

SCHWAB CHARLES CORP  
Form 8-K  
August 29, 2012

**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): August 27, 2012**

**The Charles Schwab Corporation**

(Exact name of registrant as specified in its charter)

**Commission File Number: 1-9700**

**Delaware**

**94-3025021**

(State or other jurisdiction

(I.R.S. Employer

of incorporation)

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)

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- .. 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 8.01 Other Events.**

On August 27, 2012, The Charles Schwab Corporation (the *Company*) issued 3.225% Senior Notes due 2022 (the *New Notes*) in an aggregate principal amount of \$255,985,000 in exchange for the *Company*'s 4.950% Senior Notes due 2014 (the *Old Notes*), in connection with the expiration of the early participation date for its previously announced exchange offer. On August 29, 2012, the *Company* issued *New Notes* in an aggregate principal amount of \$420,000 in exchange for *Old Notes* in connection with the final expiration of its previously announced exchange offer. The *New Notes* were issued to qualified institutional buyers (*QIBs*) pursuant to Rule 144A under the Securities Act of 1933, as amended (the *Securities Act*), and to persons outside the United States who are not *U.S. persons* as defined in Regulation S under the Securities Act.

The *New Notes* were issued pursuant to a Senior Indenture, dated as of June 5, 2009 (the *Senior Indenture*), between the *Company* and The Bank of New York Mellon Trust Company, N.A., as trustee, as supplemented by the Third Supplemental Indenture, dated as of August 27, 2012 (*Third Supplemental Indenture*). The *New Notes* will pay interest semiannually at a rate of 3.225% per annum. The *New Notes* are the *Company*'s senior obligations and rank equally with all of its other unsecured senior indebtedness. The *New Notes* are subject to optional redemption prior to maturity. The *New Notes* issuable to *QIBs* in reliance on Rule 144A under the Securities Act were issued in the form of registered global securities in the form of notes attached as Exhibit 4.2 hereto (the *QIB Global Note*), and the *New Notes* issuable to persons outside the United States who are not *U.S. persons* as defined in Regulation S under the Securities Act were issued in the form of registered global securities in the form of notes attached as Exhibit 4.3 hereto (the *Regulation S Global Note*). The description of the *New Notes* contained herein is qualified by reference to the Third Supplemental Indenture and the form of *QIB Global Note* and form of *Regulation S Global Note* attached hereto.

On August 27, 2012, in connection with the issuance of the *New Notes*, the *Company* entered into an exchange and registration rights agreement (the *Registration Rights Agreement*) with Citigroup Global Markets Inc., Goldman, Sachs & Co. and Wells Fargo Securities, LLC, the dealer managers for the exchange offer. Under the *Registration Rights Agreement*, the *Company* has agreed to file an exchange registration statement with the Securities Exchange Commission (the *SEC*) to allow holders of the *New Notes* to exchange such *New Notes* for an equal principal amount of notes with substantially identical terms, except that they will generally be freely transferable under the Securities Act. In addition, the *Company* has agreed pursuant to the *Registration Rights Agreement*, under certain circumstances, to file a shelf registration statement with the *SEC* to cover resales of the *New Notes*. If the *Company* fails to satisfy these obligations, it will be required to pay additional interest as liquidated damages to the holders of the *New Notes*. The *Registration Rights Agreement* is attached hereto as Exhibit 4.4, and the description of the *Registration Rights Agreement* contained herein is qualified by reference thereto.

The *New Notes* will not be registered under the Securities Act or any state securities laws. Therefore, the *New Notes* may not be offered or sold in the United States, or to any *U.S. persons* outside the United States, absent registration or an applicable exemption from the registration requirements of the Securities Act and any applicable state securities laws. This report on Form 8-K is not an offer to sell or a solicitation of an offer to buy any security.

**Item 9.01 Financial Statements and Exhibits.**

- (d) Exhibits
- 4.25 Third Supplemental Indenture, dated as of August 27, 2012, between the Company and The Bank of New York Mellon Trust Company, N.A.
- 4.26 Form of QIB Global Note for the Company s 3.225% Senior Notes due 2022.
- 4.27 Form of Regulation S Global Note for the Company s 3.225% Senior Notes due 2022.
- 4.28 Exchange and Registration Rights Agreement, dated August 27, 2012, by and among the Company and Citigroup Global Markets Inc., Goldman, Sachs & Co. and Wells Fargo Securities, LLC.

**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: August 29, 2012

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

**Exhibit Index**

| <b><u>Exhibit No.</u></b> | <b><u>Description</u></b>                                                                                                                                                            |
|---------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4.25                      | Third Supplemental Indenture, dated as of August 27, 2012, between the Company and The Bank of New York Mellon Trust Company, N.A.                                                   |
| 4.26                      | Form of QIB Global Note for the Company s 3.225% Senior Notes due 2022.                                                                                                              |
| 4.27                      | Form of Regulation S Global Note for the Company s 3.225% Senior Notes due 2022.                                                                                                     |
| 4.28                      | Exchange and Registration Rights Agreement, dated August 27, 2012, by and among the Company and Citigroup Global Markets Inc., Goldman, Sachs & Co. and Wells Fargo Securities, LLC. |