other party to any such contract or agreement;

(aa) the Company and each of the Significant Subsidiaries maintain a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorization; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management's general or specific authorization; (iv) the recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences; (v) interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement, the Pre-Pricing Prospectus, the Prospectus and the Disclosure Package is prepared in accordance with the Commission's rules and guidelines applicable thereto; and (vi) except as disclosed in the Registration Statement, the Pre-Pricing Prospectus, the Prospectus and any Permitted Free Writing Prospectus, there are no material weaknesses in the Company's internal controls;

(bb) the Company has established and maintains and evaluates "disclosure controls and procedures" (as such term is defined in Rule 13a-15 and 15d-15 under the Exchange Act) and "internal control over financial reporting" (as such term is defined in Rule 13a-15 and 15d-15 under the Exchange Act); such disclosure controls and procedures are designed to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to the Company's Chief Executive Officer and its Chief Financial Officer by others within those entities, and such disclosure controls and procedures are effective to perform the functions for which they were established; the Company's independent auditors and the Audit Committee of the Board of Directors of the Company have been advised of: (i) all significant deficiencies, if any, in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarize and report financial data; and (ii) all fraud, if any, whether or not material, that involves management or other employees who have a role in the Company's internal controls; all material weaknesses, if any, in internal controls have been identified to the Company's independent auditors; since the date of the most recent evaluation of such disclosure controls and procedures and internal controls, there have been no significant changes in internal controls or in other factors that have materially affected or are reasonably likely to materially affect internal controls, including any corrective actions with regard to significant deficiencies and material weaknesses; the principal executive officers (or their equivalents) and principal financial officers (or their equivalents) of the Company have made all certifications required by the Sarbanes-Oxley Act of 2002 and any related rules and regulations promulgated by the Commission;

(cc) all statistical or market-related data included or incorporated by reference in the Registration Statement, the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any, are based on or derived from sources that the Company reasonably believes to be reliable and accurate, and the Company has obtained the written consent to the use of such data from such sources to the extent required;

(dd) neither the Company nor any of the Significant Subsidiaries nor either of the TD Subsidiaries nor, to the knowledge of the Company, any director, officer, employee or agent acting on behalf of the Company or any of the Significant Subsidiaries or either of the TD Subsidiaries or any affiliate that directly or indirectly is controlled by the Company (such affiliate, a “downstream affiliate”) has violated or is in violation of the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder; the Company, the Significant Subsidiaries, the TD Subsidiaries and, to the knowledge of the Company, its downstream affiliates have instituted and maintain policies and procedures designed to ensure continued compliance therewith; and no part of the proceeds of the offering will be used by the Company, directly or indirectly, in violation of the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder;

(ee) the operations of the Company, the Significant Subsidiaries and the TD Subsidiaries are and have been conducted at all times in compliance in all material respects with applicable financial recordkeeping and reporting requirements, including those of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the applicable anti-money laundering statutes of all relevant jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the “Anti-Money Laundering Laws”); and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator or non-governmental authority involving the Company or any of the Significant Subsidiaries or either of the TD Subsidiaries with respect to the Anti-Money Laundering Laws that could reasonably be expected to have a Material Adverse Effect is pending or, to the Company’s knowledge, threatened;

(ff) neither the Company nor any of the Significant Subsidiaries nor either of the TD Subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee or affiliate of the Company or any of the Significant Subsidiaries or either of the TD Subsidiaries is currently subject to any sanctions administered or enforced by the United States (including any administered or enforced by the Office of Foreign Assets Control of the U.S. Department of the Treasury (“OFAC”)) or any other relevant sanction authority; and the Company will not directly or indirectly use the proceeds of the offering of the Securities contemplated hereby, or lend, contribute or otherwise make available such proceeds to any Significant Subsidiary, a TD Subsidiary, joint venture partner or other person or entity for the purpose of financing the activities of any person currently subject to any U.S. sanctions administered by OFAC or any other relevant sanction authority;

(gg) no Significant Subsidiary is currently prohibited, directly or indirectly, from paying any dividends to the Company, from making any other distribution on such Significant Subsidiary’s capital stock, from repaying to the Company any loans or advances to such Significant Subsidiary from the Company or from transferring any of such Significant Subsidiary’s property or assets to the Company or any other Significant Subsidiary, except as disclosed in the Registration Statement, each Pre-Pricing Prospectus, the Prospectus and the Permitted Free Writing Prospectuses, if any; and

(hh) neither the Company nor any of the Significant Subsidiaries nor either of

the TD Subsidiaries has taken, directly or indirectly, any action designed, or which has constituted or might reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Securities.

In addition, any certificate signed by any officer of the Company or any of the Significant Subsidiaries and delivered to the Underwriters or counsel for the Underwriters in connection with the offering of the Securities shall be deemed to be a representation and warranty by the Company, as to matters covered thereby, to each Underwriter.

4. Certain Covenants of the Company. The Company agrees:

(a) to prepare the Prospectus in a mutually agreed form and to file such Prospectus pursuant to Rule 424(b) under the Act not later than the Commission's close of business on the second business day following the date of this Agreement; to make no further amendment or any supplement to the Registration Statement, the Basic Prospectus, the Pre-Pricing Prospectus, the Prospectus or any Permitted Free Writing Prospectus, if any, prior to the Time of Purchase unless mutually agreed; to advise you, promptly after it receives notice thereof, of the time when any amendment to the Registration Statement has been filed or becomes effective or any amendment or supplement to the Prospectus has been filed and to furnish you with copies thereof; to prepare a final term sheet, containing solely a description of the Securities, in a form set forth in Schedule C hereto and to file such term sheet pursuant to Rule 433(d) under the Act within the time required by such Rule; to file promptly all other material required to be filed by the Company with the Commission pursuant to Rule 433(d) under the Act (without reliance on Rule 164(b) under the Act), and to comply with Rule 433(g) under the Act;

(b) to furnish such information as may be required and otherwise to cooperate in qualifying the Securities for offering and sale under the securities or blue sky laws of such states or other jurisdictions as you may designate and to maintain such qualifications in effect so long as you may request for the distribution of the Securities; provided, however, that the Company shall not be required to qualify as a foreign corporation or to consent to the service of process under the laws of any such jurisdiction (except service of process with respect to the offering and sale of the Securities); and to promptly advise you of the receipt by the Company of any notification with respect to the suspension of the qualification of the Securities for offer or sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose;

(c) to make available to the Underwriters, as soon as practicable after this Agreement becomes effective, and thereafter from time to time to furnish to the Underwriters, as many copies of the Prospectus (or of the Prospectus as amended or supplemented if the Company shall have made any amendments or supplements thereto after the effective date of the Registration Statement) as the Underwriters may request for the purposes contemplated by the Act; in case any Underwriter is required to deliver (whether physically or through compliance with Rule 172 under the Act or any similar rule), in connection with the sale of the Securities, a prospectus after the nine-month period

referred to in Section 10(a)(3) of the Act, or after the time a post-effective amendment to the Registration Statement is required pursuant to Item 512(a) of Regulation S-K under the Act, the Company will prepare, at its expense, promptly upon request such amendment or amendments to the Registration Statement and the Prospectus as may be necessary to permit compliance with the requirements of Section 10(a)(3) of the Act or Item 512(a) of Regulation S-K under the Act, as the case may be;

(d) if, at the time this Agreement is executed and delivered, it is necessary or appropriate for a post-effective amendment to the Registration Statement, or a Registration Statement under Rule 462(b) under the Act, to be filed with the Commission and become effective before the Securities may be sold, the Company will use its reasonable best efforts to cause such post-effective amendment or such Registration Statement to be filed and become effective, and will pay any applicable fees in accordance with the Act, as soon as possible; and the Company will advise you promptly and, if requested by you, will confirm such advice in writing, (i) when such post-effective amendment or such Registration Statement has become effective, and (ii) if Rule 430A under the Act is used, when the Prospectus is filed with the Commission pursuant to Rule 424(b) under the Act (which the Company agrees to file in a timely manner in accordance with such Rules);

(e) if, at any time during the period when a prospectus is required by the Act to be delivered (whether physically or through compliance with Rule 172 under the Act or any similar rule) in connection with the offering and sale of Securities, the Registration Statement shall cease to comply with the requirements of the Act with respect to eligibility for the use of the form on which the Registration Statement was filed with the Commission or the Registration Statement shall cease to be an "automatic shelf registration statement" (as defined in Rule 405 under the Act) or the Company shall have received, from the Commission, a notice, pursuant to Rule 401(g)(2), of objection to the use of the form on which the Registration Statement was filed with the Commission, to (i) promptly notify you, (ii) promptly file with the Commission a new registration statement under the Act, relating to the Securities, or a post-effective amendment to the Registration Statement, which new registration statement or post-effective amendment shall comply with the requirements of the Act and shall be in a form satisfactory to you, (iii) use its reasonable best efforts to cause such new registration statement or post-effective amendment to become effective under the Act as soon as practicable, (iv) promptly notify you of such effectiveness and (v) take all other action necessary or appropriate to permit the public offering and sale of the Securities to continue as contemplated in the Prospectus; all references herein to the Registration Statement shall be deemed to include each such new registration statement or post-effective amendment, if any;

(f) if the third anniversary of the initial effective date of the Registration Statement (within the meaning of Rule 415(a)(5) under the Act) shall occur at any time during the period when a prospectus is required by the Act to be delivered (whether physically or through compliance with Rule 172 under the Act or any similar rule) in connection with any offering and sale of Securities, to file with the Commission, prior to such third anniversary, a new registration statement under the Act relating to the Securities, which new registration statement shall comply with the requirements of the Act (including, without limitation, Rule 415(a)(6) under the Act) and shall be in a form satisfactory to you;

such new registration statement shall constitute an “automatic shelf registration statement” (as defined in Rule 405 under the Act); provided, however, that if the Company is not then eligible to file an “automatic shelf registration statement” (as defined in Rule 405 under the Act), then such new registration statement need not constitute an “automatic shelf registration statement” (as defined in Rule 405 under the Act), but the Company shall use its reasonable best efforts to cause such new registration statement to become effective under the Act as soon as practicable, but in any event within 180 days after such third anniversary and promptly notify you of such effectiveness; the Company shall take all other action necessary or appropriate to permit the public offering and sale of the Securities to continue as contemplated in the Prospectus; all references herein to the Registration Statement shall be deemed to include each such new registration statement, if any;

(g) at any time during the period when a prospectus is required by the Act to be delivered (whether physically or through compliance with Rule 172 under the Act or any similar rule) in connection with the offering and sale of Securities, to advise you promptly, confirming such advice in writing, of any request by the Commission for amendments or supplements to the Registration Statement, any Pre-Pricing Prospectus, the Prospectus or any Permitted Free Writing Prospectus or for additional information with respect thereto, or of notice of institution of proceedings for, or the entry of a stop order, suspending the effectiveness of the Registration Statement and, if the Commission should enter a stop order suspending the effectiveness of the Registration Statement, to use the Company’s reasonable best efforts to obtain the lifting or removal of such order as soon as possible; to advise you promptly of any proposal to amend or supplement the Registration Statement, any Pre-Pricing Prospectus or the Prospectus, and to provide you and Underwriters’ counsel copies of any such documents for review and comment a reasonable amount of time under the circumstances prior to any proposed filing and to file no such amendment or supplement to which you shall object in writing;

(h) subject to Section 4(g) hereof, to file promptly all reports and documents and any preliminary or definitive proxy or information statement required to be filed by the Company with the Commission in order to comply with the Exchange Act for so long as a prospectus is required by the Act to be delivered (whether physically or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of the Securities; and to provide you, for your review and comment, with a copy of such reports and statements and other documents to be filed by the Company pursuant to Section 13, 14 or 15(d) of the Exchange Act during such period a reasonable amount of time prior to any proposed filing; and to promptly notify you of such filing;

(i) to pay the fees applicable to the Registration Statement in connection with the offering of the Securities within the time required by Rule 456(b)(1)(i) under the Act (without reliance on the proviso to Rule 456(b)(1)(i) under the Act) and in compliance with Rule 456(b) and Rule 457(r) under the Act;

(j) to advise the Underwriters promptly of the happening of any event within the period during which a prospectus is required by the Act to be delivered (whether physically or through compliance with Rule 172 under the Act or any similar rule) in connection with the offering and sale of the Securities, which event could require the

making of any change in the Prospectus then being used so that the Prospectus would not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading, and to advise the Underwriters promptly if, during such period, it shall become necessary to amend or supplement the Prospectus to cause the Prospectus to comply with the requirements of the Act, and, in each case, during such time, subject to Section 4(g) hereof, to prepare and furnish, at the Company's expense, to the Underwriters promptly such amendments or supplements to such Prospectus as may be necessary to reflect any such change or to effect such compliance;

(k) the Company agrees that if at any time following issuance of a Permitted Free Writing Prospectus any event occurred or occurs as a result of which such Permitted Free Writing Prospectus would conflict with the information in the Registration Statement, the Pre-Pricing Prospectus or the Prospectus or would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances then prevailing, not misleading, the Company will give prompt notice thereof to you and, if requested by you, will prepare and furnish without charge to each Underwriter a Covered Free Writing Prospectus or other document that will correct such conflict, statement or omission;

(l) to make generally available to its security holders, and to deliver to you, an earnings statement of the Company (which will satisfy the provisions of Section 11(a) of the Act) covering a period of twelve months beginning after the effective date of the Registration Statement (as defined in Rule 158(c) under the Act) as soon as is reasonably practicable after the termination of such twelve-month period;

(m) on your request, to furnish to you such reasonable number of copies of the Registration Statement, as initially filed with the Commission, and of all amendments thereto (including all exhibits thereto and documents incorporated by reference therein) and sufficient copies of the foregoing (other than exhibits) for distribution of a copy to each of the other Underwriters;

(n) to apply the net proceeds from the sale of the Securities in the manner set forth under the caption "Use of Proceeds" in the Prospectus Supplement;

(o) to pay all costs, expenses, fees and taxes in connection with (i) the preparation and filing of the Registration Statement, each Basic Prospectus, each Pre-Pricing Prospectus, the Prospectus Supplement, the Prospectus, each Permitted Free Writing Prospectus and any amendments or supplements thereto, and the printing and furnishing of copies of each thereof to the Underwriters and to dealers (including costs of mailing and shipment), (ii) the registration, issue, sale and delivery of the Securities to the Underwriters, including any transfer taxes and stamp or similar duties payable upon the sale, issuance or delivery of the Securities to the Underwriters, (iii) the producing, word processing and/or printing of this Agreement, any dealer agreements, any Powers of Attorney and any closing documents (including compilations thereof) and the reproduction and/or printing and furnishing of copies of each thereof to the Underwriters and (except closing documents) to dealers (including costs of mailing and shipment), (iv) the

qualification of the Securities for offering and sale under state laws and the determination of their eligibility for investment under state law (including the reasonable legal fees and filing fees and other disbursements of counsel for the Underwriters) and the printing and furnishing of copies of any blue sky surveys or legal investment surveys to the Underwriters and to dealers, (v) any filing for review of the public offering of the Securities by FINRA, including the reasonable legal fees and filing fees and other disbursements of counsel to the Underwriters relating to thereto, (vi) the fees and disbursements of any trustee or paying agent for the Securities (including related fees and expenses of any counsel to such parties), (vii) the costs and expenses of the Company relating to presentations or meetings undertaken in connection with the marketing of the offering and sale of the Securities to prospective investors and the Underwriters' sales forces, including, without limitation, expenses associated with the production of road show slides and graphics, fees and expenses of any consultants engaged in connection with the road show presentations, travel, lodging and other expenses incurred by the officers of the Company and any such consultants, and the cost of any aircraft chartered in connection with the road show, (viii) the fees and expenses of the Company's counsel and independent accountants and TD Ameritrade's independent accountants, (ix) any fees charged by rating agencies for rating the Securities, and (x) the performance of the Company's other obligations hereunder; provided, however, that except as otherwise set forth in this Section 4(o) and Sections 5 and 9 of this Agreement, the Underwriters shall pay their own costs and expenses, including the costs and expenses of counsel for the Underwriters;

(p) not, at any time at or after the execution of this Agreement, directly or indirectly, to offer or sell any Securities by means of any "prospectus" (within the meaning of the Act), or use any "prospectus" (within the meaning of the Act) in connection with the offer or sale of the Securities, in each case other than the Prospectus;

(q) through and including the Closing Date, not to, and to cause each of its direct and indirect subsidiaries not to, take, directly or indirectly, any action designed, or which will constitute, or has constituted, or might reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Securities; and

(r) beginning on the date hereof and ending on, and including, the Closing Date, without your prior written consent, not to issue, sell, offer to sell, contract or agree to sell, hypothecate, pledge, grant any option to purchase or otherwise dispose of or agree to dispose of, directly or indirectly, or with respect to, any Securities (except for the Securities offered hereby), any securities that are substantially similar to the Securities, or any securities that are convertible into or exchangeable for or that represent the right to receive any such substantially similar securities of the Company.

5. Reimbursement of Underwriters' Expenses. If the Securities are not delivered for any reason other than the termination of this Agreement pursuant to the fifth paragraph of Section 8 hereof or the default by one or more of the Underwriters in its or their respective obligations hereunder, the Company shall, in addition to paying the amounts described in Section 4(o) hereof, reimburse the Underwriters for all of their out-of-pocket expenses, including the reasonable fees and disbursements of their counsel.

6. Conditions of Underwriters' Obligations. The several obligations of the Underwriters hereunder are subject to the accuracy of the representations and warranties of the Company on the date hereof, the Applicable Time and the Closing Date and the performance by the Company of its obligations hereunder and to the following additional conditions precedent:

(a) The Company shall furnish to you at the Time of Purchase an opinion and negative assurance statement of Arnold & Porter Kaye Scholer LLP, special counsel for the Company, addressed to the Underwriters, and dated the Closing Date, with executed copies for each of the other Underwriters in the form set forth in Exhibit A hereto.

(b) The Company shall furnish to you at the Time of Purchase an opinion of the Office of Corporate Counsel of the Company, addressed to the Underwriters, and dated the Closing Date, with executed copies for each of the other Underwriters in the form set forth in Exhibit B hereto.

(c) You shall have received from each of Deloitte & Touche LLP and Ernst & Young LLP letters dated, respectively, the date of this Agreement and the Closing Date and addressed to the Underwriters (with executed copies for each of the Underwriters) in the forms satisfactory to you, which letters shall cover, without limitation, the various financial disclosures contained in the Registration Statement, the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any, with respect to the Company and TD Ameritrade, as the case may be.

(d) You shall have received at the Time of Purchase the written opinion and negative assurance statement of Simpson Thacher & Bartlett LLP, counsel for the Underwriters, dated the Time of Purchase, in form and substance reasonably satisfactory to the Representatives.

(e) No Prospectus or amendment or supplement to the Registration Statement or the Prospectus shall have been filed to which you shall have objected in writing.

(f) The Registration Statement and any registration statement required to be filed, prior to the sale of the Securities, under the Act pursuant to Rule 462(b) shall have been filed and shall have become effective under the Act. The Prospectus Supplement shall have been filed with the Commission pursuant to Rule 424(b) under the Act at or before 5:30 p.m., New York City time, on the second full business day after the date of this Agreement (or such earlier time as may be required under the Act). The final term sheet contemplated by Section 4(a) hereof, and any other material required to be filed by the Company pursuant to Rule 433(d) under the Act, shall have been filed with the Commission within the applicable time periods prescribed for such filings by Rule 433;

(g) Prior to and at the Time of Purchase, (i) no stop order with respect to the effectiveness of the Registration Statement shall have been issued under the Act or proceedings initiated under Section 8(d) or 8(e) of the Act; (ii) the Registration Statement and all amendments thereto shall not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements

therein not misleading; (iii) none of the Pre-Pricing Prospectuses or the Prospectus, and no amendment or supplement thereto, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; (iv) the Disclosure Package and any amendment or supplement thereto, shall not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; and (v) none of the Permitted Free Writing Prospectuses, if any, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading.

(h) The Company will at the Time of Purchase deliver to you a certificate of the Chief Financial Officer of the Company, dated the Closing Date, in the form attached as Exhibit C hereto.

(i) The Company shall have furnished to you such other documents and certificates as to the accuracy and completeness of any statement in the Registration Statement, any Pre-Pricing Prospectus, the Prospectus or any Permitted Free Writing Prospectus as of the Time of Purchase as you may reasonably request.

(j) FINRA shall not have raised any objection with respect to the fairness or reasonableness of the underwriting, or other arrangements of the transactions, contemplated hereby.

7. Effective Date of Agreement; Termination. This Agreement shall become effective when the parties hereto have executed and delivered this Agreement.

The obligations of the several Underwriters hereunder shall be subject to termination in the absolute discretion of the Representatives, if (1) since the time of execution of this Agreement or the earlier respective dates as of which information is given in the Registration Statement, the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any (in the case of the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any, exclusive of any amendment or supplement thereto), there has been any change or any development involving a prospective change in the business, properties, management, financial condition or results of operations of the Company and its subsidiaries taken as a whole, the effect of which change or development is, in the sole judgment of the Representatives, so material and adverse as to make it impractical or inadvisable to proceed with the public offering or the delivery of the Securities on the terms and in the manner contemplated in the Registration Statement, the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any (in the case of the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any, exclusive of any amendment or supplement thereto), or (2) since the time of execution of this Agreement, there shall have occurred: (A) a suspension or material limitation in trading in securities generally on the NYSE, NYSE American LLC or the NASDAQ Stock Market; (B) a suspension or material limitation in trading in the Company's common stock on the NYSE; (C) a general moratorium on commercial banking activities declared by either federal or New York State authorities or a material disruption in commercial banking or

securities settlement or clearance services in the United States; (D) an outbreak or escalation of hostilities or acts of terrorism involving the United States or a declaration by the United States of a national emergency or war; or (E) any other calamity or crisis or any change in financial, political or economic conditions in the United States or elsewhere, if the effect of any such event specified in clause (D) or (E), in your sole judgment, makes it impractical or inadvisable to proceed with the public offering or the delivery of the Securities on the terms and in the manner contemplated in the Registration Statement, the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any (in the case of the Pre-Pricing Prospectuses, the Prospectus and the Permitted Free Writing Prospectuses, if any, exclusive of any amendment or supplement thereto), or (3) since the time of execution of this Agreement, there shall have occurred any downgrading, or any notice or announcement shall have been given or made of: (i) any intended or potential downgrading or (ii) any watch, review or possible change that does not indicate an affirmation or improvement in the rating accorded any securities of or guaranteed by the Company or any Significant Subsidiary by any “nationally recognized statistical rating organization”, as that term is used in Rule 15c3-1(c)(2)(vi)(F) under the Exchange Act.

If the Representatives elect to terminate this Agreement as provided in this Section 7, the Company and each other Underwriter shall be notified promptly in writing.

If the sale to the Underwriters of the Securities, as contemplated by this Agreement, is not carried out by the Underwriters for any reason permitted under this Agreement, or if such sale is not carried out because the Company shall be unable to comply with any of the terms of this Agreement, the Company shall not be under any obligation or liability under this Agreement (except to the extent provided in Sections 4(o), 5 and 9 hereof), and the Underwriters shall be under no obligation or liability to the Company under this Agreement (except to the extent provided in Section 9 hereof) or to one another hereunder.

8. Increase in Underwriters' Commitments. Subject to Sections 6 and 7 hereof, if any Underwriter shall default in its obligation to take up and pay for the Securities to be purchased by it hereunder (otherwise than for a failure of a condition set forth in Section 6 hereof or a reason sufficient to justify the termination of this Agreement under the provisions of Section 7 hereof) and if the aggregate principal amount of Securities which all Underwriters so defaulting shall have agreed but failed to take up and pay for does not exceed 10% of the total aggregate principal amount of Securities, the non-defaulting Underwriters (including the Underwriters, if any, substituted in the manner set forth below) shall take up and pay for (in addition to the principal amount of Securities they are obligated to purchase pursuant to Section 1 hereof) the principal amount of Securities agreed to be purchased by all such defaulting Underwriters, as hereinafter provided. Such Securities shall be taken up and paid for by such non-defaulting Underwriters in such amount or amounts as you may designate with the consent of each Underwriter so designated or, in the event no such designation is made, such Securities shall be taken up and paid for by all non-defaulting Underwriters pro rata in proportion to the principal amount of Securities set forth opposite the names of such non-defaulting Underwriters in Schedule A.

Without relieving any defaulting Underwriter from its obligations hereunder, the Company agrees with the non-defaulting Underwriters that it will not sell any Securities hereunder unless all of the Securities are purchased by the Underwriters (or by substituted Underwriters selected by you with the approval of the Company or selected by the Company with your approval).

If a new Underwriter or Underwriters are substituted by the Underwriters or by the Company for a defaulting Underwriter or Underwriters in accordance with the foregoing provision, the Company or you shall have the right to postpone the Time of Purchase for a period not exceeding five business days in order that any necessary changes in the Registration Statement and the Prospectus and other documents may be effected.

The term "Underwriter" as used in this Agreement shall refer to and include any Underwriter substituted under this Section 8 with like effect as if such substituted Underwriter had originally been named in Schedule A hereto.

If the aggregate principal amount of Securities which the defaulting Underwriter or Underwriters agreed to purchase exceeds 10% of the total aggregate principal amount of Securities which all Underwriters agreed to purchase hereunder, and if neither the non-defaulting Underwriters nor the Company shall make arrangements within the five business day period stated above for the purchase of all the Securities which the defaulting Underwriter or Underwriters agreed to purchase hereunder, this Agreement shall terminate without further act or deed and without any liability on the part of the Company to any Underwriter and without any liability on the part of any non-defaulting Underwriter to the Company. Nothing in this paragraph, and no action taken hereunder, shall relieve any defaulting Underwriter from liability in respect of any default of such Underwriter under this Agreement.

9. Indemnity and Contribution.

(a) The Company agrees to indemnify, defend and hold harmless each Underwriter, its partners, directors and officers, and any person who controls any Underwriter within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and any "affiliate" that sells Securities on behalf of such Underwriters, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which, jointly or severally, any such Underwriter or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company) or arises out of or is based upon any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information concerning such Underwriter, as set forth in Section 10 hereof, furnished in writing by or on behalf of such Underwriter through you to the Company expressly for use in, the Registration Statement or arises out of or is based upon any omission or alleged omission to state a material fact in the Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of

a material fact included in any Prospectus (the term Prospectus for the purpose of this Section 9 being deemed to include any Basic Prospectus, any Pre-Pricing Prospectus, the Prospectus Supplement, the Prospectus and any amendments or supplements to the foregoing), in any Covered Free Writing Prospectus, in any "issuer information" (as defined in Rule 433 under the Act) of the Company, which "issuer information" is required to be, or is, filed with the Commission, or in any Prospectus together with any combination of one or more of the Covered Free Writing Prospectuses, if any, or arises out of or is based upon any omission or alleged omission to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, except, with respect to such Prospectus or Permitted Free Writing Prospectus, insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information concerning such Underwriter, as set forth in Section 10 hereof, furnished in writing by or on behalf of such Underwriter through you to the Company expressly for use in, such Prospectus or Permitted Free Writing Prospectus or arises out of or is based upon any omission or alleged omission to state a material fact in such Prospectus or Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

(b) Each Underwriter severally agrees to indemnify, defend and hold harmless the Company, its directors and officers and any person who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which, jointly or severally, the Company or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information concerning such Underwriter, as set forth in Section 10 hereof, furnished in writing by or on behalf of such Underwriter through you to the Company expressly for use in, the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company), or arises out of or is based upon any omission or alleged omission to state a material fact in such Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information concerning such Underwriter, as set forth in Section 10 hereof, furnished in writing by or on behalf of such Underwriter through you to the Company expressly for use in, a Prospectus or a Permitted Free Writing Prospectus, or arises out of or is based upon any omission or alleged omission to state a material fact in such Prospectus or such Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

(c) If any action, suit or proceeding (each, a “Proceeding”) is brought against a person (an “indemnified party”) in respect of which indemnity may be sought against the Company or an Underwriter (as applicable, the “indemnifying party”) pursuant to subsection (a) or (b), respectively, of this Section 9, such indemnified party shall promptly notify such indemnifying party in writing of the institution of such Proceeding and such indemnifying party shall assume the defense of such Proceeding, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; provided, however, that the omission to so notify such indemnifying party shall not relieve such indemnifying party from any liability which such indemnifying party may have to any indemnified party or otherwise. The indemnified party or parties shall have the right to employ its or their own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of such indemnified party or parties unless the employment of such counsel shall have been authorized in writing by the indemnifying party in connection with the defense of such Proceeding or the indemnifying party shall not have, within a reasonable period of time in light of the circumstances, employed counsel to defend such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from, additional to or in conflict with those available to such indemnifying party (in which case such indemnifying party shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties), in any of which events such fees and expenses shall be borne by such indemnifying party and paid as incurred (it being understood, however, that such indemnifying party shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). The indemnifying party shall not be liable for any settlement of any Proceeding effected without its written consent but, if settled with its written consent, such indemnifying party agrees to indemnify and hold harmless the indemnified party or parties from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this Section 9 (c), then the indemnifying party agrees that it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by such indemnifying party of the aforesaid request, (ii) such indemnifying party shall not have fully reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the indemnifying party at least 30 days’ prior notice of its intention to settle. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding and does not include an admission of fault or culpability or a failure to act by or on behalf of such indemnified party.

(d) If the indemnification provided for in this Section 9 is unavailable to an indemnified party under subsections (a) and (b) of this Section 9 or insufficient to hold an

indemnified party harmless in respect of any losses, damages, expenses, liabilities or claims referred to therein, then each applicable indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, damages, expenses, liabilities or claims (i) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters on the other hand from the offering of the Securities or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company on the one hand and of the Underwriters on the other in connection with the statements or omissions which resulted in such losses, damages, expenses, liabilities or claims, as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Underwriters on the other shall be deemed to be in the same respective proportions as the total proceeds from the offering (net of underwriting discounts and commissions but before deducting expenses) received by the Company, and the total underwriting discounts and commissions received by the Underwriters, bear to the aggregate public offering price of the Securities. The relative fault of the Company on the one hand and of the Underwriters on the other shall be determined by reference to, among other things, whether the untrue statement or alleged untrue statement of a material fact or omission or alleged omission relates to information supplied by the Company or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The amount paid or payable by a party as a result of the losses, damages, expenses, liabilities and claims referred to in this subsection shall be deemed to include any legal or other fees or expenses reasonably incurred by such party in connection with investigating, preparing to defend or defending any Proceeding.

