

SCHWAB CHARLES CORP  
Form 11-K  
June 22, 2017

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 11-K

(Mark  
One)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF  
1934

For the fiscal year ended December 31, 2016

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT  
OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 1-9700

A. Full title and address of the Plan, if different from that of the issuer named below:

SCHWABPLAN RETIREMENT SAVINGS AND INVESTMENT PLAN  
211 Main Street  
San Francisco, CA 94105

B. Name of issuer of the securities held pursuant to the Plan and the address of its principal executive office:

THE CHARLES SCHWAB CORPORATION  
211 Main Street  
San Francisco, CA 94105

#### REQUIRED INFORMATION

The SchwabPlan Retirement Savings and Investment Plan is subject to the Employee Retirement Income Security Act of 1974 (ERISA). Therefore, in lieu of the Requirements of Items 1-3 of Form 11-K, the financial statements and schedules of the Plan for the two fiscal years ended December 31, 2016 and 2015, have been prepared in accordance with the financial reporting requirements of ERISA.



SchwabPlan®  
Retirement Savings  
and Investment Plan  
EIN: 94-3025021  
Plan Number: 002

Financial Statements as of and for the Years Ended  
December 31, 2016 and 2015, Supplemental  
Schedule as of December 31, 2016 and Report of  
Independent Registered Public Accounting Firm

SCHWABPLAN RETIREMENT SAVINGS AND INVESTMENT PLAN

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All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations  
NOTE: for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been  
omitted because they are not applicable.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Employee Benefits Administrative Committee and Participants of the SchwabPlan Retirement Savings and Investment Plan:

We have audited the accompanying statements of net assets available for benefits of the SchwabPlan Retirement Savings and Investment Plan (the Plan) as of December 31, 2016 and 2015, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2016 and 2015, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The supplemental schedule listed in the Table of Contents have been subjected to audit procedures performed in conjunction with the audit of the Plan's financial statements. The supplemental schedule is the responsibility of the Plan's management. Our audit procedures included determining whether the supplemental schedule reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental schedule. In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, including the form and content, is presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, such schedule is fairly stated, in all material respects, in relation to the financial statements as a whole.

/s/ Deloitte & Touche LLP  
June 22, 2017

SCHWABPLAN RETIREMENT SAVINGS AND INVESTMENT PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

| DECEMBER 31,                                         | 2016             | 2015             |
|------------------------------------------------------|------------------|------------------|
| Assets                                               |                  |                  |
| Investments – at fair value:                         |                  |                  |
| Mutual funds                                         | \$ 1,798,040,429 | \$ 1,609,206,568 |
| Self-directed brokerage accounts                     | 676,696,033      | 623,616,125      |
| Common stock funds of The Charles Schwab Corporation | 588,706,906      | 542,201,913      |
| Cash                                                 | 135,960,065      | 100,766,633      |
| Total investments                                    | 3,199,403,433    | 2,875,791,239    |
| Receivables:                                         |                  |                  |
| Participant notes receivable                         | 50,651,502       | 48,627,711       |
| Due from broker for investments sold                 | 9,059,689        | 3,184,310        |
| Accrued dividends and interest                       | 126,846          | 125,875          |
| Total receivables                                    | 59,838,037       | 51,937,896       |
| Total assets                                         | 3,259,241,470    | 2,927,729,135    |
| Liabilities                                          |                  |                  |
| Due to broker for investments purchased              | 7,513,748        | 3,087,694        |
| Net Assets Available for Benefits                    | \$3,251,727,722  | \$2,924,641,441  |

See Notes to Financial Statements.

SCHWABPLAN RETIREMENT SAVINGS AND INVESTMENT PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

| YEAR ENDED DECEMBER 31,                                       | 2016            |
|---------------------------------------------------------------|-----------------|
| Additions to Net Assets Available for Benefits                |                 |
| Investment income:                                            |                 |
| Dividends and interest                                        | \$61,150,490    |
| Net appreciation (depreciation) in fair value of investments: | 232,079,832     |
| Total net investment income                                   | 293,230,322     |
| Contributions:                                                |                 |
| Participants' salary deferral and rollover                    | 182,805,631     |
| Net employer contributions                                    | 82,540,104      |
| Total contributions                                           | 265,345,735     |
| Interest income on participant notes receivable               | 1,659,253       |
| Total additions to Net Assets Available for Benefits          | 560,235,310     |
| Deductions from Net Assets Available for Benefits             |                 |
| Distributions to participants                                 | (232,012,588 )  |
| Administrative expenses                                       | (1,136,441 )    |
| Net Increase in Net Assets Available for Benefits             | 327,086,281     |
| Net Assets Available For Benefits                             |                 |
| Beginning of year                                             | 2,924,641,441   |
| End of year                                                   | \$3,251,727,722 |

See Notes to Financial Statements.

