

News Release

Contact:

Michael Cianfrocca
Charles Schwab
Phone: 415-667-3252
michael.cianfrocca@schwab.com

SCHWAB INSTITUTIONAL ANNOUNCES SECOND ANNUAL IMPACT AWARDS™

New Pacesetter Award for Independent Advisors to Debut

SAN FRANCISCO, April 2, 2007 — Building on a successful program debut in 2006, Schwab Institutional, a leading provider of custodial, operational and trading support for more than 5,000 independent investment advisors, today began the call for nominations for its second annual IMPACT Awards™, an industry-wide awards program that honors independent advisors and firms. SEC-registered advisors who meet the eligibility guidelines are encouraged to participate – regardless of their custodial relationships. Nominations will be accepted April 2 through June 1, 2007 at impactawards.schwab.com.

This year's IMPACT Awards program, which recognizes those who have advanced the independent investment advisory industry through their visionary leadership, operational excellence and technology innovation, will feature a new category, the Pacesetter Award, for an "up-and-coming" advisor. The Pacesetter Award will recognize an emerging, fast-growing independent investment advisory firm for accelerated growth and excellence in all aspects of their business.

"We know that advisors today place a tremendous amount of emphasis on growth," said Deborah Doyle McWhinney, president of Schwab Institutional. "We added the Pacesetter Award to the IMPACT Awards program to recognize the significant strides advisors are taking in terms of both planning for and achieving growth and to highlight the entrepreneurial spirit that is at the heart of how these advisors run their businesses."

Accounting and consulting firm Moss Adams LLP will score all entries and select the finalists. A distinguished panel of judges from across the business world and financial services industry will select the winners in each of four IMPACT Awards categories with final approval by Schwab Institutional:

- A special award, **The Charles R. Schwab IMPACT Award™**, will honor an individual trailblazer whose sustained vision, outstanding leadership, client commitment and community engagement clearly demonstrate the value of independent investment advice.
- The **Best-in-Business Award** will be presented to an independent investment advisory firm for excellence in business management and client services.

- The **Best-in-Tech Award** will honor an independent investment advisory firm that serves as a model for success in harnessing technology to extend the reach, responsiveness and growth of its business.
- The **Pacesetter Award** will recognize an independent investment advisory firm in business for 10 years or less that has realized accelerated growth through strategic management, innovative practices, and ongoing investments in business capabilities.

The IMPACT Awards will be presented at a ceremony at IMPACT® 2007, which will be held October 28-31, 2007 in Las Vegas, NV. This year's IMPACT conference also marks the culmination of an important milestone for Schwab Institutional – its 20th anniversary serving the independent investment advisor industry. For the Charles R. Schwab IMPACT Award, Schwab Institutional will make a donation of \$25,000 to a charitable organization of the honoree's choice. For the Best-in-Business, Best-in-Tech, and Pacesetter Awards, a donation of \$10,000 will be made to a charity of the firm's choice.

Eligibility

SEC-registered independent investment advisory firms with primarily fee-based practices and at least \$25 million in assets under management are eligible. To be considered for the Best-in-Business, Best-in-Tech and Pacesetter Awards, a firm must currently have a minimum of 75 percent of revenue from fees and at least 75 percent of its total client base as individual investors – or manage at least \$100 million on behalf of individual investors. For the Best-in-Business Award, a firm must have been in business for at least 10 years. For the Best-in-Tech Award, a firm must have been in business for at least five years. For the Pacesetter Award, a firm must have been in business for 10 years or less.

Individuals considered for the Charles R. Schwab IMPACT Award must have at least 10 years of personal experience managing investments in securities as an independent investment advisor, providing investment advice to individual investors as an officer or employee of a Registered Investment Advisor (RIA). Individuals must also serve as a principal or founder of an independent investment advisory firm that meets the eligibility criteria noted for the other three awards.

How to Participate

Candidates for the Charles R. Schwab IMPACT Award will be identified only through peer nominations; self-nominations will not be considered. For the Best-in-Business, Best-in-Tech, and Pacesetter Awards, firms must submit themselves to be considered; firms cannot submit other firms. There is a limit of one nomination per award category.

For the Best-in-Business and Pacesetter Awards, firms must demonstrate measurable success in areas such as business strategy, practice management and employee development, and client loyalty. For the Best-in-Tech Award, firms must display success in technology strategy, operational efficiencies and client servicing. Charles R. Schwab IMPACT Award candidates will be considered for their leadership, business management, community engagement and other career distinctions.

There is no cost to participate in the IMPACT Awards program.

About the IMPACT Awards

Independent investment advisors have fundamentally changed the financial services landscape by providing independent advice to affluent investors. The IMPACT Awards, established by Schwab Institutional in 2006, recognize these contributions by honoring advisors and firms that have advanced the industry through their visionary leadership, operational excellence and technology innovation. The IMPACT Awards are judged by a panel of recognized experts and presented at IMPACT®, one of the industry's leading conferences. For more information, visit impactawards.schwab.com.

About Schwab Institutional

Schwab Institutional is a leading provider of custodial, operational and trading support for independent fee-based investment advisors. This year marks Schwab Institutional's 20th anniversary serving the independent investment advisor industry. Since 1987, Schwab Institutional has supported independent investment advisors by offering support and services to help grow their businesses and help their clients reach their financial goals. As of December 31, 2006, client assets custodied with Schwab Institutional stood at \$502 billion. These assets, managed by the approximately 5,000 independent advisor firms Schwab Institutional currently serves, represent approximately one-third of total client assets custodied with The Charles Schwab Corporation.

About Charles Schwab

The Charles Schwab Corporation (Nasdaq: SCHW) is a leading provider of financial services, with more than 300 offices and 6.8 million client brokerage accounts, 570,000 corporate retirement plan participants, 149,000 banking accounts, and \$1.3 trillion in client assets. Through its operating subsidiaries, the company provides a full range of securities brokerage, banking, money management and financial advisory services to individual investors and independent investment advisors. Its broker-dealer subsidiary, Charles Schwab & Co., Inc. (member SIPC, <http://www.sipc.org>), and affiliates offer a complete range of investment services and products including an extensive selection of mutual funds; financial planning and investment advice; retirement plan and equity compensation plan services; referrals to independent fee-based investment advisors; and custodial, operational and trading support for independent, fee-based investment advisors through its Schwab Institutional division. The Charles Schwab Bank, N.A. (member FDIC) provides banking and mortgage services and products. CyberTrader®, Inc. (member SIPC, <http://www.sipc.org>) is an electronic trading technology and brokerage firm providing services to highly active, online traders. More information is available at www.schwab.com. (0307-0380)

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