(e) The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section 9 were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in subsection (d) above. Notwithstanding the provisions of this Section 9, no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Securities underwritten by such Underwriter and distributed to the public were offered to the public exceeds the amount of any damage which such Underwriter has otherwise been required to pay by reason of such untrue statement or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations to contribute pursuant to this Section 9 are several in proportion to their respective underwriting commitments and not joint.

(f) The indemnity and contribution agreements contained in this Section 9 and the covenants, warranties and representations of the Company contained in this Agreement shall remain in full force and effect regardless of any investigation made by or on behalf of any Underwriter, its partners, directors or officers or any person (including each partner, officer or director of such person) who controls any Underwriter within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, or by or on behalf of the Company,

its directors or officers or any person who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and shall survive any termination of this Agreement or the issuance and delivery of the Securities. The Company and each Underwriter agree promptly to notify each other of the commencement of any Proceeding against it and, in the case of the Company, against any of the Company's officers or directors in connection with the issuance and sale of the Securities, or in connection with the Registration Statement, any Basic Prospectus, any Pre-Pricing Prospectus, the Prospectus or any Permitted Free Writing Prospectus.

10. Information Furnished by the Underwriters. The statements set forth in the fourth, seventh, eighth and tenth paragraphs under the caption "Underwriting" in the Prospectus Supplement, only insofar as such statements relate to the amount of selling concession and reallowance or stabilization activities that may be undertaken by the Underwriters, constitute the only information furnished by or on behalf of the Underwriters, as such information is referred to in Sections 3 and 9 hereof.

11. Notices. Except as otherwise herein provided, all statements, requests, notices and agreements shall be in writing or by facsimile or email, as applicable, and, if to the Underwriters, shall be sufficient in all respects if delivered or sent to BofA Securities, Inc., 1540 Broadway, NY8-540-26-01, New York, New York 10036, (facsimile number: (646) 855-5958), Attention: High Grade Transaction Management/Legal, email: dg.hg_ua_notices@bofa.com, Citigroup Global Markets Inc., 388 Greenwich Street, New York, New York 10013, facsimile number (646) 291-1469, Attention: General Counsel, Credit Suisse Securities (USA) LLC, Eleven Madison Avenue, New York, New York 10010-3629, facsimile number (212) 325-4296, Attention: IBCM-Legal, Goldman Sachs & Co. LLC, Attention: Registration Department, 200 West Street, New York, New York 10282, email: registration-syndops@ny.email.gs.com and J.P. Morgan Securities LLC, 383 Madison Avenue, New York, New York 10179, facsimile number (212) 834-6081, Attention: Investment Grade Syndicate Desk, with a copy, not constituting notice, to Simpson Thacher & Bartlett LLP, 425 Lexington Avenue, New York, New York 10017, facsimile number (212) 455-2502, Attention: Roxane F. Reardon, and, if to the Company, shall be sufficient in all respects if delivered or sent to the Company at the offices of the Company at 211 Main Street, San Francisco, CA 94105, Attention: Peter Morgan, facsimile number (415) 667-9814, with a copy, not constituting notice, to Arnold & Porter Kaye Scholer LLP, 3 Embarcadero Center, 10th Floor, San Francisco, CA 94111, Attention: Teresa L. Johnson, facsimile number (415) 471-3400.

12. Governing Law; Construction. This Agreement and any claim, counterclaim or dispute of any kind or nature whatsoever arising out of or in any way relating to this Agreement ("Claim"), directly or indirectly, shall be governed by, and construed in accordance with, the laws of the State of New York. The section headings in this Agreement have been inserted as a matter of convenience of reference and are not a part of this Agreement.

13. Submission to Jurisdiction. Except as set forth below, no Claim may be commenced, prosecuted or continued in any court other than the courts of the State of New York located in the City and County of New York or in the United States District Court for the Southern District of New York, which courts shall have jurisdiction over the adjudication of such matters, and the Company consents to the jurisdiction of such courts and personal service with respect thereto. The Company hereby consents to personal jurisdiction, service and venue in any court in

which any Claim arising out of or in any way relating to this Agreement is brought by any third party against any Underwriter or any indemnified party. Each Underwriter and the Company (on its behalf and, to the extent permitted by applicable law, on behalf of its stockholders and affiliates) waive all right to trial by jury in any action, proceeding or counterclaim (whether based upon contract, tort or otherwise) in any way arising out of or relating to this Agreement. The Company agrees that a final judgment in any such action, proceeding or counterclaim brought in any such court shall be conclusive and binding upon the Company and may be enforced in any other courts to the jurisdiction of which the Company is or may be subject, by suit upon such judgment.

14. Parties at Interest. The Agreement herein set forth has been and is made solely for the benefit of the Underwriters and the Company and, to the extent provided in Section 9 hereof, the controlling persons, partners, directors and officers and affiliates referred to in such Section, and their respective successors, assigns, heirs, personal representatives and executors and administrators. No other person, partnership, association or corporation (including a purchaser, as such purchaser, from any of the Underwriters) shall acquire or have any right under or by virtue of this Agreement.

15. No Fiduciary Relationship. The Company hereby acknowledges that the Underwriters are acting solely as underwriters in connection with the purchase and sale of the Securities. The Company further acknowledges that the Underwriters are acting pursuant to a contractual relationship created solely by this Agreement entered into on an arm's length basis, and in no event do the parties intend that the Underwriters act or be responsible as a fiduciary to the Company, its management, stockholders or creditors or any other person in connection with any activity that the Underwriters may undertake or have undertaken in furtherance of the purchase and sale of the Securities, either before or after the date hereof. The Underwriters hereby expressly disclaim any fiduciary or similar obligations to the Company, either in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions, and the Company hereby confirms its understanding and agreement to that effect. The Company and the Underwriters agree that they are each responsible for making their own independent judgments with respect to any such transactions and that any opinions or views expressed by the Underwriters to the Company regarding such transactions, including, but not limited to, any opinions or views with respect to the price or market for any of the Company's securities, do not constitute advice or recommendations to the Company. The Company hereby waives and releases, to the fullest extent permitted by law, any claims that it may have against the Underwriters with respect to any breach or alleged breach of any fiduciary or similar duty to the Company in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions.

16. Patriot Act. In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company, which information may include the name and address of the Underwriters' respective clients, as well as other information that will allow the Underwriters to properly identify their respective clients.

17. Counterparts. This Agreement may be signed by the parties in one or more counterparts which together shall constitute one and the same agreement among the parties. Counterparts may be delivered via facsimile, electronic mail (including any electronic signature

covered by the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act, the Electronic Signatures and Records Act or other applicable law, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

18. Successors and Assigns. This Agreement shall be binding upon the Underwriters and the Company and their successors and assigns and any successor or assign of any substantial portion of the Company's and any of the Underwriters' respective businesses and/or assets.

19. Recognition of the U.S. Special Resolution Regimes.

(a) In the event that any Underwriter that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from such Underwriter of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

(b) In the event that any Underwriter that is a Covered Entity or a BHC Act Affiliate of such Underwriter becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Underwriter are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

For purposes of this Section 19, a "BHC Act Affiliate" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k). "Covered Entity" means any of the following: (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b). "Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable. "U.S. Special Resolution Regime" means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

[The Remainder of This Page Intentionally Left Blank; Signature Page Follows]

If the foregoing correctly sets forth the understanding between the Company and the several Underwriters, please so indicate in the space provided below for that purpose, whereupon this Agreement and your acceptance shall constitute a binding agreement among the Company and the Underwriters, severally.

Very truly yours,

THE CHARLES SCHWAB CORPORATION

By: /s/ Peter Crawford

Name: Peter Crawford

Title: Executive Vice President and
Chief Financial Officer

[Signature Page to Underwriting Agreement]

Accepted and agreed to as of the date first above written, on behalf of itself and the other several Underwriters named in Schedule A.

BOFA SECURITIES, INC.

By: /s/ Randolph B. Randolph
Name: Randolph B. Randolph
Title: Managing Director

[Signature Page to Underwriting Agreement]

CITIGROUP GLOBAL MARKETS INC.

By: /s/ Adam D. Bordner

Name: Adam D. Bordner

Title: Director

[Signature Page to Underwriting Agreement]

CREDIT SUISSE SECURITIES (USA) LLC

By: /s/ Richard Meyers
Name: Richard Myers
Title: Managing Director

[Signature Page to Underwriting Agreement]

GOLDMAN SACHS & CO. LLC

By: /s/ Sam Chaffin
Name: Sam Chaffin
Title: Vice President

[Signature Page to Underwriting Agreement]

J.P. MORGAN SECURITIES LLC

By: /s/ Stephen L. Sheiner
Name: Stephen L. Sheiner
Title: Executive Director

[Signature Page to Underwriting Agreement]

SCHEDULE A

<u>Underwriter</u>	<u>Principal Amount of the 2026 Notes</u>	<u>Principal Amount of the 2031 Notes</u>
BofA Securities, Inc.	\$ 225,000,000	\$ 135,000,000
Citigroup Global Markets Inc.	225,000,000	135,000,000
Credit Suisse Securities (USA) LLC	225,000,000	135,000,000
Goldman Sachs & Co. LLC	225,000,000	135,000,000
J.P. Morgan Securities LLC	225,000,000	135,000,000
Morgan Stanley & Co. LLC	37,500,000	22,500,000
Wells Fargo Securities, LLC	37,500,000	22,500,000
Barclays Capital Inc.	12,500,000	7,500,000
PNC Capital Markets LLC	12,500,000	7,500,000
TD Securities (USA) LLC	12,500,000	7,500,000
U.S. Bancorp Investments, Inc.	12,500,000	7,500,000
Total	<u>\$1,250,000,000</u>	<u>\$ 750,000,000</u>

Schedule A-1

SCHEDULE B

Permitted Free Writing Prospectuses

Final Term Sheet prepared and filed pursuant to Section 4(a) and in the form of Schedule C.

Schedule B-1

SCHEDULE C

[See attached]

Schedule C-1

The Charles Schwab Corporation

\$1,250,000,000 0.900% SENIOR NOTES DUE 2026
\$750,000,000 1.650% SENIOR NOTES DUE 2031

SUMMARY OF TERMS

Issuer:	The Charles Schwab Corporation (“CSC”), a Delaware corporation	
Expected Ratings: (Moody’s / S&P / Fitch)*	[Intentionally Omitted]	
Security Type:	Senior Unsecured Notes	
Pricing Date:	December 8, 2020	
Settlement Date:	December 11, 2020 (T+3)	
	<u>0.900% Senior Notes due 2026</u> <u>(the “2026 Senior Notes”)</u>	<u>1.650% Senior Notes due 2031</u> <u>(the “2031 Senior Notes”)</u>
Principal Amount:	\$1,250,000,000	\$750,000,000
Maturity Date:	March 11, 2026	March 11, 2031
Interest Payment Dates:	March 11 and September 11, commencing on March 11, 2021	March 11 and September 11, commencing on March 11, 2021
Interest Record Dates:	February 26 and August 26	February 26 and August 26
Day Count:	30/360	30/360
Benchmark Treasury:	0.375% UST due November 30, 2025	0.875% UST due November 15, 2030
Benchmark Treasury Price / Yield:	99-29 / 0.394%	99-18 / 0.921%
Spread to Benchmark Treasury:	+53 bps	+75 bps
Yield to Maturity:	0.924%	1.671%
Coupon:	0.900%	1.650%
Public Offering Price:	99.878%	99.804%
Gross Proceeds to CSC:	\$1,248,475,000	\$748,530,000
Underwriting Discount per note paid by CSC:	0.600%	0.650%

Aggregate Underwriting Discount paid by CSC:	\$7,500,000	\$4,875,000
Net Proceeds to CSC (after the underwriting discount, but before deducting offering expenses):	\$1,240,975,000	\$743,655,000
Optional Redemption: Make-Whole Call:	On or after June 11, 2021 and prior to February 11, 2026, CSC may redeem some or all of the 2026 Notes at any time at a redemption price equal to the greater of (i) 100% of the principal amount of the 2026 Notes to be redeemed or (ii) the sum of the present values of the remaining scheduled payments of interest and principal thereon (exclusive of interest accrued and unpaid to, but not including, the redemption date) discounted to the redemption date on a semiannual basis at the Treasury Rate plus 10 basis points, plus, in either case, accrued and unpaid interest to, but not including, the redemption date.	On or after June 11, 2021 and prior to December 11, 2030, CSC may redeem some or all of the 2031 Notes at any time at a redemption price equal to the greater of (i) 100% of the principal amount of the 2031 Notes to be redeemed or (ii) the sum of the present values of the remaining scheduled payments of interest and principal thereon (exclusive of interest accrued and unpaid to, but not including, the redemption date) discounted to the redemption date on a semiannual basis at the Treasury Rate plus 12.5 basis points, plus, in either case, accrued and unpaid interest to, but not including, the redemption date.
Par Call:	On or after February 11, 2026, CSC may redeem some or all of the 2026 Notes at any time at a redemption price (calculated by CSC) equal to 100% of the principal amount of the 2026 Notes to be redeemed plus accrued and unpaid interest to, but not including, the redemption date.	On or after December 11, 2030, CSC may redeem some or all of the 2031 Notes at any time at a redemption price (calculated by CSC) equal to 100% of the principal amount of the 2031 Notes to be redeemed plus accrued and unpaid interest to, but not including, the redemption date.
CUSIP / ISIN:	808513 BF1 / US808513BF16	808513 BG9 / US808513BG98
Joint Book-Running Managers:	BofA Securities, Inc. Citigroup Global Markets Inc. Credit Suisse Securities (USA) LLC Goldman Sachs & Co. LLC J.P. Morgan Securities LLC	
Senior Co-Managers:	Morgan Stanley & Co. LLC Wells Fargo Securities, LLC	
Co-Managers:	Barclays Capital Inc. PNC Capital Markets LLC TD Securities (USA) LLC U.S. Bancorp Investments, Inc.	

* Note: A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time.

It is expected that delivery of the notes will be made through the facilities of The Depository Trust Company on or about December 11, 2020, which will be the third business day following the initial sale of the notes (this settlement cycle being referred to as "T+3"). Under Rule 15c6-1 of the Securities Exchange Act of 1934, as amended, trades in the secondary market generally are required to settle in two business days, unless the parties

to a trade expressly agree otherwise. Accordingly, purchasers who wish to trade the notes prior to the second business day before the delivery of the notes will be required, by virtue of the fact that the notes initially will settle on a delayed basis, to specify alternative settlement arrangements at the time of any such trade to prevent a failed settlement and should consult their own advisor.

The Issuer has filed a registration statement (including a preliminary prospectus supplement and accompanying prospectus) with the U.S. Securities and Exchange Commission (the "SEC") for the offering to which this communication relates. Before you invest, you should read the preliminary prospectus supplement and accompanying prospectus and other documents the Issuer has filed with the SEC for more complete information about the Issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, the Issuer, any underwriter or any dealer participating in the offering will arrange to send you the preliminary prospectus supplement and accompanying prospectus if you request it by calling BofA Securities, Inc. toll-free at (800) 294-1322, Citigroup Global Markets Inc. toll-free at (800) 831-9146, Credit Suisse Securities (USA) LLC toll-free at (800) 221-1037, Goldman Sachs & Co. LLC collect at (212) 902-1171, or J.P. Morgan Securities LLC collect at (212) 834-4533.

Any disclaimer or other notice that may appear below is not applicable to this communication and should be disregarded. Such disclaimer or notice was automatically generated as a result of this communication being sent by Bloomberg or another email system.

Schedule C-4

EXHIBIT A

FORM OF OPINION AND NEGATIVE ASSURANCE STATEMENT OF
ARNOLD & PORTER KAYE SCHOLER LLP

[See attached]

[], 2020

BofA Securities, Inc.
Citigroup Global Markets Inc.
Credit Suisse Securities (USA) LLC
Goldman Sachs & Co. LLC
J.P. Morgan Securities LLC
as Representatives of the several
Underwriters named in Schedule A
of the Underwriting Agreement

c/o BofA Securities, Inc.
One Bryant Park, 8th Floor
New York, New York 10036

c/o Citigroup Global Markets Inc.
388 Greenwich Street
New York, New York 10013

c/o Credit Suisse Securities (USA) LLC
Eleven Madison Avenue
New York, New York 10010

c/o Goldman Sachs & Co. LLC
200 West Street
New York, New York 10282

c/o J.P. Morgan Securities LLC
383 Madison Avenue
New York, New York 10179

Re: **Underwritten Public Offering of \$[] of []% Senior Notes due [] and \$[] of []% Senior Notes due [] of The Charles Schwab Corporation**

Ladies and Gentlemen:

You have requested our opinion as special legal counsel to The Charles Schwab Corporation, a Delaware corporation (the “**Company**”), with respect to certain matters in connection with the sale today to the Underwriters of \$[] principal amount of []% Senior Notes due [] and \$[] principal amount of []% Senior Notes due [] (collectively, the “**Securities**”) issued by the Company, pursuant to that certain Underwriting Agreement dated [] by and among the Company and the several underwriters named in Schedule A thereto (the “**Underwriting Agreement**”). Except as otherwise specified, all capitalized terms used herein have the same meanings given to them in the Underwriting Agreement. (For the avoidance of doubt and without limiting the generality of the foregoing sentence, the terms “Registration Statement,” “Prospectus,” “Disclosure Package,” “Pre-Pricing Prospectus” and “Basic Prospectus” have the same meanings given to them in the Underwriting Agreement.) This opinion is rendered pursuant to Section 6(a) of the Underwriting Agreement.

In this connection, we have examined the following documents:

- (1) The Underwriting Agreement;
- (2) The Indenture;
- (3) The form of the Securities;
- (4) The registration statement on Form S-3 (File No. 333-251156) and the exhibits thereto filed by the Company with the Securities and Exchange Commission (the “**Commission**”) on December 4, 2020 (the “**Registration Statement**”) pursuant to the Securities Act of 1933, as amended, and the rules and regulations thereunder (the “**Securities Act**”);
- (5) The preliminary prospectus supplement (File No. 333-251156) filed by the Company with the Commission on [] (the “**Preliminary Prospectus Supplement**”);
- (6) The free writing prospectus (File No. 333-251156) filed by the Company with the Commission on [];
- (7) The final prospectus supplement (File No. 333-251156) filed by the Company with the Commission on [] (the “**Final Prospectus Supplement**”);

The following documents filed by the Company with the Commission pursuant to the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (the “**Exchange Act**”): (i) the Company’s annual report on Form 10-K for the fiscal year ended December 31, 2019, (ii) the Company’s quarterly reports on Form 10-Q for the quarters ended

March 31, 2020, June 30, 2020 and September 30, 2020; and (iii) the Company's current reports on Form 8-K filed on March 20, 2020, March 25, 2020, April 30, 2020, May 15, 2020, May 15, 2020, May 26, 2020, May 27, 2020, June 4, 2020, June 5, 2020, July 27, 2020, October 1, 2020, and October 6, 2020 and on Form 8-K/A filed on December 4, 2020 (collectively, the "**Incorporated Documents**");

(8) Resolutions of the Board of Directors of the Company adopted on October 22, 2020, and a Certificate of the Chief Financial Officer of the Company dated [], 2020;

(9) The Company's Fifth Restated Certificate of Incorporation, filed with the Secretary of State of the State of Delaware on May 15, 2001, as amended by the Certificate of Designations of Fixed to Floating Rate Non-Cumulative Perpetual Preferred Stock, Series A filed with the Secretary of State of the State of Delaware on January 24, 2012, by the Certificate of Designations of 6.00% Non-Cumulative Perpetual Preferred Stock, Series B filed with the Secretary of State of the State of Delaware on May 31, 2012, by the Certificate of Designations of 6.00% Non-Cumulative Perpetual Preferred Stock, Series C filed with the Secretary of State of the State of Delaware on July 30, 2015, by the Certificate of Designations of 5.95% Non-Cumulative Perpetual Preferred Stock, Series D filed with the Secretary of State of the State of Delaware on March 3, 2016, by the Certificate of Designations of 4.625% Fixed to Floating Rate Non-Cumulative Perpetual Preferred Stock, Series E filed with the Secretary of State of the State of Delaware on October 28, 2016, by the Certificate of Designations of 5.00% Fixed to Floating Rate Non-Cumulative Perpetual Preferred Stock, Series F filed with the Secretary of State of the State of Delaware on October 30, 2017, by the Certificate of Elimination of 6.00% Non-Cumulative Perpetual Preferred Stock, Series B filed with the Secretary of State of the State of Delaware on December 15, 2017, by the Certificate of Designations of 5.375% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series G filed with the Secretary of State of the State of Delaware on April 29, 2020, and by the amendment filed as Exhibit 3.1 to the Company's current report on Form 8-K dated October 2, 2020; the Certificate of Incorporation of Schwab Holdings, Inc. ("**Holdings**") filed with the Secretary of State of the State of Delaware on June 8, 1982, as amended by the Certificates of Amendment filed with the Secretary of State of the State of Delaware on January 28, 1983 and April 30, 1987; the Restated Certificate of Incorporation of Charles Schwab Investment Management, Inc. ("**CSIM**") filed with the Secretary of State of the State of Delaware on February 1, 1990; and the Certificate of Restated Articles of Charles Schwab & Co., Inc. ("**CS & Co.**") filed with the Secretary of State of the State of California on March 4, 1981, as amended by the Certificate of Amendment filed with the Secretary of State of the State of California on November 7, 1988 (collectively, the "**Charters**");

(10) The Company's Fourth Restated Bylaws dated December 12, 2007, as amended on July 28, 2009, January 27, 2010 and October 2, 2020; the bylaws of Holdings dated July 1, 1982; the bylaws of CSIM, certified as of the date hereof by an officer of the Company; and the bylaws of CS & Co., certified as of the date hereof by an officer of the Company (collectively, the "**Bylaws**");

(11) Certificates, each dated as of a recent date, from the Secretary of State of the State of Delaware as to the good standing of the Company, Holdings and CSIM in that state, from the Secretary of State of the State of California as to the good standing of CS & Co. in that state, from the Secretary of State of the State of California as to the qualification of the Company to do business in that state, and from the respective Secretaries of State of the states of Arizona, Colorado, Florida, Illinois, Indiana, New Jersey, New York, Pennsylvania, Texas and Washington as to the qualification of CS & Co. to do business in such states (collectively, the “*Good Standing Certificates*”);

(12) The minute books of the Company and of each of Holdings, CSIM and CS & Co. (collectively, the “*Significant Subsidiaries*”) provided to us by one or more officers of the Company (collectively, the “*Minute Books*”);

(13) The contracts listed on **EXHIBIT A** hereto (the “*Company Contracts*”); and

(14) One or more certificates provided to us by one or more officers of the Company (the “*Officers’ Certificates*”).

The documents described in (1) through (3) above are referred to hereafter as the “*Transaction Agreements*.”

In rendering the opinions set forth below, we have assumed the legal capacity of individuals, that the signatures on all documents not executed in our presence are genuine, that all documents submitted to us as originals are authentic, that all documents submitted to us as reproduced or certified copies conform to the original documents, that all Company Contracts filed with the Commission conform to the original documents, that all corporate records of the Company and the Significant Subsidiaries provided to us for review are accurate and complete, and that any reviews and searches of public records obtained by us are accurate and complete. We have further assumed that each of the parties to the Transaction Agreements other than the Company is duly qualified to engage in the transactions contemplated by the Transaction Agreements; that the Transaction Agreements have been duly authorized, executed, and delivered by, and constitute the valid and binding obligations of, each of the parties thereto other than the Company, and are enforceable against the parties thereto other than the Company in accordance with their respective terms; that the parties to the Transaction Agreements other than the Company have the requisite power and authority to perform their respective obligations under the Transaction Agreements executed and delivered by them; and that there are no documents, agreements or understandings among or between any parties to the Transaction Agreements or others that would modify the respective rights and obligations of such parties as set forth in the Transaction Agreements or that otherwise would have an effect on the opinions rendered below.

As to matters of fact material to our opinions, we have relied solely upon our review of the documents referred to in the second paragraph of this letter, and upon oral advice from the staff of the Commission and information made available by the Commission on its website. We have assumed that the recitals of fact and the representations and warranties of all parties as to factual matters set forth in the documents referred to above are true, complete and correct on the date hereof. We have not independently verified any factual matters or the validity of any assumptions made by us in this letter, and we express no opinion or belief, and disclaim any implication or inference, as to the reasonableness of any such assumption.

For purposes of this opinion letter, we have considered only Applicable Laws (as defined herein). “**Applicable Laws**” means those laws, statutes, rules and regulations of the United States of America and the State of California presently in effect that, in our experience, are normally applicable to transactions of the kind contemplated by the Transaction Agreements (collectively, “**California Law**”) and the Delaware General Corporation Law; provided, however, that with respect to execution and delivery of the Underwriting Agreement, “Applicable Laws” means California Law, to the extent such execution and delivery are governed by California Law, those laws, statutes, rules and regulations of the United States of America and the State of New York presently in effect that, in our experience, are normally applicable to transactions of the kind contemplated by the Underwriting Agreement (collectively, “**New York Law**”), to the extent such execution and delivery are governed by New York Law, and the Delaware General Corporation Law, to the extent such execution and delivery are governed by the Delaware General Corporation Law. Without suggesting that any of the following might otherwise be applicable to transactions of the kind contemplated by the Transaction Agreements, “Applicable Laws” specifically does not include, among other laws, the following “**Excluded Laws**”: any laws, statutes, ordinances, rules, regulations, decisions or administrative interpretations (a) of any county, locality or municipality, (b) pertaining to taxes (except United States federal income tax law for purposes of paragraph 12 below); securities (except the Securities Act for purposes of paragraphs 5 through 9 below, the Trust Indenture Act for purposes of paragraph 10 below, and the Investment Company Act for purposes of paragraph 11 below); the regulation of banks, thrifts, savings and loan associations or any similar entity that is engaged in the business of lending as one of its principal business activities, or holding companies of any of the foregoing; labor, employee or management relations; money laundering; privacy; environment; health and safety; trade regulation; franchising; antitrust; intellectual property; unfair competition; or pension, retirement, deferred compensation or any other employee benefits, including ERISA, (c) relating to choice of law or conflicts of law and/or (d) to which the transactions are or may be subject because of the legal or regulatory status of any person other than the Company or because of any facts pertaining to any such person. Although Excluded Laws may apply to the Transaction Agreements (or performance under any of them), we express no opinion with respect to the effect of Excluded Laws on the matters involved in the opinions set forth herein.

Whenever an opinion herein is qualified by the phrase “known to us,” “to our knowledge,” “of which we are aware,” or any similar phrase, we intend to indicate that during the course of our representation of the Company, no information has come to the attention of those attorneys currently employed by this law firm who have rendered legal services to the Company in connection with substantive legal matters that would give such attorneys actual knowledge of the inaccuracy of such opinions. We have not undertaken or conducted any independent investigation to determine the accuracy of opinions herein qualified as described in the preceding sentence, and any limited inquiry undertaken by us during the preparation of this opinion letter should not be regarded as such an investigation; no inference as to our knowledge of any matters bearing on the accuracy of any such opinion should be drawn from the fact of our representation of the Company. Further, we call to your attention that the Company is a holding company for, and therefore engages directly or indirectly in, multi-faceted and complex businesses, and that we have not represented the Company in connection with all of its business activities. Accordingly, our actual knowledge typically does not extend to or encompass any matter or issue as to which we have not advised the Company.

The opinions set forth below are subject to the following:

(i) The factual basis for our opinions in paragraph 1 below is based solely on our review of the Charters, the Minute Books, the Good Standing Certificates and the Officers’ Certificates;

(ii) Our opinions in paragraph 3, clauses (c) and (d), below are based solely upon an examination of the Company Contracts. We have made no further investigation. With regard to the Company Contracts, we have assumed with respect to each Company Contract that such Company Contract would be interpreted in accordance with its plain meaning and that it is governed by the substantive laws of the State of California (without regard to conflicts-of-law and choice-of-law principles), even though the terms of such Company Contract may provide that the law of a jurisdiction other than California is the governing law of such Company Contract. We express no opinion as to any statement or writing that may constitute parol evidence bearing on interpretation or construction of any Company Contract. Further, to the extent that any of the Company Contracts contain any financial covenants, provisions relating to the occurrence of a “material adverse effect” or similar provisions, for purposes of our opinions in paragraph 3, clauses (c) and (d) below, we have relied solely on the Officers’ Certificates as to (i) the Company’s compliance with any and all such financial covenants and provisions, and (ii) the conclusion that the execution, delivery and performance by the Company of its obligations under the Underwriting Agreement and the Indenture do not, under any such financial covenants or provisions, constitute a default or result in the imposition of a lien or encumbrance, and we have undertaken no investigation or analysis, nor conducted any financial computations, with respect thereto;

(iii) Our opinion in the second sentence of paragraph 6 below is based solely upon our review of the information made available by the Commission at <http://www.sec.gov/litigation/stoporders.shtml> as of [] on [];

(iv) We have assumed that the Securities have been duly authenticated and delivered by the Trustee;

(v) Except to the limited extent set forth in paragraphs 8 and 9 below, we express no opinion whatsoever as to the compliance or noncompliance by any person with antifraud or information delivery provisions of state or federal laws, rules and regulations;

(vi) We express no opinion regarding the rights or remedies available to any party for material violations or breaches that are the proximate result of actions taken by any party other than the party against whom enforcement is sought; and

(vii) Our opinion in paragraph 12 below is subject to the facts, assumptions and conditions set forth in the Preliminary Prospectus Supplement and the Final Prospectus Supplement and is limited to the United States federal income tax matters discussed under the heading referred to in that paragraph. Our opinion referred to in paragraph 12 is based on the United States Internal Revenue Code of 1986, as amended, Treasury Regulations (in final, proposed and temporary form), Internal Revenue Service (“IRS”) rulings and pronouncements, cases and other interpretative authority as they exist on the date of the Preliminary Prospectus Supplement and the Final Prospectus Supplement, respectively. To the extent that we have examined and relied upon authorities that may not be cited as precedent by taxpayers other than those to whom such authorities were addressed, we have assumed for purposes of this opinion that such authorities nevertheless accurately reflect the policy and practice of the IRS with respect to the subject matter thereof and will be followed by the IRS with respect to the documents and transactions that are the subject of our opinion below. These authorities are all subject to change, possibly with retroactive effect. We can give no assurance that, after such change, our opinion would not be different. We undertake no responsibility to advise any person of any change in law subsequent to the date hereof if any applicable laws change after the date hereof or if we become aware of any facts that might change the opinion expressed herein after the date hereof.

