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**CHANGE OF ACCOUNTING PERIOD

9
Form 990-PF

Department of the Treasury
Internal Revenue Service

Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust

Treated as a Private Foundation

OMB No 1545-0052

Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements

2011

For calendar year 2011 or tax year beginning

07/01, 2011, and ending

12/31, 2011

City or town, state, and ZIP code

SAN FRANCISCO, CA 94105

G Check all that apply

Initial return

Final return

Address change

Initial return of a former public charity

Amended return

Name change

H Check type of organization

Section 501(c)(3) exempt private foundation

Section 4947(a)(1) nonexempt charitable trust

Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ► \$ 134,656,439.

J Accounting method

Cash

Accrual

Other (specify) _____

(Part I, column (d) must be on cash basis)

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))

(a) Revenue and expenses per books

(b) Net investment income

(c) Adjusted net income

(d) Disbursements for charitable purposes (cash basis only)

1 Contributions, gifts, grants, etc., received (attach schedule)			
2 Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B			
3 Interest on savings and temporary cash investments	1,180.	1,180.	ATCH 1
4 Dividends and interest from securities	1,337,408.	1,337,408.	ATCH 2
5a Gross rents			
b Net rental income or (loss)	375.		
6a Net gain or (loss) from sale of assets not on line 10			
b Gross sales price for all assets on line 6a			
7 Capital gain net income (from Part IV, line 2)			
8 Net short-term capital gain			
9 Income modifications			
10a Gross sales less returns and allowances			
b Less Cost of goods sold			
c Gross profit or (loss) (attach schedule)			
11 Other income (attach schedule)	706.		ATCH 3
12 Total. Add lines 1 through 11	1,339,669.	1,338,588.	
13 Compensation of officers, directors, trustees, etc.	73,564.		108,137.
14 Other employee salaries and wages	60,267.		71,692.
15 Pension plans, employee benefits	29,819.		17,631.
16a Legal fees (attach schedule) ATCH 4	1,432.		857.
b Accounting fees (attach schedule) ATCH 5	26,004.		26,004.
c Other professional fees (attach schedule) *	10,639.		13,882.
17 Interest			
18 Taxes (attach schedule) (see instructions) *	-1,130,103.		
19 Depreciation (attach schedule) and depletion	71.		
20 Occupancy	47,345.		47,345.
21 Travel, conferences, and meetings	12,485.		13,229.
22 Printing and publications	1,903.		1,422.
23 Other expenses (attach schedule) ATCH 8	55,435.		58,299.
24 Total operating and administrative expenses			
Add lines 13 through 23	-811,139.		358,498.
25 Contributions, gifts, grants paid	3,299,409.		492,400.
26 Total expenses and disbursements Add lines 24 and 25	2,488,270.		850,898.
27 Subtract line 26 from line 12:			
a Excess of revenue over expenses and disbursements	-1,148,601.		
b Net investment income (if negative, enter -0-)		1,338,588.	
c Adjusted net income (if negative, enter -0-)			

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Operating and Administrative Expenses