SCHWABPLAN RETIREMENT SAVINGS AND INVESTMENT PLAN

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2016 AND 2015

1. PLAN DESCRIPTION

The following description of the SchwabPlan Retirement Savings and Investment Plan (the Plan), which describes the terms of the Plan as of December 31, 2016, provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

The Plan is a 401(k) salary deferral program sponsored by The Charles Schwab Corporation (CSC) and covers all eligible employees of CSC and participating affiliates. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

CSC, the Plan Sponsor as defined in ERISA 3(16)(B), provides services to the Plan through its separate but affiliated companies and subsidiaries. Charles Schwab & Co. (CS&Co.), Inc. serves as the Named Fiduciary and Plan Administrator as defined in ERISA 3(16)(A) under the Plan. CS&Co. also provides brokerage products and services, including a self-directed brokerage account investment alternative called Schwab Personal Choice Retirement Account. Schwab Retirement Plan Services, Inc. provides recordkeeping and related services to the Plan. Charles Schwab Bank (Charles Schwab Bank) provides the Plan with trust and custody services and deposit products, including directed trustee services and a custodial money market demand account. Charles Schwab Investment Management, Inc. provides investment management services to proprietary funds offered as investment options in the Plan.

At December 31, 2016 and 2015, the Plan held 14,827,961 and 16,389,945 shares, respectively, of CSC common stock. The dividend income earned on the CSC common stock held by the Plan was \$4,251,435 and \$4,071,082 for 2016 and 2015, respectively

401(k) Salary Deferral Program

Eligible employees may participate in the 401(k) salary deferral program upon their hire date. Participants may elect to have up to 50 percent of their eligible compensation (generally defined as wages as reported on Form W-2) contributed directly to the Plan, not to exceed the limit on 401(k) deferrals under the Internal Revenue Code (IRC) (\$18,000 for both 2016 and 2015). Such contributions may be matched by CSC's contribution (Basic Match) equal to \$250 on the first dollar contributed and 100 percent of salary deferred, up to a maximum of five percent of eligible compensation. The Plan also permits eligible participants who will reach the age 50 or older before the end of the Plan year to make catch-up contributions up to 50 percent of their eligible compensation subject to the limit on catch-up contributions under section 414(v) of the IRC (\$6,000 for both 2016 and 2015). Catch-up contributions are not eligible for the Basic Match. The Basic Match contribution was provided by CSC in 2016 and 2015. At the discretion of CSC, an additional contribution (Profit Contribution) based on CSC's performance may also be made. No Profit Contribution was made by CSC in 2016 or 2015.

Employees eligible to participate in the 401(k) salary deferral program are eligible to elect and make Roth 401(k) contributions, which are made on an after-tax basis. Combined pre-tax contributions and Roth 401(k) after tax contributions may not exceed the limit on 401(k) deferrals under the IRC. CSC may match Roth 401(k) contributions in the same manner as the pre-tax 401(k) Basic Match. Any of CSC's Roth 401(k) match contributions are made on a pre-tax basis and will be taxable to the participant upon distribution from the Plan.

CSC's Basic Match is made each pay period and vests immediately. The Basic Match allocation is based on the participant's salary deferral contribution and eligible compensation. CSC's Profit Contribution, if any, are made in full or by installments in the subsequent year, at the Board's discretion. A participant must be an eligible employee on the last workday of the year to receive a Profit Contribution for that Plan year. However, if a participant terminates employment during the year due to death, retirement or disability as defined in the Plan, the participant is eligible to receive the Profit Contribution for that Plan year, if made. The Profit Contribution allocation is based on eligible compensation while an employee during the Plan year, if made.

