

News Release

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SCHWAB ANNOUNCES ONLINE SYSTEM TO HELP COMPANIES MEET TIGHTER SARBANES-OXLEY ACT REPORTING DEADLINES

*Web-based Section 16 Center helps companies track and
monitor insider transactions from approval through SEC filing*

SAN FRANCISCO, April 09, 2003 -- Charles Schwab Corporate Services is expanding its executive services offering with Section 16 Center¹, an online reporting system that enables public companies to report insider transactions within new, tighter federal guidelines.

As a result of last year's Sarbanes-Oxley Act, companies need fast and accurate transaction data to meet stringent new reporting requirements for Section 16 insider* transactions. Such transactions must be reported to the SEC within two business days using SEC Form 4. Beginning July 30, these reports must be submitted to the SEC electronically.

"With this system, all trades are reported back to the client within an hour of market close each day, along with transaction data and the completed Form 4. The whole process, including review and electronic form submission to the SEC, can be accomplished by the client company in less than 30 minutes," said Ben Brigeman, senior vice president, Charles Schwab Corporate Services.

Schwab's Section 16 Center includes tools the client company can use to review, approve and monitor each step of the transaction, from pre-trade verification through SEC form filing. "To minimize regulatory and reputational risks, companies must demonstrate a high degree of compliance and control over insider transactions. Schwab created Section 16 Center to help clients manage some of these risks and meet increasing demands from investors and the media for immediate information on such transactions," Brigeman said.

"Section 16 Center is a great example of a win for both corporations and individual investors. From our corporate clients' perspective, it is an elegant solution to help them comply with new tougher SEC standards that encourage better disclosure and transparency. By directly addressing the Sarbanes-Oxley requirements, this product also gives investors improved access to information that helps them make informed decisions," said David S. Pottruck, president and co-CEO of the Charles Schwab Corporation.

How Section 16 Center works

When an insider initiates a transaction, Schwab contacts the client company electronically for verification and approval, executes the trade and pre-fills the SEC Form 4. The client company then receives an electronic alert that the transaction is complete and that the Form 4 is ready for review. The company then reviews the Form 4 online and submits it to the SEC electronically via EDGAR**. All completed forms can be downloaded for retention and posting to the client company's website. Section 16 Center also enables electronic filing of SEC Form 3 and Form 5.

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Additional information on Section 16 Center is available by calling Schwab at 1-877-804-3529.

About Charles Schwab Corporate Services

Charles Schwab Corporate Services provides individual investing support services through employers, including employee retirement and stock option plans, IRA rollover accounts and individual/personal accounts. Charles Schwab Corporate Services also offers retirement plan services including recordkeeping and related services through Schwab Retirement Plan Services, Inc., proprietary retirement plan recordkeeping systems, trustee and custodial services through The Charles Schwab Trust Company, and the Schwab Personal Choice Retirement Account[®] (PCRA) (self-directed brokerage account through Charles Schwab & Co., Inc.). Total client assets in employer-sponsored retirement plans at Schwab equaled \$88 billion at the end of 2002. Schwab Retirement Plan Services, Inc., and The Charles Schwab Trust Company are affiliates of Charles Schwab & Co., Inc., and are wholly owned subsidiaries of The Charles Schwab Corporation.

The Charles Schwab Corporation (NYSE:SCH), through Charles Schwab & Co., Inc. (Member SIPC/NYSE), U.S. Trust Corporation, CyberTrader, Inc. (Member SIPC/NASD) and its other operating subsidiaries, is one of the nation's largest financial services firms serving 8 million active accounts with \$755 billion in client assets.

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¹ Available to corporate clients through subscription.

*Section 16 insiders are officers, directors or principals (10% shareholder or more) of any publicly owned company. The term references Section 16 of the Securities Exchange Act of 1934, which has specific rules on public reporting for this group of stockholders.

**EDGAR, the Electronic Data Gathering, Analysis, and Retrieval system, performs automated collection, validation, indexing, acceptance, and forwarding of submissions by companies and others who are required by law to file forms with the U.S. Securities and Exchange Commission (SEC).