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Part II	Balance Sheets	Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing			
	2	Savings and temporary cash investments	8,685,765.	9,129,908.	9,129,908.
	3	Accounts receivable ►			
		Less. allowance for doubtful accounts ►			
	4	Pledges receivable ►			
		Less: allowance for doubtful accounts ►			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach schedule) ►			
		Less: allowance for doubtful accounts ►			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10 a	Investments - U S and state government obligations (attach schedule)			
	b	Investments - corporate stock (attach schedule) ATCH 9	183,336,319.	125,493,432.	125,493,432.
	c	Investments - corporate bonds (attach schedule)			
11	Investments - land, buildings, and equipment basis ►				
		Less accumulated depreciation ► (attach schedule)			
	12	Investments - mortgage loans			
	13	Investments - other (attach schedule)			
	14	Land, buildings, and equipment basis ► 55,186.	55,186.		
15		Less accumulated depreciation ► (attach schedule)	55,186.	445.	
	Other assets (describe ► ATCH 10)		30,640.	33,099.	33,099.
	16	Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)	192,053,169.	134,656,439.	134,656,439.
Liabilities	17	Accounts payable and accrued expenses	5,600.		
	18	Grants payable	2,951,725.	5,758,734.	
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ► ATCH 11)	3,982,159.	2,775,508.	
	23	Total liabilities (add lines 17 through 22)	6,939,484.	8,534,242.	
		Foundations that follow SFAS 117, check here ► <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24	Unrestricted	185,113,685.	126,122,197.	
	25	Temporarily restricted			
	26	Permanently restricted			
Net Assets or Fund Balances	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ► <input type="checkbox"/>				
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg, and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	Total net assets or fund balances (see instructions)	185,113,685.	126,122,197.	
	31	Total liabilities and net assets/fund balances (see instructions)	192,053,169.	134,656,439.	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	185,113,685.
2	Enter amount from Part I, line 27a	2	-1,148,601.
3	Other increases not included in line 2 (itemize) ► ATTACHMENT 12	3	3,716.
4	Add lines 1, 2, and 3	4	183,968,800.
5	Decreases not included in line 2 (itemize) ► ATTACHMENT 13	5	57,846,603.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	126,122,197.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co.)			(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
a					
b					
c					
d					
e					
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)		
a					
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))		
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any			
a					
b					
c					
d					
e					
2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }		2		
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)	{ If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8 }		3		

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

 Yes No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part

1 Enter the appropriate amount in each column for each year, see the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2010	12,479,170.	194,902,487.	0.064028
2009	18,454,885.	226,749,646.	0.081389
2008	21,337,467.	247,301,340.	0.086281
2007	10,189,499.	297,792,532.	0.034217
2006	12,645,508.	237,365,339.	0.053274
2 Total of line 1, column (d)			2 0.319189
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years			3 0.063838
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5			4 144,361,048.
5 Multiply line 4 by line 3			5 9,215,721.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 13,386.
7 Add lines 5 and 6			7 9,229,107.
8 Enter qualifying distributions from Part XII, line 4			8 850,898.
If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions			

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ► <input type="checkbox"/> and enter "N/A" on line 1 . . .	Date of ruling or determination letter _____ (attach copy of letter if necessary - see instructions)	1	26,772.
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input type="checkbox"/> and enter 1% of Part I, line 27b . . .			
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)			
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-) . . .		2	0
3	Add lines 1 and 2 . . .		3	26,772.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-) . . .		4	0
5	Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0- . . .		5	26,772.
6	Credits/Payments			
a	2011 estimated tax payments and 2010 overpayment credited to 2011 . . .	6a	45,034.	
b	Exempt foreign organizations - tax withheld at source . . .	6b		
c	Tax paid with application for extension of time to file (Form 8868) . . .	6c		
d	Backup withholding erroneously withheld . . .	6d		
7	Total credits and payments Add lines 6a through 6d . . .		7	45,034.
8	Enter any penalty for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached . . .		8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed . . .		9	
10	Overpayment If line 7 is more than the total of lines 5 and 8, enter the amount overpaid . . .		10	18,262.
11	Enter the amount of line 10 to be Credited to 2012 estimated tax ►	18,262. <small>Refunded</small>	11	

Part VII-A Statements Regarding Activities

- 1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign? . . .
- 1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? . . .

If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities

- 1c Did the foundation file **Form 1120-POL** for this year? . . .
- d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year
 - (1) On the foundation ► \$ _____
 - (2) On foundation managers ► \$ _____
- e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► \$ _____
- 2 Has the foundation engaged in any activities that have not previously been reported to the IRS? . . .

If "Yes," attach a detailed description of the activities

- 3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes . . .
- 4a Did the foundation have unrelated business gross income of \$1,000 or more during the year? . . .

*b If "Yes," has it filed a tax return on **Form 990-T** for this year?* . . .

- 5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? . . .

If "Yes," attach the statement required by General Instruction T

- 6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either
 - By language in the governing instrument, or
 - By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument? . . .
- 7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV
- 8a Enter the states to which the foundation reports or with which it is registered (see instructions) ►

CA, DE, _____

b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation. . .

- 9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? If "Yes," complete Part XIV . . .
- 10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses . . .

