

THE CHARLES SCHWAB CORPORATION

CODE OF BUSINESS CONDUCT AND ETHICS

OUR VISION

Provide clients with the most useful and ethical financial services in the world.

OUR VALUES

Be fair, empathetic and responsive in serving our clients.
Respect and reinforce our fellow employees and the power of teamwork.
Strive relentlessly to innovate what we do and how we do it.
Always earn and be worthy of our clients' trust.

SHAREHOLDER VALUE

The company's directors and employees shall endeavor to act in the best interests of the company and its stockholders.

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Introduction

The Charles Schwab Corporation is committed to the highest standards of ethical conduct in the fulfillment of our Vision and Values. We are proud of our long-standing reputation for integrity and honesty that strengthens our Vision to provide our clients with the most useful and ethical financial services in the world. This reputation is not just a source of competitive advantage in the financial services industry; it is fundamental to the way we do business.

This Code of Business Conduct and Ethics (“Code”) provides guidance on how you, as a director, officer or employee, uphold these ethical standards. It applies to your service to The Charles Schwab Corporation and its subsidiaries and affiliates (the “company.”)

The Code consists of an outline of policies regarding conduct in several key areas: ethical behavior and legal compliance, conflicts of interest, confidentiality, employment standards, and business practices. It also consists of specific information and guidance that is provided in company-wide policy and procedures, including the Charles Schwab Compliance Manual, policies and procedures for individual business and support units, publications that address individual conduct, and documents to which you agree as a requirement of your employment with the company (collectively referred to as “company policies”). Company policies may be published in paper or electronic media. You are responsible for reviewing the Code including company policies applicable to you, and for acting in compliance with the Code in your daily activities. You may obtain company policies from the company’s internal web site or the Compliance Department.

The Code is not exhaustive; it provides guidance for carrying out your responsibilities on behalf of the company and observing the highest standards of ethical conduct. Because the Code does not address every possible situation that may arise, you are responsible for exercising good judgment, applying ethical principles, and raising questions when in doubt. Your integrity and good judgment enhance the Schwab brand, build Schwab’s reputation in the communities in which we operate, and are the foundation of trust for our client and community relationships.

General Corporate and Personal Standards of Conduct

As a corporate entity and as individual employees we have a responsibility to act in a manner in which we earn the public’s trust and confidence. Our conduct is guided by our values, which are to:

- Be fair, empathetic and responsive in serving our clients.
- Respect and reinforce our fellow employees and the power of teamwork.
- Strive relentlessly to innovate what we do and how we do it.

- Always earn and be worthy of our clients' trust.

Corporate Conduct

The following general principles guide our corporate conduct:

- We will act in accordance with applicable laws and regulations and will not tolerate behavior that is otherwise.
- We will make public disclosures as required by law and regulation and as deemed appropriate to enable reasonable evaluation of the company.
- We will strive to provide an equitable return for our investors.
- We will provide products and services designed to help clients achieve their financial goals.
- We will conduct business fairly, in open competition.
- We will provide employment opportunities without regard to race, color, sex, pregnancy, religion, age, national origin, ancestry, citizenship, disability, medical condition, marital status, sexual orientation, veteran status, political affiliation or any other characteristic protected by federal or state law.
- We will support the communities in which we operate.

Individual Conduct

The following general principles guide your individual conduct:

- You will not take any action that will violate any applicable law or regulation.
- You will adhere to the highest standards of ethical conduct.
- You will maintain the confidentiality of all information you obtain in the course of your employment.
- You will escalate issues which you reasonably believe may place the company at risk, and report any behavior you reasonably believe is wrong.
- You will not abuse or take the company's assets or use them for your personal gain.
- You will not engage in any activities that create a conflict of interest between you and the company.
- You will comport yourself publicly in a manner that does not bring discredit on the company.
- You will deal fairly with clients, colleagues and others.
- You will comply with this Code.

You have personal responsibility to conduct the company's business in a manner consistent with these principles, and you cannot avoid this responsibility by contrary instructions from a supervisor or by turning a blind eye. Many of these principles are explained in more detail below and in the company policies. If you have questions on any of them, you should consult with your supervisor, the Corporate Responsibility Officer, or the company's Ombudsperson.

Ethical Behavior

Your decisions and behavior have far-reaching implications. Standards of ethical and professional conduct reflect on the individual, on the Schwab brand, and on the investment industry as a whole. A strong personal sense of ethics should always play a significant role in guiding you towards a proper course of action.