## SCHWABPLAN RETIREMENT SAVINGS AND INVESTMENT PLAN

### NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2016 AND 2015

#### Participant Accounts

Individual accounts are maintained for each Plan participant. Each participant account is credited with the participant's contribution, the Basic Match, the Profit Contribution, if any, and Plan earnings. The benefit to which a participant is entitled is the benefit that can be accumulated from the participant's vested account.

#### Investment Options

Participants have the option of investing in the index mutual funds according to an investment strategy developed through Schwab Retirement Planner® or on their own. Schwab Retirement Planner integrates independent, third-party advice from Morningstar Investment Management, LLC, and personal factors, such as participants' current 401(k) plan account balance, savings rate, and expected retirement age to create a personalized investment strategy.

As of December 31, 2016, participants had 17 core investment options, which included mutual funds that cover stocks and bonds, common stock funds of CSC, and a cash account.

The Plan also offers a self-directed brokerage account investment alternative called Schwab Personal Choice Retirement Account® (PCRA), which offers participants additional investment choices beyond the core investment options. Participants are responsible for paying trading fees and commissions in their PCRA. PCRA investments are regulated by ERISA and Plan policies. Participants may choose to invest all or part of their Plan balance in a PCRA.

Participants may invest their 401(k) contributions or rebalance their accounts in any or all of these options in increments of one percent.

#### Participant Notes Receivable

Participants may borrow a minimum of \$1,000 up to a maximum of 50 percent of their 401(k) account balances or \$50,000, whichever is less. Loan terms may not exceed 5 years (or 15 years for the purchase of a primary residence). A loan is secured by the balance in the participant's account and bears interest at a rate equal to the prime rate at the time the loan application is made, plus one percent. Principal and interest are paid ratably through payroll deductions. Loan payoffs can be made with no prepayment penalties.

#### Vesting

Participants are immediately vested in their 401(k) contributions, rollovers, Basic Match, and investment earnings on these amounts. Participants with at least four years of service are fully vested in the value of any discretionary Profit Contribution. A year of service is defined as a calendar year during which the participant has completed at least 1,000 hours of service.

#### Distributions

A participant is entitled to receive a distribution of the vested portion of his or her account upon termination of employment for any reason, including death, disability, or retirement. Distributions may be made only in the form of a single lump sum, unless the participant is receiving a minimum required distribution as defined in the Plan.

Distributions are also available in the event of certain defined events constituting financial hardship and upon meeting specific criteria. Once distributed to the participant, the hardship distribution cannot be deposited back into the participant's account. The Plan also allows a terminating participant to receive a distribution in-kind to a CS&Co., Inc. brokerage account, for certain mutual fund shares instead of cash, and permits a terminating participant to elect to receive, in cash or in-kind, the value of his or her account in the Plan that had been invested in CSC's common stock through investment in CSC's unitized stock funds.

#### Forfeitures

Participants forfeit any nonvested portion of any discretionary Profit Contribution upon termination of employment for any reason other than death, disability, or retirement. Retirement is defined as the earlier of age 55 with ten years of service or

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## SCHWABPLAN RETIREMENT SAVINGS AND INVESTMENT PLAN

### NOTES TO FINANCIAL STATEMENTS

#### YEARS ENDED DECEMBER 31, 2016 AND 2015

age 65 (age 50 with seven years of service for participants who were participating in the Plan as of December 31, 2008). The forfeited amount may be restored if the participant is rehired, depending upon the circumstances. Participants must also forfeit any portion of a Basic Match associated with a salary deferral contribution that is in excess of the IRC 401(k) deferral limit. Forfeitures of any discretionary Profit Contributions or Basic Match arising during the plan year are generally used to reduce the amount of the employer contribution for that year. During 2016 and 2015, forfeiture amounts used to reduce the employer contribution were not material.

#### Administrative Expenses

The Plan document provides for payment of professional fees and other administrative expenses by the Plan, but permits such expenses to be paid by CSC.

#### Termination of the Plan

CSC has the right under the Plan document to discontinue its contributions at any time or to terminate the Plan, subject to the provisions of ERISA. CSC has not expressed any intent to terminate the Plan. In the event that the Plan is terminated, affected participants' account balances will become fully vested and distributed immediately.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Presentation

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), which require management to make certain estimates and assumptions that affect the reported amounts in the accompanying financial statements. Actual results may differ from those estimates.

#### Risks and Uncertainties

The investments of the Plan are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the financial statements.