	Yes	No
1a		X
1b		X
1c		X
2		X
3	X	
4a		X
4b		
5		X
6	X	
7	X	
8b		X
9		X
10		X

Part VII-A Statements Regarding Activities (continued)

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)

11		X
12		X
13	X	

12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)

13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application?

Website address ► **WWW.SCHWABFOUNDATION.ORG**

14 The books are in care of ► **DIANNE BARNEY** Telephone no ► **(415) 795-4920**
Located at ► **201 MISSION STREET SAN FRANCISCO, CA** ZIP + 4 ► **94105**

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** - Check here ► **15**
and enter the amount of tax-exempt interest received or accrued during the year

16 At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?

See the instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes," enter the name of the foreign country ►

16	Yes	No
		X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

1a During the year did the foundation (either directly or indirectly)

(1) Engage in the sale or exchange, or leasing of property with a disqualified person? Yes No

(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? Yes No

(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? Yes No

(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? Yes No

(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? Yes No

(6) Agree to pay money or property to a government official? (Exception Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) Yes No

b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?

Organizations relying on a current notice regarding disaster assistance check here ►

c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?

2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))

a At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and

6e, Part XIII) for tax year(s) beginning before 2011? Yes No

If "Yes," list the years ►

b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions)

c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here
►

3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? Yes No

b If "Yes," did it have excess business holdings in 2011 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011)

4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?

b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?

1b		
1c		X

2b		
----	--	--

3b		
4a		X

4b		
		X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a	During the year did the foundation pay or incur any amount to	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
(1)	Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
(2)	Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
(3)	Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
(4)	Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
(5)	Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
b	If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?			5b	X
	Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>				
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?	<input type="checkbox"/> Yes <input type="checkbox"/> No			
	If "Yes," attach the statement required by Regulations section 53.4945-5(d)				
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? If "Yes" to 6b, file Form 8870			6b	X
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
b	If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?			7b	X

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
ATTACHMENT 14		108,137.	24,442.	0

2 Compensation of five highest-paid employees (other than those included on line 1 - see instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
ATTACHMENT 15		59,933.	10,915.	0

Total number of other employees paid over \$50,000 ► 1

Part VIII **Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**
3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services ►		0

Part IX-A **Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc

Expenses

1	NONE	
2		
3		
4		

Part IX-B **Summary of Program-Related Investments (see instructions)**

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

Amount

1	N/A	
2		
All other program-related investments See instructions		
3	NONE	
Total. Add lines 1 through 3 ►		

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	137,548,677.
b	Average of monthly cash balances	1b	9,010,763.
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	146,559,440.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	146,559,440.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	2,198,392.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	144,361,048.
6	Minimum investment return. Enter 5% of line 5	6	3,628,748.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ► and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	3,628,748.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	26,772.
b	Income tax for 2011 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	26,772.
3	Distributable amount before adjustments Subtract line 2c from line 1	3	3,601,976.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	3,601,976.
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	3,601,976.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes	1a	850,898.
a	Expenses, contributions, gifts, etc - total from Part I, column (d), line 26	1b	
b	Program-related investments - total from Part IX-B	2	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	3a	
3	Amounts set aside for specific charitable projects that satisfy the	3b	
a	Suitability test (prior IRS approval required)	4	850,898.
b	Cash distribution test (attach the required schedule)	5	0
4	Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	6	850,898.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)		
6	Adjusted qualifying distributions. Subtract line 5 from line 4		

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				3,601,976.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only				
b Total for prior years 20 09, 20 08, 20 07				
3 Excess distributions carryover, if any, to 2011				
a From 2006	846,507.			
b From 2007				
c From 2008	8,981,314.			
d From 2009	7,175,773.			
e From 2010	3,092,160.			
f Total of lines 3a through e	20,095,754.			
4 Qualifying distributions for 2011 from Part XII, line 4 ► \$	850,898.			
a Applied to 2010, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions)				
c Treated as distributions out of corpus (Election required - see instructions)				
d Applied to 2011 distributable amount				850,898.
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a))	2,751,078.			2,751,078.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	17,344,676.			
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount - see instructions				
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount - see instructions				
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	17,344,676.			
10 Analysis of line 9				
a Excess from 2007	7,076,743.			
b Excess from 2008	7,175,773.			
c Excess from 2009	3,092,160.			
d Excess from 2010				
e Excess from 2011				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