Compliance with Laws, Rules, Regulations and Policies

The foundation of Schwab's ethical standards is compliance with the letter and spirit of the law. We must respect and obey all of the laws, rules and regulations applicable to our business, including among others, securities, banking and other federal, state and local laws. Each registered entity has a compliance manual designed specifically to meet applicable laws and regulations. You are required to be familiar and comply with the one that applies to you. Likewise, you are responsible for being familiar and complying with the procedures applicable to you. Although you are not expected to know the details of each law governing our business, you are expected to be familiar with and comply with the company-wide policies and procedures and those that apply to your business unit and when in doubt, to seek advice from supervisors, managers or other appropriate personnel as outlined in this Code.

Consequences for Failure to Comply and Reporting Certain Conduct

You can be subject to discipline up to and including termination of employment if you violate this Code. If you know of, or reasonably believe there is, a violation of applicable laws or this Code, you must report that information immediately to the Corporate Responsibility Officer or the Ombudsperson. You should not conduct preliminary investigations, unless authorized to do so by the Compliance Department. Anyone who in good faith raises an issue regarding a possible violation of law, regulation or company policy or any suspected illegal or unethical behavior will be protected from retaliation.

Conflicts of Interest

To maintain the highest ethical standards in conducting our business, it is important that you do not place yourself in a position that would cloud your judgment in carrying out the business affairs of the company. A "conflict of interest" occurs when your private interest interferes in any way – or even appears to interfere – with the interests of the company. You have a duty to report any material transaction or relationship that reasonably could be expected to be or to create a conflict of interest with the company. If you have any questions regarding what might constitute a conflict of interest, or to report any transaction or relationship that you believe has occurred or may occur that might constitute a conflict of interest, contact the Corporate Responsibility Officer or the Ombudsperson.

Duty of Loyalty

Your employment with the company must be your primary business association and must take precedence over any other employment or business affiliation you may have. This means that you may not hold any position, whether paid or unpaid, with any other organization, whether for-profit or charitable, that would conflict with the performance of your duties at the company. You should not discuss the affairs of the company with anyone except on a need-to-know basis. This includes family members and anyone at any other company you may be associated with or transact business with on behalf of the company.

Corporate Opportunities

A “corporate opportunity” is a business opportunity that comes to your attention because of your connection with the company. Examples include situations in which a business opportunity has been offered to the Company; the Company has been pursuing a business opportunity; the Company’s funds, facilities, or personnel have been used in pursuing a business opportunity; or the opportunity involves investment in an asset or a business that would be advantageous to the Company’s business. Employees, officers and directors are prohibited from taking advantage of corporate opportunities for themselves personally, unless they have presented the opportunity to the company and the company has declined the opportunity. You may not use corporate property, information or position for improper personal gain, and you may not compete with the company directly or indirectly.

Inside Information

It is unlawful to trade in the securities of any company on the basis of material nonpublic (or inside) information or to disclose such information to others who may profit from it. Generally, material information is any information that an investor would likely consider important in deciding whether to buy, sell or hold securities or that could affect the market price of the securities. Examples include actual or estimated financial results or change in dividends; significant discoveries or product developments; possible mergers; acquisitions or divestitures; major changes in business strategies; obtaining or losing significant contracts; and threatened major litigation or related developments. Do not disclose inside information to anyone except those who have a need to know it in order to fulfill their responsibilities for the company and in accordance with company policy. If you have or receive information and are unsure whether it is within the definition of inside information or whether its release might be contrary to a fiduciary or other obligation, contact the Office of Corporate Counsel prior to disclosing any such information.

Outside Employment and Other Outside Activities

Officers and employees may not engage in outside employment or other outside activity that interferes with their duties and responsibilities at the company. This includes outside

activities that may be misconstrued to be activities of the company and any activity that competes with the company. You must obtain prior approval from the Compliance Department before participating in outside employment activities.

Outside Directorships

We encourage officers and employees to accept appropriate directorships and advisory positions at most non-profit organizations and commercial firms; however, your service as an advisor to, or member of, the Board of another company, or a non-profit charitable, civic, social service, religious, professional or trade organization must be consistent with the provisions of the Code, and not create a conflict of interest with your responsibilities to the company. You must disclose all such positions to the Compliance Department prior to accepting such position and annually thereafter.

Financial Interests or Ownership in Other Businesses

Certain business situations in which you or a member of your household (or of a relative whose financial interests you control) might participate require that you obtain prior approval from the Compliance Department. Examples include making significant investments in companies that compete with the company or in entities that do business with the company. If you or a member of you family intends to make such an investment you must disclose it in writing to, and obtain prior approval for the investment from, the Compliance Department.