Based upon the foregoing, and subject to the assumptions, exceptions, limitations and qualifications stated herein, we are of the opinion that:

1. Each of the Company, Holdings and CSIM is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware. CS & Co. is a

corporation duly incorporated, validly existing and in good standing under the laws of the State of California. The Company is qualified to do business as a foreign corporation in the State of California. CS & Co. is qualified to do business as a foreign corporation in the states of Arizona, Colorado, Florida, Illinois, Indiana, New Jersey, New York, Pennsylvania, Texas and Washington.

2. Each of the Company and the Significant Subsidiaries has the corporate power and corporate authority to own or lease its properties and assets and to conduct its business as described in the Disclosure Package and the Prospectus. The Company has the corporate power and corporate authority to execute, deliver and perform its obligations under the Underwriting Agreement. The Company's execution, delivery and performance of its obligations under the Transaction Agreements have been duly authorized by all necessary corporate action on the part of the Board of Directors of the Company.

The execution, delivery and performance by the Company of its obligations under the Underwriting Agreement and the Indenture on the date hereof in accordance with their respective terms and the issuance and sale of the Securities do not (a) violate the Charters or the Bylaws, (b) violate any judgment, writ, decree or order of any court to which the Company is named as a party and of which we are aware, (c) constitute a default by the Company or any Significant Subsidiary under any Company Contract, or (d) result in the imposition of a lien or encumbrance on any material properties of the Company or of any Significant Subsidiary pursuant to any Company Contract. The execution and delivery by the Company of the Underwriting Agreement and the execution, delivery and performance by the Company of its obligations under the Indenture on the date hereof in accordance with their respective terms, do not violate any Applicable Law, provided, however, that the foregoing opinion, insofar as it pertains to performance, is subject to the same limitations, qualifications and exceptions set forth in paragraph 4 below.

Each of the Transaction Agreements has been duly executed and delivered by the Company. Upon payment in full for and delivery of the Securities in accordance with the terms of the Underwriting Agreement, each of the Indenture and the Securities will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with its terms, in each case except as the validity, binding nature or enforceability of the same may be limited by:

(a) applicable federal or state bankruptcy, insolvency, reorganization, arrangement, moratorium, fraudulent transfer or conveyance, and other laws or court decisions relating to or affecting the rights of creditors;

(b) equitable principles of general applicability (including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing, equitable subordination, and the possible unavailability of specific performance or injunctive relief), regardless of whether considered in a proceeding in equity or at law or whether codified by statute;

(c) California judicial decisions which have held that certain provisions of agreements are unenforceable under circumstances where it cannot be demonstrated that the enforcement of such provisions is reasonably necessary for the protection of the party seeking enforcement, has been undertaken in good faith under the circumstances then existing and is commercially reasonable;

(d) the effect of Section 1670.5 of the California Civil Code, which provides that a court may refuse to enforce a contract or limit the application thereof or any clause thereof which the court finds as a matter of law to have been unconscionable at the time it was made;

(e) the unenforceability, under certain circumstances, of provisions that contain prospective waivers of (i) vaguely or broadly stated rights, (ii) unknown future rights, (iii) the benefits of statutory, regulatory or constitutional rights, unless and to the extent the statute, regulation or constitution explicitly permits such waiver, (iv) unknown future defenses and (v) rights to damages;

(f) the unenforceability, under certain circumstances, of provisions of agreements to the effect that rights or remedies are not exclusive, that every right or remedy is cumulative and may be exercised in addition to or with any other right or remedy, or that the election of some particular remedy or remedies does not preclude recourse to one or another remedy;

(g) limitations on the enforceability of indemnification, release, contribution, exculpatory or nonliability provisions under federal or state securities laws, under Sections 1542, 1543 and 2772-78 of the California Civil Code, and under any other applicable statutes or court decisions, including, without limitation, the effect of California statutes and cases applying such statutes which have denied enforcement of indemnification agreements against the indemnitee's negligence, wrongdoing or violation of law;

(h) the effect of Section 631(d) of the California Code of Civil Procedure, which provides that a court may, in its discretion upon just terms, allow a trial by jury although there may have been a waiver of trial by jury;

(i) the effect of Grafton Partners L.P. v. Superior Court, 36 Cal.4th 944, 2005 WL 1831995 (Cal. 2005), in which the California Supreme Court held that predispute contractual waivers of jury trials are invalid;

(j) the unenforceability, under certain circumstances, of provisions purporting to govern forum selection, venue selection, personal jurisdiction or subject matter jurisdiction;

(k) the unenforceability of provisions prohibiting waivers that are not in writing to the extent that Section 1698 of the California Civil Code (or similar provisions of other applicable laws) permits oral modifications that have been performed;

(l) the effect of Section 1717, et seq. of the California Civil Code and judicial decisions thereunder on provisions which purport to require the award of attorneys' fees, expenses or costs;

(m) the unenforceability of provisions concerning offsets, self-help or summary remedies, to the extent that enforcement of such provisions is determined by a court to be unreasonable under then existing circumstances;

(n) the unenforceability, under certain circumstances, of provisions which provide for penalties, late charges, additional interest in the event of a default or fees or costs related to such charges in view of the factual determinations required under California law and the evaluation of late payments or liquidated damages provisions;

(o) the unenforceability of provisions that purport to appoint a party as attorney-in-fact for an adverse party;

(p) without limiting the generality of subparagraph (e) above, the effect of Union Bank v. Gradsky, 265 Cal.App.2d 40 (1968), and Cathay Bank v. Lee, 14 Cal. App. 4th 1533 (1993) and their progeny, which impose certain limitations upon the effectiveness of waivers;

(q) the effect of Section 564 of the California Code of Civil Procedure and other provisions of California law which impose certain restrictions on the enforceability of provisions that provide for the appointment of a receiver; and

(r) the effect of Section 23301, et seq. of the California Revenue and Taxation Code, which provides that a party to a contract may, under certain circumstances, void the contract if the other party (irrespective of the jurisdiction of organization or domicile of such other party) fails to file any required California tax returns and/or pay any required California franchise or income taxes.

No consent, approval or authorization of, or designation, declaration or filing with, any Delaware, California or federal governmental authority is required by the Company under any Applicable Law in connection with the execution, delivery and performance by the Company of its obligations under the Transaction Agreements in accordance with their respective terms, other than (i) those that have already been obtained and are in full force and effect and (ii) those that are required or permitted to be obtained after the date hereof (except that we express no opinion with respect to any consent, approval, authorization, designation, declaration or filing required under the state securities or "blue sky" laws of the various jurisdictions in which the Securities are being offered by the Underwriters, and we express no opinion with respect to the Conduct Rules of the Financial Industry Regulatory Authority).

The Registration Statement has become effective under the Securities Act. To our knowledge, no stop order suspending the effectiveness of the Registration Statement or any part thereof has been issued and no proceedings for that purpose are pending under the Securities Act. The Preliminary Prospectus Supplement and the Final Prospectus Supplement were filed with the Commission pursuant to Rule 424(b) under the Securities Act.

The Registration Statement (including, for the avoidance of doubt, the Pre-Pricing Prospectus and the Prospectus) appears on its face to be responsive as to form in all material respects to all applicable requirements of the Securities Act (including without limitation Section 10(a) of the Securities Act), provided, however, that we express no view as to any financial statements, schedules and notes and other financial and statistical information derived therefrom and included therein.

The statements contained in the Preliminary Prospectus Supplement and the Final Prospectus Supplement under the captions “Description of the notes,” and the statements contained in the Basic Prospectus under the caption “Description of Debt Securities,” insofar as such statements purport to constitute summaries of certain terms of documents referred to therein or summaries of matters of law, constitute in all material respects accurate summaries of such terms or matters, as the case may be.

To our knowledge, there are no contracts or documents required under the Securities Act (i) to be filed as exhibits to the Registration Statement or incorporated by reference therein which have not been so filed or incorporated by reference as required, or (ii) to be described in the Registration Statement (including, for the avoidance of doubt, the Pre-Pricing Prospectus and the Prospectus) which have not been so described as required.

The Indenture has been duly qualified under the Trust Indenture Act of 1939, as amended, and the rules and regulations thereunder (the “**Trust Indenture Act**”).

The Company is not, and will not become as a result of the consummation of the transactions contemplated by the Underwriting Agreement, an “investment company” or a company “controlled” by an “investment company” within the meaning of the Investment Company Act of 1940, as amended, and the rules and regulations thereunder (the “**Investment Company Act**”).

The statements contained in the Preliminary Prospectus Supplement and the Final Prospectus Supplement under the caption “United States Federal Income Tax Consequences,” insofar as such statements purport to constitute summaries of matters of United States federal income tax law and regulations or legal conclusions with respect thereto, constitute in all material respects accurate summaries of such matters or conclusions, as the case may be.

Wherever above we have rendered an opinion regarding a document, the opinion is limited to that document and does not encompass, cover or pertain to, or take into account the potential effect on the opinion rendered above of, any agreement attached as a schedule or an exhibit to that document, referred to in that document or executed contemporaneously with that document, except for any such other agreement or exhibit that is expressly referred to in the relevant opining language.

Notwithstanding anything in this opinion letter to the contrary, the opinions set forth above are given only as of the date hereof. Without limiting the generality of the foregoing, any opinion rendered above that refers to the performance of obligations under any Transaction Agreement assumes that there have been no changes in facts or law since the date hereof at the time of such performance. We disclaim any obligation to update any of the opinions rendered herein and express no opinion as to the effect of events occurring, circumstances arising, or changes of law that become effective or occur, after the date hereof on the matters addressed in this opinion letter, and we assume no responsibility to inform you of additional or changed facts, or changes in law, of which we may become aware.

The opinions set forth above are expressly limited to the matters stated. No opinion is implied or may be inferred beyond what is explicitly stated in this letter. This letter is rendered solely for your benefit in connection with the transactions contemplated by the Underwriting Agreement and may not be relied upon by any other person or entity. Copies of this letter may not be circulated or furnished to any other person or entity and this letter may not be referred to in any report or document furnished to any other person or entity, without our prior written consent.

Very truly yours,

Exhibit A

Company Contracts Listed as Exhibits to the Company's Form 10-K for the Year Ended December 31, 2019:

- 10.4 Form of Release Agreement dated as of March 31, 1987 among BAC, the Company, Schwab Holdings, Inc., Charles Schwab & Co., Inc. and former shareholders of Schwab Holdings, Inc., filed as Exhibit 10.4 to the Company's Registration Statement No. 33-16192 on Form S-1.
- 10.72 Restatement of Assignment and License, as amended January 25, 1988, among Charles Schwab & Co., Inc., Charles R. Schwab and the Company, filed as Exhibit 10.72 to the Company's Form 10-K for the year ended December 31, 2014.
- 10.271 The Charles Schwab Corporation Directors' Deferred Compensation Plan, as amended through December 8, 2004, filed as Exhibit 10.271 to the Company's Form 10-K for the year ended December 31, 2014.
- 10.272 The Charles Schwab Corporation Deferred Compensation Plan, as amended through December 8, 2004, filed as Exhibit 10.272 to the Company's Form 10-K for the year ended December 31, 2014.
- 10.314 Employment Agreement dated as of March 13, 2008, between the Company and Charles R. Schwab.
- 10.338 The Charles Schwab Corporation 2004 Stock Incentive Plan, as approved at the Annual Meeting of Stockholders on May 17, 2011, filed as Exhibit 10.338 to the Company's Form 10-Q for the quarter ended June 30, 2016.
- 10.349 The Charles Schwab Severance Pay Plan, as Amended and Restated Effective May 1, 2012, filed as Exhibit 10.349 to the Company's Form 10-Q for the quarter ended June 30, 2017.
- 10.362 The Charles Schwab Corporation Directors' Deferred Compensation Plan II, as amended and restated as of April 24, 2013.
- 10.381 Form of Notice and Retainer Stock Option Agreement for Non-Employee Directors under The Charles Schwab Corporation 2013 Stock Incentive Plan and successor plans, filed as Exhibit 10.381 to the Company's Form 10-Q for the quarter ended September 30, 2017.
- 10.382 Form of Notice and Retainer Restricted Stock Unit Agreement for Non-Employee Directors under The Charles Schwab Corporation 2013 Stock Incentive Plan and successor plans, filed as Exhibit 10.382 to the Company's Form 10-Q for the quarter ended September 30, 2017.

- 10.383 Form of Notice and Stock Option Agreement for Non-Employee Directors under The Charles Schwab Corporation Directors' Deferred Compensation Plan II and successor plans, filed as Exhibit 10.383 to the Company's Form 10-Q for the quarter ended September 30, 2017.
- 10.384 Form of Notice and Restricted Stock Unit Agreement for Non-Employee Directors under The Charles Schwab Corporation Directors' Deferred Compensation Plan II and successor plans, filed as Exhibit 10.384 to the Company's Form 10-Q for the quarter ended September 30, 2017.
- 10.385 The Charles Schwab Corporation Deferred Compensation Plan II, as amended and restated as of December 13, 2017, filed as Exhibit 10.385 to the Company's Form 10-K for the year ended December 31, 2017.
- 10.386 Form of Notice and Performance-Based Restricted Stock Unit Agreement under The Charles Schwab Corporation 2013 Stock Incentive Plan and successor plans, filed as Exhibit 10.386 to the Company's Form 10-K for the year ended December 31, 2017.
- 10.389 The Charles Schwab Corporation Corporate Executive Bonus Plan, restated to include amendments approved at the Annual Meeting of Stockholders on May 13, 2015, as amended and restated as of December 13, 2017, filed as Exhibit 10.389 to the Company's Form 10-K for the year ended December 31, 2017.
- 10.390 Summary of Non-Employee Director Compensation, filed as Exhibit 10.390 to the Company's Form 10-K for the year ended December 31, 2017.
- 10.391 2013 Stock Incentive Plan, as amended and restated, filed as Exhibit 10.391 to the Company's Form 8-K dated May 15, 2018.
- 10.402 Form of Notice and Nonqualified Stock Option Agreement under The Charles Schwab Corporation 2013 Stock Incentive Plan and successor plans, filed as Exhibit 10.402 to the Company's Form 10-Q for the quarter ended September 30, 2019 (supersedes Exhibit 10.393).
- 10.403 Form of Notice and Restricted Stock Unit Agreement under The Charles Schwab Corporation 2013 Stock Incentive Plan and successor plans, filed as Exhibit 10.403 to the Company's Form 10-Q for the quarter ended September 30, 2019 (supersedes Exhibit 10.394).
- 10.404 Form of Notice and Restricted Stock Unit Agreement (no accelerating vesting for retirement) under The Charles Schwab Corporation 2013 Stock Incentive Plan and successor plans (supersedes Exhibit 10.396), filed as Exhibit 10.404 to the Company's 10-Q for the quarter ended September 30, 2019.

- 10.405 Stockholder Agreement, dated as of November 24, 2019, by and between the Company and the Toronto-Dominion Bank filed as Exhibit 10.1 to the Company's Form 8-K dated November 24, 2019.
- 10.406 Registration Rights Agreement by and among the Company, Charles R. Schwab, The Toronto-Dominion Bank, and certain other stockholders filed as Exhibit 10.5 to the Company's Form 8-K dated November 24, 2019.
- 10.407 Amended and Restated Insured Deposit Account Agreement by and among TD Bank USA, National Association, TD Bank, National Association, and the Company filed as Exhibit 10.6 to the Company's Form 8-K dated November 24, 2019.
- 10.408 Form of Notice Performance-Based Restricted Stock Unit Agreement under The Charles Schwab Corporation 2013 Stock Incentive Plan and successor plans (supersedes Exhibit 10.386).
- 10.409 Summary of Non-Employee Director Compensation (supersedes Exhibit 10.390).
- 10.410 2013 Stock Incentive Plan, as amended and restated, filed as Exhibit 10.410 to the Company's Form 8-K dated May 12, 2020 (supersedes Exhibit 10.391).
- 10.411 Credit Agreement (364 – Day Commitment) dated as of May 29, 2020, between the Company and financial institutions therein, filed as exhibit 10.411 to the Company's Form 10-Q for the quarter ended June 30, 2020 (supersedes Exhibit 10.395).
- 10.412 Form of Notice and Retainer Stock Option Agreement for Non-Employee Directors under The Charles Schwab Corporation 2013 Stock Incentive Plan and successor plans, filed as exhibit 10.412 to the Company's Form 10-Q for the quarter ended September 30, 2020 (supersedes Exhibit 10.397).
- 10.413 Form of Notice and Retainer Restricted Stock Unit Agreement for Non-Employee Directors under The Charles Schwab Corporation 2013 Stock Incentive Plan and successor plans, filed as exhibit 10.413 to the Company's Form 10-Q for the quarter ended September 30, 2020 (supersedes Exhibit 10.398).
- 10.414 Form of Notice and Stock Option Agreement for Non-Employee Directors under The Charles Schwab Corporation Directors' Deferred Compensation Plan II and successor plans, filed as exhibit 10.414 to the Company's Form 10-Q for the quarter ended September 30, 2020 (supersedes Exhibit 10.399).
- 10.415 Form of Notice and Restricted Stock Unit Agreement for Non-Employee Directors under The Charles Schwab Corporation Directors' Deferred Compensation Plan II and successor plans, filed as exhibit 10.412 to the Company's Form 10-Q for the quarter ended September 30, 2020 (supersedes Exhibit 10.401).

- 10.416 Credit Agreement, dated April 21, 2017, among TD Ameritrade Holding Corporation, the lenders party thereto, U.S. Bank National Association, as syndication agent, Barclays Bank PLC, TD Securities (USA) LLC and Wells Fargo Securities, LLC, as co-documentation agents and JPMorgan Chase Bank, N.A., as administrative agent, filed as Exhibit 10.1 to TD Ameritrade Holding Corporation's Form 8-K dated April 21, 2017.
- 10.417 First Amendment, dated as of August 3, 2020, to Credit Agreement dated April 21, 2017, among TD Ameritrade Holding Corporation, the lenders party thereto and JP Morgan Chase Bank, N.A., as administrative agent, filed as Exhibit 10.1 to TD Ameritrade Holding Corporation's Form 8-K dated August 3, 2020.
- 10.418 Credit Agreement, dated April 21, 2017, among TD Ameritrade Clearing, Inc., the lenders party thereto, U.S. Bank National Association, as syndication agent, Barclays Bank PLC, TD Securities (USA) LLC and Wells Fargo Securities, LLC, as co-documentation agents and JPMorgan Chase Bank, N.A., as administrative agent, filed as Exhibit 10.2 to TD Ameritrade Holding Corporation's Form 8-K dated April 21, 2017.
- 10.419 First Amendment, dated May 17, 2018, to Credit Agreement, dated April 21, 2017, among TD Ameritrade Clearing, Inc., the lenders party thereto, U.S. Bank National Association, as syndication agent, Barclays Bank PLC, TD Securities (USA) LLC, Wells Fargo Securities, LLC, and Industrial and Commercial Bank of China Ltd., New York Branch, as co-documentation agents and JPMorgan Chase Bank, N.A., as administrative agent, filed as Exhibit 10.2 to TD Ameritrade Holding Corporation's Form 8-K dated May 17, 2018.
- 10.420 Second Amendment, dated as of August 3, 2020, to Credit Agreement dated April 21, 2017, among TD Ameritrade Clearing, Inc., the lenders party thereto and JP Morgan Chase Bank, N.A., as administrative agent, filed as Exhibit 10.2 to TD Ameritrade Holding Corporation's Form 8-K dated August 3, 2020.
- 10.421 Credit Agreement, dated May 16, 2019, among TD Ameritrade Clearing, Inc., the lenders parties thereto, Wells Fargo Securities, LLC, Barclays Bank PLC, Citibank, N.A., JPMorgan Chase Bank, N.A., U.S. Bank National Association, TD Securities (USA) LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated and Morgan Stanley Senior Funding, Inc., as joint bookrunners and joint lead arrangers, and Wells Fargo Bank, National Association, as administrative agent, filed as Exhibit 10.1 to TD Ameritrade Holding Corporation's Form 8-K dated May 15, 2019.
- 10.422 First Amendment, dated as of April 21, 2020, to Credit Agreement dated May 16, 2019, among TD Ameritrade Clearing, Inc., the lenders party thereto and Wells Fargo Bank, National Association, as administrative agent, filed as Exhibit 10.1 to TD Ameritrade Holding Corporation's Form 8-K dated April 21, 2020.

Other Company Contracts:

Senior Indenture dated as of June 5, 2009 by and between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee.

Second Supplemental Indenture dated as of July 22, 2010 by and between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee.

Exchange and Registration Rights Agreement, dated August 27, 2012, by and among the Company and Citigroup Global Markets Inc., Goldman, Sachs & Co. and Wells Fargo Securities, LLC.

Third Supplemental Indenture dated as of August 27, 2012 by and between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee.

Sixth Supplemental Indenture dated as of March 10, 2015 by and between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee.

Deposit Agreement, dated August 3, 2015, between the Company and Wells Fargo Bank, N.A., as Depository (including the form of Depository Share Receipt attached as Exhibit A thereto).

Seventh Supplemental Indenture dated as of November 13, 2015 by and between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee.

Deposit Agreement, dated March 7, 2016, between the Company and Wells Fargo Bank, N.A., as Depository (including the form of Depository Share Receipt attached as Exhibit A thereto).

Deposit Agreement, dated October 31, 2016, between the Company and Wells Fargo Bank, N.A., as Depository (including the form of Depository Share Receipt attached as Exhibit A thereto).

Eighth Supplemental Indenture dated as of March 2, 2017 by and between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee.

Deposit Agreement, dated October 31, 2017, between the Company and Wells Fargo Bank, N.A., as Depository (including the form of Depository Share Receipt attached as Exhibit A thereto).

Ninth Supplemental Indenture dated as of November 30, 2017 by and between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee.

Tenth Supplemental Indenture dated as of December 7, 2017 by and between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee.

Eleventh Supplemental Indenture dated as of May 22, 2018 by and between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee.

Twelfth Supplemental Indenture dated as of October 31, 2018 by and between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee.

Thirteenth Supplemental Indenture dated as of May 22, 2019 by and between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee.

Fourteenth Supplemental Indenture dated as of March 24, 2020 by and between the Company and the Bank of New York Mellon Trust Company, N.A., as Trustee.

Deposit Agreement, dated as of April 30, 2020 by and between Equiniti Trust Company, as Depositary (including the form of Depositary Share Receipt attached as Exhibit A thereto).

Indenture dated as of October 22, 2014 by and between TD Ameritrade Holding Corporation and U.S. Bank National Association as Trustee.

Supplemental Indenture dated as of October 22, 2014 between TD Ameritrade Holding Corporation and U.S. Bank National Association as Trustee.

Second Supplemental Indenture dated as of March 9, 2015 between TD Ameritrade Holding Corporation and U.S. Bank National Association as Trustee.

Third Supplemental Indenture dated as of April 27, 2017 between TD Ameritrade Holding Corporation and U.S. Bank National Association as Trustee.

Fourth Supplemental Indenture dated as of November 1, 2018 between TD Ameritrade Holding Corporation and U.S. Bank National Association as Trustee.

Fifth Supplemental Indenture dated as of August 16, 2019 between TD Ameritrade Holding Corporation and U.S. Bank National Association as Trustee.

[], 2020

BofA Securities, Inc.
Citigroup Global Markets Inc.
Credit Suisse Securities (USA) LLC
Goldman Sachs & Co. LLC
J.P. Morgan Securities LLC
as Representatives of the several
Underwriters named in Schedule A
of the Underwriting Agreement

c/o BofA Securities, Inc.
One Bryant Park, 8th Floor
New York, New York 10036

c/o Citigroup Global Markets Inc.
388 Greenwich Street
New York, New York 10013

c/o Credit Suisse Securities (USA) LLC
Eleven Madison Avenue
New York, New York 10010

c/o Goldman Sachs & Co. LLC
200 West Street
New York, New York 10282

c/o J.P. Morgan Securities LLC
383 Madison Avenue
New York, New York 10179

Re: **Underwritten Public Offering of \$[] of []% Senior Notes due [] and \$[] of []% Senior Notes due [] of The Charles Schwab Corporation**

Ladies and Gentlemen:

We have acted as special legal counsel to The Charles Schwab Corporation, a Delaware corporation (the “*Company*”), with respect to certain matters in connection with the sale today to the Underwriters of \$[] principal amount of []% Senior Notes due [] and \$[] principal amount of []% Senior Notes due [] (collectively, the “*Securities*”) issued by the Company, pursuant to that certain Underwriting Agreement dated [] by and among the Company and the several Underwriters named in Schedule A thereto (the “*Underwriting*”).

Agreement”). Except as otherwise specified, all capitalized terms used herein have the same meanings given to them in the Underwriting Agreement. This letter is furnished pursuant to Section 6(a) of the Underwriting Agreement.

In connection with the preparation of the Registration Statement (including, for the avoidance of doubt, the Pre-Pricing Prospectus and the Prospectus), we have participated in conferences with officers and other representatives of the Company, including representatives of the independent public accountants of the Company, and representatives of the Underwriters, including their counsel, at which conferences the contents of the Registration Statement were discussed (except that the Underwriters and their counsel did not participate in any such conferences at the time of the preparation and filing of the registration statement on Form S-3 (File No. 333-251156) filed by the Company with the Commission on December 4, 2020). Although we have not independently verified, are not passing upon and do not assume responsibility for the accuracy, completeness or fairness of the statements contained in the Registration Statement (including, for the avoidance of doubt, the Pre-Pricing Prospectus and the Prospectus) or any amendments or supplements thereto (except to the extent set forth in paragraphs 8 and 12 of our opinion letter to you of even date herewith), on the basis of the foregoing, nothing has come to our attention that causes us to believe that (i) as of the Effective Time, the Registration Statement contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) as of the Applicable Time, the Disclosure Package contained an untrue statement of a material fact or omitted to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, or (iii) as of its date or as of the date hereof, the Prospectus contained or contains an untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, provided, however, that we express no view as to (a) any financial statements, schedules and notes and other financial and statistical information derived therefrom and included in any of the foregoing, (b) any Statement of Eligibility (Form T-1) under the Trust Indenture Act, or (c) the representations and warranties contained in any exhibit to (i) the Registration Statement, or (ii) any document incorporated by reference into the Disclosure Package or the Prospectus Supplement.

Notwithstanding anything in this letter to the contrary, the statement set forth above is made only as of the date hereof. We disclaim any obligation to update this letter and express no view as to the effect of events occurring or circumstances arising after the date hereof on the matters addressed in this letter, and we assume no responsibility to inform you of additional or changed facts of which we may become aware.

The statement set forth above is expressly limited to the matters stated. No view is implied or may be inferred beyond what is explicitly stated in this letter. This letter is furnished solely for your benefit in connection with the transactions contemplated by the Underwriting Agreement and may not be relied upon by any other person or entity. Copies of this letter may not be circulated or furnished to any other person or entity and this letter may not be referred to in any report or document furnished to any other person or entity, without our prior written consent.

Very truly yours,

EXHIBIT B

FORM OF OPINION OF
OFFICE OF CORPORATE COUNSEL OF THE COMPANY

[See attached]



CORPORATION

[], 2020

BofA Securities, Inc.
Citigroup Global Markets Inc.
Credit Suisse Securities (USA) LLC
Goldman Sachs & Co. LLC
J.P. Morgan Securities LLC
as Representatives of the several
Underwriters named in Schedule A
of the Underwriting Agreement

c/o BofA Securities Inc.
One Bryant Park, 8th Floor
New York, New York 10036

c/o Citigroup Global Markets Inc.
388 Greenwich Street
New York, New York 10013

c/o Credit Suisse Securities (USA) LLC
Eleven Madison Avenue
New York, New York 10010

c/o Goldman Sachs & Co. LLC
200 West Street
New York, New York 10282

c/o J.P. Morgan Securities LLC
383 Madison Avenue
New York, New York 10179

Re: Underwritten Public Offering of \$[] of []% Senior Notes due [] and \$[] of []% Senior Notes due [] of The Charles Schwab Corporation

Ladies and Gentlemen:

I am Vice President and Associate General Counsel of The Charles Schwab Corporation, a Delaware corporation (the "Company").

This opinion is rendered to you at the request of the Company pursuant to Section 6(b) of the Underwriting Agreement dated [], 2020 (the "Agreement"), by and among you and the Company regarding the purchase by you of \$[] principal amount of []% Senior Notes due [] and \$[] principal amount of []% Senior Notes due [] of The Charles Schwab Corporation. Capitalized terms used, but not defined herein, have the same meanings given them in the Agreement.

I have examined the Company's Registration Statement on Form S-3 (File No. 333-251156) (the "Registration Statement"), the Prospectus Supplement, the Disclosure Package, the Company's annual report on Form 10-K for the fiscal year ended December 31, 2019, the Company's quarterly reports on Form 10-Q for the quarters ended March 31, 2020, June 30, 2020 and September 30, 2020, the Company's current reports on Form 8-K filed on March 20, 2020, March 25, 2020, April 30, 2020, May 15, 2020, May 15, 2020, May 26, 2020, May 27, 2020, June 4, 2020, June 5, 2020, July 27, 2020, October 1, 2020, and October 6, 2020 and on Form 8-K/A filed on December 4, 2020.

In addition, I have examined the certificates of incorporation and bylaws of the Company, Charles Schwab & Co., Inc. ("Schwab"), Schwab Holdings, Inc. ("Schwab Holdings"), Charles Schwab Investment Management, Inc. ("CSIM"), and Charles Schwab Bank, SSB ("Schwab Bank"), and such corporate records, certificates and other documents (of which I am aware) and such questions of law as I have considered necessary or appropriate for the purposes of rendering the opinions that follow.

In giving the opinions that follow I have relied as to matters of fact without investigation, to the extent I deemed proper, upon certificates from officers of the Company and certain of its affiliates, and certificates, facsimiles, and other documents from, and oral conversations with, public officials. I have assumed without investigation the authenticity of each document submitted to me as an original, the conformity to the originals of each document submitted to me as a copy, the authenticity of the originals of such latter documents, the genuineness of all signatures, and the legal capacity of all natural persons.

Based on and subject to the foregoing, it is my opinion that:

1. Schwab Bank is a state savings bank under the supervision of the Texas Department of Savings and Mortgage Lending.
2. Each of Schwab, Schwab Holdings, Schwab Bank and CSIM is duly qualified to transact business and is in good standing in each jurisdiction in which the conduct of its business or its ownership or leasing of property requires such qualifications, except to the extent that the failure to be so qualified or be in good standing would not have a material adverse effect on the Company and its subsidiaries, taken as a whole.
3. To my knowledge after due inquiry, there are no legal or governmental proceedings pending or threatened to which the Company or any of its subsidiaries is a party or to which any of the properties of the Company or any of its subsidiaries is subject that are required to be described in the Registration Statement, the Pre-Pricing Prospectus or the Prospectus, and are not so described.