NOT APPLICABLE

1a	If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, enter the date of the ruling ►				
b	Check box to indicate whether the foundation is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)				
2a	Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed				
b	85% of line 2a				
c	Qualifying distributions from Part XII, line 4 for each year listed				
d	Amounts included in line 2c not used directly for active conduct of exempt activities				
e	Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c				
3	Complete 3a, b, or c for the alternative test relied upon				
a	"Assets" alternative test - enter				
(1)	Value of all assets				
(2)	Value of assets qualifying under section 4942(j)(3)(B)(i)				
b	"Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed				
c	"Support" alternative test - enter				
(1)	Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)				
(2)	Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(ii)				
(3)	Largest amount of support from an exempt organization				
(4)	Gross investment income				

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year - see instructions.)**1 Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2))

NONE

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ► if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number of the person to whom applications should be addressed

b The form in which applications should be submitted and information and materials they should include

SEE ATTACHMENT A, PAGE 1

c Any submission deadlines

SEE ATTACHMENT A, PAGE 1

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors

SEE ATTACHMENT A, PAGE 1

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year SEE ATTACHMENT B ATTACHED				492,400.
Total			► 3a	492,400.
b Approved for future payment SEE ATTACHMENT C ATTACHED				5,815,000.
Total			► 3b	5,815,000.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by section 512, 513, or 514	(e) Related or exempt function income (See instructions)
		(a) Business code	(b) Amount	(c) Exclusion code	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments				
3 Interest on savings and temporary cash investments				14	1,180.
4 Dividends and interest from securities			14	1,337,408.
5 Net rental income or (loss) from real estate					
a Debt-financed property				
b Not debt-financed property				
6 Net rental income or (loss) from personal property			18	375.
7 Other investment income				
8 Gain or (loss) from sales of assets other than inventory					
9 Net income or (loss) from special events	...				
10 Gross profit or (loss) from sales of inventory	..				
11 Other revenue a					
b MISCELLANEOUS INCOME				18	706.
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)				1,339,669.
13 Total Add line 12, columns (b), (d), and (e)			13	1,339,669.

(See worksheet in line 13 instructions to verify calculations)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions)

Part XVII **Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations**

1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		Yes	No
a	Transfers from the reporting foundation to a noncharitable exempt organization of	1a(1)	X
(1)	Cash	1a(2)	X
(2)	Other assets		
b	Other transactions	1b(1)	X
(1)	Sales of assets to a noncharitable exempt organization	1b(2)	X
(2)	Purchases of assets from a noncharitable exempt organization	1b(3)	X
(3)	Rental of facilities, equipment, or other assets	1b(4)	X
(4)	Reimbursement arrangements	1b(5)	X
(5)	Loans or loan guarantees	1b(6)	X
(6)	Performance of services or membership or fundraising solicitations	1c	X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees		
d	If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received		

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? Yes No

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Sign
Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge

Det

Title

May the IRS discuss this return
with the preparer shown below
(see instructions)? Yes No

Paid Preparer Use Only	Print/Type preparer's name CHRISTINA BECKWITH	Preparer's signature <i>C Beckwith</i>	Digitally signed by Christina Beckwith	Date 5/14/12	Check <input type="checkbox"/> if self-employed	PTIN P00539266
	Firm's name ► GRANT THORNTON, LLP			Firm's EIN ► 36-6055558		
	Firm's address ► 150 ALMADEN BLVD., SUITE 600 SAN JOSE, CA			95113	Phone no 408-275-9000	

FORM 990PF, PART I - INTEREST ON TEMPORARY CASH INVESTMENTS

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
INTEREST INCOME	1,180.	1,180.
TOTAL	<u><u>1,180.</u></u>	<u><u>1,180.</u></u>

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
DIVIDEND INCOME	1,337,408.	1,337,408.
TOTAL	<u>1,337,408.</u>	<u>1,337,408.</u>

ATTACHMENT 2

ATTACHMENT 3

FORM 990PF, PART I - OTHER INCOME

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>
MISCELLANEOUS INCOME	706.
<u>TOTALS</u>	<u>706.</u>