Acceptance of Gifts or Entertainment

The acceptance of gifts or excessive entertainment from clients, vendors, suppliers, competitors or other employees must not constitute a conflict of interest or create the appearance of impropriety. You may accept small gifts and entertainment that are worth less than the amount company policy sets as a limit, but you must be personally satisfied that the gift or entertainment is not intended to influence your judgment or the performance of your duties. If you have any questions regarding the appropriateness of a gift, you must obtain Compliance Department approval before accepting it.

Confidentiality of Information

As a financial services company, we have particular responsibilities for safeguarding the information of our clients and the proprietary information of our company. You should be mindful of this obligation when you use the telephone, fax, telex, electronic mail, and other electronic means of storing and transmitting information. You should not discuss confidential information in public areas where it can be overheard, read confidential documents in public places, nor leave or discard confidential documents where they can be retrieved by others.

Confidentiality of Client Information

Information concerning the identity of clients and their transactions and accounts is confidential. Such information may not be disclosed to persons within the company except as they may need to know it in order to fulfill their responsibilities to the company. You may not disclose such information to anyone or any firm outside the company except: (i) in the event an outside firm needs to know the information in order to perform services for the company and is bound to maintain its confidentiality, (ii) when a client has consented to the disclosure after having been given an opportunity to request that the information not be shared, (iii) as required by law, or (iv) as authorized by the Compliance Department or Office of Corporate Counsel.

Information regarding client orders must not be used in any way to influence trades in personal accounts or in the accounts of other clients, including those of other employees, officers and directors. Trading ahead of a client's order is known as *frontrunning* and is prohibited. Following a client's order with your trading activity is known as *piggybacking* or *shadowing* and is likewise prohibited. If you reasonably believe improper trading in personal or client accounts has occurred, you must report such conduct to the Corporate Responsibility Officer or the Ombudsperson.

Privacy

Schwab is committed to safeguarding our customers' privacy, and we limit how we share customer information with others. As set out in our Privacy Policy, we do not sell personally identifiable customer information to anyone. We share customer information with third parties only in certain limited circumstances, such as to help us process transactions and service accounts, in connection with joint marketing arrangements, and for other specific purposes permitted by applicable federal and state privacy laws. We share information with our affiliates as allowed by applicable laws and, where required, only after giving customers the opportunity to opt out of such sharing.

You should be familiar with Schwab's Privacy Policy and the limitations on how customer information can be used and shared. If you have any questions about whether any particular use or disclosure of customer information is permitted, you should direct them to the Privacy Office. You should also be familiar with the procedural and systemic safeguards we maintain to protect the security of customer information, and should report any breaches of these safeguards in accordance with Schwab's procedures.

Proprietary Information of the Company

You have the responsibility to safeguard proprietary information of the company and comply with the company's Confidentiality, Non-solicitation and Assignment Agreement. Proprietary information includes intellectual property (copyrights, trademarks or patents or trade secrets), particular know-how (business or organizational designs, or business, marketing or service plans or ideas) and sensitive information about the company (databases, records, salary information or unpublished financial reports). If

you have any questions about what constitutes proprietary information, or if you believe such information has been compromised, contact the Office of Corporate Counsel.

Protection and Use of Company Assets

You are obligated to protect the company's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on the company. Company equipment should not be used for non-company business, though incidental personal use may be permitted. Breaches of this obligation must be reported to the Compliance Department.

Employment Practices

Our employment policies reflect the high standards of our business practices and our commitment to our Vision and Values.

Equal Opportunity, Discrimination and Harassment

It is our policy to hire, retain, advance, train, terminate, and otherwise treat employees and job applicants on the basis of merit, qualifications and competence. We apply this policy without regard to any qualified individual's race, color, sex, pregnancy, religion, age, national origin, ancestry, citizenship, disability, medical condition, marital status, sexual orientation, veteran status, political affiliation, or any other characteristic protected by federal or state law.

Our workplace is one of inclusion that fosters productivity and individual growth. We respect others and do not tolerate discrimination or harassment of any kind, including any verbal or physical harassment regarding the race, color, sex, pregnancy, religion, age, national origin, ancestry, citizenship, disability, medical condition, marital status, sexual orientation, veteran status, or political affiliation of another, or any other characteristic protected by federal or state law. We expect our managers to implement these employment policies and to create a working environment supportive of optimal performance and opportunities for professional growth and advancement. Acts of discrimination or harassment are subject to disciplinary action, including termination of employment. If you reasonably believe acts of discrimination or harassment have occurred, you must report such conduct to the Human Resources Department or to the Ombudsperson.