This opinion is dated as of [], 2020 (“Opinion Date”). The opinions expressed herein are given as of the Opinion Date only, and are not given as of any later date. I have not undertaken any factual or legal investigation beyond the Opinion Date, and I disclaim any obligation to notify you or any other person after the Opinion Date if any change in fact and/or law should change my opinion with respect to any matters set forth herein.

I am a member of the bar of the State of California. I express no opinion as to any laws of any other jurisdiction other than the federal laws of the United States to the extent applicable to the scope of the opinions expressed above. Further, I express no opinion regarding choice of law or conflicts of laws.

This opinion is rendered to you as Underwriters under the Agreement and may not be relied upon for any other purpose or by any other person without my express written consent.

Very truly yours,

R. Scott McMillen
Vice President and Associate General Counsel

EXHIBIT C

THE CHARLES SCHWAB CORPORATION

OFFICER'S CERTIFICATE

December 11, 2020

I, Peter Crawford, Executive Vice President and Chief Financial Officer of The Charles Schwab Corporation, a Delaware corporation (the "Company"), on behalf of the Company, do hereby certify pursuant to Section 6(h) of that certain Underwriting Agreement dated December 8, 2020 (the "Underwriting Agreement") among the Company and, on behalf of the several Underwriters named therein, BofA Securities, Inc., Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC, that as of the date hereof:

1. The representations and warranties of the Company as set forth in the Underwriting Agreement are true and correct as of the date hereof and as if made on the date hereof.

2. The Company has performed all of its obligations under the Underwriting Agreement as are to be performed at or before the date hereof.

3. Subsequent to the date of the most recent financial statements contained, or incorporated by reference, in the Registration Statement, the Disclosure Package and the Prospectus (exclusive of any supplement thereto), there has not occurred any material adverse change to the condition (financial or other), business, properties or results of operations of the Company and its subsidiaries, taken as a whole.

Capitalized terms used herein without definition shall have the respective meanings ascribed to them in the Underwriting Agreement.

IN WITNESS WHEREOF, I have hereunto signed this certificate as of the date first written above.

Name: Peter Crawford
Title: Executive Vice President and Chief Financial
Officer

CERTIFICATE OF DESIGNATIONS

OF

**4.000% FIXED-RATE RESET NON-CUMULATIVE PERPETUAL
PREFERRED STOCK, SERIES H**

OF

THE CHARLES SCHWAB CORPORATION

Pursuant to Section 151 of the
General Corporation Law of the State of Delaware

THE CHARLES SCHWAB CORPORATION, a Delaware corporation (the “Corporation”), HEREBY CERTIFIES that the following resolution was duly adopted by a duly authorized committee (the “Shelf Securities Pricing Committee”) of the board of directors of the Corporation (the “Board of Directors”) in accordance with Section 151(g) of the General Corporation Law of the State of Delaware pursuant to the authority conferred upon the Board of Directors by the provisions of the Fifth Restated Certificate of Incorporation of the Corporation, as amended (as such may be further amended, modified or restated from time to time, the “Certificate of Incorporation”), and pursuant to the authority conferred upon the Shelf Securities Pricing Committee by the duly adopted resolutions of the Board of Directors and the bylaws of the Corporation (as such may be amended, modified or restated from time to time, the “Bylaws”):

RESOLVED, that pursuant to Article Fourth of the Certificate of Incorporation (which authorizes 9,940,000 shares of preferred stock, par value \$0.01 per share (the “Preferred Stock”)), the Shelf Securities Pricing Committee hereby fixes the voting rights, powers, preferences and privileges, and the relative, participating, optional or other rights, and the qualifications, limitations or restrictions thereof, of the series of Preferred Stock provided for below.

RESOLVED, that each share of such series of Preferred Stock shall rank equally in all respects and shall be subject to the following provisions:

1. Designation and Number. The series of Preferred Stock shall be designated as the “4.000% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series H” (the “Series H Preferred Stock”) and the number of shares so designated shall be 25,000. Such number may from time to time be increased (but not in excess of the total number of authorized shares of Preferred Stock) or decreased (but not below the number of shares of Series H Preferred Stock then outstanding) by the Board of Directors. Shares of Series H Preferred Stock that are redeemed, purchased or otherwise acquired by the Corporation shall be cancelled and shall revert to authorized but unissued shares of Preferred Stock undesignated as to series. The

Corporation may in the future from time to time, without notice to or consent of the holders of the Series H Preferred Stock, issue additional shares of the Series H Preferred Stock; *provided*, that any such additional shares are not treated as “disqualified preferred stock” within the meaning of Section 1059(f)(2) of the Internal Revenue Code and such additional shares are otherwise treated as fungible with the Series H Preferred Stock for U.S. federal income tax purposes. In the event that the Corporation issues additional Series H Preferred Stock after the original issue date, dividends on such additional shares may accrue from the original issue date or any other date the Corporation specifies at the time such additional shares are issued. Each share of Series H Preferred Stock shall have a liquidation preference of \$100,000 per share (the “Liquidation Preference”).

2. Definitions.

As used herein with respect to the Series H Preferred Stock, the following terms shall have the following meaning:

“*Authorized Committee*” shall have the meaning set forth in Section 3(a).

“*Board of Directors*” shall have the meaning set forth in the preamble.

“*Business Day*” means any day other than (i) a Saturday or Sunday or (ii) a day on which banking institutions in San Francisco, California or New York, New York are authorized or obligated by law or executive order to close.

“*Bylaws*” shall have the meaning set forth in the preamble.

“*Calculation Agent*” shall mean the calculation agent for the Series H Preferred Stock appointed by the Corporation prior to the First Reset Date, and its successors and assigns or any other calculation agent appointed by the Corporation. The Corporation may at its sole discretion appoint itself or an affiliate as calculation agent.

“*Certificate of Incorporation*” shall have the meaning set forth in the preamble.

“*Corporation*” shall have the meaning set forth in the preamble.

“*Dividend Payment Date*” means the 1st day of March, June, September and December of each year, commencing on March 1, 2021.

“*Dividend Period*” means the period from, and including, a Dividend Payment Date to, but excluding, the next Dividend Payment Date, except that the initial Dividend Period shall commence on, and include, the original issue date of the Series H Preferred Stock.

“*DTC*” means The Depository Trust Company.

“*Federal Reserve*” means the Board of Governors of the Federal Reserve System.

“*First Reset Date*” means December 1, 2030.

“*Junior Stock*” means the Corporation’s common stock, nonvoting common stock and any other class or series of stock of the Corporation hereafter authorized over which the Series H Preferred Stock has preference or priority in the payment of dividends or in the distribution of assets on any liquidation, dissolution or winding up of the Corporation.

“*Liquidation Distribution*” shall have the meaning set forth in Section 4(a).

“*Liquidation Preference*” shall have the meaning set forth in Section 1.

“*Parity Stock*” means any other class or series of stock of the Corporation that ranks on parity with the Series H Preferred Stock in the payment of dividends and in the distribution of assets on any liquidation, dissolution or winding up of the Corporation.

“*Redemption Price*” shall have the meaning set forth in Section 6(b).

“*Registrar*” shall mean Equiniti Trust Company, acting in its capacity as registrar for the Series H Preferred Stock, and its successors and assigns or any other registrar appointed by the Corporation.

“*Regulatory Capital Treatment Event*” means the good faith determination by the Corporation that, as a result of:

- (i) any amendment to, or change in, the laws or regulations of the United States or any political subdivision of or in the United States that is enacted or becomes effective after the initial issuance of any share of Series H Preferred Stock;
- (ii) any proposed change in those laws or regulations that is announced after the initial issuance of any share of Series H Preferred Stock; or
- (iii) any official administrative decision or judicial decision or administrative action or other official pronouncement interpreting or applying those laws or regulations that is announced after the initial issuance of any share of Series H Preferred Stock,

there is more than an insubstantial risk that the Corporation will not be entitled to treat the full Liquidation Preference of the shares of Series H Preferred Stock then outstanding as “additional Tier 1 Capital” (or its equivalent) for purposes of the capital adequacy guidelines or regulations of the Federal Reserve (or any successor bank regulatory authority that may become the Corporation’s applicable federal banking agency), as then in effect and applicable, for as long as any share of Series H Preferred Stock is outstanding.

“*Reset Date*” means December 1, 2030 and each date falling on the tenth anniversary of the preceding Reset Date, which in each case, will not be adjusted for Business Days.

“*Reset Dividend Determination Date*” means, in respect of any Reset Period, the day falling three Business Days prior to the beginning of such Reset Period, subject to any adjustments made by the Calculation Agent as provided for herein.

“*Reset Period*” means the period from, and including, December 1, 2030 to, but excluding, the next following Reset Date and thereafter each period from, and including, each Reset Date to, but excluding, the next following Reset Date.

“*Shelf Securities Pricing Committee*” shall have the meaning set forth in the preamble.

“*Senior Stock*” means any other class or series of stock of the Corporation ranking senior to the Series H Preferred Stock with respect to payment of dividends or the distribution of assets upon liquidation, dissolution or winding up of the Corporation.

“*Series H Preferred Stock*” shall have the meaning set forth in Section 1.

“*Ten-Year Treasury Rate*” means:

(i) The average of the yields on actively traded U.S. treasury securities adjusted to constant maturity, for ten-year maturities, for the five Business Days appearing under the caption “Treasury Constant Maturities” in the most recently published statistical release designated H.15 Daily Update or any successor publication which is published by the Federal Reserve as of 5:00 p.m. (Eastern Time) as of any date of determination, as determined by the Calculation Agent in its sole discretion; and

(ii) If no calculation is provided as described above, then the Calculation Agent, after consulting such sources as it deems comparable to any of the foregoing calculations, or any such source as it deems reasonable from which to estimate the ten-year treasury rate, shall determine the ten-year treasury rate in its sole discretion, *provided* that if the Calculation Agent determines there is an industry accepted successor ten-year treasury rate, then the Calculation Agent shall use such successor rate. If the Calculation Agent has determined a substitute or successor base rate in accordance with the foregoing, the Calculation Agent in its sole discretion may determine the Business Day convention, the definition of Business Day and the Reset Dividend Determination Dates to be used and any other relevant methodology for calculating such substitute or successor base rate, including any adjustment factor needed to make such substitute or successor base rate comparable to the Ten-Year Treasury Rate, in a manner that is consistent with industry-accepted practices for such substitute or successor base rate.

The Ten-Year Treasury Rate will be determined by the Calculation Agent on the Reset Dividend Determination Date. If the Ten-Year Treasury Rate for any Dividend Period cannot be determined pursuant to the methods described in (i) and (ii) above, the dividend rate for such Dividend Period will be the same as the dividend rate determined for the immediately preceding Dividend Period.

“*Voting Parity Securities*” shall have the meaning set forth in Section 5(b).

3. Dividends.

(a) Holders of Series H Preferred Stock shall be entitled to receive, when, as, and if declared by the Board of Directors or a duly authorized committee of the Board of Directors (an

“Authorized Committee”), out of assets legally available for the payment of dividends under Delaware law, non-cumulative cash dividends based on the Liquidation Preference of the Series H Preferred Stock at a rate equal to:

(i) From the date of original issue to, but excluding, the First Reset Date, a fixed rate per annum of 4.000%; and

(ii) From, and including, the First Reset Date, during each Reset Period, a rate per annum equal to the Ten-Year Treasury Rate as of the most recent Reset Dividend Determination Date plus 3.079%.

(b) If declared by the Board of Directors or an Authorized Committee, dividends shall be payable, in arrears, on the Series H Preferred Stock on a Dividend Payment Date. If any date on which dividends would otherwise be payable is not a Business Day, then the Dividend Payment Date shall be the next Business Day without any adjustment to the amount of dividends paid.

(c) Dividends shall be payable to holders of record of Series H Preferred Stock as they appear on the Corporation’s stock register at 5:00 p.m., New York City time, on the applicable record date, which shall be the 15th calendar day before the applicable Dividend Payment Date, or such other record date, not exceeding 30 days before the applicable Dividend Payment Date, as shall be fixed by the Board of Directors or an Authorized Committee.

(d) Dividends payable on the Series H Preferred Stock for any Dividend Period shall be computed on the basis of a 360-day year consisting of twelve 30-day months. Dollar amounts resulting from that calculation shall be rounded to the nearest cent, with one-half cent being rounded upwards. Dividends on the Series H Preferred Stock shall cease to accrue on the redemption date, if any, as described in Section 6, unless the Corporation defaults in the payment of the Redemption Price of the shares of the Series H Preferred Stock called for redemption.

(e) Dividends on the Series H Preferred Stock shall not be cumulative. If the Board of Directors or an Authorized Committee does not declare a dividend on the Series H Preferred Stock in respect of a Dividend Period, then no dividend shall be deemed to have accrued for such Dividend Period, be payable on the applicable Dividend Payment Date, or be cumulative, and the Corporation shall have no obligation to pay any dividend for that Dividend Period, whether or not the Board of Directors or an Authorized Committee declares a dividend on the Series H Preferred Stock for any future Dividend Period.

(f) During each Dividend Period while the Series H Preferred Stock is outstanding, unless the full dividends for the immediately preceding Dividend Period on all outstanding shares of Series H Preferred Stock have been declared and paid or declared and a sum sufficient for the payment thereof has been set aside:

(i) no dividend shall be declared or paid or set aside for payment and no distribution shall be declared or made or set aside for payment on any Junior Stock, other than (1) a dividend payable solely in such Junior Stock or (2) any dividend in connection with the implementation of a stockholders’ rights plan, or the redemption or repurchase of any rights under any such plan; and

(ii) no shares of Junior Stock shall be repurchased, redeemed or otherwise acquired for consideration by the Corporation, directly or indirectly (nor shall any monies be paid to or made available for a sinking fund for the redemption of any such securities by the Corporation) other than:

- (1) as a result of a reclassification of Junior Stock for or into other Junior Stock;
- (2) the exchange or conversion of one share of Junior Stock for or into another share of Junior Stock;
- (3) through the use of the proceeds of a substantially contemporaneous sale of other shares of Junior Stock;
- (4) purchases, redemptions or other acquisitions of shares of Junior Stock in connection with any employment contract, benefit plan or other similar arrangement with or for the benefit of employees, officers, directors or consultants;
- (5) purchases of shares of Junior Stock pursuant to a contractually binding requirement to buy Junior Stock existing prior to the preceding Dividend Period, including under a contractually binding stock repurchase plan; or
- (6) the purchase of fractional interests in shares of Junior Stock pursuant to the conversion or exchange provisions of such stock or the security being converted or exchanged.

(iii) no shares of Parity Stock shall be repurchased, redeemed or otherwise acquired for consideration by the Corporation otherwise than pursuant to *pro rata* offers to purchase all, or a *pro rata* portion, of the Series H Preferred Stock and such Parity Stock, unless such Parity Stock is repurchased, redeemed or acquired for consideration by the Corporation in connection with any of the following:

- (1) as a result of a reclassification of Parity Stock for or into other Parity Stock or Junior Stock;
- (2) the exchange or conversion of one share of Parity Stock for or into another share of Parity Stock or Junior Stock; or
- (3) through the use of the proceeds of a substantially contemporaneous sale of other shares of Parity Stock or Junior Stock.

(g) When dividends are not paid in full upon the shares of Series H Preferred Stock and any Parity Stock, all dividends declared upon shares of Series H Preferred Stock and any such Parity Stock shall be declared on a proportional basis so that the amount of dividends declared per share shall bear to each other the same ratio that accrued dividends for the then-current Dividend Period per share on Series H Preferred Stock, and accrued dividends, including any accumulations, on any such Parity Stock, bear to each other.

(h) Dividends on the Series H Preferred Stock will be subject to the Corporation's receipt of required prior approval by the Federal Reserve (or any successor bank regulatory authority that may become the Corporation's applicable federal banking agency), if any, and to the satisfaction of conditions set forth in the capital adequacy guidelines or regulations of the Federal Reserve (or any successor bank regulatory authority that may become the Corporation's applicable federal banking agency) applicable to dividends on the Series H Preferred Stock, if any.

(i) Subject to the foregoing restrictions, dividends (payable in cash, stock or otherwise), as may be determined by the Board of Directors or an Authorized Committee, may be declared and paid on the Corporation's common stock, nonvoting common stock and any other stock ranking equally with or junior to the Series H Preferred Stock from time to time out of any assets legally available for such payment, and the holders of Series H Preferred Stock shall not be entitled to participate in any such dividend.

4. Liquidation Rights.

(a) In the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, the holders of Series H Preferred Stock shall be entitled to receive a liquidation distribution of \$100,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends (the "Liquidation Distribution"), before the Corporation makes any distribution of assets to the holders of the Corporation's common stock, nonvoting common stock or any other class or series of stock ranking junior to the Series H Preferred Stock as to such distribution. The holders of Series H Preferred Stock shall not be entitled to any other amounts from the Corporation after they have received their Liquidation Distribution in full.

(b) In any such distribution, if the assets of the Corporation are not sufficient to pay the Liquidation Distribution in full to all holders of Series H Preferred Stock and all holders of any class or series of stock ranking on parity with the Series H Preferred Stock as to such distribution, the amounts paid to the holders of Series H Preferred Stock and all holders of such parity stock shall be paid *pro rata* in accordance with the respective aggregate Liquidation Distribution owed to those holders. If the Liquidation Distribution has been paid in full to all holders of Series H Preferred Stock and such parity stock, the holders of any other class or series of stock ranking junior to the Series H Preferred Stock as to such distribution shall be entitled to receive all remaining assets of the Corporation according to their respective rights and preferences.

For purposes of this Section 4, the sale, conveyance, exchange or transfer (for cash, shares of stock, securities or other consideration) of all or substantially all of the property and assets of the Corporation shall not be deemed a voluntary or involuntary dissolution, liquidation or winding up of the affairs of the Corporation, nor shall the merger, consolidation or any other business combination of any other corporation or person into or with the Corporation be deemed to be a voluntary or involuntary dissolution, liquidation or winding up of the affairs of the Corporation.

5. Voting Rights.

(a) The holders of Series H Preferred Stock shall have no voting rights, except as provided herein or as required by law.

(b) Whenever dividends payable on the shares of Series H Preferred Stock have not been paid for six quarterly Dividend Periods, or their equivalent, whether or not consecutive, then the holders of Series H Preferred Stock shall have the right, with holders of any other equally ranked series of preferred stock that have similar voting rights and on which dividends likewise have not been paid (the "Voting Parity Securities"), voting together as a class, at a special meeting called at the request of the holders of at least 20% of the voting power of the Series H Preferred Stock and any Voting Parity Securities (unless such request for a special meeting is received less than 90 calendar days before the date fixed for the next annual or special meeting of the Corporation's stockholders, in which event such election shall be held only at such next annual or special meeting of the Corporation's stockholders) or at the Corporation's next annual or special meeting of the Corporation's stockholders, to elect two additional directors to the Board of Directors; provided, that the election of any such director does not cause the Corporation to violate the applicable corporate governance requirements of the exchange or trading market where the Corporation's common stock is then listed or quoted, as the case may be. At any meeting held for the purpose of electing such directors, the presence in person or by proxy of the holders of shares representing at least a majority of the voting power of the Series H Preferred Stock and any Voting Parity Securities, voting together as a class, shall be required to constitute a quorum of such shares. The affirmative vote of the holders of the Series H Preferred Stock and the holders of any Voting Parity Securities, voting together as a class, representing a majority of the voting power of such shares present at such meeting, in person or by proxy, shall be sufficient to elect any such director.

(c) Immediately prior to the election of any such directors, the number of directors that comprise the Board of Directors shall be increased by two. Such voting rights and the term of the additional directors so elected shall continue until:

- (i) continuous non-cumulative dividends for at least four consecutive quarterly dividend periods, or their equivalent; and
- (ii) cumulative dividends, if any, payable for all past dividend periods,

shall have been paid, or declared and set aside for payment, in full, on all outstanding shares of the Series H Preferred Stock or the Voting Parity Securities entitled thereto. At that point, the right to elect additional directors shall terminate and the terms of office of the two additional directors so elected shall terminate immediately, and the number of directors shall be reduced by two and such voting rights of the holders of the Series H Preferred Stock and any Voting Parity Securities shall cease, subject to any increase in the number of directors as described above due to the revesting of such voting rights in the event of each and every additional failure in the payment of dividends for six quarterly Dividend Periods or their equivalent, whether or not consecutive, as described above.

(d) Holders of Series H Preferred Stock, together with holders of any Voting Parity Securities, voting together as a class, may remove any director they elected. Any vacancy created by the removal of any such director may be filled only by the vote of the holders of the Series H Preferred Stock and any Voting Parity Securities, voting together as a class. If the office of either such director becomes vacant for any reason other than removal, the remaining director may choose a successor who will hold office for the unexpired term of the vacant office. In the event that both offices are vacant, the holders of Series H Preferred Stock and any Voting Parity Securities may, as set forth in Section 5(b), call a special meeting and elect such directors at such special meeting, or elect such directors at the Corporation's next annual or special meeting of the Corporation's stockholders.

(e) The number of votes that each share of Series H Preferred Stock and any stock ranking equally with the Series H Preferred Stock participating in the votes described above shall be in proportion to the Liquidation Preference of such share.

(f) So long as any shares of Series H Preferred Stock remain outstanding, the affirmative vote or consent of the holders of at least two-thirds of all outstanding shares of the Series H Preferred Stock voting separately as a class, shall be required to:

(i) amend, alter or repeal the provisions of the Certificate of Incorporation (including this Certificate of Designations), or the Bylaws, whether by merger, consolidation or otherwise, so as to adversely affect the powers, preferences, privileges or special rights of the Series H Preferred Stock; *provided*, that any of the following will not be deemed to adversely affect such powers, preferences, privileges or special rights:

(1) increases in the amount of the authorized common stock, nonvoting common stock, or, except as provided in Section 5(f)(ii), preferred stock;

(2) increases or decreases in the number of shares of any series of preferred stock ranking equally with or junior to the Series H Preferred Stock; or

(3) the authorization, creation and issuance of other classes or series of capital stock (or securities convertible or exchangeable into such capital stock) ranking equally with or junior to the Series H Preferred Stock.

(ii) amend or alter the Certificate of Incorporation to authorize or increase the authorized amount of or issue shares of any class or series of Senior Stock, or reclassify any of the Corporation's authorized capital stock into any such shares of Senior Stock or issue any obligation or security convertible into or evidencing the right to purchase any such shares of Senior Stock; or

(iii) consummate a binding share exchange, a reclassification involving the Series H Preferred Stock or a merger or consolidation of the Corporation with or into

another entity; *provided*, however, that the holders of Series H Preferred Stock shall have no right to vote under this provision or otherwise under Delaware law if in each case:

(1) the Series H Preferred Stock remains outstanding or, in the case of any such merger or consolidation with respect to which the Corporation is not the surviving or resulting entity, is converted into or exchanged for preferred securities of the surviving or resulting entity (or its ultimate parent) that is an entity organized and existing under the laws of the United States, any state thereof or the District of Columbia; and

(2) the Series H Preferred Stock remaining outstanding or the new preferred securities, as the case may be, have such powers, preferences and special rights as are not materially less favorable to the holders thereof than the powers, preferences and special rights of the Series H Preferred Stock.

The foregoing voting provisions shall not apply if, at or prior to the time when the act with respect to which such vote would otherwise be required shall be effected, all outstanding shares of the Series H Preferred Stock shall have been redeemed or called for redemption in accordance with Section 6 upon proper notice and sufficient funds shall have been set aside by the Corporation for the benefit of the holders of the Series H Preferred Stock to effect such redemption.

6. Redemption.

(a) *No Mandatory Redemption.* The Series H Preferred Stock is not subject to any mandatory redemption, sinking fund or other similar provisions. The holders of Series H Preferred Stock have no right to require the redemption or repurchase of the Series H Preferred Stock.

(b) *Optional Redemption.*

(i) The Corporation may redeem the Series H Preferred Stock at the Corporation's option, in whole or in part, from time to time, on any Dividend Payment Date on or after the First Reset Date, at a redemption price equal to \$100,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends (the "Redemption Price").

(ii) In the event the applicable Dividend Payment Date that is the redemption date is not a Business Day, the Redemption Price shall be paid on the next Business Day without any adjustment to the amount of the Redemption Price paid.

(c) *Redemption Following a Regulatory Capital Treatment Event.* The Corporation may redeem shares of the Series H Preferred Stock at any time within 90 days following a Regulatory Capital Treatment Event, in whole but not in part, at the Redemption Price.

(d) *Redemption Procedures.*

(i) If shares of the Series H Preferred Stock are to be redeemed, the notice of redemption shall be given by first class mail to the holders of record of the Series H Preferred Stock to be redeemed, mailed not less than 10 days nor more than 60 days prior to the date fixed for redemption thereof (provided that, if the holder of record is DTC,

notice may be given in any manner permitted by DTC). Each notice of redemption shall include a statement setting forth:

- (1) the redemption date;
- (2) the number of shares of the Series H Preferred Stock to be redeemed and, if less than all the shares held by the holder are to be redeemed, the number of shares of Series H Preferred Stock to be redeemed from the holder;
- (3) the Redemption Price;
- (4) the place or places where the certificates evidencing shares of Series H Preferred Stock are to be surrendered for payment of the Redemption Price; and
- (5) that dividends on the shares to be redeemed shall cease to accrue on the redemption date.

If notice of redemption of any shares of Series H Preferred Stock has been duly given and if the funds necessary for such redemption have been set aside by the Corporation for the benefit of the holders of any shares of Series H Preferred Stock so called for redemption, then, on and after the redemption date, dividends shall cease to accrue on such shares of Series H Preferred Stock, such shares of Series H Preferred Stock shall no longer be deemed outstanding and all rights of the holders of such shares shall terminate, except the right to receive the Redemption Price.

(e) *Partial Redemption.* In case of any redemption of only part of the shares of the Series H Preferred Stock at the time outstanding, the shares to be redeemed shall be selected either *pro rata* or by lot. Subject to the provisions hereof, the Board of Directors shall have full power and authority to prescribe the terms and conditions upon which shares of Series H Preferred Stock shall be redeemed from time to time.

(f) *Regulatory Approval.* Any redemption of the Series H Preferred Stock is subject to the Corporation's receipt of required prior approval by the Federal Reserve (or any successor bank regulatory authority that may become the Corporation's applicable federal banking agency), if any, and to the satisfaction of conditions set forth in the capital adequacy guidelines or regulations of the Federal Reserve (or any successor bank regulatory authority that may become the Corporation's applicable federal banking agency) applicable to redemption of the Series H Preferred Stock, if any.

7. Form of Certificate. Attached as Exhibit A is the form of certificate representing the Series H Preferred Stock.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Designations to be executed and acknowledged this 10th day of December, 2020.

THE CHARLES SCHWAB CORPORATION

By: /s/ Peter Crawford

Name: Peter Crawford

Title: Executive Vice President and Chief Financial Officer

ACKNOWLEDGED:

By: /s/ Peter J. Morgan, III

Name: Peter J. Morgan, III

Title: Executive Vice President, General Counsel and Corporate Secretary

FORM OF 4.000% FIXED-RATE RESET NON-CUMULATIVE
PERPETUAL PREFERRED STOCK, SERIES H

[UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (“DTC”) TO THE CORPORATION OR THE REGISTRAR NAMED ON THE FACE OF THIS CERTIFICATE, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO., OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL IN AS MUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO. HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR’S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE CERTIFICATE OF DESIGNATIONS. IN CONNECTION WITH ANY TRANSFER, THE HOLDER WILL DELIVER TO THE REGISTRAR NAMED ON THE FACE OF THIS CERTIFICATE SUCH CERTIFICATES AND OTHER INFORMATION AS SUCH REGISTRAR MAY REASONABLY REQUIRE TO CONFIRM THAT THE TRANSFER COMPLIES WITH THE FOREGOING RESTRICTIONS.]¹

Number: []

CUSIP NO.: 808513 BH7

4.000% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series H

25,000 Shares

¹ To be included if the certificate is in global form, otherwise to be removed.

THE CHARLES SCHWAB CORPORATION

FACE OF SECURITY

This certifies that [Cede & Co.]² is the owner of 25,000 fully paid and non-assessable shares of the 4.000% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series H, par value \$0.01 per share, of The Charles Schwab Corporation, a Delaware corporation (hereinafter called the "Corporation"), transferable on the books of the Corporation by the holder hereof in person or by duly authorized attorney, upon surrender of this Certificate properly endorsed. This certificate and the shares represented hereby are issued and shall be held subject to all the provisions of the Certificate of Incorporation, as amended, of the Corporation and all amendments thereto (copies of which are on file at the office of the Registrar) to all of which the holder of this certificate by acceptance hereof assents. This certificate is not valid until countersigned by the Registrar.

² To be included if the certificate is in global form, otherwise to be the name of the holder of the certificated shares.

IN WITNESS WHEREOF, the Corporation has caused this certificate to be executed.

THE CHARLES SCHWAB CORPORATION

By: _____

Name:

Title:

By: _____

Name:

Title:

REGISTRAR'S COUNTERSIGNATURE

This is one of the certificates representing shares of the 4.000% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series H, referred to in the within mentioned Certificate of Designations.

EQUINITI TRUST COMPANY

as Registrar

By: _____

Name:

Title:

Dated:

REVERSE OF SECURITY

THE CHARLES SCHWAB CORPORATION

The shares of 4.000% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series H (the "Series H Preferred Stock") have the preferences and privileges, dividend rights, liquidation preferences and such other rights and qualifications, limitations and restrictions as provided in the Certificate of Designations relating to the Series H Preferred Stock (the "Certificate of Designations"), in addition to those set forth in the Certificate of Incorporation of the Corporation, as amended, and the Corporation's bylaws, copies of which shall be furnished by the Corporation to any holder without charge upon the request addressed to the Secretary of the Corporation at its principal office in San Francisco, California or to the Registrar named on the face of this certificate.

A statement of the rights, preferences, privileges and restrictions granted to or imposed upon the respective classes or series of stock of the Corporation, and upon the holders thereof as established by the Certificate of Incorporation, the Certificate of Designations or any other certificate of determination of preferences, and the number of shares constituting each series or class and the designations thereof, may be obtained by any stockholder of the Corporation upon request and without charge from the Secretary of the Corporation at the principal office of the Corporation, 211 Main Street, San Francisco, California 94105.

ASSIGNMENT

For value received, _____ hereby sell, assign and transfer unto

Please Insert Social Security or Other Identifying Number of Assignee

(Please Print or Typewrite Name and Address, Including Zip Code, of Assignee)

shares of the capital stock represented by the within certificate, and do hereby irrevocably constitute and appoint Attorney to transfer the said stock on the books of the within named Corporation with full power of substitution in the premises.