FORM 990PF, PART I - LEGAL FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>
LEGAL FEES	1,432.		857.
TOTALS	<u>1,432.</u>		<u>857.</u>

ATTACHMENT 4

FORM 990PF, PART I - ACCOUNTING FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
ACCOUNTING FEES	26,004.			26,004.
TOTALS	<u>26,004.</u>			<u>26,004.</u>

ATTACHMENT 5

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>
OTHER PROFESSIONAL FEES	10,639.
TOTALS	<u>10,639.</u>
	<u>13,882.</u>

CHARITABLE
PURPOSESATTACHMENT 6

ATTACHMENT 7

FORM 990PF, PART I - TAXES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>
CURRENT EXCISE TAX	26,754.
DEFERRED EXCISE TAX	-1,156,857.
TOTALS	<u>-1,130,103.</u>

FORM 990PF, PART I - OTHER EXPENSES

REVENUE

AND

EXPENSES
PER BOOKS

2,840.

10,393.

4,080.

1,385.

1,834.

2,205.

24,666.

3,103.

4,235.

118.

TOTALS

54,859.CHARITABLE
PURPOSES

2,840.

12,849.

5,453.

1,385.

1,834.

1,815.

23,934.

3,103.

4,392.

118.

57,723.

FORM 990PF, PART II - CORPORATE STOCK

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
11,145,065 SHS CHARLES SCHWAB	125,493,432.	125,493,432.
TOTALS	<u>125,493,432.</u>	<u>125,493,432.</u>

ATTACHMENT 9

FORM 990PF, PART II - OTHER ASSETS

<u>DESCRIPTION</u>	<u>BOOK VALUE</u>	<u>ENDING FMV</u>
PREPAID EXP AND OTHER ASSETS	33,099.	33,099.
TOTALS	<u>33,099.</u>	<u>33,099.</u>

ATTACHMENT 10

<u>DESCRIPTION</u>	<u>BOOK VALUE</u>	<u>ENDING FMV</u>
PREPAID EXP AND OTHER ASSETS	33,099.	33,099.
TOTALS	<u>33,099.</u>	<u>33,099.</u>

ATTACHMENT 11FORM 990PF, PART II - OTHER LIABILITIES

<u>DESCRIPTION</u>	<u>ENDING</u>	<u>BOOK VALUE</u>
OTHER ACCRUED LIABILITIES	30,323.	
DEFERRED EXCISE TAX LIABILITY	1,694,927.	
CREDIT SUPPORT AGREEMENT	1,050,258.	
TOTALS		<u>2,775,508.</u>

ATTACHMENT 12FORM 990PF, PART III - OTHER INCREASES IN NET WORTH OR FUND BALANCES

<u>DESCRIPTION</u>	<u>AMOUNT</u>
IN-KIND OFFICE SPACE CONTRIBUTION	3,716.
TOTAL	<u>3,716.</u>

ATTACHMENT 13FORM 990PF, PART III - OTHER DECREASES IN NET WORTH OR FUND BALANCES

<u>DESCRIPTION</u>	<u>AMOUNT</u>
--------------------	---------------

UNREALIZED LOSS ON INVESTMENTS	57,842,887.
IN-KIND OFFICE SPACE CONTRIBUTION	3,716.

TOTAL	<u>57,846,603.</u>
-------	--------------------

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

ATTACHMENT 14

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION		CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
HELEN O. SCHWAB 201 MISSION STREET 1960 SAN FRANCISCO, CA 94105	PRESIDENT .50	0	0	0	0
CHARLES R. SCHWAB 201 MISSION STREET 1960 SAN FRANCISCO, CA 94105	CHAIRMAN	0	0	0	0
KATIE SCHWAB PAIGE 201 MISSION STREET 1960 SAN FRANCISCO, CA 94105	DIRECTOR 2.00	0	0	0	0
NANCY BECHTLE 201 MISSION STREET 1960 SAN FRANCISCO, CA 94105	DIRECTOR .50	0	0	0	0
CHARMEL HUFFMAN 201 MISSION STREET 1960 SAN FRANCISCO, CA 94105	ASSIST. TREASURER .50	0	0	0	0