#### Investments

The Plan's investments are generally stated at fair value. Fair value in relation to the Plan is defined as the price that would be received to sell a security in an orderly transaction between market participants at the measurement date. Fair value measurement accounting guidance describes the fair value hierarchy for disclosing securities measured at fair value based on the inputs used to value them. The fair value hierarchy maximizes the use of observable inputs and minimizes the use of unobservable inputs. Observable inputs are based on market pricing data obtained from sources independent of the CSC. A quoted price in an active market provides the most reliable evidence of fair value and is generally used to measure fair value whenever available.

Unobservable inputs reflect management's judgment about the assumptions market participants would use in pricing the security. Where inputs used to measure fair value of a security are from different levels of the hierarchy, the security is categorized based on the lowest level input that is significant to the fair value measurement in its entirety. Assessing the significance of a particular input requires judgment. The fair value hierarchy for the Plan includes three levels based on the objectivity of the inputs as follows:

• Level 1 inputs are quoted prices in active markets as of the measurement date for identical securities that CSC has the ability to access.

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SCHWABPLAN RETIREMENT SAVINGS AND INVESTMENT PLAN

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2016 AND 2015

Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the security, either directly or indirectly. Level 2 inputs include quoted prices for similar securities in active markets, and inputs other than quoted prices that are observable for the security such as, interest rates, prepayment speeds, credit risk, and illiquidity and/or non-transferability discounts.

Level 3 inputs are unobservable inputs for the security, and include situations where there is little, if any, market activity for the security.

The Company's policy is to recognize transfers of financial instruments between levels as of the beginning of the period in which the transfer occurs.

Investments classified as Level 2 include positions that are not traded in active markets and/or are subject to transfer restrictions. The Plan did not adjust any valuations to reflect entity-specific illiquidity or non-transferability at December 31, 2016 or 2015.

CSC's common stock is valued at the closing price reported on the New York Stock Exchange on the last business day of the Plan year. Shares of mutual funds, and the money market fund are valued at the quoted net asset value of shares held by the Plan or using quoted prices of the underlying investments of these funds at year end. The carrying value of funds held in the Schwab Bank Savings cash account approximates fair value. Investments held in a PCRA are valued using quoted market prices at year end, when available. When quoted prices do not exist, investments are valued using quoted prices for similar securities and valuations provided by alternative pricing sources supported by observable inputs.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Interest income is recorded on the accrual basis. Distributions and benefits are recorded when paid or at the time of in-kind distribution.

Management fees and operating expenses charged to the Plan for investments in mutual funds are deducted from income earned by such investments on a daily basis and are not separately disclosed on the statements of changes in net assets available for benefits.

Participant Notes Receivable

Participant notes receivable are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are recorded as distributions based on the terms of the Plan document and are reported as taxable income to the participant regardless of whether the loan amount was provided from pre-tax or after-tax accounts. Participant loans are considered delinquent upon becoming 90 days past due as to interest or principal.

Payment of Benefits

Benefit payments to participants are recorded upon distribution. Amounts allocated to accounts of persons who have elected to withdraw from the Plan, but have not yet been paid, were \$240,944 and \$335,863 at December 31, 2016 and 2015, respectively.

## Administrative Expenses

Certain administrative functions are performed by officers or employees of CSC or its subsidiaries. No such officer or employee receives compensation from the Plan. The day-to-day operation of the Plan involves expenses for basic administrative services, such as plan record keeping, accounting, and legal and trustee services, which are necessary for administering the Plan as a whole. Additional services, such as telephone voice response systems, access to a customer service representative, educational seminars, retirement planning software, investment advice, electronic access to plan information, daily valuation and online transactions, can result in additional administrative expenses. The investment managers' fees applicable to each investment fund are netted against the related investment income before investment income is allocated to participants' accounts. Fees for managed account services provided by an independent third-party are charged directly to participant accounts only for individuals that use this service. Revenue sharing received from investments in mutual funds and

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## SCHWABPLAN RETIREMENT SAVINGS AND INVESTMENT PLAN

## NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED DECEMBER 31, 2016 AND 2015

other revenue to CS&Co. from record keeping and related services are used to offset administrative fees. The remaining administrative fees associated with the Plan are paid by CSC.

## 3. FAIR VALUE MEASUREMENTS

For a description of the fair value hierarchy and the Plan's fair value methodologies, see Note 2.