Dated _____

NOTICE: _____
The Signature to this Assignment Must Correspond with the Name
As Written Upon the Face of the Certificate in Every Particular,
Without Alteration or Enlargement or Any Change Whatever.

SIGNATURE GUARANTEED

(Signature Must Be Guaranteed by a Member of a Medallion Signature Program)

DEPOSIT AGREEMENT

among

The Charles Schwab Corporation,
as Issuer

Equiniti Trust Company
as Depositary,

and

THE HOLDERS FROM TIME TO TIME OF
THE DEPOSITARY RECEIPTS DESCRIBED HEREIN

Dated as of December 11, 2020

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DEPOSIT AGREEMENT dated as of December 11, 2020, among (i) The Charles Schwab Corporation, a Delaware corporation, (ii) Equiniti Trust Company, a limited trust company organized under the laws of the State of New York, as Depositary and (iii) the holders from time to time of the Receipts described herein.

WHEREAS, it is desired to provide, as hereinafter set forth in this Deposit Agreement, for the deposit of shares of 4.000% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series H, of the Corporation with the Depositary for the purposes set forth in this Deposit Agreement and for the issuance hereunder of Depositary Shares representing a fractional interest in the Stock deposited and for the execution and delivery of Receipts evidencing Depositary Shares;

WHEREAS, the Receipts are to be substantially in the form of Exhibit A annexed hereto, with appropriate insertions, modifications and omissions, as hereinafter provided in this Deposit Agreement; and

WHEREAS, the terms and conditions of the 4.000% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series H, of the Corporation are substantially set forth in the Certificate of Designations attached hereto as Exhibit B;

NOW, THEREFORE, in consideration of the premises, the parties hereto agree as follows:

ARTICLE I

DEFINED TERMS

Section 1.1. *Definitions.*

The following definitions shall for all purposes, unless otherwise indicated, apply to the respective terms (in the singular and plural forms of such terms) used in this Deposit Agreement and the Receipts:

“*Certificate of Designations*” shall mean the Certificate of Designations filed with the Secretary of State of the State of Delaware establishing the Stock as a series of preferred stock of the Corporation, and setting forth the rights, preferences and privileges of the Stock, and attached hereto as Exhibit B, and as such certificate may be amended or restated from time to time.

“*Corporation*” shall mean The Charles Schwab Corporation, a Delaware corporation, and its successors.

“*Deposit Agreement*” shall mean this Deposit Agreement, as the same may be amended, modified or supplemented from time to time in accordance with the terms hereof.

“*Depositary*” shall mean Equiniti Trust Company, a limited trust company organized under the laws of the State of New York, and any successor as Depositary hereunder.

“*Depositary Share Redemption Price*” shall have the meaning set forth in Section 2.8.

“*Depository Shares*” shall mean the security representing a 1/100th fractional interest in a share of the Stock, and the same proportionate interest in any and all other property received by the Depository in respect of such share of Stock and held under this Deposit Agreement, all as evidenced by the Receipts issued hereunder. Subject to the terms of this Deposit Agreement, each owner of a Depository Share is entitled, proportionately, to all the rights, preferences and privileges of the Stock represented by such Depository Share (including the dividend, voting, redemption and liquidation rights contained in the Certificate of Designations).

“*Depository’s Agent*” shall mean an agent appointed by the Depository pursuant to Section 7.5.

“*Depository’s Office*” shall mean the principal office of the Depository, at which at any particular time its depository receipt business in respect of matters governed by this Deposit Agreement shall be administered.

“*Exchange Event*” shall mean with respect to any Global Registered Receipt:

(1) (A) the Global Receipt Depository which is the holder of such Global Registered Receipt or Receipts notifies the Corporation that it is no longer willing or able to properly discharge its responsibilities under any Letter of Representations or that it is no longer eligible or in good standing under the Securities Exchange Act of 1934, as amended, and (B) the Corporation has not appointed a qualified successor Global Receipt Depository within ninety (90) calendar days after the Corporation received such notice, or

(2) the Corporation in its sole discretion notifies the Depository in writing that the Receipts or portion thereof issued or issuable in the form of one or more Global Registered Receipts shall no longer be represented by such Global Receipt or Receipts.

“*Global Receipt Depository*” shall mean, with respect to any Receipt issued hereunder, The Depository Trust Company (“DTC”) or such other entity designated as Global Receipt Depository by the Corporation in or pursuant to this Deposit Agreement, which Person must be, to the extent required by any applicable law or regulation, a clearing agency registered under the Securities Exchange Act of 1934, as amended.

“*Global Registered Receipts*” shall mean a global registered Receipt registered in the name of a nominee of DTC.

“*Letter of Representations*” shall mean any applicable agreement among the Corporation, the Depository and a Global Receipt Depository with respect to such Global Receipt Depository’s rights and obligations with respect to any Global Registered Receipts, as the same may be amended, supplemented, restated or otherwise modified from time to time and any successor agreement thereto.

“*Receipt*” shall mean a receipt issued hereunder to evidence one or more Depository Shares held of record by the record holder of such Depository Shares, whether in definitive or temporary form, substantially in the form set forth as Exhibit A.

“*record holder*” or “*holder*” as applied to a Receipt shall mean the person in whose name a Receipt is registered on the books of the Depositary maintained by the Depositary for such purpose.

“*Redemption Date*” shall have the meaning set forth in Section 2.8.

“*Redemption Price*” shall have the meaning set forth in the Certificate of Designations.

“*Registrar*” shall mean the Depositary or such other successor bank or trust company which shall be appointed by the Corporation to register ownership and transfers of Receipts as herein provided and if a successor Registrar shall be so appointed, references herein to “the books” of or maintained by the Depositary shall be deemed, as applicable, to refer as well to the register maintained by such Registrar for such purpose.

“*Securities Act*” shall mean the Securities Act of 1933, as amended.

“*Stock*” shall mean shares of the Corporation’s 4.000% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series H, \$0.01 par value, \$100,000 liquidation preference per share, designated and described in the Certificate of Designations.

ARTICLE II

FORM OF RECEIPTS, DEPOSIT OF STOCK, EXECUTION AND DELIVERY, TRANSFER, SURRENDER AND REDEMPTION OF RECEIPTS

Section 2.1. *Form and Transfer of Receipts.*

Definitive Receipts shall be substantially in the form set forth in Exhibit A annexed to this Deposit Agreement, in each case with appropriate insertions, modifications and omissions, as hereinafter provided.

Receipts shall be executed by the Depositary by the manual signature of a duly authorized officer of the Depositary; provided, that such signature may be a facsimile if a Registrar for the Receipts (other than the Depositary) shall have been appointed and such Receipts are countersigned by a duly authorized officer of the Registrar. No Receipt shall be entitled to any benefits under this Deposit Agreement or be valid or obligatory for any purpose unless it shall have been executed manually by a duly authorized officer of the Depositary or, if a Registrar for the Receipts (other than the Depositary) shall have been appointed, by manual or facsimile signature of a duly authorized officer of the Depositary and countersigned by a duly authorized officer of such Registrar. The Depositary shall record on its books each Receipt so signed and delivered as hereinafter provided.

Receipts shall be in denominations of any number of whole Depositary Shares. All receipts shall be dated the date of their issuance.

Receipts may be endorsed with or have incorporated in the text thereof such legends or recitals or changes not inconsistent with the provisions of this Deposit Agreement all as may be required by the Depositary and approved by the Corporation or required to comply with any

applicable law or any regulation thereunder or with the rules and regulations of any securities exchange upon which the Stock, the Depositary Shares or the Receipts may be listed or to conform with any usage with respect thereto, or to indicate any special limitations or restrictions to which any particular Receipts are subject.

Title to Depositary Shares evidenced by a Receipt which is properly endorsed or accompanied by a properly executed instrument of transfer, shall be transferable by delivery with the same effect as in the case of a negotiable instrument; provided, however, that until transfer of any particular Receipt shall be registered on the books of the Depositary as provided in Section 2.3, the Depositary may, notwithstanding any notice to the contrary, treat the record holder thereof at such time as the absolute owner thereof for the purpose of determining the person entitled to distributions of dividends or other distributions or to any notice provided for in this Deposit Agreement and for all other purposes.

Section 2.2. *Deposit of Stock; Execution and Delivery of Receipts in Respect Thereof.*

Subject to the terms and conditions of this Deposit Agreement, the Corporation may from time to time deposit shares of the Stock under this Deposit Agreement by delivery to the Depositary of (i) a certificate or certificates for the Stock to be deposited, properly endorsed or accompanied, if required by the Depositary, by a duly executed instrument of transfer or endorsement or (ii) an instruction letter from the Corporation authorizing the Depositary to register such shares of the Stock in book-entry form, each in form satisfactory to the Depositary, together with all such certifications as may be required by the Depositary in accordance with the provisions of this Deposit Agreement and all other information required to be set forth, and together with a written order of the Corporation directing the Depositary to execute and deliver to, or upon the written order of, the person or persons stated in such order a Receipt or Receipts evidencing in the aggregate the number of Depositary Shares representing such deposited Stock.

Deposited Stock shall be held by the Depositary at the Depositary's Office or at such other place or places as the Depositary shall determine. The Depositary shall not lend any Stock deposited hereunder.

Upon receipt by the Depositary of (i) a certificate or certificates for Stock deposited in accordance with the provisions of this Section or (ii) an instruction letter from the Corporation in accordance with the provisions of this Section, together with the other documents required as above specified, and upon recordation of the Stock on the books of the Corporation (or its duly appointed transfer agent) in the name of the Depositary or its nominee, the Depositary, subject to the terms and conditions of this Deposit Agreement, shall execute and deliver to or upon the order of the person or persons named in the written order delivered to the Depositary referred to in the first paragraph of this Section, a Receipt or Receipts evidencing in the aggregate the number of Depositary Shares representing the Stock so deposited and registered in such name or names as may be requested by such person or persons. The Depositary shall execute and deliver such Receipt or Receipts at the Depositary's Office or such other offices, if any, as the Depositary may designate. Delivery at other offices shall be at the risk and expense of the person requesting such delivery.

Section 2.3. *Registration of Transfer of Receipts.*

Subject to the terms and conditions of this Deposit Agreement, the Depositary shall register on its books from time to time transfers of Receipts upon any surrender thereof by the holder in person or by duly authorized attorney, properly endorsed or accompanied by a properly executed instrument of transfer. Thereupon, the Depositary shall execute a new Receipt or Receipts evidencing the same aggregate number of Depositary Shares as those evidenced by the Receipt or Receipts surrendered and deliver such new Receipt or Receipts to or upon the order of the person entitled thereto.

The Depositary shall not be required (a) to issue, transfer or exchange any Receipts for a period beginning at the opening of business fifteen days next preceding any selection of Depositary Shares and Stock to be redeemed and ending at the close of business on the day of the mailing of notice of redemption, or (b) to transfer or exchange for another Receipt any Receipt called or being called for redemption in whole or in part except as provided in Section 2.8.

Section 2.4. *Split-ups and Combinations of Receipts; Surrender of Receipts and Withdrawal of Stock.*

Upon surrender of a Receipt or Receipts at the Depositary's Office or at such other offices as it may designate for the purpose of effecting a split-up or combination of such Receipt or Receipts, and subject to the terms and conditions of this Deposit Agreement, the Depositary shall execute a new Receipt or Receipts in the authorized denomination or denominations requested, evidencing the aggregate number of Depositary Shares evidenced by the Receipt or Receipts surrendered, and shall deliver such new Receipt or Receipts to or upon the order of the holder of the Receipt or Receipts so surrendered.

Any holder of a Receipt or Receipts may withdraw the number of whole shares of Stock and all money and other property, if any, represented thereby by surrendering such Receipt or Receipts, at the Depositary's Office or at such other offices as the Depositary may designate for such withdrawals. Thereafter, without unreasonable delay, the Depositary shall deliver to such holder, or to the person or persons designated by such holder as hereinafter provided, the number of whole shares of Stock and all money and other property, if any, represented by the Receipt or Receipts so surrendered for withdrawal, but holders of such whole shares of Stock will not thereafter be entitled to deposit such Stock hereunder or to receive a Receipt evidencing Depositary Shares therefor. If a Receipt delivered by the holder to the Depositary in connection with such withdrawal shall evidence a number of Depositary Shares in excess of the number of Depositary Shares representing the number of whole shares of Stock to be so withdrawn, the Depositary shall at the same time, in addition to such number of whole shares of Stock and such money and other property, if any, to be so withdrawn, deliver to such holder, or subject to Section 2.3 upon such holder's order, a new Receipt evidencing such excess number of Depositary Shares.

Except as provided in Section 6.2, in no event will fractional shares of Stock (or any cash payment in lieu thereof) be delivered by the Depositary. Delivery of the Stock and money and other property, if any, being withdrawn may be made by the delivery of such certificates, documents of title and other instruments as the Depositary may deem appropriate.

If the Stock and the money and other property, if any, being withdrawn are to be delivered to a person or persons other than the record holder of the Receipt or Receipts being surrendered for withdrawal of Stock, such holder shall execute and deliver to the Depository a written order so directing the Depository and the Depository may require that the Receipt or Receipts surrendered by such holder for withdrawal of such shares of Stock be properly endorsed in blank or accompanied by a properly executed instrument of transfer in blank.

Delivery of the Stock and the money and other property, if any, represented by Receipts surrendered for withdrawal shall be made by the Depository at the Depository's Office, except that, at the request, risk and expense of the holder surrendering such Receipt or Receipts and for the account of the holder thereof, such delivery may be made at such other place as may be designated by such holder.

Section 2.5. *Limitations on Execution and Delivery, Transfer, Surrender and Exchange of Receipts.*

As a condition precedent to the execution and delivery, registration of transfer, split-up, combination, surrender or exchange of any Receipt, the Depository, any of the Depository's Agents or the Corporation may require payment to it of a sum sufficient for the payment (or, in the event that the Depository or the Corporation shall have made such payment, the reimbursement to it) of any charges or expenses payable by the holder of a Receipt pursuant to Section 5.7, may require the production of evidence satisfactory to it as to the identity and genuineness of any signature, and any other reasonable evidence of authority that may be required by the Depository and may also require compliance with such regulations, if any, as the Depository or the Corporation may establish consistent with the provisions of this Deposit Agreement and/or applicable law.

The deposit of Stock may be refused, the delivery of Receipts against Stock may be suspended, the registration of transfer of Receipts may be refused and the registration of transfer, surrender or exchange of outstanding Receipts may be suspended (i) during any period when the register of stockholders of the Corporation is closed or (ii) if any such action is deemed necessary or advisable by the Depository, any of the Depository's Agents or the Corporation at any time or from time to time because of any requirement of law or of any government or governmental body or commission or under any provision of this Deposit Agreement.

Section 2.6. *Lost Receipts, etc.*

In case any Receipt shall be mutilated, destroyed, lost or stolen, the Depository in its discretion may execute and deliver a Receipt of like form and tenor in exchange and substitution for such mutilated Receipt, or in lieu of and in substitution for such destroyed, lost or stolen Receipt, upon (i) the filing by the holder thereof with the Depository of evidence satisfactory to the Depository of such destruction or loss or theft of such Receipt, of the authenticity thereof and of such holder's ownership thereof and (ii) the holder thereof furnishing of the Depository with reasonable indemnification satisfactory to the Depository.

Section 2.7. *Cancellation and Destruction of Surrendered Receipts.*

All Receipts surrendered to the Depositary or any Depositary's Agent shall be cancelled by the Depositary. Except as prohibited by applicable law or regulation, the Depositary is authorized and directed to destroy all Receipts so cancelled.

Section 2.8. *Redemption of Stock.*

Whenever the Corporation shall be permitted and shall elect to redeem shares of Stock in accordance with the provisions of the Certificate of Designations (including on account of a Regulatory Capital Treatment Event, as described therein), it shall (unless otherwise agreed to in writing with the Depositary) give or cause to be given to the Depositary, not less than 30 days and not more than 60 days prior to the Redemption Date (as defined below), notice of the date of such proposed redemption of Stock and of the number of such shares held by the Depositary to be so redeemed and the Depositary Share Redemption Price, which notice shall be accompanied by a certificate from the Corporation stating that such redemption of Stock is in accordance with the provisions of the Certificate of Designations. On the date of such redemption, provided that the Corporation shall then have paid or caused to be paid in full to the Depositary the Redemption Price (as defined in the Certificate of Designations) per share of Stock to be redeemed, in accordance with and as required by the provisions of the Certificate of Designations, the Depositary shall redeem the number of Depositary Shares representing such Stock. The Depositary shall mail notice of the Corporation's redemption of Stock and the proposed simultaneous redemption of the number of Depositary Shares representing the Stock to be redeemed by first-class mail, postage prepaid, not less than 10 days and not more than 60 days prior to the date fixed for redemption of such Stock and Depositary Shares (the "*Redemption Date*"), to the record holders of the Receipts evidencing the Depositary Shares to be so redeemed at the addresses of such holders as they appear on the records of the Depositary; but neither failure to mail any such notice of redemption of Depositary Shares to one or more such holders nor any defect in any notice of redemption of Depositary Shares to one or more such holders shall affect the sufficiency of the proceedings for redemption as to the other holders. Each such notice shall be prepared by the Corporation and shall state: (i) the Redemption Date; (ii) the number of Depositary Shares to be redeemed and, if less than all the Depositary Shares held by any such holder are to be redeemed, the number of such Depositary Shares held by such holder to be so redeemed; (iii) the Depositary Share Redemption Price; (iv) the place or places where Receipts evidencing Depositary Shares are to be surrendered for payment of the Depositary Share Redemption Price and (v) that dividends on such shares of Stock represented by the Depositary Shares to be redeemed will cease to accrue on such Redemption Date. In case less than all the outstanding Depositary Shares are to be redeemed, the Depositary Shares to be so redeemed shall be selected either *pro rata* or by lot.

Notice having been mailed by the Depositary as aforesaid, from and after the Redemption Date (unless the Corporation shall have failed to provide the funds necessary to redeem the Stock evidenced by the Depositary Shares called for redemption) (i) all shares of Stock called for redemption shall cease to be outstanding and any rights with respect to such shares shall cease and terminate (except for the right to receive the Preferred Stock Redemption Price without interest), (ii) the Depositary Shares being redeemed from such proceeds shall cease to be outstanding and all rights of the holders of Receipts evidencing such Depositary Shares shall, to the extent of such Depositary Shares, cease and terminate (except the right to receive the Depositary Share Redemption Price without interest), and (iii) upon surrender in accordance with such redemption

notice of the Receipts evidencing any such Depositary Shares called for redemption (properly endorsed or assigned for transfer, if the Depositary or applicable law shall so require), such Depositary Shares shall be redeemed by the Depositary at a redemption price per Depositary Share (the “*Depositary Share Redemption Price*”) equal to one one-hundredth of the Preferred Stock Redemption Price per share of Stock so redeemed plus all money and other property, if any, represented by such Depositary Shares.

If fewer than all of the Depositary Shares evidenced by a Receipt are called for redemption, the Depositary will deliver to the holder of such Receipt upon its surrender to the Depositary, together with the redemption payment, a new Receipt evidencing the Depositary Shares evidenced by such prior Receipt and not called for redemption.

Section 2.9. *Receipts Issuable in Global Registered Form.*

If the Corporation shall determine in a writing delivered to the Depositary that the Receipts are to be issued in whole or in part in the form of one or more Global Registered Receipts, then the Depositary shall, in accordance with the other provisions of this Deposit Agreement, execute and deliver one or more Global Registered Receipts evidencing such Receipts, which (i) shall represent, and shall be denominated in an amount equal to the aggregate principal amount of, the Receipts to be represented by such Global Registered Receipt or Receipts, and (ii) shall be registered in the name of the Global Receipt Depository therefor or its nominee.

Notwithstanding any other provision of this Deposit Agreement to the contrary, unless otherwise provided in the Global Registered Receipt, a Global Registered Receipt may only be transferred in whole and only by the applicable Global Receipt Depository for such Global Registered Receipt to a nominee of such Global Receipt Depository, or by a nominee of such Global Receipt Depository to such Global Receipt Depository or another nominee of such Global Receipt Depository, or by such Global Receipt Depository or any such nominee to a successor Global Receipt Depository for such Global Registered Receipt selected or approved by the Corporation or to a nominee of such successor Global Receipt Depository. Except as provided below, owners solely of beneficial interests in a Global Registered Receipt shall not be entitled to receive physical delivery of the Receipts represented by such Global Registered Receipt. Neither any such beneficial owner nor any direct or indirect participant of a Global Receipt Depository shall have any rights under this Deposit Agreement with respect to any Global Registered Receipt held on their behalf by a Global Receipt Depository and such Global Receipt Depository may be treated by the Corporation, the Depositary and any director, officer, employee or agent of the Corporation or the Depositary as the holder of such Global Registered Receipt for all purposes whatsoever.

Unless and until definitive Receipts are delivered to the owners of the beneficial interests in a Global Registered Receipt, (1) the applicable Global Receipt Depository will make book-entry transfers among its participants and receive and transmit all payments and distributions in respect of the Global Registered Receipts to such participants, in each case, in accordance with its applicable procedures and arrangements, and (2) whenever any notice, payment or other communication to the holders of Global Registered Receipts is required under this Deposit Agreement, the Depositary shall give all such notices, payments and communications specified herein to be given to such holders to the applicable Global Receipt Depository.

If an Exchange Event has occurred with respect to any Global Registered Receipt, then, in any such event, the Depositary shall, upon receipt of a written order from the Corporation for the execution and delivery of individual definitive registered Receipts in exchange for such Global Registered Receipt, execute and deliver, individual definitive registered Receipts, in authorized denominations and of like tenor and terms in an aggregate principal amount equal to the principal amount of the Global Registered Receipt surrendered in exchange for such Global Registered Receipt.

Definitive registered Receipts issued in exchange for a Global Registered Receipt pursuant to this Section shall be registered in such names and in such authorized denominations as the Global Receipt Depository for such Global Registered Receipt, pursuant to instructions from its participants, shall instruct the Depositary in writing. The Depositary shall deliver such Receipts to the persons in whose names such Receipts are so registered.

Notwithstanding anything to the contrary in this Deposit Agreement, should the Corporation determine that the Receipts should be issued as a Global Registered Receipt, the parties hereto shall comply with the terms of each Letter of Representations, if applicable.

ARTICLE III

CERTAIN OBLIGATIONS OF HOLDERS OF RECEIPTS AND THE CORPORATION

Section 3.1. *Filing Proofs, Certificates and Other Information.*

Any holder of a Receipt may be required from time to time to file such proof of residence, or other matters or other information, to execute such certificates and to make such representations and warranties as the Depositary or the Corporation may reasonably deem necessary or proper. The Depositary or the Corporation may withhold the delivery, or delay the registration of transfer or redemption, of any Receipt or the withdrawal of the Stock represented by the Depositary Shares evidenced by any Receipt or the distribution of any dividend or other distribution or the sale of any rights or of the proceeds thereof until such proof or other information is filed or such certificates are executed or such representations and warranties are made.

Section 3.2. *Payment of Taxes or Other Governmental Charges.*

Holders of Receipts shall be obligated to make payments to the Depositary of certain charges and expenses, as provided in Section 5.7. Registration of transfer of any Receipt or any withdrawal of Stock and all money or other property, if any, represented by the Depositary Shares evidenced by such Receipt may be refused until any such payment due is made, and any dividends or other distributions may be withheld or any part of or all the Stock or other property represented by the Depositary Shares evidenced by such Receipt and not theretofore sold may be sold for the account of the holder thereof (after attempting by reasonable means to notify such holder prior to such sale), and such dividends or other distributions or the proceeds of any such sale may be applied to any payment of such charges or expenses, the holder of such Receipt remaining liable for any deficiency.

Section 3.3. *Warranty as to Stock.*

The Corporation hereby represents and warrants that the Stock, when issued, will be duly authorized, validly issued, fully paid and nonassessable (subject to 12 U.S.C. § 55). Such representation and warranty shall survive the deposit of the Stock and the issuance of Receipts.

Section 3.4. *Warranty as to Receipts.*

The Corporation hereby represents and warrants that the Receipts, when issued, will represent legal and valid interests in the Stock. Such representation and warranty shall survive the deposit of the Stock and the issuance of Receipts.

ARTICLE IV

THE DEPOSITED SECURITIES; NOTICES

Section 4.1. *Cash Distributions.*

Whenever the Depositary shall receive any cash dividend or other cash distribution on Stock, the Depositary shall, subject to Sections 3.1 and 3.2, distribute to record holders of Receipts on the record date fixed pursuant to Section 4.4 such amounts of such dividend or distribution as are, as nearly as practicable, in proportion to the respective numbers of Depositary Shares evidenced by the Receipts held by such holders; provided, however, that in case the Corporation or the Depositary shall be required to withhold and shall withhold from any cash dividend or other cash distribution in respect of the Stock an amount on account of taxes, the amount made available for distribution or distributed in respect of Depositary Shares shall be reduced accordingly. The Depositary shall distribute or make available for distribution, as the case may be, only such amount, however, as can be distributed without attributing to any holder of Depositary Shares a fraction of one cent, and any balance not so distributable shall be held by the Depositary (without liability for interest thereon) and shall be added to and be treated as part of the next sum received by the Depositary for distribution to record holders of Receipts then outstanding. Each holder of a Receipt shall provide the Depositary with a properly completed Form W-8 or W-9, as may be applicable. Each holder of a Receipt acknowledges that, in the event of non-compliance with the preceding sentence, the Internal Revenue Code of 1986, as amended, may require withholding by the Depositary of a portion of any of the distributions to be made hereunder.

Section 4.2. *Distributions Other than Cash, Rights, Preferences or Privileges.*

Whenever the Depositary shall receive any distribution other than cash, rights, preferences or privileges upon Stock, the Depositary shall, at the direction of the Corporation, subject to Sections 3.1 and 3.2, distribute to record holders of Receipts on the record date fixed pursuant to Section 4.4 such amounts of the securities or property received by it as are, as nearly as practicable, in proportion to the respective numbers of Depositary Shares evidenced by the Receipts held by such holders, in any manner that the Corporation may deem equitable and practicable for accomplishing such distribution. If in the opinion of the Depositary such distribution cannot be made proportionately among such record holders in accordance with the direction of the Corporation, or if for any other reason (including any requirement that the Corporation or the Depositary withhold an amount on account of taxes) the Depositary deems, after consultation with

the Corporation, such distribution not to be feasible, the Depositary may, with the approval of the Corporation, adopt such method as it deems equitable and practicable for the purpose of effecting such distribution, including the sale (at public or private sale) of the securities or property thus received, or any part thereof, in a commercially reasonable manner. The net proceeds of any such sale shall, subject to Sections 3.1 and 3.2, be distributed or made available for distribution, as the case may be, by the Depositary to record holders of Receipts as provided by Section 4.1 in the case of a distribution received in cash. The Corporation shall not make any distribution of such securities or property to the Depositary and the Depositary shall not make any distribution of such securities or property to the holders of Receipts unless the Corporation shall have provided an opinion of counsel stating that such securities or property have been registered under the Securities Act or do not need to be registered in connection with such distributions.

Section 4.3. *Subscription Rights, Preferences or Privileges.*

If the Corporation shall at any time offer or cause to be offered to the persons in whose names Stock is recorded on the books of the Corporation any rights, preferences or privileges to subscribe for or to purchase any securities or any rights, preferences or privileges of any other nature, such rights, preferences or privileges shall in each such instance be made available by the Depositary to the record holders of Receipts in such manner as the Corporation shall instruct the Depositary in writing, either by the issue to such record holders of warrants representing such rights, preferences or privileges or by such other method as may be approved by the Corporation; provided, however, that (i) if at the time of issue or offer of any such rights, preferences or privileges the Depositary determines that it is not lawful or (after consultation with the Corporation) not feasible to make such rights, preferences or privileges available to holders of Receipts by the issue of warrants or otherwise, or (ii) if and to the extent so instructed by holders of Receipts who do not desire to exercise such rights, preferences or privileges, then the Depositary, in its discretion (with approval of the Corporation, in any case where the Depositary has determined that it is not feasible to make such rights, preferences or privileges available), may, if applicable laws or the terms of such rights, preferences or privileges permit such transfer, sell such rights, preferences or privileges at public or private sale, at such place or places and upon such terms as it may deem proper. The net proceeds of any such sale shall, subject to Sections 3.1 and 3.2, be distributed by the Depositary to the record holders of Receipts entitled thereto as provided by Section 4.1 in the case of a distribution received in cash.

The Corporation shall notify the Depositary whether registration under the Securities Act of the securities to which any rights, preferences or privileges relate is required in order for holders of Receipts to be offered or sold the securities to which such rights, preferences or privileges relate, and the Corporation agrees with the Depositary that it will file promptly a registration statement pursuant to such Act with respect to such rights, preferences or privileges and securities and use its reasonable best efforts and take all steps available to it to cause such registration statement to become effective sufficiently in advance of the expiration of such rights, preferences or privileges to enable such holders to exercise such rights, preferences or privileges. In no event shall the Depositary make available to the holders of Receipts any right, preference or privilege to subscribe for or to purchase any securities unless and until such registration statement shall have become effective, or the Corporation shall have provided to the Depositary an opinion of counsel to the effect that the offering and sale of such securities to such holders are exempt from registration under the provisions of the Securities Act.

The Corporation shall notify the Depositary whether any other action under the laws of any jurisdiction or any governmental or administrative authorization, consent or permit is required in order for such rights, preferences or privileges to be made available to holders of Receipts, and the Corporation agrees with the Depositary that the Corporation will use its reasonable best efforts to take such action or obtain such authorization, consent or permit sufficiently in advance of the expiration of such rights, preferences or privileges to enable such holders to exercise such rights, preferences or privileges.

Section 4.4. *Notice of Dividends, etc.; Fixing Record Date for Holders of Receipts.*

Whenever any cash dividend or other cash distribution shall become payable or any distribution other than cash shall be made, or if rights, preferences or privileges shall at any time be offered, with respect to Stock, or whenever the Depositary shall receive notice of any meeting at which holders of Stock are entitled to vote or of which holders of Stock are entitled to notice, or whenever the Depositary and the Corporation shall decide it is appropriate, the Depositary shall in each such instance fix a record date (which shall be the same date as the record date fixed by the Corporation with respect to, or otherwise in accordance with the terms of, the Stock, as identified in a written notice to the Depositary of such record date) for the determination of the holders of Receipts who shall be entitled to receive such dividend, distribution, rights, preferences or privileges or the net proceeds of the sale thereof, or to give instructions for the exercise of voting rights at any such meeting, or who shall be entitled to notice of such meeting or for any other appropriate reasons.

