

**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 28, 2010

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))

Item 3.03 Material Modifications to Rights of Security Holders

On December 28, 2010, The Charles Schwab Corporation (the Company) terminated the Replacement Capital Covenant (the Covenant) that had been granted by the Company in October 2007 to the holders of its 6.375% Senior Notes due 2017 (the Notes).

Pursuant to Section 4(a) of the Covenant, the Covenant may be terminated by the written consent of holders of a majority in principal amount of the Notes. The Company commenced a consent solicitation on December 17, 2010, requesting that the holders of the Notes consent to the termination of the Covenant. The consent solicitation expired at 5:00 p.m., New York City time, on December 28, 2010, and as a result of the solicitation, holders of a majority in principal amount of the Notes consented to the termination of the Covenant. A copy of the Company's Termination of the Replacement Capital Covenant is attached hereto as Exhibit 4.1.

Item 8.01 Other Events

On December 29, 2010, the Company issued a press release announcing the results of the Company's consent solicitation to the holders of its Notes and the termination of the Covenant. A copy of the press release is attached hereto as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits

- (d) Exhibits
- 4.1 Termination of the Replacement Capital Covenant, dated December 28, 2010
- 99.1 Press Release dated December 29, 2010 ("Schwab Announces Results of Consent Solicitation")

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 29, 2010

By: /s/ Joseph R. Martinetto
Joseph R. Martinetto
Executive Vice President and Chief Financial
Officer

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
Ex 4.1	Termination of the Replacement Capital Covenant, dated December 28, 2010
Ex 99.1	Press Release dated December 29, 2010 ("Schwab Announces Results of Consent Solicitation")

TERMINATION OF THE REPLACEMENT CAPITAL COVENANT

TERMINATION OF THE REPLACEMENT CAPITAL COVENANT, dated as of December 28, 2010 (this "Termination"), by The Charles Schwab Corporation, a Delaware corporation (together with its successors and assigns, the "Company").

WHEREAS, on October 5, 2007, the Company granted a Replacement Capital Covenant (the "Covenant") in favor of certain holders of the Company's senior debt, which at all times during the effectiveness of the Covenant have been the holders of the Company's 6.375% Senior Notes due 2017 (collectively, the "Notes");

WHEREAS, pursuant to Section 4(a) of the Covenant, the Covenant may be terminated if the holders of a majority in aggregate principal amount of the Notes consent or agree in writing to the termination of the Covenant and the obligations of the Company thereunder;

WHEREAS, on December 17, 2010, the Company commenced a solicitation of consents ("Consent Solicitation") from the holders of the Notes of record at 5:00 p.m New York City time, on December 16, 2010 to the proposed termination of the Covenant; and

WHEREAS, pursuant to the Consent Solicitation, as of 5:00 p.m., New York City time, on December 28, 2010, the expiration time for the Consent Solicitation, holders of a majority in aggregate principal amount of the Notes validly delivered, and did not validly revoke, their consent to the termination of the Covenant.

NOW, THEREFORE, the Company hereby terminates the Covenant and the obligations of the Company thereunder, which shall be of no further force or effect.

IN WITNESS WHEREOF, the Company has caused this Termination to be executed by its duly authorized officer, as of the day and year first above written.

THE CHARLES SCHWAB CORPORATION

By: /s/ William F. Quinn
Name: **William F. Quinn**
Title: **Senior Vice President & Treasurer**



News Release

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Charles Schwab
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SCHWAB ANNOUNCES RESULTS OF CONSENT SOLICITATION

SAN FRANCISCO, December 29, 2010 – The Charles Schwab Corporation ("Schwab" or the "Company") today announced the results of its solicitation of consents (the "Consent Solicitation") from holders of record at 5:00 p.m. New York City time, on December 16, 2010 of its 6.375% Senior Notes due 2017 (the "Notes") to terminate the Replacement Capital Covenant (the "RCC") that was granted by Schwab in October 2007 to the holders of the Notes. The termination of the RCC requires the consent of the holders of a majority in principal amount of the Notes.

As described in the Company's press release dated December 17, 2010, the Consent Solicitation expired at 5:00 p.m., New York City time, on Tuesday, December 28, 2010 (the "Expiration Time"). As of the Expiration Time, the Company had received the consent of holders of a majority in principal amount of the Notes. Holders of the Notes who validly delivered and did not validly revoke their consent prior to the Expiration Time will receive a consent fee of \$5.00 for each \$1,000 principal amount of Notes for which consent was validly delivered and not validly revoked. The Company has executed a termination of the RCC.

About Charles Schwab

The Charles Schwab Corporation (NYSE: SCHW) is a leading provider of financial services, with more than 300 offices and 8.0 million client brokerage accounts, 1.5 million corporate retirement plan participants, 681,000 banking accounts, and \$1.5 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 Schwab Advisor Services. Its banking subsidiary, Charles Schwab Bank (member FDIC and an Equal Housing Lender), provides banking and mortgage services and products. More information is available at www.schwab.com and www.aboutschwab.com.