There were no transfers in or out of Levels 1, 2, or 3, for the years ended December 31, 2016 or 2015.

The following tables present the fair value hierarchy for the Plan's investments measured at fair value:

|                                  | Quoted Prices<br>in<br>Active Markets<br>for Identical<br>Assets<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) | Balance at<br>Fair Value |
|----------------------------------|-------------------------------------------------------------------------------|-----------------------------------------------------------|----------------------------------------------------|--------------------------|
| December 31, 2016                |                                                                               |                                                           |                                                    |                          |
| Investments:                     |                                                                               |                                                           |                                                    |                          |
| Mutual funds                     | \$1,798,040,429                                                               | \$—                                                       | \$                                                 | —\$1,798,040,429         |
| Self-directed brokerage accounts | 667,055,861                                                                   | 9,640,172                                                 | —                                                  | 676,696,033              |
| Common stock funds               | 588,706,906                                                                   | —                                                         | —                                                  | 588,706,906              |
| Schwab Bank Savings cash account | 135,960,065                                                                   | —                                                         | —                                                  | 135,960,065              |
| Total investments at fair value  | \$3,189,763,261                                                               | \$9,640,172                                               | \$                                                 | —\$3,199,403,433         |

## December 31, 2015

## Investments:

|                                  |                 |             |     |                 |
|----------------------------------|-----------------|-------------|-----|-----------------|
| Mutual funds                     | \$1,609,206,568 | \$—         | \$— | \$1,609,206,568 |
| Self-directed brokerage accounts | 615,255,874     | 8,360,251   | —   | 623,616,125     |
| Common stock funds               | 542,201,913     | —           | —   | 542,201,913     |
| Schwab Bank Savings cash account | 100,766,633     | —           | —   | 100,766,633     |
| Total investments at fair value  | \$2,867,430,988 | \$8,360,251 | \$— | \$2,875,791,239 |

## 4. TAX STATUS

The Internal Revenue Service (IRS) determined, and informed CSC in a letter dated December 8, 2015, that the Plan and related trust are designed in accordance with applicable sections of the IRC. The Plan and related trust are currently being operated in compliance with those sections. Therefore, no provision for income taxes has been included in the Plan's financial statements. The Plan applied for a new IRS determination letter on June 22, 2016 and has not received it.

GAAP requires management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan's management has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2016 and 2015, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2013.

SCHWABPLAN RETIREMENT SAVINGS AND INVESTMENT PLAN

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2016 AND 2015

5. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

A reconciliation of net assets available for benefits per the financial statements to the Form 5500 is as follows:

|                                                                | December 31,    |                 |
|----------------------------------------------------------------|-----------------|-----------------|
|                                                                | 2016            | 2015            |
| Net assets available for benefits per the financial statements | \$3,251,727,722 | \$2,924,641,441 |
| Amounts allocated to withdrawing participants                  | (240,944 )      | (335,863 )      |
| Net assets available for benefits per the Form 5500            | \$3,251,486,778 | \$2,924,305,578 |

The following is a reconciliation of benefits paid to participants per the financial statements to the Form 5500 for the year ended December 31, 2016:

|                                                                          |               |
|--------------------------------------------------------------------------|---------------|
| Benefits paid to participants per the financial statements               | \$232,012,588 |
| Add: Amounts allocated to withdrawing participants at December 31, 2016  | 240,944       |
| Less: Amounts allocated to withdrawing participants at December 31, 2015 | 335,863       |
| Benefits paid to participants per Form 5500                              | \$231,917,669 |

Amounts allocated to withdrawing participants are recorded in the Form 5500 for benefit claims that have been processed and approved for payment prior to December 31, 2016, but not yet paid as of that date.

6. SUBSEQUENT EVENTS

CSC has evaluated the impact of events that have occurred subsequent to December 31, 2016, through the date the Plan's financial statements were filed with the SEC. Based on this evaluation, other than as recorded or disclosed within these financial statements and related notes, CSC has determined none of these events were required to be recognized or disclosed.