Section 4.5. *Voting Rights.*

Subject to the provisions of the Certificate of Designations, upon receipt of notice of any meeting at which the holders of Stock are entitled to vote, the Depositary shall, as soon as practicable thereafter, mail or transmit by such other method approved by the Depositary, in its reasonable discretion, to the record holders of Receipts a notice prepared by the Corporation which shall contain (i) such information as is contained in such notice of meeting and (ii) a statement that the holders may, subject to any applicable restrictions, instruct the Depositary as to the exercise of the voting rights pertaining to the amount of Stock represented by their respective Depositary Shares (including an express indication that instructions may be given to the Depositary to give a discretionary proxy to a person designated by the Corporation) and a brief statement as to the manner in which such instructions may be given. Upon the written request of the holders of Receipts on the relevant record date, the Depositary shall endeavor insofar as practicable to vote or cause to be voted, in accordance with the instructions set forth in such requests, the maximum number of whole shares of Stock represented by the Depositary Shares evidenced by all Receipts as to which any particular voting instructions are received. The Corporation hereby agrees to take all reasonable action which may be deemed necessary by the Depositary in order to enable the Depositary to vote such Stock or cause such Stock to be voted. In the absence of specific instructions from holders of Receipts, the Depositary will vote the Stock represented by the Depositary Shares evidenced by the Receipts of such holders proportionately with votes cast pursuant to instructions received from the other holders.

Section 4.6. *Changes Affecting Deposited Securities and Reclassifications, Recapitalizations, etc.*

Upon any change in par or stated value, split-up, combination or any other reclassification of the Stock, subject to the Certificate of Designations, or upon any recapitalization, reorganization, merger or consolidation affecting the Corporation or to which it is a party, the Depositary may in its discretion with the approval of, and shall upon the instructions of, the Corporation, and (in either case) in such manner as the Depositary may deem equitable, (i) make such adjustments as are certified by the Corporation in the fraction of an interest represented by one Depositary Share in one share of Stock and in the ratio of the Redemption Price to the Preferred Stock Redemption Price, in each case as may be necessary fully to reflect the effects of such change in par or stated value, split-up, combination or other reclassification of Stock, or of such recapitalization, reorganization, merger or consolidation and (ii) treat any securities which shall be received by the Depositary in exchange for or upon conversion of or in respect of the Stock as new deposited securities so received in exchange for or upon conversion or in respect of such Stock. In any such case the Depositary may in its discretion, with the approval of the Corporation, execute and deliver additional Receipts or may call for the surrender of all outstanding Receipts to be exchanged for new Receipts specifically describing such new deposited securities. Anything to the contrary herein notwithstanding, holders of Receipts shall have the right from and after the effective date of any such change in par or stated value, split-up, combination or other reclassification of the Stock or any such recapitalization, reorganization, merger or consolidation to surrender such Receipts to the Depositary with instructions to convert, exchange or surrender the Stock represented thereby only into or for, as the case may be, the kind and amount of shares of stock and other securities and property and cash into which the Stock represented by such Receipts might have been converted or for which such Stock might have been exchanged or surrendered immediately prior to the effective date of such transaction.

Section 4.7. *Delivery of Reports.*

The Depositary shall furnish to holders of Receipts any reports and communications received from the Corporation which are received by the Depositary and which the Corporation is required to furnish to the holders of the Stock.

Section 4.8. *Lists of Receipt Holders.*

Promptly upon request from time to time by the Corporation, the Depositary shall furnish to it a list, as of the most recent practicable date, of the names, addresses and holdings of Depositary Shares of all record holders of Receipts.

ARTICLE V

THE DEPOSITARY, THE DEPOSITARY'S AGENTS, THE REGISTRAR AND THE CORPORATION

Section 5.1. *Appointment, Maintenance of Offices, Agencies and Transfer Books by the Depositary; Registrar.*

The Corporation hereby appoints Equiniti Trust Company, as Depositary for the Stock, and Equiniti Trust Company hereby accepts such appointment as Depositary for the Stock, on the terms and conditions set forth in this Deposit Agreement. Upon execution of this Deposit Agreement, the Depositary shall maintain at the Depositary's Office, facilities for the execution and delivery, registration and registration of transfer, surrender and exchange of Receipts, and at the offices of the Depositary's Agents, if any, facilities for the delivery, registration of transfer, surrender and exchange of Receipts, all in accordance with the provisions of this Deposit Agreement.

The Depositary shall keep books at the Depositary's Office for the registration and registration of transfer, surrender and exchange of Receipts, which books at all reasonable times shall be open for inspection by the record holders of Receipts; provided that any such holder requesting to exercise such right shall certify to the Depositary that such inspection shall be for a proper purpose reasonably related to such person's interest as an owner of Depositary Shares evidenced by the Receipts.

The Depositary may close such books, at any time or from time to time, when deemed expedient by it in connection with the performance of its duties hereunder.

The Corporation may appoint a Registrar for registration of the Receipts or the Depositary Shares evidenced thereby. If the Receipts or the Depositary Shares evidenced thereby or the Stock represented by such Depositary Shares shall be listed on one or more national stock exchanges, the Corporation will appoint a Registrar for registration of such Receipts or Depositary Shares in accordance with any requirements of such exchange. Such Registrar (which may be the Depositary if so permitted by the requirements of any such exchange) may be removed and a substitute Registrar appointed by the Depositary upon the request or with the approval of the Corporation. If the Receipts, such Depositary Shares or such Stock are listed on one or more other stock exchanges, the Depositary will, at the request of the Corporation, arrange such facilities for the delivery, registration, registration of transfer, surrender and exchange of such Receipts, such Depositary Shares or such Stock as may be required by law or applicable stock exchange regulation.

Section 5.2. *Prevention of or Delay in Performance by the Depositary, the Depositary's Agents, the Registrar or the Corporation.*

Neither the Depositary nor any Depositary's Agent nor any Registrar nor the Corporation shall incur any liability to any holder of any Receipt if by reason of any provision of any present or future law, or regulation thereunder, of the United States of America or of any other governmental authority or, in the case of the Depositary, the Depositary's Agent or the Registrar, by reason of any provision, present or future, of the Corporation's Fifth Restated Certificate of Incorporation, as amended (including the Certificate of Designations), or by reason of any act of

God or war or other circumstance beyond the control of the relevant party, the Depositary, the Depositary's Agent, the Registrar or the Corporation shall be prevented or forbidden from, or subjected to any penalty on account of, doing or performing any act or thing which the terms of this Deposit Agreement provide shall be done or performed; nor shall the Depositary, any Depositary's Agent, any Registrar or the Corporation incur liability to any holder of a Receipt (i) by reason of any nonperformance or delay, caused as aforesaid, in the performance of any act or thing which the terms of this Deposit Agreement shall provide shall or may be done or performed, or (ii) by reason of any exercise of, or failure to exercise, any discretion provided for in this Deposit Agreement except as otherwise explicitly set forth in this Deposit Agreement.

Section 5.3. *Obligations of the Depositary, the Depositary's Agents, the Registrar and the Corporation.*

Neither the Depositary nor any Depositary's Agent nor any Registrar nor the Corporation assumes any obligation or shall be subject to any liability under this Deposit Agreement to holders of Receipts other than for its gross negligence or willful misconduct. Notwithstanding anything in this Deposit Agreement to the contrary, neither the Depositary, nor the Depositary's Agent nor any Registrar nor the Corporation shall be liable in any event for special, punitive, incidental, indirect or consequential losses or damages of any kind whatsoever (including but not limited to lost profits).

Neither the Depositary nor any Depositary's Agent nor any Registrar nor the Corporation shall be under any obligation to appear in, prosecute or defend any action, suit or other proceeding in respect of the Stock, the Depositary Shares or the Receipts which in its opinion may involve it in expense or liability unless indemnity satisfactory to it against all expense and liability be furnished as often as may be required.

Neither the Depositary nor any Depositary's Agent nor any Registrar nor the Corporation shall be liable for any action or any failure to act by it in reasonable reliance upon the written advice of legal counsel or accountants, or information from any person presenting Stock for deposit, any holder of a Receipt or any other person believed by it in good faith to be competent to give such information. The Depositary, any Depositary's Agent, any Registrar and the Corporation may each rely and shall each be protected in acting upon or omitting to act upon any written notice, request, direction or other document believed by it to be genuine and to have been signed or presented by the proper party or parties.

The Depositary will indemnify the Corporation against any liability which may directly arise out of acts performed or omitted by the Depositary due to its gross negligence or willful misconduct, however, in no event shall the Depositary be liable for consequential, special or indirect damages of any kind regardless of whether the Depositary is put on notice of the possibility of such damages. The Depositary shall not be liable for the acts or omissions due to the gross negligence or willful misconduct of any Depositary's Agent, so long as such Depositary's Agent was appointed with due care. Notwithstanding anything to the contrary in this Agreement or otherwise, the Depositary's aggregate liability to the Corporation, or any of the Corporation's representatives or agents, under this Section 5.3, or under any other term or provision of this Agreement, whether in contract, tort, or otherwise, is expressly limited to, and shall not exceed in any circumstances, one year's fees received by the Depositary as fees and charges under this Agreement, but not including reimbursable expenses previously reimbursed to the Depositary by

the Corporation hereunder, provided that such limitation on liability shall not apply to any act or omission finally adjudicated to have been caused by the willful misconduct or gross negligence of the Depositary. It is understood that such limitation in the preceding sentence will be applicable only to claims arising out of the Depositary's role as Depositary and Registrar for the Receipts, and shall not be applicable to any other relationship that the Depositary may have with the Corporation, or to any other agreement.

The Depositary shall not be responsible for any failure to carry out any instruction to vote any of the shares of Stock or for the manner or effect of any such vote made, as long as any such action or non-action is not due to the willful misconduct or gross negligence of the Depositary. The Depositary undertakes, and any Registrar shall be required to undertake, to perform such duties and only such duties as are specifically set forth in this Deposit Agreement, and no implied covenants or obligations shall be read into this Deposit Agreement against the Depositary or any Registrar.

The Depositary, the Depositary's Agents, and any Registrar may own and deal in any class of securities of the Corporation and its affiliates and in Receipts. The Depositary may also act as transfer agent or registrar of any of the securities of the Corporation and its affiliates.

The Depositary shall not be under any liability for interest on any monies at any time received by it pursuant to any of the provisions of this Deposit Agreement or of the Receipts, the Depositary Shares or the Stock nor shall it be obligated to segregate such monies from other monies held by it, except as required by law. The Depositary shall not be responsible for advancing funds on behalf of the Corporation and shall have no duty or obligation to make any payments if it has not timely received sufficient funds to make timely payments.

In the event the Depositary believes any ambiguity or uncertainty exists hereunder or in any notice, instruction, direction, request or other communication, paper or document received by the Depositary hereunder, or in the administration of any of the provisions of this Deposit Agreement, the Depositary shall deem it necessary or desirable that a matter be proved or established prior to taking, omitting or suffering to take any action hereunder, the Depositary may, in its sole discretion upon written notice to the Corporation, refrain from taking any action and shall be fully protected and shall not be liable in any way to the Corporation, any holders of Receipts or any other person or entity for refraining from taking such action, unless the Depositary receives written instructions or a certificate signed by the Corporation which eliminates such ambiguity or uncertainty to the satisfaction of the Depositary or which proves or establishes the applicable matter to the satisfaction of the Depositary. The Depositary shall not be liable to the Corporation or any holder of Receipts, for any action taken by it in accordance with the written instruction of the Corporation.

Section 5.4. *Resignation and Removal of the Depositary; Appointment of Successor Depositary.*

The Depositary may at any time resign as Depositary hereunder by delivering notice of its election to do so to the Corporation, such resignation to take effect upon the appointment of a successor Depositary and its acceptance of such appointment as hereinafter provided.

The Depositary may at any time be removed by the Corporation by notice of such removal delivered to the Depositary, such removal to take effect upon the appointment of a successor Depositary hereunder and its acceptance of such appointment as hereinafter provided.

In case at any time the Depositary acting hereunder shall resign or be removed, the Corporation shall, within 60 days after the delivery of the notice of resignation or removal, as the case may be, appoint a successor Depositary, which shall be a bank or trust company having its principal office in the United States of America and having a combined capital and surplus of at least \$50,000,000. If no successor Depositary shall have been so appointed and have accepted appointment within 60 days after delivery of such notice, the resigning or removed Depositary may petition any court of competent jurisdiction for the appointment of a successor Depositary. Every successor Depositary shall execute and deliver to its predecessor and to the Corporation an instrument in writing accepting its appointment hereunder, and thereupon such successor Depositary, without any further act or deed, shall become fully vested with all the rights, powers, duties and obligations of its predecessor and for all purposes shall be the Depositary under this Deposit Agreement, and such predecessor, upon payment of all sums due it and on the written request of the Corporation, shall promptly execute and deliver an instrument transferring to such successor all rights and powers of such predecessor hereunder, shall duly assign, transfer and deliver all right, title and interest in the Stock and any moneys or property held hereunder to such successor, and shall deliver to such successor a list of the record holders of all outstanding Receipts and such records, books and other information in its possession relating thereto. Any successor Depositary shall promptly mail or transmit by such other method approved by such successor Depositary, in its reasonable discretion, notice of its appointment to the record holders of Receipts.

Any entity into or with which the Depositary may be merged, consolidated or converted shall be the successor of such Depositary without the execution or filing of any document or any further act, and notice thereof shall not be required hereunder. Such successor Depositary may authenticate the Receipts in the name of the predecessor Depositary or in the name of the successor Depositary.

Section 5.5. *Corporate Notices and Reports.*

The Corporation agrees that it will deliver to the Depositary, and the Depositary will, promptly after receipt thereof, transmit to the record holders of Receipts, in each case at the addresses recorded in the Depositary's books, copies of all notices and reports (including without limitation financial statements) required by law, by the rules of any national securities exchange upon which the Stock, the Depositary Shares or the Receipts are listed or by the Corporation's Fifth Restated Certificate of Incorporation, as amended (including the Certificate of Designations), to be furnished to the record holders of Receipts. Such transmission will be at the Corporation's expense and the Corporation will provide the Depositary with such number of copies of such documents as the Depositary may reasonably request. In addition, the Depositary will transmit to the record holders of Receipts at the Corporation's expense such other documents as may be requested by the Corporation.

Section 5.6. *Indemnification by the Corporation.*

Notwithstanding Section 5.3 to the contrary, the Corporation shall indemnify the Depositary, any Depositary's Agent and any Registrar (including each of their officers, directors,

agents and employees) against, and hold each of them harmless from, any loss, damage, cost, penalty, liability or expense (including the reasonable out-of-pocket costs and expenses of defending itself) which may arise out of acts performed, suffered or omitted to be taken in connection with this Deposit Agreement and the Receipts by the Depositary, any Registrar or any of their respective agents (including any Depositary's Agent) and any transactions or documents contemplated hereby, except for any liability arising out of gross negligence or willful misconduct on the respective parts of any such person or persons. The obligations of the Corporation set forth in this Section 5.6 shall survive any succession of any Depositary, Registrar or Depositary's Agent.

Section 5.7. *Fees, Charges and Expenses.*

The Corporation agrees promptly to pay the Depositary the compensation to be agreed upon with the Corporation for all services rendered by the Depositary hereunder and to reimburse the Depositary for its reasonable out-of-pocket expenses (including reasonable counsel fees and expenses) incurred by the Depositary in connection with the services rendered by it (or such Depositary's Agent) hereunder. The Corporation shall pay all charges of the Depositary in connection with the initial deposit of the Stock and the initial issuance of the Depositary Shares, all withdrawals of shares of the Stock by owners of Depositary Shares, and any redemption or exchange of the Stock at the option of the Corporation. The Corporation shall pay all transfer and other taxes and governmental charges arising solely from the existence of the depositary arrangements. All other transfer and other taxes and governmental charges shall be at the expense of holders of Depositary Shares evidenced by Receipts. If, at the request of a holder of Receipts, the Depositary incurs charges or expenses for which the Corporation is not otherwise liable hereunder, such holder will be liable for such charges and expenses; provided, however, that the Depositary may, at its sole option, require a holder of a Receipt to prepay the Depositary any charge or expense the Depositary has been asked to incur at the request of such holder of Receipts. The Depositary shall present its statement for charges and expenses to the Corporation at such intervals as the Corporation and the Depositary may agree.

ARTICLE VI

AMENDMENT AND TERMINATION

Section 6.1. *Amendment.*

The form of the Receipts and any provisions of this Deposit Agreement may at any time and from time to time be amended by agreement between the Corporation and the Depositary in any respect which they may deem necessary or desirable; provided, however, that no such amendment which shall materially and adversely alter the rights of the holders of Receipts shall be effective unless such amendment shall have been approved by holders of Receipts representing in the aggregate at least a two-thirds majority of the Depositary Shares then outstanding. Every holder of an outstanding Receipt at the time any such amendment becomes effective shall be deemed, by continuing to hold such Receipt, to consent and agree to such amendment and to be bound by the Deposit Agreement as amended thereby. In no event shall any amendment impair the right, subject to the provisions of Sections 2.5 and 2.6 and Article III, of any owner of Depositary Shares to surrender any Receipt evidencing such Depositary Shares to the Depositary with instructions to deliver to the holder the Stock and all money and other property, if any, represented thereby, except in order to comply with mandatory provisions of applicable law or the rules and regulations of any governmental body, agency or commission, or applicable stock exchange.

Section 6.2. *Termination.*

This Deposit Agreement may be terminated by the Corporation at any time upon not less than 60 days prior written notice to the Depository, in which case, at least 30 days prior to the date fixed in such notice for such termination, the Depository will mail notice of such termination to the record holders of all Receipts then outstanding.

If any Receipts shall remain outstanding after the date of termination of this Deposit Agreement, the Depository thereafter shall discontinue the transfer of Receipts, shall suspend the distribution of dividends to the holders thereof and shall not give any further notices (other than notice of such termination) or perform any further acts under this Deposit Agreement, except that the Depository shall continue to collect dividends and other distributions pertaining to Stock, shall sell rights, preferences or privileges as provided in this Deposit Agreement and shall deliver the number of whole or fractional shares of Stock and any money and other property, if any, represented by Receipts upon surrender thereof by the holders thereof. At any time after the expiration of two years from the date of termination, the Depository may sell Stock then held hereunder at public or private sale, at such places and upon such terms as it deems proper and may thereafter hold the net proceeds of any such sale, together with any money and other property held by it hereunder, without liability for interest, for the benefit, pro rata in accordance with their holdings, of the holders of Receipts that have not theretofore been surrendered. After making such sale, the Depository shall be discharged from all obligations under this Deposit Agreement except to account for such net proceeds and money and other property; provided, that Sections 5.3 and 5.6 shall survive the termination of this Deposit Agreement.

This Deposit Agreement will terminate automatically if (i) all outstanding Depository Shares have been redeemed pursuant to Section 2.8 or (ii) there shall have been made a final distribution in respect of the Stock in connection with any liquidation, dissolution or winding up of the Corporation and such distribution shall have been distributed to the holders of Depository Shares pursuant to Section 4.1 or 4.2, as applicable.

Upon the termination of this Deposit Agreement, the Corporation shall be discharged from all obligations under this Deposit Agreement except for its obligations to the Depository, any Depository's Agent and any Registrar under Sections 5.6 and 5.7.

ARTICLE VII

MISCELLANEOUS

Section 7.1. *Counterparts.*

This Deposit Agreement may be executed in any number of counterparts, and by each of the parties hereto on separate counterparts, each of which counterparts, when so executed and delivered, shall be deemed an original, but all such counterparts taken together shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Deposit Agreement by facsimile or electronic mail shall be effective as delivery of a manually executed counterpart of this Deposit Agreement.

Section 7.2. *Exclusive Benefit of Parties.*

This Deposit Agreement is for the exclusive benefit of the parties hereto, and their respective successors hereunder, and shall not be deemed to give any legal or equitable right, remedy or claim to any other person whatsoever.

Section 7.3. *Invalidity of Provisions.*

In case any one or more of the provisions contained in this Deposit Agreement or in the Receipts should be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein or therein shall in no way be affected, prejudiced or disturbed thereby.

Section 7.4. *Notices.*

Any and all notices to be given to the Corporation hereunder or under the Receipts shall be in writing and shall be deemed to have been duly given if personally delivered or sent by mail, or by telegram, facsimile transmission or electronic mail confirmed by letter, addressed to the Corporation at

The Charles Schwab Corporation
211 Main Street
San Francisco, California 94105
Attention: Chief Financial Officer
Facsimile: (415) 667-9731
Email: peter.crawford@schwab.com

Attention: Treasurer
Facsimile: 415-667-8565
Email: bill.quinn@schwab.com

Attention: General Counsel
Facsimile: 415-667-9814
Email: peter.morgan@schwab.com

or at any other addresses of which the Corporation shall have notified the Depository in writing.

Any and all notices to be given to the Depository hereunder or under the Receipts shall be in writing and shall be deemed to have been duly given if personally delivered or sent by mail, or by facsimile transmission confirmed by letter, addressed to the Depository at the Depository's Office at

Equiniti Trust Company
1110 Centre Pointe Curve, Suite 101
Mendota Heights, MN 55120
Attention: Relationship Manager
Facsimile No.: 651-552-6942

or at any other address of which the Depositary shall have notified the Corporation in writing.

Any and all notices to be given to any record holder of a Receipt hereunder or under the Receipts shall be in writing and shall be deemed to have been duly given if personally delivered or sent by mail or facsimile transmission confirmed by letter, addressed to such record holder at the address of such record holder as it appears on the books of the Depositary, or if such holder shall have timely filed with the Depositary a written request that notices intended for such holder be mailed to some other address, at the address designated in such request.

Delivery of a notice sent by mail or by facsimile transmission shall be deemed to be effected at the time when a duly addressed letter containing the same (or a confirmation thereof in the case of a facsimile transmission) is deposited, postage prepaid, in a post office letter box. The Depositary or the Corporation may, however, act upon any facsimile transmission received by it from the other or from any holder of a Receipt, notwithstanding that such facsimile transmission shall not subsequently be confirmed by letter or as aforesaid.

Section 7.5. *Depositary's Agents.*

The Depositary may from time to time appoint Depositary's Agents to act in any respect for the Depositary for the purposes of this Deposit Agreement and may at any time appoint additional Depositary's Agents and vary or terminate the appointment of such Depositary's Agents. The Depositary will promptly notify the Corporation in advance of any such action.

Section 7.6. *Appointment of Registrar in Respect of the Receipts.*

The Corporation hereby appoints the Depositary as Registrar in respect of the Receipts and the Depositary hereby accepts such appointments.

Section 7.7. *Holders of Receipts Are Parties.*

The holders of Receipts from time to time shall be parties to this Deposit Agreement and shall be bound by all of the terms and conditions hereof and of the Receipts by acceptance of delivery thereof.

Section 7.8. *Governing Law.*

This Deposit Agreement and the Receipts and all rights hereunder and thereunder and provisions hereof and thereof shall be governed by, and construed in accordance with, the laws of the State of New York, not including the conflict or choice of law rules other than Section 5-1401 of the General Obligations Law. Each party hereby agrees that any action, suit or proceeding arising out of or relating to this Deposit Agreement or the Receipts, or such rights or provisions, may be brought in or removed to the U.S. District Court for the Southern District of New York or, if that court does not have subject matter jurisdiction, any state court located in The City and County of New York. Each party hereby accepts, for itself and in respect of its property, generally and unconditionally, to submit to the non-exclusive jurisdiction of, and venue in, such courts (and courts of appeals therefrom) with respect to any such action, suit or proceeding, and hereby waives the defenses of improper venue or inconvenient forum with respect thereto.

Section 7.9. *Inspection of Deposit Agreement.*

Copies of this Deposit Agreement shall be filed with the Depository and the Depository's Agents and shall be open to inspection during business hours at the Depository's Office and the respective offices of the Depository's Agents, if any, by any holder of a Receipt.

Section 7.10. *Headings.*

The headings of articles and sections in this Deposit Agreement and in the form of the Receipt set forth in Exhibit A hereto have been inserted for convenience only and are not to be regarded as a part of this Deposit Agreement or the Receipts or to have any bearing upon the meaning or interpretation of any provision contained herein or in the Receipts.

Section 7.11. *Confidentiality.*

The Depository and the Corporation agree that all books, records, information and data pertaining to the business of the other party, including, inter alia, personal, non-public holder information, which are exchanged or received pursuant to the negotiation or the carrying out of this Deposit Agreement, shall remain confidential, and shall not be voluntarily disclosed to any other person, except as may be required by law or legal process.

IN WITNESS WHEREOF, the Corporation and the Depositary have duly executed this Deposit Agreement as of the day and year first above set forth, and all holders of Receipts shall become parties hereto by and upon acceptance by them of delivery of Receipts issued in accordance with the terms hereof.

THE CHARLES SCHWAB CORPORATION

By: /s/ Peter Crawford

Name: Peter Crawford

Title: Executive Vice President and
Chief Financial Officer

EQUINITI TRUST COMPANY

By: /s/ Brad Kreager

Name: Brad Kreager

Title: Vice President

Exhibit A

[FORM OF FACE OF RECEIPT]

Unless this receipt is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to The Charles Schwab Corporation or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

DEPOSITARY SHARES

2,500,000

DEPOSITARY RECEIPT FOR DEPOSITARY SHARES EACH
REPRESENTING 1/100TH OF ONE SHARE OF 4.000% FIXED-RATE RESET
NON-CUMULATIVE PERPETUAL PREFERRED STOCK, SERIES H

OF

THE CHARLES SCHWAB CORPORATION

INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE

CUSIP 808513 BJ3

SEE REVERSE FOR CERTAIN DEFINITIONS

Dividend Payment Dates: Beginning on March 1, 2021, March 1, June 1, September 1 and December 1 of each year.

Equiniti Trust Company, a limited trust company organized under the laws of the State of New York, as Depository (the “Depository”), hereby certifies that Cede & Co. is the registered owner of Two Million Five Hundred Thousand (2,500,000) DEPOSITARY SHARES (“Depository Shares”), each Depository Share representing 1/100th of one share of 4.000% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series H, \$0.01 par value, liquidation preference \$100,000 per share (the “*Stock*”), of The Charles Schwab Corporation, a Delaware corporation (the “*Corporation*”), on deposit with the Depository, subject to the terms and entitled to the benefits of the Deposit Agreement dated as of December 11, 2020 (the “*Deposit Agreement*”), among the Corporation, the Depository and the holders from time to time of the Depository Receipts. By accepting this Depository Receipt, the holder hereof becomes a party to and agrees to be bound by all the terms and conditions of the Deposit Agreement. This Depository Receipt shall not be valid or obligatory for any purpose or entitled to any benefits under the Deposit Agreement unless it shall have been executed by the Depository by the manual signature of a duly authorized officer or, if executed in facsimile by the Depository, countersigned by a Registrar in respect of the Depository Receipts by the manual signature of a duly authorized officer thereof.

This Depository Receipt is transferable in New York, New York and Saint Paul, Minnesota.

Dated: December 11, 2020

Equiniti Trust Company, Depositary

By: _____
Authorized Officer

[FORM OF REVERSE OF RECEIPT]

THE CHARLES SCHWAB CORPORATION

THE CHARLES SCHWAB CORPORATION WILL FURNISH WITHOUT CHARGE TO EACH HOLDER OF A RECEIPT WHO SO REQUESTS A COPY OF THE DEPOSIT AGREEMENT AND A COPY OR SUMMARY OF THE CERTIFICATE OF DESIGNATIONS ESTABLISHING THE 4.000% FIXED-RATE RESET NON-CUMULATIVE PERPETUAL PREFERRED STOCK, SERIES H, OF THE CHARLES SCHWAB CORPORATION. ANY SUCH REQUEST IS TO BE ADDRESSED TO THE DEPOSITARY NAMED ON THE FACE OF THIS RECEIPT.

The Corporation will furnish without charge to each holder of a receipt who so requests the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof of the Corporation, and the qualifications, limitations or restrictions of such preferences and/or rights. Such request may be made to the Corporation or to the Registrar.

EXPLANATION OF ABBREVIATIONS

The following abbreviations when used in the form of ownership on the face of this certificate shall be construed as though they were written out in full according to applicable laws or regulations. Abbreviations in addition to those appearing below may be used.

<u>Abbreviation</u>	<u>Equivalent Phrase</u>	<u>Abbreviation</u>	<u>Equivalent Phrase</u>
JT TEN	As joint tenants, with right of survivorship and not as tenants in common	TEN BY ENT	As tenants by the entireties
TEN IN COM	As tenants in common	UNIF GIFT MIN ACT	Uniform Gifts to Minors Act

<u>Abbreviation</u>	<u>Equivalent Word</u>	<u>Abbreviation</u>	<u>Equivalent Word</u>	<u>Abbreviation</u>	<u>Equivalent Word</u>
ADM	Administrator(s), Administratrix	EX	Executor(s), Executrix	PAR	Paragraph
AGMT	Agreement	FBO	For the benefit of	PL	Public Law
ART	Article	FDN	Foundation	TR	(As) trustee(s), for, of
CH	Chapter	GDN	Guardian(s)	U	Under
CUST	Custodian for	GDNSHP	Guardianship	UA	Under agreement
DEC	Declaration	MIN	Minor(s)	UW	Under will of, Of will of, Under last will & testament
EST	Estate, of Estate of				

For value received, _____ hereby sell(s), assign(s) and transfer(s) unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE
PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE

Depository Shares represented by the within Receipt, and do(es) hereby irrevocably constitute and appoint _____
Attorney to transfer the said Depository Shares on the books of the within named Depository with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to the assignment must correspond with the name as written upon the face of this Receipt in every particular, without alteration or enlargement or any change whatsoever.

SIGNATURE GUARANTEED

NOTICE: The signature(s) should be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations, and credit unions with membership in an approved signature guarantee medallion program), pursuant to Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended.

Exhibit B

Certificate of Designations

[See attached]

B-1

THE CHARLES SCHWAB CORPORATION, as Issuer

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee

0.900% Senior Notes due 2026

1.650% Senior Notes due 2031

Fifteenth Supplemental Indenture

Dated as of December 11, 2020

to

Senior Indenture dated as of June 5, 2009

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FIFTEENTH SUPPLEMENTAL INDENTURE, dated as of December 11, 2020 (“**Supplemental Indenture**”), to the Indenture dated as of June 5, 2009 (as amended, modified or supplemented from time to time in accordance therewith, other than with respect to a particular series of debt securities, the “**Base Indenture**” and, as amended, modified and supplemented by this Supplemental Indenture, the “**Indenture**”), by and among THE CHARLES SCHWAB CORPORATION (the “**Company**”), and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as trustee (the “**Trustee**”).