ATTACHMENT 14 (CONT'D)

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
ANA THOMPSON 201 MISSION STREET 1960 SAN FRANCISCO, CA 94105	EXECUTIVE DIR. & TREAS.	108,137.	24,442.	0
	GRAND TOTALS	<u>108,137.</u>	<u>24,442.</u>	<u>0</u>

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
------------------	--	--------------	---	-----------------------------------

EXECUTIVE DIR. & TREAS.	108,137.	24,442.	0
GRAND TOTALS	<u>108,137.</u>	<u>24,442.</u>	<u>0</u>

990PF, PART VIII - COMPENSATION OF THE FIVE HIGHEST PAID EMPLOYEES

<u>NAME AND ADDRESS</u>	<u>TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION</u>	<u>COMPENSATION</u>	<u>CONTRIBUTIONS EXPENSE ACCT TO EMPLOYEE AND OTHER BENEFIT PLANS ALLOWANCES</u>
DIANNE BARNEY 201 MISSION STREET, SUITE 1960 SAN FRANCISCO, CA 94105	ADMIN DIRECTOR 40.00	59,933 .	10,915 .
	<u>TOTAL COMPENSATION</u>	<u>59,933 .</u>	<u>10,915 .</u>
		<u>0</u>	<u>0</u>

ATTACHMENT 15

**Charles and Helen Schwab Foundation
990-PF: Attachment A
Tax Year Ending December 31, 2011**

The Charles and Helen Schwab Foundation believe that every person has the potential and deserves the opportunity to lead a happy and productive life. A quality education holds the key to much of this. Today, many young people in California and beyond are denied the education they deserve. The status quo has not served them well. We seek out organizations that turn the tables on this unacceptable reality to ensure that each student reaches his or her full potential. This is our primary focus.

The Foundation also recognizes that human suffering takes many different forms and affects people from all walks of life. For this reason, we also support organizations which alleviate suffering, take aim at its root cause and give people a fair shot at their own success.

For more than twenty years, the Foundation has had the privilege of collaborating with organizations and individuals who are leaders in their fields. Their work has informed and extended our own. We have learned both from our successes and our failures about the challenges of making a measurable impact. And while our primary focus is California, we recognize that positive impact here will come from those working within and beyond our geographic boundaries. We have enormous respect for the leadership, passion and ingenuity shown by so many working to transform the lives of others. We will continue to seek out organizations which share these qualities and which work tirelessly to make the world a better place.

The Charles and Helen Schwab Foundation was established by Charles and Helen Schwab in 1987. It is a private foundation and is separate from The Charles Schwab Corporation and from the Charles Schwab Corporate Foundation.

The Charles and Helen Schwab Foundation does not accept unsolicited grant applications, grant proposals or letters of inquiry.

