

Edgar Filing: SCHWAB CHARLES CORP - Form 4

Stock 20.5
 Common Stock 08/15/2007 S(3) 640,985 D \$ 20.5 7,200,465 I by Spouse

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number. SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
 (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned Following Reported Transaction (Instr. 5) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|---|
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|---|

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|------------------|-------|
| | Director | 10% Owner | Officer | Other |
| SCHWAB CHARLES R C/O THE CHARLES SCHWAB CORPORATION 120 KEARNY STREET SAN FRANCISCO, CA 94108 | X | X | Chairman and CEO | |

Signatures

Jane E. Fry, Attorney-in-fact 08/16/2007

**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
 - ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) As of the date of this report, in addition to the shares reported in Table I, the reporting person had an indirect beneficial ownership interest in 1,725,642 shares held by an ESOP.

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- (2) The reporting person included shares held in his family limited partnership as owned directly in prior filings.

The sales were made pursuant to a Stock Purchase Agreement dated July 2, 2007. In connection with the company's plan to repurchase shares of its common stock through a modified "Dutch Auction" tender offer (the "Tender Offer"), the company entered into the Stock Purchase Agreement with Mr. Schwab and with certain additional stockholders whose shares Mr. Schwab is deemed to beneficially own.

- (3) Under the Stock Purchase Agreement, Mr. Schwab and the other stockholders agreed not to participate in the Tender Offer, and instead, agreed to sell and the company agreed to purchase, after completion of the Tender Offer, a number of shares that would result in Mr. Schwab maintaining the same beneficial ownership interest in the company's outstanding common stock as before the Tender Offer (excluding outstanding options to acquire stock).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.