Each party agrees as follows for the benefit of the other party and for the equal and ratable benefit of the Holders of the Notes:

WHEREAS, the Company has duly authorized the execution and delivery of the Base Indenture to provide for the issuance from time to time of senior debt securities to be issued in one or more series as provided in the Base Indenture;

WHEREAS, the Company has duly authorized the execution and delivery, and desires and has requested the Trustee to join it in the execution and delivery, of this Supplemental Indenture in order to establish and provide for the issuance by the Company of two new series of Securities designated as its 0.900% Senior Notes due 2026 (the “**2026 Notes**”) and its 1.650% Senior Notes due 2031 (the “**2031 Notes**” and, together with the 2026 Notes, the “**Notes**”), on the terms set forth herein;

WHEREAS, Article IX of the Base Indenture provides that a supplemental indenture may be entered into by the parties for such purpose provided certain conditions are met;

WHEREAS, the conditions set forth in the Base Indenture for the execution and delivery of this Supplemental Indenture have been met; and

WHEREAS, all things necessary to make this Supplemental Indenture a valid and legally binding agreement of the parties, in accordance with its terms, and a valid and legally binding amendment of, and supplement to, the Base Indenture with respect to the Notes have been done;

NOW, THEREFORE:

ARTICLE I

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.01 Definitions. Capitalized terms used herein and not otherwise defined herein have the meanings assigned to them in the Base Indenture. The words “herein”, “hereof” and “hereby” and other words of similar import used in this Supplemental Indenture refer to this Supplemental Indenture as a whole and not to any particular section hereof.

As used herein, the following terms have the specified meanings:

“**2026 Interest Payment Date**” has the meaning set forth in Section 3.01(d) of this Supplemental Indenture.

“**2026 Notes**” has the meaning specified in the recitals of this Supplemental Indenture.

“**2026 Regular Record Date**” has the meaning set forth in Section 3.01(d) of this Supplemental Indenture.

“**2031 Interest Payment Date**” has the meaning set forth in Section 3.01(d) of this Supplemental Indenture.

“**2031 Notes**” has the meaning specified in the recitals of this Supplemental Indenture.

“**2031 Regular Record Date**” has the meaning set forth in Section 3.01(d) of this Supplemental Indenture.

“**Additional Notes**” has the meaning specified in Section 3.04 of this Supplemental Indenture.

“**Base Indenture**” has the meaning specified in the recitals of this Supplemental Indenture.

“**Business Day**” means any day other than (i) a Saturday or Sunday or (ii) a day on which banking institutions in Los Angeles, California or New York, New York are authorized or obligated by law or executive order to close.

“**Company**” has the meaning specified in the recitals of this Supplemental Indenture.

“**Comparable Treasury Issue**” means the United States Treasury security or securities selected by the Quotation Agent as having an actual or interpolated maturity comparable to the remaining term of the Notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of a comparable maturity to the remaining term of such Notes.

“**Comparable Treasury Price**” means, with respect to any Redemption Date pursuant to Section 4.01 of this Supplemental Indenture, (A) the arithmetic average of the Reference Treasury Dealer Quotations for such Redemption Date, after excluding the highest and lowest such Reference Treasury Dealer Quotations, or (B) if the Quotation Agent obtains fewer than five such Reference Treasury Dealer Quotations, the arithmetic average of all such quotations for such Redemption Date.

“**Depository**” means The Depository Trust Company or such other Depository designated by the Company from time to time.

“**EDGAR**” means the Electronic Data Gathering, Analysis and Retrieval system or such successor system so designated by the Commission.

“**Indenture**” has the meaning specified in the recitals of this Supplemental Indenture.

“**Interest Payment Date**” has the meaning set forth in Section 3.01(d) of this Supplemental Indenture.

“**ISIN**” means International Securities Identifying Number.

“**Notes**” has the meaning specified in the recitals of this Supplemental Indenture.

“**Permitted Liens**” has the meaning set forth in Section 5.01 of this Supplemental Indenture.

“**Primary Treasury Dealer**” means a primary U.S. Government securities dealer in the United States.

“**Quotation Agent**” means the Reference Treasury Dealer that is selected by the Company in connection with an optional redemption pursuant to Article IV hereof to act as Quotation Agent in addition to acting as a Reference Treasury Dealer; provided, however, that if such Reference Treasury Dealer ceases to be a Primary Treasury Dealer, the Company will substitute another Primary Treasury Dealer.

“**Redemption Date**,” when used with respect to any Note to be redeemed, means the date specified for redemption by the Company.

“**Redemption Price**” means, when used with respect to any Note to be redeemed, the price at which it is to be redeemed pursuant to this Supplemental Indenture.

“**Reference Treasury Dealer**” means each of (i) BofA Securities, Inc., (or its successor) or any affiliate that is a Primary Treasury Dealer, (ii) Citigroup Global Markets Inc. (or its successor) or any affiliate that is a Primary Treasury Dealer; (iii) Credit Suisse Securities (USA) LLC (or its successor) or any affiliate that is a Primary Treasury Dealer; (iv) Goldman Sachs & Co. LLC (or its successor) or any affiliate that is a Primary Treasury Dealer; (v) J.P. Morgan Securities LLC (or its successor) or any affiliate that is a Primary Treasury Dealer; and (vi) one other Primary Treasury Dealer that is selected by the Company; provided, however, that if any of the foregoing or their affiliates cease to be a Primary Treasury Dealer, the Company will substitute therefor another Primary Treasury Dealer.

“**Reference Treasury Dealer Quotations**” means, with respect to each Reference Treasury Dealer and any Redemption Date, the arithmetic average, as determined by the Quotation Agent, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Quotation Agent by such Reference Treasury Dealer at 3:30 p.m., New York City time, on the third Business Day preceding such Redemption Date.

“**Regular Record Date**” means collectively, the 2026 Regular Record Date and the 2031 Regular Record Date.

“**Supplemental Indenture**” has the meaning specified in the recitals of this Supplemental Indenture.

“**Treasury Rate**” means, with respect to any Redemption Date pursuant to Section 4.01 of this Supplemental Indenture, the rate per annum equal to the semiannual equivalent yield to maturity or interpolated (on a day count basis) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such Redemption Date.

“**Voting Securities**” has the meaning specified in Section 5.01 of this Supplemental Indenture.

Section 1.02 Conflicts with Base Indenture. In the event that any provision of this Supplemental Indenture limits, qualifies or conflicts with a provision of the Base Indenture, such provision of this Supplemental Indenture shall control.

ARTICLE II

FORM OF NOTES

Section 2.01 Form of Notes. The Notes shall be substantially in the forms of Exhibit A and Exhibit B for the 2026 Notes and the 2031 Notes, respectively, hereto which are hereby incorporated in and expressly made a part of this Indenture.

ARTICLE III

THE NOTES

Section 3.01 Amount; Series; Terms.

(a) There are hereby created and designated two series of Securities under the Base Indenture: the title of the 2026 Notes shall be “0.900% Senior Notes Due 2026” and the title of the 2031 Notes shall be “1.650% Senior Notes Due 2031”. The changes, modifications and supplements to the Base Indenture effected by this Supplemental Indenture shall be applicable only with respect to, and govern the terms of, the Notes of the applicable series and shall not apply to any other series of Securities that may be issued under the Base Indenture unless a supplemental indenture with respect to such other series of Securities specifically incorporates such changes, modifications and supplements.

(b) The aggregate principal amount of 2026 Notes that initially may be authenticated and delivered under this Supplemental Indenture shall be limited to \$1,250,000,000, and the aggregate principal amount of 2031 Notes that initially may be authenticated and delivered under this Supplemental Indenture shall be limited to \$750,000,000, each subject to increase as set forth in Section 3.04 of this Supplemental Indenture.

(c) The Stated Maturity of the 2026 Notes shall be March 11, 2026 and the Stated Maturity of the 2031 Notes shall be March 11, 2031. The Notes shall be payable and may be presented for payment, redemption, registration of transfer and exchange, without service charge, at the Corporate Trust Office.

(d) The 2026 Notes shall bear interest at the rate of 0.900% per annum from and including December 11, 2020, or from and including the most recent date to which interest has been paid or duly provided for, as further provided in the form of 2026 Notes annexed hereto as Exhibit A. The 2031 Notes shall bear interest at the rate of 1.650% per annum from and including December 11, 2020, or from and including the most recent date to which interest has been paid or duly provided for, as further provided in the form of 2031 Notes annexed hereto as Exhibit B. Interest shall be computed on the basis of a 360-day year composed of twelve 30-day months. For the 2026 Notes, the dates on which such interest shall be payable (each, a “**2026 Interest Payment Date**”) shall be March 11 and September 11 of each year, commencing on March 11, 2021, and the “**2026 Regular Record Date**” for any interest payable on each such Interest Payment Date shall be the close of business on the immediately preceding February 26 and August 26, respectively, whether or not a Business Day. For the 2031 Notes, the dates on which such interest shall be payable (each, a “**2031 Interest Payment Date**”) and together with the 2026 Interest Payment Date, an “**Interest Payment Date**”) shall be March 11 and September 11 of each year, commencing on March 11, 2021, and the “**2031 Regular Record Date**” for any interest payable on each such Interest Payment Date shall be the close of business on the immediately preceding February 26 and August 26, respectively, whether or not a Business Day. Interest will be payable to the Holder of record on the applicable Regular Record Date, provided, however, interest payable on the Stated Maturity of any series of the Notes will be paid to the person to whom the principal will be payable.

(e) If any Interest Payment Date, Redemption Date or the Stated Maturity of the applicable series of Notes is not a Business Day, then the related payment of interest and/or principal payable, as applicable, on such date will be paid on the next succeeding Business Day with the same force and effect as if made on such Interest Payment Date, Redemption Date or Stated Maturity and no further interest will accrue as a result of such delay.

(f) Each series of Notes will be issued in the form of one or more Global Securities, duly executed by the Company and authenticated by the Trustee as provided in Section 3.03 of this Supplemental Indenture and the Base Indenture and deposited with the Trustee as custodian for the Depository or its nominee.

(g) Initially, the Trustee will act as Paying Agent. The Company may change any Paying Agent without notice to the Holders.

Section 3.02 Denominations. The Notes shall be issuable only in registered form without coupons and only in denominations of \$2,000 and any multiple of \$1,000 in excess thereof.

Section 3.03 Execution, Authentication, Delivery and Dating. The Notes shall be executed on behalf of the Company by its Chairman of the Board, its Chief Executive Officer, its Chief Financial Officer or its Treasurer, and attested by its Secretary or one of its Assistant Secretaries. The signature of any of these officers on the Notes may be manual or facsimile and shall not be required to be under the Company’s corporate seal.

Notes bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Company shall bind the Company, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Notes or did not hold such offices at the date of such Notes.

Pursuant to a Company Order, the Trustee shall authenticate for original issue Notes in an aggregate principal amount specified in the Company Order. The Trustee shall be provided with an Officer's Certificate and an Opinion of Counsel of the Company that it may reasonably request in connection with such authentication of Notes. Such Company Order shall specify the amount of Notes to be authenticated and the date on which the original issue of Notes is to be authenticated.

Each Note shall be dated the date of its authentication.

No Note shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose unless there appears on such Note a certificate of authentication substantially in the form provided for in the Base Indenture executed by the Trustee by manual, facsimile or electronic signature (including any electronic signature covered by the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act, the Electronic Signatures and Records Act or other applicable law, e.g., www.docuSign.com), and such certificate upon any Note shall be conclusive evidence, and the only evidence, that such Note has been duly authenticated and delivered hereunder.

Section 3.04 Additional Notes. The Company may, from time to time, subject to compliance with any other applicable provisions of this Indenture, without notice to or consent of the Holders of the Notes, create and issue pursuant to this Indenture additional Notes of either series ("**Additional Notes**") having terms and conditions set forth in this Supplemental Indenture, identical to the Notes of one of the two series issued on the date hereof, except that Additional Notes may:

- (i) have a different issue date than other Outstanding Notes of such series;
- (ii) have a different issue price than other Outstanding Notes of such series;
- (iii) have a different initial Interest Payment Date than other Outstanding Notes of such series; and
- (iv) have a different amount of interest that has accrued prior to the issue date of such Additional Notes than has accrued on other Outstanding Notes of such series;

provided, no Additional Notes shall be issued unless such Additional Notes will be fungible for U.S. federal income tax and securities law purposes with Notes of one of the two series issued on the date hereof; and provided further, the Additional Notes have the same CUSIP number as the Notes of one of the two series issued on the date hereof. No Additional Notes may be issued if on the issue date therefor, any Event of Default has occurred and is continuing.

The Notes of any series issued on the date hereof and any Additional Notes of the same series shall be treated as a single class for all purposes under this Indenture, including waivers, amendments and United States federal tax purposes.

With respect to any issuance of Additional Notes, the Company shall deliver to the Trustee a resolution of the Board of Directors or, if applicable, a certificate signed by the Chairman of the Board of Directors of the Company, the Chief Executive Officer, the Chief Financial Officer or the Treasurer of the Company and an Officers' Certificate in respect of such Additional Notes, which shall together provide the following information:

(i) the aggregate principal amount of such Additional Notes to be authenticated and delivered pursuant to this Indenture; and

(ii) the issue date, issue price, the first Interest Payment Date, the amount of interest accrued and payable on the first Interest Payment Date, the applicable series, the CUSIP number and corresponding ISIN of such Additional Notes.

ARTICLE IV

OPTIONAL REDEMPTION OF SECURITIES

Section 4.01 Optional Redemption. (a) The provisions of Article XI of the Base Indenture, as supplemented by the provisions of this Supplemental Indenture, shall apply to the Notes.

(b) On or after June 11, 2021, and prior to February 11, 2026, the 2026 Notes shall be redeemable, as a whole or in part, at the Company's option, on at least 10 days, but not more than 60 days, prior notice electronically delivered or mailed to each registered Holder of the 2026 Notes to be redeemed, at a Redemption Price equal to the greater of (i) 100% of the principal amount of the 2026 Notes to be redeemed, or (ii) as determined by the Quotation Agent, the sum of the present values of the remaining scheduled payments of interest and principal thereon (exclusive of interest accrued and unpaid to, but not including, the Redemption Date) discounted to the Redemption Date on a semiannual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate plus 10 basis points, plus, in either case, accrued and unpaid interest to, but not including, the Redemption Date for such 2026 Notes; provided, however, if the Redemption Date is after a 2026 Regular Record Date and on or prior to a corresponding Interest Payment Date, such accrued and unpaid interest will be paid on the Redemption Date to the holder of record on the 2026 Regular Record Date.

(c) On or after February 11, 2026, the 2026 Notes shall be redeemable, as a whole or in part, at the Company's option, on at least 10 days, but not more than 60 days, prior notice electronically delivered or mailed to each registered Holder of the 2026 Notes to be redeemed, at a Redemption Price (calculated by the Company) equal to 100% of the principal amount of the 2026 Notes to be redeemed plus accrued and unpaid interest to, but not including, the Redemption Date for such 2026 Notes.

(d) On or after June 11, 2021 and prior to December 11, 2030, the 2031 Notes shall be redeemable, as a whole or in part, at the Company's option, on at least 10 days, but not more than 60 days, prior notice electronically delivered or mailed to each registered Holder of the 2031 Notes to be redeemed, at a Redemption Price equal to the greater of (i) 100% of the principal amount of the 2031 Notes to be redeemed, or (ii) as determined by the Quotation Agent, the sum of the present values of the remaining scheduled payments of interest and principal thereon (exclusive of interest accrued and unpaid to, but not including, the Redemption Date) discounted to the Redemption Date on a semiannual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate plus 12.5 basis points, plus, in either case, accrued and unpaid interest to, but not including, the Redemption Date for such 2031 Notes; provided, however, if the Redemption Date is after a 2031 Regular Record Date and on or prior to a corresponding Interest Payment Date, such accrued and unpaid interest will be paid on the Redemption Date to the holder of record on the 2031 Regular Record Date.

(e) On or after December 11, 2030, the 2031 Notes shall be redeemable, as a whole or in part, at the Company's option, on at least 10 days, but not more than 60 days, prior notice electronically delivered or mailed to each registered Holder of the 2031 Notes to be redeemed, at a Redemption Price (calculated by the Company) equal to 100% of the principal amount of the 2031 Notes to be redeemed plus accrued and unpaid interest to, but not including, the Redemption Date for such 2031 Notes.

(f) On and after the Redemption Date for the applicable series of Notes to be redeemed, interest will cease to accrue on such Notes or any portion thereof called for redemption, unless the Company defaults in the payment of the Redemption Price and accrued interest, if any. On or before the Redemption Date for such Notes, the Company shall deposit with the Trustee or a Paying Agent, funds sufficient to pay the Redemption Price of the applicable series of Notes to be redeemed on the Redemption Date, and accrued and unpaid interest, if any, on such Notes. If less than all of the applicable series of Notes are to be redeemed, such Notes to be redeemed shall be selected in accordance with the procedures of the Depository; provided, however, that in no event, shall Notes of a principal amount of \$2,000 or less be redeemed in part.

(g) Notice of any redemption shall be electronically delivered or mailed at least 10 days but not more than 60 days before the Redemption Date to each Holder of the applicable series of Notes to be redeemed; provided, however, that if the Trustee is asked to give such notice it shall be notified in writing of such request at least 5 days prior to the date of the giving of such notice (unless a shorter notice shall be satisfactory to the Trustee). Such notice shall state the Redemption Price (if known) or the formula pursuant to which the Redemption Price is to be determined if the Redemption Price cannot be determined at the time the notice is given. If the Redemption Price cannot be determined at the time such notice is to be given, the actual Redemption Price, calculated as described above in clause (b) or (c) in the case of the 2026 Notes, or in clause (d) or (e) in the case of the 2031 Notes shall be set forth in an Officer's Certificate of the Company delivered to the Trustee no later than two Business Days prior to the Redemption Date. Notice of redemption having been given as provided in the Indenture, the applicable series of Notes called for redemption shall become due and payable on the Redemption Date and at the applicable Redemption Price, plus accrued and unpaid interest, if any, to, but not including, the Redemption Date.

ARTICLE V

COVENANTS AND REMEDIES

Section 5.01 Limitations on Liens. The Company (or any successor corporation) will not, and will not permit any Subsidiary to, create, assume, incur or guarantee any indebtedness for borrowed money secured by a pledge, lien or other encumbrance, except for Permitted Liens (defined below), on the Voting Securities (defined below) of Charles Schwab & Co., Inc., Charles Schwab Bank, SSB, Charles Schwab Investment Management, Inc., or Schwab Holdings, Inc. unless the Company shall cause the Notes to be secured equally and ratably with (or, at the Company's option, prior to) any indebtedness secured thereby. "**Permitted Liens**" means (i) liens for taxes or assessments or governmental charges or levies (a) that are not then due and delinquent, (b) the validity of which is being contested in good faith or (c) which are less than \$1,000,000 in amount; (ii) liens created by or resulting from any litigation or legal proceedings which are currently being contested in good faith by appropriate proceedings or which involve claims of less than \$1,000,000; (iii) deposits to secure (or in lieu of) surety, stay, appeal or customs bonds; and (iv) such other liens as the Board of Directors of the Company determines do not materially detract from or interfere with the present value or control of the Voting Securities subject thereto or affected thereby. "**Voting Securities**" means stock of any class or classes having general voting power under ordinary circumstances to elect a majority of the board of directors, managers or trustees of the corporation in question, provided that, for the purposes hereof, stock which carries only the right to vote conditionally on the happening of an event shall not be considered voting stock whether or not such event shall have happened.

ARTICLE VI

SUPPLEMENTAL INDENTURES

Section 6.01 Supplemental Indentures with Consent of Holders. The terms of this Supplemental Indenture may be modified as set forth in Article IX of the Base Indenture. For the avoidance of doubt, no supplemental indenture shall, without the consent of the Holder of each Outstanding Note of a series affected thereby, reduce the Redemption Price of any Note of the same series.

ARTICLE VII

MISCELLANEOUS

Section 7.01 Sinking Funds. Article XII of the Base Indenture shall have no application. The Notes shall not have the benefit of a sinking fund.

Section 7.02 Conversion of Notes. Article XIV of the Base Indenture shall have no application. The Notes shall not be convertible into shares of Common Stock of the Company.

Section 7.03 Reports by the Company. The Company shall be deemed to have complied with the first sentence of Section 7.4 of the Base Indenture to the extent that such information, documents and reports are filed with the Commission via EDGAR (or any successor electronic delivery procedure); provided, however, that the Trustee shall have no obligation whatsoever to determine whether or not such information, documents or reports have been filed pursuant to the EDGAR system (or its successor).

Section 7.04 Confirmation of Indenture. The Base Indenture, as supplemented and amended by this Supplemental Indenture and all other indentures supplemental thereto, is in all respects ratified and confirmed, and the Base Indenture, this Supplemental Indenture and all indentures supplemental thereto shall be read, taken and construed as one and the same instrument.

Section 7.05 Counterparts. The parties hereto may sign one or more copies of this Supplemental Indenture in counterparts, all of which together shall constitute one and the same agreement.

Section 7.06 Governing Law. THIS SUPPLEMENTAL INDENTURE AND THE NOTES SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF CALIFORNIA.

Section 7.07 Trustee. The Trustee makes no representations as to the validity or sufficiency of this Supplemental Indenture. The recitals herein are deemed to be those of the Company and not of the Trustee.

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IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the day and year first written above.

THE CHARLES SCHWAB CORPORATION, as Issuer

By: /s/ Peter Crawford

Name: Peter Crawford

Title: Executive Vice President and Chief Financial
Officer

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as Trustee

By: /s/ Lawrence M. Kusch

Name: Lawrence M. Kusch

Title: Vice President

[Signature Page to Fifteenth Supplemental Indenture]

EXHIBIT A

FORM OF 2026 NOTE

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITARY OR A NOMINEE THEREOF. THIS SECURITY MAY NOT BE EXCHANGED IN WHOLE OR IN PART FOR A SECURITY REGISTERED, AND NO TRANSFER OF THIS SECURITY IN WHOLE OR IN PART MAY BE REGISTERED, IN THE NAME OF ANY PERSON OTHER THAN SUCH DEPOSITARY OR A NOMINEE THEREOF, EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY TRUST COMPANY, A NEW YORK CORPORATION (“**DTC**”), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS A BENEFICIAL INTEREST HEREIN.

TRANSFERS OF THIS NOTE ARE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR’S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL SECURITY ARE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO ON THE REVERSE HEREOF.

IN WITNESS WHEREOF, the Issuer has caused this Note to be signed manually or by facsimile by its duly authorized officers.

THE CHARLES SCHWAB CORPORATION

By: _____
Name: Peter Crawford
Title: Executive Vice President and Chief
Financial Officer

Attest:

Name:
Title:

This is one of the Notes of the series designated herein and referred to in the within-mentioned Indenture.

Dated: December 11, 2020

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as Trustee

By: _____
Authorized Signatory

(REVERSE OF NOTE)

THE CHARLES SCHWAB CORPORATION
0.900% Senior Notes due 2026

1. Interest.

The Charles Schwab Corporation (the “**Issuer**”) promises to pay interest on the principal amount of this Note at the rate per annum described above. Cash interest on the Notes will accrue from the most recent date to which interest has been paid; or, if no interest has been paid, from and including December 11, 2020. Interest on this Note will be paid to but excluding the relevant Interest Payment Date or on such earlier date as the principal amount shall become due in accordance with the provisions hereof. Interest will be payable to the Holder of record on the Regular Record Date, provided, however, interest payable on the Stated Maturity will be paid to the person to whom the principal will be payable. The Issuer will pay interest semi-annually in arrears on each Interest Payment Date, commencing March 11, 2021. If any Interest Payment Date, Redemption Date or the Stated Maturity of the Notes is not a Business Day, then the related payment of interest and/or principal payable, as applicable, on such date will be paid on the next succeeding Business Day with the same force and effect as if made on such Interest Payment Date, Redemption Date or Stated Maturity and no further interest will accrue as a result of such delay. Interest will be computed on the basis of a 360-day year consisting of twelve 30-day months.

The Issuer shall pay interest on overdue principal from time to time on demand by the Trustee pursuant to Section 5.3 of the Base Indenture (defined below) at the rate borne by the Notes and on overdue installments of interest (without regard to any applicable grace periods) to the extent lawful.

2. Paying Agent.

Initially, The Bank of New York Mellon Trust Company, N.A. (the “**Trustee**”) will act as paying agent (the “**Paying Agent**”). The Issuer may change any paying agent without notice to the Holders.

3. Indenture; Defined Terms.

This Note is one of the 0.900% Senior Notes due 2026 (the “**Notes**”) issued under the Senior Indenture dated as of June 5, 2009 (as amended, modified or supplemented from time to time in accordance therewith, the “**Base Indenture**” and, as amended, modified and supplemented by the Fifteenth Supplemental Indenture dated as of December 11, 2020, the “**Indenture**”) by and between the Issuer and the Trustee, as trustee. This Note is a “Global Security” and the Notes are “Global Securities” under the Indenture.

For purposes of this Note, unless otherwise defined herein, capitalized terms herein are used as defined in the Indenture. The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939 (15 U.S.C. Sections 77aaa-77bbb) (the “**TIA**”) as in effect on the date on which the Indenture was qualified under the TIA. Notwithstanding anything to the contrary herein, the

Notes are subject to all such terms, and holders of Notes are referred to the Indenture and the TIA for a statement of them. To the extent the terms of the Indenture and this Note are inconsistent, the terms of the Indenture shall govern.

4. Denominations; Transfer; Exchange.

The Notes are in registered form, without coupons, in denominations of \$2,000 and multiples of \$1,000 thereafter. A Holder shall register the transfer or exchange of Notes in accordance with the Indenture. The Issuer may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and to pay certain transfer taxes or similar governmental charges payable in connection therewith as permitted by the Indenture. The Issuer need not issue, authenticate, register the transfer of or exchange any Notes or portions thereof for a period of fifteen (15) days before the electronic delivery or mailing of a notice of redemption, nor need the Issuer register the transfer or exchange of any Note selected for redemption in whole or in part, except the unredeemed portion of any Security being redeemed in part.

5. Amendment; Modification; Waiver.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Issuer and the rights of the Holders of the Securities of all series affected under the Indenture at any time by the Issuer and the Trustee with the consent of the Holders of not less than a majority in aggregate principal amount of the Securities of all series at the time Outstanding affected thereby (voting together as a single class). The Indenture contains provisions permitting the Holders of not less than a majority in aggregate principal amount of the Securities of all series at the time Outstanding with respect to which an Event of Default under the Indenture shall have occurred and be continuing (voting together as a single class), on behalf of the Holders of all Securities of such affected series, to waive, with certain exceptions, such past default with respect to all such series and its consequences. The Indenture also permits the Holders of not less than a majority in aggregate principal amount of the Securities of each series at the time Outstanding affected thereby (voting together as a single class), on behalf of the Holders of all Securities of such affected series, to waive compliance by the Issuer with certain provisions of the Indenture. Any such consent or waiver by the Holder of this Note shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Security issued upon the registration of transfer hereof or in exchange therefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Note.

6. Optional Redemption.

Beginning on or after June 11, 2021, the Issuer may redeem the Notes in whole or in part, at its option, at any time or from time to time prior to maturity on at least 10 days, but not more than 60 days, prior notice electronically delivered or mailed to each registered Holder of the Notes (the “**Redemption Date**”).

If any or all of the Notes are redeemed on or after June 11, 2021 and before February 11, 2026, the Redemption Price will be equal to the greater of: (i) 100% of the principal

amount of the Notes to be redeemed, or (ii) as determined by the Quotation Agent, the sum of the present values of the remaining scheduled payments of interest and principal thereon (exclusive of interest accrued and unpaid to, but not including, the Redemption Date) discounted to the Redemption Date, on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months), at a rate equal to the sum of the Treasury Rate plus 10 basis points, plus, in either case, accrued interest thereon to, but not including, the Redemption Date; provided, however, if the Redemption Date is after a Regular Record Date and on or prior to a corresponding Interest Payment Date, such accrued and unpaid interest will be paid on the Redemption Date to the holder of record on the Regular Record Date.

If any or all of the Notes are redeemed on or after February 11, 2026, the Redemption Price (calculated by the Company) will be equal to 100% of the principal amount of the Notes to be redeemed plus accrued and unpaid interest to, but not including, the Redemption Date for such Notes.

On and after the Redemption Date for the Notes, interest will cease to accrue on the Notes or any portion thereof called for redemption, unless the Issuer defaults in the payment of the Redemption Price and accrued interest, if any. On or before the Redemption Date for the Notes, the Issuer shall deposit with the Trustee or a Paying Agent, funds sufficient to pay the Redemption Price of the Notes to be redeemed on the Redemption Date, and accrued and unpaid interest, if any, on such Notes. If less than all of the Notes are to be redeemed, the Notes to be redeemed shall be selected in accordance with the procedures of the Depository; provided, however, that in no event, shall Notes of a principal amount of \$2,000 or less be redeemed in part.

Notice of any redemption shall be electronically delivered or mailed at least 10 days but not more than 60 days before the Redemption Date to each Holder of the Notes to be redeemed; provided, however, that if the Trustee is asked to give such notice it shall be notified in writing of such request at least 5 days prior to the date of the giving of such notice (unless a shorter notice shall be satisfactory to the Trustee). Such notice shall state the Redemption Price (if known) or the formula pursuant to which the Redemption Price is to be determined if the Redemption Price cannot be determined at the time the notice is given. If the Redemption Price cannot be determined at the time such notice is to be given, the actual Redemption Price, calculated as described above, shall be set forth in an Officer's Certificate of the Issuer delivered to the Trustee no later than two Business Days prior to the Redemption Date. Notice of redemption having been given as provided in the Indenture, the Notes called for redemption shall become due and payable on the Redemption Date and at the applicable Redemption Price, plus accrued and unpaid interest, if any, to, but not including, the Redemption Date.

7. Defaults and Remedies.

If an Event of Default with respect to Notes at the time Outstanding occurs and is continuing, then in every such case the Trustee or the Holders of not less than 25% in aggregate principal amount of the Securities of all affected series then Outstanding (voting together as a single class) may declare the principal amount of all the Securities of the affected series to be due and payable immediately, by a notice in writing to the Issuer (and to

the Trustee if given by Holders), and upon any such declaration such principal amount (or specified amount) of and the accrued interest on all the Securities of such affected series shall become immediately due and payable.

