

SCHWAB CHARLES CORP
Form FWP
March 01, 2016

Filed Pursuant to Rule 433

Dated February 29, 2016

Registration Statement: No. 333-200939

The Charles Schwab Corporation

30,000,000 DEPOSITARY SHARES,

**EACH REPRESENTING A 1/40th INTEREST IN A SHARE OF 5.95% NON-CUMULATIVE PERPETUAL
PREFERRED STOCK, SERIES D**

(liquidation preference \$1,000 per share (equivalent to \$25 per depositary share))

SUMMARY OF TERMS

Issuer:	The Charles Schwab Corporation
Security Offered:	Depositary Shares, Each Representing a 1/40 th Interest in a Share of 5.95% Non-Cumulative Perpetual Preferred Stock, Series D (the Series D Preferred Stock)
Expected Ratings¹:	Baa2 (Moody s) /BBB (S&P) / BB+ (Fitch)
Size:	\$750,000,000 (30,000,000 depositary shares) ²
Over-allotment Option:	None
Liquidation Preference:	\$1,000 per share of Series D Preferred Stock (equivalent to \$25 per depositary share) Aggregate liquidation preference of \$750,000,000
Dividend Rate (Non-Cumulative):	5.95% per annum from the date of initial issuance
Dividend Payment Dates:	March 1, June 1, September 1 and December 1 of each year, commencing June 1, 2016

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 June 1, 2021, 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 dated February 29, 2016)

Trade Date: February 29, 2016

- ¹ 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.
- ² Consists of 1,072,000 depositary shares sold to institutional investors and 28,928,000 depositary shares sold to retail investors.

Settlement Date: March 7, 2016 (T+5)

Public Offering Price: \$25.00 per depositary share

Underwriting Discounts and Commissions: \$0.3125 per depositary share sold to institutional investors
\$0.7875 per depositary share sold to retail investors

Estimated Net Proceeds to Issuer, After Deducting Underwriting Discounts and Commissions and Offering Expenses: \$725 million

Listing: We intend to apply to list the depositary shares on the New York Stock Exchange (NYSE) under the symbol SCHW PrD. If the application is approved, we expect trading of the depositary shares on the NYSE to begin within the 30-day period after the initial delivery of the depositary shares.

CUSIP/ISIN: 808513 600 / US8085136005

Joint Book-Running Managers: Merrill Lynch, Pierce, Fenner & Smith
Incorporated

Morgan Stanley & Co. LLC

UBS Securities LLC

Wells Fargo Securities, LLC

J.P. Morgan Securities LLC

Senior Co-Managers: Citigroup Global Markets Inc.
Credit Suisse Securities (USA) LLC

Goldman, Sachs & Co.

Co-Managers: BNY Mellon Capital Markets, LLC
Lloyds Securities Inc.

RBC Capital Markets, LLC

U.S. Bancorp Investments, Inc.

CAPITALIZATION AS ADJUSTED

The following table sets forth the Issuer's consolidated cash and cash equivalents and capitalization at December 31, 2015, as adjusted for the offering of 30,000,000 depositary shares.

(In millions)	As adjusted for the Offering
Cash and cash equivalents	\$ 12,703
Preferred stock	\$ 2,184
Total stockholders' equity	\$ 14,127
Total capitalization	\$ 17,017

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 Merrill Lynch, Pierce, Fenner & Smith Incorporated toll-free at 1-800-294-1322, Morgan Stanley & Co. LLC toll-free at 1-866-718-1649, UBS Securities LLC toll-free at 1-877-827-7275, Wells Fargo Securities, LLC toll-free at 1-800-645-3751 or J.P. Morgan Securities LLC collect at 212-834-4533.

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