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## SCHWABPLAN RETIREMENT SAVINGS AND INVESTMENT PLAN

(EIN: 94-3025021; PN 002)

FORM 5500, SCHEDULE H, PART IV, LINE 4i—  
 SCHEDULE OF ASSETS (HELD AT END OF YEAR)  
 DECEMBER 31, 2016

| (a) (b)                                                                                                                   | (c)<br>Shares or<br>Par Value | (d)<br>Cost <sup>(1)</sup> | (e)<br>Current<br>Value |
|---------------------------------------------------------------------------------------------------------------------------|-------------------------------|----------------------------|-------------------------|
| Identity of Issue                                                                                                         |                               |                            |                         |
| COMMON STOCK FUNDS OF THE CHARLES SCHWAB CORPORATION:                                                                     |                               |                            |                         |
| * Schwab 401(k) Equity Unit Fund                                                                                          | 8,958,488                     |                            | \$355,494,189           |
| * Schwab ESOP Equity Unit Fund                                                                                            | 5,869,473                     |                            | 233,212,717             |
| Total common stock funds of The Charles Schwab Corporation                                                                | 14,827,961                    |                            | 588,706,906             |
| MUTUAL FUNDS:                                                                                                             |                               |                            |                         |
| Vanguard Total Bond Market Index Fund                                                                                     | 56,804,810                    |                            | 604,971,226             |
| ** Schwab S&P 500 Index Fund                                                                                              | 6,262,736                     |                            | 215,564,334             |
| Vanguard Growth Index Fund                                                                                                | 2,304,196                     |                            | 132,053,448             |
| Vanguard Small-Cap Value Index Fund                                                                                       | 5,419,655                     |                            | 157,413,196             |
| Vanguard Value Index Fund                                                                                                 | 2,967,745                     |                            | 107,459,059             |
| ** Schwab Fundamental US Large Company Index Fund                                                                         | 4,394,074                     |                            | 66,921,753              |
| Vanguard Small-Cap Growth Index Fund                                                                                      | 2,333,093                     |                            | 87,421,408              |
| Vanguard Emerging Markets Stock Index Fund                                                                                | 3,166,465                     |                            | 71,666,822              |
| ** Schwab Fundamental US Small Company Index Fund                                                                         | 2,742,867                     |                            | 38,811,569              |
| Vanguard REIT Index Fund                                                                                                  | 4,182,965                     |                            | 75,669,830              |
| ** Schwab International Index Fund®                                                                                       | 6,423,641                     |                            | 109,972,729             |
| ** Schwab Fundamental International Small Company Index Fund                                                              | 3,499,675                     |                            | 40,841,208              |
| ** Schwab Small-Cap Index Fund®                                                                                           | 986,104                       |                            | 27,709,513              |
| ** Schwab Fundamental International Large Company Index Fund                                                              | 6,553,866                     |                            | 51,775,540              |
| ** Schwab Fundamental Emerging Markets Large Company Index Fund                                                           | 1,281,256                     |                            | 9,788,794               |
| Total mutual funds                                                                                                        | 109,323,148                   |                            | 1,798,040,429           |
| SELF-DIRECTED BROKERAGE ACCOUNTS                                                                                          |                               |                            | 676,696,033             |
| CASH:                                                                                                                     |                               |                            |                         |
| ** Schwab Bank Savings Cash Account                                                                                       |                               |                            | 135,960,065             |
| * PARTICIPANT NOTES RECEIVABLE:<br>5,911 loans with interest rates ranging from<br>4.25% to 10.50%, maturing through 2027 |                               |                            | 50,651,504              |
| TOTAL                                                                                                                     |                               |                            | \$3,250,054,937         |

(1) Cost information is not required as investments are participant-directed.

\* A party in interest as defined by ERISA.

\*\* Managed by a party in interest as defined by ERISA.

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SCHWABPLAN RETIREMENT SAVINGS AND INVESTMENT PLAN

Exhibit Index

The following exhibit is filed as part of this Annual Report on Form 11-K.

| Exhibit<br>Number | Exhibit |
|-------------------|---------|
|-------------------|---------|

|      |                                                          |
|------|----------------------------------------------------------|
| 23.1 | Consent of Independent Registered Public Accounting Firm |
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SCHWABPLAN RETIREMENT SAVINGS AND INVESTMENT PLAN

SIGNATURE

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

SCHWABPLAN RETIREMENT SAVINGS AND INVESTMENT PLAN

Date: June 22, 2017 /s/ David Callahan  
David Callahan  
Senior Vice President —  
Human Resources Compensation and Benefits  
on behalf of Charles Schwab & Co. Inc.,  
the Plan Administrator

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