Organization Legal Name	Organization Address	Tax Status	General Program Area and Description	Paid Type of Support
Seton Education Partners	601 Montgomery Street, Suite 675 San Francisco, CA 94111	501(c)(3)	Public Charter Schools and Digital Learning Initiative: Education Total	\$75,000 Program Support \$75,000
UCSF Foundation (Memory and Aging Center) San Francisco Free Clinic	350 Parnassus Avenue San Francisco, CA 94117 4900 California Street San Francisco, CA 94118	501(c)(3)	Community Needs	\$50,000 General Operating Support \$50,000 General Operating Support
USA Together Inc Project Hired Hire America's Heroes Student Veterans of America	171 Main St Ste 106 Los Altos, CA 94022 1401 Parkmoor Avenue Suite 125 San Jose, CA 95126 Post Office Box 407 (Redmond, Washington 98073) PO Box 77673 Washington, District of Columbia 20013	501c(3) 501c(3) 501c(3) 501c(3)	Health Health	Community Needs Total \$100,000
The BASIC Fund The Hatlen Center for the Blind A Foundation Building Strength for Nemaline Myopathy	268 Bush Street, #2717 San Francisco, CA 94104 2430 Road 20, #81125 San Pablo, CA 94806 2450 El Camino Real, Suite 101 Palo Alto, CA 94306	501c(3) 501c(3) 501c(3)	Other Other Other	\$50,000 Program Support \$10,000 Capital Campaign \$5,000 General Operating Support Other Total \$65,000
Hillview Middle School PTO Menlo Park Atherton Education Foundation Prospect High School Athletic Boosters UC San Diego Foundation Harvard Library of New York City Chemung County Humane Society & SPCA The Barnes Foundation Grace After Fire Cradle of Hope Rosenbach Museum & Library Injured Marine Semper Fi Fund Friends of Addison Youth Center	1000 Elder Avenue, Menlo Park, CA 94025 1000 Elder Avenue, Menlo Park, CA 94025 18300 Prospect Road, Saratoga, CA 95070 9500 Gilman Drive, La Jolla, CA 92093 35 W 44th Street, New York, NY 10036 2435 St Rt 352, Elmirra, NY 14903-7932 300 North Latch's Lane, Marion, PA 19066 P O Box 185804, Fort Worth, TX 76181 8630 Fenton Street, Suite 310, Silver Spring, MD 20911 2008-2010 Delaney Place, Philadelphia, PA 19103 825 College Blvd , Suite 102, Oceanside, CA 92057 21 Community Drive, Addison, NY 14801	501c(3) 501c(3) 501c(3) 501c(3) 1701b 501c(3) 501c(3) 501c(3) 501c(3) 501c(3) 501c(3) 501c(3) 501c(3)	Employee Matching Gift Program Employee Matching Gift Program	\$100 General Operating Support \$250 General Operating Support \$25 General Operating Support \$250 General Operating Support \$50 General Operating Support \$250 General Operating Support \$100 General Operating Support \$250 General Operating Support \$250 General Operating Support \$500 General Operating Support \$125 General Operating Support \$250 General Operating Support Employee Matching Gift Program Total \$2,400
GRAND TOTAL				\$492,400

Organization Legal Name	Organization Address	Tax Status General Program Area and Description	Unpaid Type of Support
Charter School Growth Fund	350 Interlocken Blvd , Suite 390, Broomfield, CO 80021	Education 501c(3) Public Charter Schools and Digital Learning Initiatives	\$1,000,000 Program Support
California Charter Schools Association	250 E 1st Street, Ste 1000 Los Angeles, CA 90012	501c(3) Public Charter Schools and Digital Learning Initiatives	\$225,000 General Operating Support
National Alliance for Public Charter Schools	1101 Fifteenth Street, NW, Suite 1010 District of Columbia 20005	501c(3) Public Charter Schools and Digital Learning Initiatives	\$125,000 General Operating Support
Seton Education Partners	601 Montgomery Street, Suite 675 San Francisco, CA 94111	501c(3) Public Charter Schools and Digital Learning Initiatives	\$50,000 Program Support
KIPP Foundation	520 8th Avenue, Suite 2005 New York, NY 10018	501c(3) Human Capital	\$80,000 General Operating Support
Students First Institute	P O 5280 Sacramento, CA 95817	501c(3) Advocacy and Ideas	\$500,000 General Operating Support
Stand for Children Leadership Center	5116 SE Morrison St, Suite 420 Portland, Oregon 97214	501c(3) Advocacy and Ideas	\$250,000 General Operating Support
Thomas Fordham Institute	1016 16th St NW, 8th Floor District of Columbia 20036	501c(3) Advocacy and Ideas	\$125,000 General Operating Support
Philanthropy Roundtable	1730 M Street, NW, Suite 601, Washington DC 20036	501c(3) Advocacy and Ideas	\$125,000 General Operating Support
		Education Total <u><u>\$3,200,000</u></u>	
The Hawaii Math Project	999 Bishop Street, 24th floor Honolulu, HI 96813	Community Needs 501c(3) Health	\$1,200,000 General Operating Support
Lucile Packard Foundation for Children's Health	400 Hamilton Avenue, Suite 340 Palo Alto, CA 94301	501c(3) Health	\$50,000 Program Support
		Community Needs <u><u>\$1,250,000</u></u>	
		Human Services and Health	
Single Stop USA	1825 Park Avenue, Suite 503 New York, NY 10035	501c(3) Poverty Prevention	\$90,000 General Operating and Program Support
National Organization on Disabilities	5 East 86th Street, New York, NY 10028	501c(3) Veterans	\$145,000 Program Support
Swords to Plowshares Veterans Rights Organization	1060 Howard St , San Francisco, CA 94103	501c(3) Veterans	\$125,000 Program Support
Project Hired	1401 Parkmoor Avenue Suite 125 San Jose, CA 95126	501c(3) Veterans	\$70,000 Program Support
Hire America's Heroes	Post Office Box 407 (Redmond, Washington 98073	501c(3) Veterans	\$50,000 General Operating Support
Student Veterans of America	PO Box 7767 Washington, District of Columbia 20013	501c(3) Veterans	\$50,000 General Operating Support
Single Stop USA	1825 Park Avenue, Suite 503 New York, NY 10035	501c(3) Veterans	\$35,000 Program Support
St. Anthony's Foundation	150 Golden Gate Avenue San Francisco, CA 94102	501c(3) Other	\$40,000 Capital Campaign
Year Up Bay Area	210 Spear St, San Francisco, CA 94105	501c(3) Other	\$125,000 General Operating Support
Raphael House	1065 Sutter Street San Francisco, CA 94109	501c(3) Other	\$50,000 Program and General Operating Support
		Human Services and Health Total <u><u>\$1,140,000</u></u>	
		Other	
San Francisco Society for the Prevention of Cruelty to Animals	2500 16th Street San Francisco, CA 94103-4213	501c(3) Other	\$100,000 Capital Campaign
CAST (Center for Applied Special Technology)	40 Harvard Mills Square Suite 3 Wakefield, MA 01880	501c(3) Other	\$100,000 Program Support
San Francisco Museum of Modern Art	151 Third Street, San Francisco, CA 94103	501c(3) Trustee Grant	\$25,000 General Operating Support
		Other Total <u><u>\$225,000</u></u>	
		GRAND TOTAL <u><u>\$5,815,000</u></u>	