Health and Safety

We are committed to providing a healthy and safe working environment and manage our business in ways that are sensitive to the environment and conserve natural resources. You are responsible for learning the safety procedures applicable to your job and area and

for reporting accidents, injuries and unsafe practices, conditions or equipment to your supervisor, the Compliance Department or the Ombudsperson.

Drug-Free Workplace

We are committed to pursuing a drug-free working environment. Substance abuse threatens your safety and well-being as well as our company's ability to provide high quality service and compete effectively in the marketplace. We are compassionate but firm in our policies for providing a drug-free environment.

Non-Retaliation

It is your obligation to report issues regarding possible violations of business regulations or this Code when you suspect in good faith that a violation may have or might occur. No employee or applicant will be retaliated against for making a good faith complaint or bringing inappropriate conduct to the company's attention, for assisting another employee or applicant in making a good faith report, for cooperating in an investigation, or for filing an administrative claim with a state or federal governmental agency. Any employee who engages in retaliatory conduct in violation of our policies will be subject to disciplinary action, up to and including termination of employment. If you reasonably believe retaliatory conduct has occurred, you must report such conduct to the Corporate Responsibility Officer or the Ombudsperson.

Business Practices

It is your obligation to report issues regarding possible violations of business regulations or this Code when you suspect in good faith that a violation may have or might occur. As a financial institution, it is imperative that we operate with efficiency, and the highest business standards and that we maintain and provide accurate information.

Financial Disclosures

The company is committed to providing full, fair, accurate, timely and understandable disclosure in reports and documents that the company files with, or submits to, the Securities and Exchange Commission and other regulatory agencies and in other public communications made by the company. You are required to comply with company policies and procedures for compiling such disclosures and ensuring that they are full, fair, accurate, timely and understandable. If you have any questions about your duties in supporting the company's financial reporting processes, contact the Corporate Responsibility Officer.

Conduct of Audits

Neither you nor any other person acting under your direction shall directly or indirectly take any action to fraudulently influence, coerce, manipulate, or mislead any independent public or certified public accountant engaged in the performance of an audit or review of the company's financial statements if you know, or should know, that such action could, if successful, result in rendering the company's financial statements materially misleading.

Types of conduct that constitute improper influence include, but are not limited to, directly or indirectly:

- Offering or paying bribes or other financial incentives, including offering future employment or contracts for non-audit services;
- Providing an auditor with inaccurate or misleading legal analysis;
- Threatening to cancel or canceling existing non-audit or audit engagements if the auditor objects to the issuer's accounting;
- Seeking to have a partner removed from the audit engagement because the partner objects to the company's accounting;
- Blackmailing; and
- Making physical threats.

If you reasonably believe improper influence has occurred, you must report such conduct to the Corporate Responsibility Officer or the Ombudsperson.

Public Relations

The company's media contacts policy is intended to carefully manage and coordinate information about the company, all of which can impact the company's reputation. In addition, legal and regulatory requirements restrict information that may be provided to the media. Our Public/Media Relations Department acts as a liaison between the company and the press and is responsible for responding to press inquiries. You should direct all inquiries from the press to the Public/Media Relations Department.

Record-Keeping

We require honest and accurate recording and reporting of information to maintain the integrity of our business records and to make responsible business decisions. The company's books, records and accounts must (i) accurately reflect all transactions of the company and all other events that are the subject of a specific regulatory record-keeping requirement; (ii) be maintained in reasonable detail; and (iii) conform both to applicable

legal requirements and to the company's system of internal controls. Unrecorded or "off the books" funds or assets are prohibited unless permitted by applicable law or regulation. Business records must not contain exaggeration, derogatory remarks, guesswork, or inappropriate characterizations of people and companies. This applies equally to e-mail, internal memoranda, formal reports, and all other forms of business records. You must be familiar with the company's record retention policies and always retain or destroy records according to them. In the event of litigation, governmental investigation or the threat of such action, you should consult the Office of Corporate Counsel regarding record retention.

Sales Practices

If you transact business for clients, you are required to know and observe the company's specific policies and procedures for client sales and transactions, such as the content and use of sales materials, documentation for transactions, quotations and suitability. Likewise, if you transact business with third parties (such as vendors or suppliers), you will be required to know and observe the company's policies and procedures for such transactions, such as marketing policies, procedures for performing due diligence on third parties, and obtaining proper authorizations for any agreements. You must be familiar with any enumerated policies and procedures governing your sales activities and use good judgment in complying with them. You must seek advice from your supervisor or the Compliance Department if you have any questions.

