

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE CHARTER
THE CHARLES SCHWAB CORPORATION

PURPOSE

The Nominating and Corporate Governance Committee (“Committee”) of the Board of Directors (“Board”) assists the Board in fulfilling its oversight responsibilities by (1) identifying individuals qualified to serve on the Board; (2) recommending nominees to fill vacancies on the Board and each Board committee and recommending a slate of nominees for election or reelection as directors by the corporation’s stockholders at the annual meeting to fill the seats of directors whose terms are expiring; (3) leading the Board in its annual review of the Board’s performance; and (4) developing corporate governance principles, policies and procedures and recommending their adoption by the Board.

COMPOSITION AND MEMBERSHIP

The Board appoints the members and Chairman of the Committee. The Committee shall be composed solely of non-employee directors whom the Board determines to be independent in accordance with Securities and Exchange Commission and NASDAQ Stock Market rules. The Board may remove a member from the Committee at any time with or without cause.

AUTHORITY

The Committee shall have the sole authority to retain and terminate special legal counsel, search firms used to identify director candidates or other consultants to advise the Committee and the authority to approve their fees and other retention terms. The Committee may request any officer or employee of the corporation or its outside counsel or consultants to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

MEETINGS

There shall be not less than two regular meetings each year and additional meetings may be held as circumstances warrant. A majority of members of the Committee shall constitute a quorum. The action of a majority of members at a meeting at which a quorum is present will be the action of the Committee.

RESPONSIBILITIES

Responsibilities of the Committee include, but are not limited to, the following:

1. Review the structure and size of the Board to assure that the proper skills and experience are represented on the Board. The Board shall be composed of a majority of independent directors.
2. Identify and evaluate qualified candidates to recommend for selection as directors, including nominees identified by other Board members.
3. Recommend to the Board nominees to fill vacancies as they occur on the Board and each Board committee and recommend to the Board a slate of nominees for election or reelection as directors by the corporation's stockholders at the annual meeting to fill seats of directors whose terms are expiring.
4. Review the structure, authority and responsibilities of Board committees and make recommendations regarding the composition of Board committees in light of their responsibilities.
5. Develop for adoption by the Board corporate governance principles applicable to the corporation and review and recommend any changes to the corporate governance principles to the Board for approval.
6. Oversee the assessment of the performance of the Board and its committees and an evaluation of management. Discuss the assessments with the full Board following the end of each fiscal year.
7. Make recommendations regarding, and assist the Board in, succession planning for the Chief Executive Officer and executive management, including developing policies for succession in an emergency or retirement of the Chief Executive Officer.
8. Form and delegate authority to subcommittees when appropriate.
9. Report the Committee's activities and significant decisions to the Board.
10. Review and reassess the adequacy of this charter annually and recommend any proposed changes to the Board for approval.
11. Conduct an annual performance evaluation of the Committee.

Last Amended: January 26, 2006