



MEDIA ALERT

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CHARLES SCHWAB INVESTMENT MANAGEMENT ISSUES STATEMENT ON MONEY MARKET FUND REFORM

SAN FRANCISCO, MAY 1, 2015 —

- **Schwab Government Money Funds do not plan to adopt a policy to implement Liquidity Fees or Redemption Gates.**
- **Retail investors will continue to have access to Schwab Prime, Municipal and Government money market funds with a net asset value (NAV) that is designed to be constant (CNAV).¹**
- **We are committed to providing capital preservation and liquidity products that will meet the needs of both retail and institutional investors.**

As a leader in money market fund reform, Charles Schwab Investment Management is committed to providing all investors with as much clarity as possible on the impact and implications of the money market fund reform issued by the Securities and Exchange Commission in July, 2014.

We have spent significant time reviewing the amendments and listening to our investors' preferences. We want to assure our retail and institutional shareholders that we will continue to offer a variety of investment options and a robust product lineup that includes Prime, Municipal and Government money market funds. Specifically, retail investors will continue to have access to a lineup of Schwab Prime, Municipal and Government money market funds with a CNAV.² For those no longer eligible for our CNAV Prime and Municipal money market funds under the new money market fund reform amendments, we plan to make floating NAV money funds available. At this time, our Board of Trustees has elected not to implement liquidity fees or redemption gates on Schwab Government money market funds.

About Charles Schwab Investment Management, Inc.

Founded in 1989, Charles Schwab Investment Management, Inc. (CSIM), a subsidiary of The Charles Schwab Corporation, is one of the nation's largest asset management companies with more than \$269.1B in assets under management as of 3/31/15*. It is among the country's largest money market fund managers and is the third-largest provider of retail index funds. In addition to managing Schwab's proprietary funds, CSIM provides oversight for the sub-advised Laudus Fund family. CSIM currently manages 74 mutual funds in addition to two separate account model portfolios, and 21 exchange-traded funds.

More information is available at www.csimfunds.com.

¹ A fund's share price is its net asset value per share, or NAV, which is the fund's net assets divided by the number of its shares outstanding. Under the new amendments, Retail Prime and Municipal money market funds, as well as Government money market funds will continue to be permitted to transact at a constant net asset value (CNAV) of \$1.00. Note that CNAV is a construct, not a guarantee. Please see disclosures below for more information.

² Subject to any Sweep Fund eligibility requirements imposed by Charles Schwab & Co.

About Charles Schwab

At Charles Schwab we believe in the power of investing to help individuals create a better tomorrow. We have a history of challenging the status quo in our industry, innovating in ways that benefit investors and the advisors and employers who serve them, and championing our clients' goals with passion and integrity. More information is available at www.aboutschwab.com. Follow us on Twitter, Facebook, YouTube, and LinkedIn.

Through its operating subsidiaries, The Charles Schwab Corporation (NYSE:SCHW) provides a full range of securities brokerage, banking, money management and financial advisory services to individual investors and independent investment advisors. Its broker-dealer subsidiary, Charles Schwab & Co., Inc. (member SIPC, www.sipc.org), and affiliates offer a complete range of investment services and products including an extensive selection of mutual funds; financial planning and investment advice; retirement plan and equity compensation plan services; compliance and trade monitoring solutions; referrals to independent fee-based investment advisors; and custodial, operational and trading support for independent, fee-based investment advisors through Schwab Advisor Services. Its banking subsidiary, Charles Schwab Bank (member FDIC and an Equal Housing Lender), provides banking and lending services and products. More information is available at www.schwab.com and www.aboutschwab.com.

DISCLOSURES:

Investors should consider carefully information contained in the prospectus, including investment objectives, risks, charges, and expenses. You can request a prospectus by calling 800-435-4000. Please read the prospectus carefully before investing.

An investment in a money market fund is neither insured nor guaranteed by the FDIC or any other government agency. Yields will fluctuate, and, although the fund seeks to preserve the value of your investment at \$1 per share, it is possible to lose money by investing in the fund. Compared to the total return, the seven-day yield more closely reflects the current earnings of the fund.

Charles Schwab Investment Management, Inc. ("CSIM"), the investment advisor for Schwab's proprietary funds, and Charles Schwab & Co., Inc. ("Schwab"), the distributor for Schwab Funds, are separate but affiliated companies and subsidiaries of The Charles Schwab Corporation.

* Number of Funds and Assets Under Management (AUM) is as of 3/31/2015. CSIM managed approximately \$258.0B on a discretionary basis and approximately \$11.1B on a non-discretionary basis.

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