Competition and Fair Dealing

We operate our business fairly and honestly. We seek competitive advantage through performance and dedication to our Vision and Values and never through unethical or illegal business practices. It is our policy to comply with anti-trust laws. These laws are complex and not easily summarized but at a minimum require that there be no agreement or understanding between the company and its competitors that affect prices, terms or conditions of sale or that unreasonably restrain full and fair competition. You must always respect the rights of and deal fairly with the company's clients, competitors and employees. You must never take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing practice. If you have any question about what constitutes an unfair business practice, you should consult the Compliance Department, the Office of Corporate Counsel or the Ombudsperson.

Prohibition of Bribery and Kickbacks

Our policies prohibit bribery or kickbacks of any kind and to anyone in the conduct of our business. The U.S. government has a number of laws and regulations applicable specifically to business gratuities that may be accepted by U.S. and foreign government personnel. The promise, offer or delivery to an official or employee of the U.S. government or an official employee or candidate of a foreign government of a gift, favor, payment or other gratuity in violation of these rules would not only violate company

policy but could also be a criminal offense. Similarly, federal law, as well as the laws of many states, prohibits engaging in “commercial bribery.” Commercial bribery involves soliciting, demanding or accepting anything of value from any person with the intention to influence or be rewarded in connection with any business or transaction, such as with vendors, competitors, clients, or government employees. If you have any questions or need any guidance, you should contact the Office of Corporate Counsel.

Compliance Procedures

We will work together to ensure compliance with the Code and to take prompt action in response to reported violations of the Code.

Seeking Guidance

If you are unsure of what to do in any situation, seek guidance before you act. Use the company resources, including your supervisor, the Compliance Department, the Human Resources Department, and the Office of Corporate Counsel. If you feel that it is not appropriate to discuss a matter with your supervisor, you may contact the Corporate Responsibility Officer or the Ombudsperson. Remember that you must report all incidents of misconduct, and you may do so without fear of retaliation. If you have violated the Code, however, making a report will not protect you from the consequences of your actions.

Reporting Conduct that May be in Violation of the Code

You must report conduct that you believe to be in violation of the Code, company policy, law or regulation. Reports should be escalated in the following manner:

1. If you have a reasonable belief that a violation has occurred, or may occur, you must report the conduct to the Corporate Responsibility Officer.
2. If you prefer to make a report confidentially or anonymously, you should contact the company's Ombudsperson.
3. The Corporate Responsibility Officer or Ombudsperson will determine the appropriate action to take, including conducting any investigation of the matter and recommending appropriate discipline. Depending on the circumstances, the Corporate Responsibility Officer or the Ombudsperson may make further reports as appropriate to senior management or directors, including the General Counsel, the senior internal auditing executive, or the Audit Committee.

Roles in Observing Compliance

As an employee, officer or director of the company, you have a role in observing compliance with the Code. In general, that includes:

Role of Employees and Officers

- Read and be familiar with conduct rules outlined in this Code and periodically review them.
- Comply with the conduct standards outlined in this Code in all dealings and actions, including those with clients, the public, vendors and co-workers.

- Report in a timely manner to the Corporate Responsibility Officer or Ombudsperson any conduct that may constitute a violation of the Code, company policies, or laws, rules and regulations.
- Raise questions or concerns about conduct issues with your supervisor, the Compliance Department, Human Resources Department or the Office of Corporate Counsel, and seek advice when in doubt.
- Cooperate with management during fact-finding investigations and comply with any confidentiality rules imposed.

Additional Role of Managers

- Establish, communicate and promote compliance with business conduct standards personally and within your organization(s).
- Provide employees with information about standards, policies, procedures and rules, including giving employees access to applicable handbooks and manuals.
- Address any behavior that indicates an employee may not understand or may not be complying with expectations.
- Answer employee questions about business conduct and seek advice from senior management, the Compliance Department, the Human Resources Department or the Office of Corporate Counsel when in doubt.
- Make certain that conduct that may be a violation of policies, regulations or rules is reported timely and appropriately.
- Make certain that decisions and actions aimed at addressing misconduct are free of discriminatory influence or favoritism.

Role of Directors

- Review the Code annually and recommend any changes.
- Ensure that management establishes procedures for implementing the Code.
- Ensure that management carries out the operations of the company in accordance with the law and company policies.
- Ensure that management has established appropriate procedures for handling reports of misconduct.
- Review management's reports of compliance with the Code.

Waivers of the Code

Any waiver of the Code for executive officers, senior financial officers or directors may be made only by the Board or a Board committee and will be promptly disclosed publicly as required by law or stock exchange regulations.