

Schwab Personal Choice Retirement Account® (PCRA)

Pricing Summary—Effective February 2008

At Charles Schwab, we provide a broad range of value-added services, some of which have associated fees. The following provides you with a summary of the standard commissions and fees for trade orders placed in the Schwab Personal Choice Retirement Account® (PCRA)¹. This pricing supersedes prior pricing summaries and notices that you may have received. Schwab reserves the right to change or waive fees at our discretion.

This summary applies only to clients with accounts held at Charles Schwab, and includes:

- Schwab PCRA established on behalf of retirement plan participants

You can obtain more information about PCRA pricing by:

- Calling Schwab's dedicated PCRA Call Center at 1-888-393-PCRA (7272), Monday through Friday, 9:00 am through 7:30 pm ET
- Viewing the *Schwab Corporate and Retirement Services Pricing Guide* dated April 2008, for a more complete description of fees

Definition of Electronic Trades: Trades placed through one of Schwab's electronic channels, including online (e.g., www.schwab.com) and Schwab's automated phone services (e.g., Schwab by Phone™ or TeleBroker®). Certain securities may not be available through all electronic trading channels.

For all trade orders placed: For purchase, we require cleared funds in the account. When selling, we require securities on deposit.

Note: Your PCRA is a cash-up-front account. It is your responsibility to avoid overspending your account. If your account becomes overspent, Schwab reserves the right to liquidate a portion of your account to cover the debit balance. Broker-assisted fees will apply.

Schedule of Commissions and Transaction Fees²

Stocks³

| Commissions per Executed Trade (includes Exchange-Traded Funds) | | |
|---|---|--|
| Trading Channel | Less than 120 trades* and less than \$1,000,000 in PCRA Balance | 120 or more trades* or \$1,000,000 or more in PCRA Balance |
| Electronic | \$12.95 | \$8.95 |
| Broker-Assisted | Electronic commission, plus \$25 | Electronic commission, plus \$25 |

*0-29 trades in current calendar quarter or 0-119 trades over the prior 12 months

*30 or more trades in current calendar quarter or 120 or more trades over the prior 12 months

Mutual Funds

No-Transaction-Fee (NTF) Mutual Funds: Trades in no load funds available through Schwab's Mutual Fund OneSource⁴ service (including Schwab Funds), as well as certain other funds, are available without transaction fees when placed through Schwab.com or our automated phone channels. Schwab reserves the right to change the funds we make available without transaction fees and to reinstate fees on any funds.

Transaction-Fee Mutual Funds:

| Trading Channel | Transaction Fee | Minimum/Maximum |
|------------------------|---------------------|---------------------------------|
| Electronic | 0.56% of principal* | Minimum \$35 Maximum \$49.95 |
| Broker Assisted | 0.7% of principal | Minimum \$39 Maximum \$74.95 |

*Transaction-fee mutual fund trades placed through one of Schwab's electronic channels receive a 20% discount off the stated Broker-Assisted commissions or transaction fees, as illustrated above.

All electronic trades are subject to an overriding \$35 minimum and a \$49.95 maximum. Minimum transaction amounts apply for initial and subsequent purchases.

Investors should consider carefully information contained in the prospectus, including investment objectives, risks, trading policies, charges and expenses. You can request a prospectus by calling Schwab's dedicated PCRA Call Center at 1-888-393-PCRA (7272). You may also request a prospectus at www.schwab.com. Please read the prospectus carefully before investing.

Options⁵

| Trading Channel | Commissions per Executed Trade |
|------------------------|----------------------------------|
| Electronic | \$8.95, plus \$0.75 per contract |
| Broker-Assisted | Electronic commission, plus \$25 |

Options trading in PCRA is limited to covered calls and protective puts.

Fixed Income Investments⁶

| Product Type | Electronic Commission | Broker-Assisted Fee |
|---|---|--------------------------------------|
| New issues, including Certificates of Deposit (CDs) | \$0 (a selling concession is included in the original offering price) | |
| Treasuries at Auction and Secondary Treasuries, including Treasury Bonds, Treasury Bills, Treasury Notes and TIPS | \$0 | \$25 |
| Other Secondary Fixed Income trades, including CDs, Exchange-Traded Corporate Bonds, Municipal Bonds, Zero-Coupon Treasury Bonds, STRIPS and Mortgage-Backed Securities | \$1 per bond (\$10 min/\$250 max) | Electronic commission, plus \$25 |
| Government Agencies (such as Non-Pass-Through Bonds from FNMA, FHLB, etc.) | \$1 per bond (\$10 min/\$250 max) | Electronic commission, plus \$25 |
| Unit Investment Trusts | n/a | Sales charge applies; see prospectus |
| Commercial Paper, Foreign Bonds and other bonds | These are specialty products—please call us for information | |
| Preferred Stocks, Debts or REITs | Stock commissions and minimums apply for secondary transactions | |

Note: The commissions and markups may be slightly less than what is shown above due to rounding.

Schwab reserves the right to act as principal on any fixed income transaction, public offering or securities transaction. When Schwab acts as agent, a commission will be charged on the transaction. When Schwab acts as principal, the markup is included in the bond price.

¹ Schwab Personal Choice Retirement Account® (PCRA) is offered through Charles Schwab & Co., Inc. Charles Schwab & Co., Inc. also provides other brokerage and custody services to its customers. Schwab Retirement Plan Services, Inc. and The 401(k) Company, Inc. provide recordkeeping and related services with respect to retirement plans. The Charles Schwab Trust Company, a division of Charles Schwab Bank, provides trust and custody services with respect to retirement and other benefit plans, including Individual Retirement Accounts (IRAs).

² Excluding mutual funds, commissionable trades that execute over more than one day will be charged a separate commission for each additional day; each separate commission will apply to the portion of the trade executed on the corresponding additional day. Electronic Trade orders which price or quantity are changed by the client, and as a result execute over multiple trades on the same day, are each charged a separate commission.

³ Includes all stocks listed on U.S. or Canadian exchanges, as well as foreign stocks not listed on those exchanges. Foreign stock transactions (stocks not listed on U.S. or Canadian exchanges) are subject to the greater of the broker-assisted trade schedule, \$100 or 0.5% of principal. No maximum applies. Not applicable to American Depositary Receipts.

⁴ Charles Schwab & Co., Inc. receives remuneration from fund companies participating in the Schwab Mutual Fund OneSource® service for recordkeeping and shareholder services, and other administrative services. Schwab's short-term redemption fee of \$49.95 will be charged on redemption of funds purchased through Schwab's Mutual Fund OneSource® service (and certain other funds with no transaction fee) and held for 90 days or less. Funds are also subject to management fees and expenses.

⁵ Options carry a high level of risk and are not suitable for all investors. Certain requirements must be met to trade options through Schwab. Please read the Options Disclosure Document titled "Characteristics and Risks of Standardized Options" before considering any option transaction. Call your local Schwab office or write Charles Schwab & Co., Inc. 101 Montgomery Street, San Francisco, CA 94104 for a current copy.

⁶ For fixed income traces placed through one of Schwab's electronic channels, discounts may apply.