The Indenture permits, subject to certain limitations therein provided, Holders of not less than a majority in aggregate principal amount of the Securities of all affected series (voting together as a single class) at the time Outstanding, to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee, with respect to the Securities of such series.

8. Authentication.

This Note shall not be valid until the Trustee manually, electronically or by facsimile signs the certificate of authentication on this Note.

9. Abbreviations and Defined Terms.

Customary abbreviations may be used in the name of a Holder of a Note or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

10. CUSIP Numbers.

Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Issuer has caused CUSIP numbers to be printed on the Notes as a convenience to the Holders of the Notes. No representation is made as to the accuracy of such numbers as printed on the Notes and reliance may be placed only on the other identification numbers printed hereon.

11. Governing Law.

This Note and the Indenture shall be governed by, and construed in accordance with, the laws of the State of California.

ASSIGNMENT FORM

To assign this Note, fill in the form below:

I or we assign and transfer this Note to

(Print or type assignee's name, address and zip code)

(Insert assignee's soc. sec. or tax I.D. No.)

and irrevocably appoint _____ as agent to transfer this Note on the books of the Issuer. The agent may substitute another to act for him.

Date: _____ Your Signature: _____

Sign exactly as your name appears on the other side of this Note.

Signature Guarantee:

Signature

Signature must be guaranteed

Signature

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the United States Securities Exchange Act of 1934, as amended.

EXHIBIT B

FORM OF 2031 NOTE

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITARY OR A NOMINEE THEREOF. THIS SECURITY MAY NOT BE EXCHANGED IN WHOLE OR IN PART FOR A SECURITY REGISTERED, AND NO TRANSFER OF THIS SECURITY IN WHOLE OR IN PART MAY BE REGISTERED, IN THE NAME OF ANY PERSON OTHER THAN SUCH DEPOSITARY OR A NOMINEE THEREOF, EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY TRUST COMPANY, A NEW YORK CORPORATION (“**DTC**”), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS A BENEFICIAL INTEREST HEREIN.

TRANSFERS OF THIS NOTE ARE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR’S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL SECURITY ARE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO ON THE REVERSE HEREOF.

IN WITNESS WHEREOF, the Issuer has caused this Note to be signed manually or by facsimile by its duly authorized officers.

THE CHARLES SCHWAB CORPORATION

By: _____
Name: Peter Crawford
Title: Executive Vice President and Chief
Financial Officer

Attest:

Name:
Title:

This is one of the Notes of the series designated herein and referred to in the within-mentioned Indenture.

Dated: December 11, 2020

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as Trustee

By: _____
Authorized Signatory

(REVERSE OF NOTE)

THE CHARLES SCHWAB CORPORATION
1.650% Senior Notes due 2031

1. Interest.

The Charles Schwab Corporation (the “**Issuer**”) promises to pay interest on the principal amount of this Note at the rate per annum described above. Cash interest on the Notes will accrue from the most recent date to which interest has been paid; or, if no interest has been paid, from and including December 11, 2020. Interest on this Note will be paid to but excluding the relevant Interest Payment Date or on such earlier date as the principal amount shall become due in accordance with the provisions hereof. Interest will be payable to the Holder of record on the Regular Record Date, provided, however, interest payable on the Stated Maturity will be paid to the person to whom the principal will be payable. The Issuer will pay interest semi-annually in arrears on each Interest Payment Date, commencing March 11, 2021. If any Interest Payment Date, Redemption Date or the Stated Maturity of the Notes is not a Business Day, then the related payment of interest and/or principal payable, as applicable, on such date will be paid on the next succeeding Business Day with the same force and effect as if made on such Interest Payment Date, Redemption Date or Stated Maturity and no further interest will accrue as a result of such delay. Interest will be computed on the basis of a 360-day year consisting of twelve 30-day months.

The Issuer shall pay interest on overdue principal from time to time on demand by the Trustee pursuant to Section 5.3 of the Base Indenture (defined below) at the rate borne by the Notes and on overdue installments of interest (without regard to any applicable grace periods) to the extent lawful.

2. Paying Agent.

Initially, The Bank of New York Mellon Trust Company, N.A. (the “**Trustee**”) will act as paying agent (the “**Paying Agent**”). The Issuer may change any paying agent without notice to the Holders.

3. Indenture; Defined Terms.

This Note is one of the 1.650% Senior Notes due 2031 (the “**Notes**”) issued under the Senior Indenture dated as of June 5, 2009 (as amended, modified or supplemented from time to time in accordance therewith, the “**Base Indenture**” and, as amended, modified and supplemented by the Fifteenth Supplemental Indenture dated as of December 11, 2020, the “**Indenture**”) by and between the Issuer and the Trustee, as trustee. This Note is a “Global Security” and the Notes are “Global Securities” under the Indenture.

For purposes of this Note, unless otherwise defined herein, capitalized terms herein are used as defined in the Indenture. The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939 (15 U.S.C. Sections 77aaa-77bbbb) (the “**TIA**”) as in effect on the date on which the Indenture was qualified under the TIA. Notwithstanding anything to the contrary herein, the

Notes are subject to all such terms, and holders of Notes are referred to the Indenture and the TIA for a statement of them. To the extent the terms of the Indenture and this Note are inconsistent, the terms of the Indenture shall govern.

4. Denominations; Transfer; Exchange.

The Notes are in registered form, without coupons, in denominations of \$2,000 and multiples of \$1,000 thereafter. A Holder shall register the transfer or exchange of Notes in accordance with the Indenture. The Issuer may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and to pay certain transfer taxes or similar governmental charges payable in connection therewith as permitted by the Indenture. The Issuer need not issue, authenticate, register the transfer of or exchange any Notes or portions thereof for a period of fifteen (15) days before the electronic delivery or mailing of a notice of redemption, nor need the Issuer register the transfer or exchange of any Note selected for redemption in whole or in part, except the unredeemed portion of any Security being redeemed in part.

5. Amendment; Modification; Waiver.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Issuer and the rights of the Holders of the Securities of all series affected under the Indenture at any time by the Issuer and the Trustee with the consent of the Holders of not less than a majority in aggregate principal amount of the Securities of all series at the time Outstanding affected thereby (voting together as a single class). The Indenture contains provisions permitting the Holders of not less than a majority in aggregate principal amount of the Securities of all series at the time Outstanding with respect to which an Event of Default under the Indenture shall have occurred and be continuing (voting together as a single class), on behalf of the Holders of all Securities of such affected series, to waive, with certain exceptions, such past default with respect to all such series and its consequences. The Indenture also permits the Holders of not less than a majority in aggregate principal amount of the Securities of each series at the time Outstanding affected thereby (voting together as a single class), on behalf of the Holders of all Securities of such affected series, to waive compliance by the Issuer with certain provisions of the Indenture. Any such consent or waiver by the Holder of this Note shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Security issued upon the registration of transfer hereof or in exchange therefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Note.

6. Optional Redemption.

Beginning on or after June 11, 2021, the Issuer may redeem the Notes in whole or in part, at its option, at any time or from time to time prior to maturity on at least 10 days, but not more than 60 days, prior notice electronically delivered or mailed to each registered Holder of the Notes (the “**Redemption Date**”).

If any or all of the Notes are redeemed on or after June 11, 2021 and before December 11, 2030, the Redemption Price will be equal to the greater of: (i) 100% of the principal

amount of the Notes to be redeemed, or (ii) as determined by the Quotation Agent, the sum of the present values of the remaining scheduled payments of interest and principal thereon (exclusive of interest accrued and unpaid to, but not including, the Redemption Date) discounted to the Redemption Date, on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months), at a rate equal to the sum of the Treasury Rate plus 12.5 basis points, plus, in either case, accrued interest thereon to, but not including, the Redemption Date; provided, however, if the Redemption Date is after a Regular Record Date and on or prior to a corresponding Interest Payment Date, such accrued and unpaid interest will be paid on the Redemption Date to the holder of record on the Regular Record Date.

If any or all of the Notes are redeemed on or after December 11, 2030, the Redemption Price (calculated by the Company) will be equal to 100% of the principal amount of the Notes to be redeemed plus accrued and unpaid interest to, but not including, the Redemption Date for such Notes.

On and after the Redemption Date for the Notes, interest will cease to accrue on the Notes or any portion thereof called for redemption, unless the Issuer defaults in the payment of the Redemption Price and accrued interest, if any. On or before the Redemption Date for the Notes, the Issuer shall deposit with the Trustee or a Paying Agent, funds sufficient to pay the Redemption Price of the Notes to be redeemed on the Redemption Date, and accrued and unpaid interest, if any, on such Notes. If less than all of the Notes are to be redeemed, the Notes to be redeemed shall be selected in accordance with the procedures of the Depositary; provided, however, that in no event, shall Notes of a principal amount of \$2,000 or less be redeemed in part.

Notice of any redemption shall be electronically delivered or mailed at least 10 days but not more than 60 days before the Redemption Date to each Holder of the Notes to be redeemed; provided, however, that if the Trustee is asked to give such notice it shall be notified in writing of such request at least 5 days prior to the date of the giving of such notice (unless a shorter notice shall be satisfactory to the Trustee). Such notice shall state the Redemption Price (if known) or the formula pursuant to which the Redemption Price is to be determined if the Redemption Price cannot be determined at the time the notice is given. If the Redemption Price cannot be determined at the time such notice is to be given, the actual Redemption Price, calculated as described above, shall be set forth in an Officer's Certificate of the Issuer delivered to the Trustee no later than two Business Days prior to the Redemption Date. Notice of redemption having been given as provided in the Indenture, the Notes called for redemption shall become due and payable on the Redemption Date and at the applicable Redemption Price, plus accrued and unpaid interest, if any, to, but not including, the Redemption Date.

7. Defaults and Remedies.

If an Event of Default with respect to Notes at the time Outstanding occurs and is continuing, then in every such case the Trustee or the Holders of not less than 25% in aggregate principal amount of the Securities of all affected series then Outstanding (voting together as a single class) may declare the principal amount of all the Securities of the affected series to be due and payable immediately, by a notice in writing to the Issuer (and to

the Trustee if given by Holders), and upon any such declaration such principal amount (or specified amount) of and the accrued interest on all the Securities of such affected series shall become immediately due and payable.

The Indenture permits, subject to certain limitations therein provided, Holders of not less than a majority in aggregate principal amount of the Securities of all affected series (voting together as a single class) at the time Outstanding, to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee, with respect to the Securities of such series.

8. Authentication.

This Note shall not be valid until the Trustee manually, electronically or by facsimile signs the certificate of authentication on this Note.

9. Abbreviations and Defined Terms.

Customary abbreviations may be used in the name of a Holder of a Note or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

10. CUSIP Numbers.

Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Issuer has caused CUSIP numbers to be printed on the Notes as a convenience to the Holders of the Notes. No representation is made as to the accuracy of such numbers as printed on the Notes and reliance may be placed only on the other identification numbers printed hereon.

11. Governing Law.

This Note and the Indenture shall be governed by, and construed in accordance with, the laws of the State of California.

ASSIGNMENT FORM

To assign this Note, fill in the form below:

I or we assign and transfer this Note to

(Print or type assignee's name, address and zip code)

(Insert assignee's soc. sec. or tax I.D. No.)

and irrevocably appoint _____ as agent to transfer this Note on the books of the Issuer. The agent may substitute another to act for him.

Date: _____ Your Signature: _____

Sign exactly as your name appears on the other side of this Note.

Signature Guarantee:

Signature

Signature must be guaranteed

Signature

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the United States Securities Exchange Act of 1934, as amended.



December 11, 2020

The Charles Schwab Corporation
211 Main Street
San Francisco, CA 94105

Re: **Underwritten Public Offering of 2,500,000 Depositary Shares, Each Representing a 1/100th Interest in a Share of 4.000% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series H of The Charles Schwab Corporation**

Ladies and Gentlemen:

This letter is being furnished to you in connection with the sale by The Charles Schwab Corporation, a Delaware corporation (the “*Company*”), of 2,500,000 depositary shares (the “*Depositary Shares*”), each representing a 1/100th interest in a share of the 4.000% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series H of the Company (the “*Series H Preferred Stock*,” and together with the Depositary Shares, the “*Securities*”) pursuant to that certain Underwriting Agreement dated as of December 8, 2020, by and among the Company and the several Underwriters named in Schedule A thereto (the “*Underwriting Agreement*”). The Depositary Shares will be evidenced by depositary receipts (the “*Depositary Receipts*”) issued by Equiniti Trust Company (the “*Depositary*”) pursuant to that certain Deposit Agreement dated December 11, 2020 (the “*Deposit Agreement*”) by and among the Company, the Depositary and the holders from time to time of the Depositary Receipts. The issuance and sale of the Depositary Shares will be made under the Company’s registration statement on Form S-3 (No. 333-251156), originally filed with the Securities and Exchange Commission (the “*Commission*”) on December 4, 2020, as amended and supplemented through the date hereof (the “*Registration Statement*”).

In connection with this opinion, we have examined the following documents: (i) the Registration Statement; (ii) the Company’s Fifth Restated Certificate of Incorporation, filed with the Secretary of State of the State of Delaware on May 15, 2001; (iii) the Certificate of Designations of Fixed to Floating Rate Non-Cumulative Perpetual Preferred Stock, Series A filed with the Secretary of State of the State of Delaware on January 24, 2012, the Certificate of Designations of 6.00% Non-Cumulative Perpetual Preferred Stock, Series B filed with the Secretary of State of the State of Delaware on May 31, 2012, the Certificate of Designations of 6.00% Non-Cumulative Perpetual Preferred Stock, Series C filed with the Secretary of State of the State of Delaware on July 30, 2015, the Certificate of Designations of 5.95% Non-Cumulative Perpetual Preferred Stock, Series D filed with the Secretary of State of the State of Delaware on March 3, 2016, the Certificate of Designations of 4.625% Fixed to Floating Rate Non-Cumulative Perpetual Preferred Stock, Series E filed with the Secretary of State of the State of Delaware on October 28, 2016, the Certificate of Designations of 5.00% Fixed to Floating Rate Non-Cumulative Perpetual Preferred Stock, Series F filed with the Secretary of State of the State of Delaware on October 30, 2017, the Certificate of Elimination of 6.00% Non-Cumulative Perpetual Preferred Stock, Series B filed with the Secretary of State of the State of Delaware on December 15, 2017

Arnold & Porter Kaye Scholer LLP

Three Embarcadero Center, 10th Floor | San Francisco, CA 94111-4024 | www.arnoldporter.com

the Certificate of Designations of 5.375% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series G filed with the Secretary of State of the State of Delaware on April 29, 2020, and the amendment filed as Exhibit 3.1 to the Company's current report on Form 8-K dated October 2, 2020; (iv) the Company's Fourth Restated Bylaws dated December 12, 2007, as amended on July 28, 2009, January 27, 2010 and October 2, 2020; (v) the Underwriting Agreement; (vi) the Deposit Agreement; (vii) resolutions of the Board of Directors of the Company adopted on October 22, 2020, and resolutions of the Shelf Securities Pricing Committee of the Board of Directors adopted on December 8, 2020; (viii) the Certificate of Designations of the Series H Preferred Stock, filed with the Secretary of State of the State of Delaware on December 10, 2020; (ix) the minute books of the Company provided to us by one or more officers of the Company; (x) the executed stock certificate evidencing the shares of Series H Preferred Stock deposited with the Depository; (xi) the executed global depository receipt evidencing the Depository Shares (the "**Global Depository Receipt**"); (xii) the written order of the Company pursuant to the Deposit Agreement, directing the Depository to execute and deliver the Global Depository Receipt; (xiii) one or more certificates of one or more officers of the Company; (xiv) one or more certificates of one or more officers of the Depository; and (xv) one or more certificates of one or more public officials.

In rendering our opinion, we have assumed the legal capacity of individuals, that the signatures on all documents not executed in our presence are genuine, that all documents submitted to us as originals are authentic, that all documents submitted to us as reproduced or certified copies conform to the original documents, that all corporate records of the Company provided to us for review are accurate and complete, that each party to the documents referred to above (other than the Company) is duly qualified to engage in the transactions contemplated by such documents and has the requisite power and authority to perform its obligations thereunder, that each document referred to above has been duly authorized by, and constitutes the valid and binding obligation of, each party thereto (other than the Company), enforceable against such party (other than the Company) in accordance with its terms, and that each person or entity that has any right to enforce any document referred to above against the Company has filed any tax returns and paid any taxes required under the laws of the State of California. We have further assumed the due execution and delivery of all documents, where due execution and delivery are prerequisites to the enforceability thereof.

As to matters of fact material to our opinion, we have relied solely upon our review of the documents referred to above. We have assumed that the recitals of fact set forth in such documents are true, complete and correct on the date hereof. We have not independently verified any factual matters or the validity of any assumptions made by us in this letter and express no opinion with respect to such factual matters and disclaim any implication or inference as to the reasonableness of any such assumption. In rendering this opinion, we have considered only the Delaware General Corporation Law (including the statutory provisions, as well as all applicable provisions of the Delaware Constitution, and reported judicial decisions interpreting these laws) and those laws, statutes, rules and regulations of the State of New York (exclusive of municipal and other local

laws) presently in effect that, in our experience, are normally applicable to transactions of the type contemplated by the documents referred to above, and we express no opinion with respect to choice of law or conflicts of law. We express no opinion whatsoever as to the compliance or noncompliance by any person with antifraud or information delivery provisions of state or federal laws, rules and regulations, and no inference regarding such compliance or noncompliance may be drawn from any opinion in this letter.

Based upon the foregoing, and subject to the qualifications, limitations and exceptions set forth herein, and assuming, without expressing any opinion with respect thereto, that the Securities have been issued, sold and delivered against payment of the purchase price therefor in accordance with the terms of the Underwriting Agreement and the Deposit Agreement, we are of the opinion that the Depositary Shares are validly issued, fully paid and nonassessable, and that the holders of the Depositary Shares are entitled to the rights specified in the Deposit Agreement and the Global Depositary Receipt.

Our opinion above, insofar as it relates to the rights of the holders of the Depositary Shares, is subject to the following:

(1) Such opinion is subject to general principles of equity (regardless of whether considered in a proceeding in equity or at law) and to the effect of any applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or similar laws. In addition, the availability of specific performance, injunctive relief, the appointment of a receiver and other equitable remedies is subject to the discretion of the tribunal before which any proceeding therefor may be brought.

(2) Notwithstanding any language of the Deposit Agreement to the contrary, indemnification of any party thereunder may be limited to recovery of only reasonable expenses, including, without limitation, reasonable attorneys' fees and legal expenses. Such opinion, insofar as it relates to the enforceability of indemnification provisions set forth in the Deposit Agreement, is subject to laws and judicial decisions rendering unenforceable indemnification contrary to federal and state securities laws and the public policies underlying such laws, and laws limiting the enforceability of provisions exculpating or exempting a party, or requiring indemnification of a party for, liability for its own action or inaction, to the extent the action involves negligence, recklessness, willful misconduct or unlawful conduct.

(3) We express no opinion as to the enforceability of provisions of the Deposit Agreement to the extent they contain:

- a. waivers by the Company of any statutory or constitutional rights or remedies;
- b. grants by the Company of powers of attorney;

- c. cumulative remedies strictly to the extent such cumulative remedies purport to compensate, or would have the effect of compensating, the party entitled to the benefits thereof in an amount in excess of the actual loss suffered by such party; or
- d. terms to the effect that provisions in the Deposit Agreement may not be waived or modified except in writing, which may not be enforceable under certain circumstances.

(4) We express no opinion as to whether courts other than state or federal courts in the State of New York would give effect to the choice of New York law governing the Deposit Agreement.

(5) Insofar as such opinion relates to the provisions of the Deposit Agreement regarding jurisdiction, service of process and venue (and the defense of an inconvenient forum), such opinion is limited to jurisdiction and service of process in respect of any action arising out of or based upon the Deposit Agreement brought, or sought to be brought, in any New York State or U.S. federal court in The City of New York. We express no opinion as to the subject matter jurisdiction of any federal court of the United States of America over any action between two parties neither of which is a “citizen” of any State for the purposes of 28 U.S.C. § 1332.

Notwithstanding anything in this letter to the contrary, the opinion set forth above is given only as of the date hereof and is expressly limited to the matters stated. No opinion is implied or may be inferred beyond what is explicitly stated in this letter. We disclaim any obligation to update the opinion rendered herein and express no opinion as to the effect of events occurring, circumstances arising, or changes of law becoming effective or occurring, after the date hereof on the matters addressed in this opinion letter, and we assume no responsibility to inform you of additional or changed facts, or changes in law, of which we may become aware.

We consent to the filing of this opinion as an exhibit to a Current Report on Form 8-K for incorporation by reference into the Registration Statement, to the use of our name in the Registration Statement (including the related prospectus and prospectus supplement) under the caption “Legal Matters,” and to the discussion of this opinion under such caption. By giving such consent, we do not hereby admit that we are within the category of persons whose consent is required under Section 7 of the Securities Act of 1933, as amended, or the rules and regulations of the Commission.

Very truly yours,

/s/ Arnold & Porter Kaye Scholer



December 11, 2020

The Charles Schwab Corporation
211 Main Street
San Francisco, CA 94105

Re: **Issuance by The Charles Schwab Corporation of \$1,250,000,000 of 0.900% Senior Notes due 2026 and \$750,000,000 of 1.650% Senior Notes due 2031 of The Charles Schwab Corporation**

Ladies and Gentlemen:

This letter is being furnished to you in connection with the issuance by The Charles Schwab Corporation, a Delaware corporation (the "**Company**"), of \$1,250,000,000 principal amount of 0.900% Senior Notes due 2026 and \$750,000,000 principal amount of 1.650% Senior Notes due 2031 (the "**Notes**") under a Senior Indenture dated as of June 5, 2009 and Fifteenth Supplemental Indenture thereto dated as of December 11, 2020 (collectively, the "**Indenture**"), each between the Company and The Bank of New York Mellon Trust Company, N.A. (the "**Trustee**"), and the sale by the Company of the Notes pursuant to the Underwriting Agreement dated as of December 8, 2020 by and among the Company and the several Underwriters named in Schedule A thereto (the "**Underwriting Agreement**"). The issuance and sale of the Notes will be made under the Company's registration statement on Form S-3 (No. 333-251156), originally filed with the Securities and Exchange Commission (the "**Commission**") on December 4, 2020, as amended and supplemented through the date hereof (the "**Registration Statement**").

In connection with this opinion, we have examined the following documents: (i) the Registration Statement; (ii) the Company's Fifth Restated Certificate of Incorporation, filed with the Secretary of State of the State of Delaware on May 15, 2001, as amended by the Certificate of Designations of Fixed to Floating Rate Non-Cumulative Perpetual Preferred Stock, Series A filed with the Secretary of State of the State of Delaware on January 24, 2012, by the Certificate of Designations of 6.00% Non-Cumulative Perpetual Preferred Stock, Series B (the "**Series B Preferred Stock**") filed with the Secretary of State of the State of Delaware on May 31, 2012, by the Certificate of Designations of 6.00% Non-Cumulative Perpetual Preferred Stock, Series C filed with the Secretary of State of the State of Delaware on July 30, 2015, by the Certificate of Designations of 5.95% Non-Cumulative Perpetual Preferred Stock, Series D filed with the Secretary of State of the State of Delaware on March 3, 2016, by the Certificate of Designations of 4.625% Fixed to Floating Rate Non-Cumulative Perpetual Preferred Stock, Series E filed with the Secretary of State of the State of Delaware on October 28, 2016, by the Certificate of Designations of 5.00% Fixed to Floating Rate Non-Cumulative Perpetual Preferred Stock, Series F filed with the Secretary of State of the State of Delaware on October 30, 2017, by the Certificate of Elimination of the Series B Preferred Stock filed with the Secretary of State of the State of Delaware on December 15, 2017, by the Certificate of Designations of 5.375% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series G filed with the Secretary of State of the State of Delaware on April 29, 2020 and by the amendment filed as Exhibit 3.1 to the Company's current

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report on Form 8-K dated October 2, 2020; (iii) the Company's Fourth Restated Bylaws, dated December 12, 2007, as amended on July 28, 2009, January 27, 2010 and October 2, 2020; (iv) the Indenture; (v) the form of the Notes; (vi) the Underwriting Agreement; (vii) resolutions of the Board of Directors of the Company adopted on October 22, 2020; (viii) the Certificate of the Chief Financial Officer of the Company dated December 11, 2020; (ix) the minute books of the Company provided to us by one or more officers of the Company; (x) one or more certificates of one or more officers of the Company; and (xi) one or more certificates of one or more public officials.

In rendering our opinion, we have assumed the legal capacity of individuals, that the signatures on all documents not executed in our presence are genuine, that all documents submitted to us as originals are authentic, that all documents submitted to us as reproduced or certified copies conform to the original documents, that all corporate records of the Company provided to us for review are accurate and complete, that each party to the documents referred to above (other than the Company) is duly qualified to engage in the transactions contemplated by such documents and has the requisite power and authority to perform its obligations thereunder, that each document referred to above has been duly authorized by, and constitutes the valid and binding obligation of, each party thereto (other than the Company), enforceable against such party (other than the Company) in accordance with its terms, and that each person or entity that has any right to enforce any document referred to above against the Company has filed any tax returns and paid any taxes required under the laws of the State of California. We have further assumed the due execution and delivery of all documents, where due execution and delivery are prerequisites to the enforceability thereof.

As to matters of fact material to our opinion, we have relied solely upon our review of the documents referred to above. We have assumed that the recitals of fact set forth in such documents are true, complete and correct on the date hereof. We have not independently verified any factual matters or the validity of any assumptions made by us in this letter and express no opinion with respect to such factual matters and disclaim any implication or inference as to the reasonableness of any such assumption. In rendering this opinion, we have considered only the Delaware General Corporation Law (including the statutory provisions, as well as all applicable provisions of the Delaware Constitution, and reported judicial decisions interpreting these laws) and those laws, statutes, rules and regulations of the State of California (exclusive of municipal and other local laws) presently in effect that, in our experience, are normally applicable to transactions of the type contemplated by the documents referred to above, and we express no opinion with respect to choice of law or conflicts of law. We express no opinion whatsoever as to the compliance or noncompliance by any person with antifraud or information delivery provisions of state or federal laws, rules and regulations, and no inference regarding such compliance or noncompliance may be drawn from any opinion in this letter.

Based upon the foregoing, and subject to the qualifications, limitations and exceptions set forth herein, and assuming, without expressing any opinion with respect thereto, that the Notes

have been duly authenticated and delivered in accordance with the Indenture, and have been issued, sold and delivered against payment of the purchase price therefor in accordance with the Underwriting Agreement and the Indenture, we are of the opinion that the Notes constitute binding obligations of the Company, except as the binding nature of the same may be limited by one or more of the Stated Exceptions (as defined below).

Our opinion in the preceding paragraph is subject to and limited by the effects of each of the following (collectively, the “*Stated Exceptions*”): (i) applicable federal or state bankruptcy, insolvency, reorganization, arrangement, moratorium, fraudulent transfer or conveyance, and other laws or court decisions relating to or affecting the rights of creditors; (ii) equitable principles of general applicability (including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing, equitable subordination, and the possible unavailability of specific performance or injunctive relief), regardless of whether considered in a proceeding in equity or at law or whether codified by statute; (iii) California judicial decisions which have held that certain provisions, including without limitation those providing for the acceleration of indebtedness upon the occurrence of specified events, are unenforceable under circumstances where it cannot be demonstrated that the enforcement of such provisions (A) is reasonably necessary for the protection of the party seeking enforcement, (B) has been undertaken in good faith under the circumstances then existing, and (C) is commercially reasonable; (iv) limitations on the enforceability of indemnification, release, contribution, exculpatory or nonliability provisions under federal or state securities laws, under Sections 1542, 1543 and 2772-78 of the California Civil Code, and under any other applicable statute or court decisions, including, without limitation, the effect of California statutes and cases applying such statutes which have denied enforcement of indemnification agreements against the indemnitee’s negligence, wrongdoing or violation of law; (v) the potential to vary the provisions of an unambiguous agreement on the basis of parol evidence; (vi) the unenforceability, under certain circumstances, of provisions which provide for penalties, liquidated damages, acceleration of future amounts due (other than principal) without appropriate discount to present value, prepayment charges, late charges, additional interest in the event of a default or fees or costs related to such charges; (vii) the unenforceability, under certain circumstances, of provisions to the effect that rights or remedies are not exclusive, that every right or remedy is cumulative and may be exercised in addition to or with any other right or remedy, or that the election of some particular remedy or remedies does not preclude recourse to one or another remedy; (viii) the unenforceability of provisions prohibiting waivers that are not in writing to the extent that Section 1698 of the California Civil Code (or similar provisions of other applicable laws) permits oral modifications that have been performed; (ix) the unenforceability, under certain circumstances, of provisions which purport to appoint a party as attorney-in-fact or agent for an adverse party; (x) the unenforceability, under certain circumstances, of provisions which purport to govern forum selection, venue, personal jurisdiction or subject matter jurisdiction; (xi) the unenforceability, under certain circumstances, of provisions that contain prospective waivers of (A) vaguely or broadly stated rights, (B) unknown future rights, (C) the benefits of statutory, regulatory or constitutional rights, unless and to the extent the statute, regulation or constitution explicitly permits such waiver, (D) unknown future defenses, (E) rights

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to damages and (F) the right to a trial by jury; (xii) the effect of Section 1717, et seq. of the California Civil Code and judicial decisions thereunder on provisions which purport to require the award of attorneys' fees, expenses or costs; and (xiii) the effect of Section 1 of Article XV of the Constitution of the State of California relating to rates of interest upon the loan of money, and related California laws, statutes, ordinances, rules, regulations, decisions and administrative interpretations, commonly referred to collectively as "usury laws."

Notwithstanding anything in this letter to the contrary, the opinion set forth above is given only as of the date hereof and is expressly limited to the matters stated. No opinion is implied or may be inferred beyond what is explicitly stated in this letter. We disclaim any obligation to update the opinion rendered herein and express no opinion as to the effect of events occurring, circumstances arising, or changes of law becoming effective or occurring, after the date hereof on the matters addressed in this opinion letter, and we assume no responsibility to inform you of additional or changed facts, or changes in law, of which we may become aware.

We consent to the filing of this opinion as an exhibit to a Current Report on Form 8-K for incorporation by reference into the Registration Statement, to the use of our name in the Registration Statement (including the related prospectus and prospectus supplement) under the caption "Legal Matters," and to the discussion of this opinion under such caption. By giving such consent, we do not hereby admit that we are within the category of persons whose consent is required under Section 7 of the Securities Act of 1933, as amended, or the rules and regulations of the Commission.

Very truly yours,

/s/ Arnold & Porter Kaye Scholer