Charles and Helen Schwab Foundation**EIN: 94-3374170****FYE:12/31/2011****Fixed Assets Schedule**

Account Description	6/30/2011		12/31/2011	
	Report Balance	Additions	Disposals	Report Balance
Fixes Assets				
Computer hardware	36,739		6,668	30,071
Computer software	25,115			25,115
Office Furniture & Equipment	1,238		1,238	-
Leashold Improvements	-			-
Total	63,092	-	7,906	55,186
Accumulated Depreciation				
Computer hardware	(36,727)		(6,656)	(30,071)
Computer software	(25,115)			(25,115)
Office Furniture & Equipment	(805)	(71)	(876)	-
Leashold Improvements	(0)			(0)
Total	(62,647)	(71)	(7,532)	(55,186)
TOTAL NET FIXED ASSETS	445	(71)	374	(0)

AMENDED AND RESTATED
BYLAWS
of
CHARLES AND HELEN SCHWAB FOUNDATION

JANUARY 1, 2012

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AMENDED AND RESTATED
BYLAWS
of
CHARLES AND HELEN SCHWAB FOUNDATION

ARTICLE I
PRINCIPAL OFFICE

The principal office of this corporation shall be located at 201 Mission Street, Suite 1960 San Francisco, CA 94105, until changed by amendment hereof. Such principal office may be located from time to time at any place within or without the State of Delaware as may be designated by the members of the corporation. This corporation shall have and maintain at all times within the State of Delaware a registered office at such place as may be designated by the members.

ARTICLE II
MEMBERSHIP

Section 1. Founding Members and Successor Members. The Founding Members of this corporation shall be its founders, Charles R. Schwab and Helen O. Schwab. Upon the death, or the resignation or retirement as stated in Section 5 of this Article II, of a Founding Member, the surviving Founding Member shall serve as the sole Founding Member until his or her death, resignation, or retirement. Upon the death, resignation, or retirement of the last surviving Founding Member: (a) the Trustees of this corporation shall serve as its Members; (b) election to the Board of Trustees shall constitute election to the membership of this corporation; and (c) the membership status of any Trustee shall terminate immediately and without further corporate action upon such person ceasing to be a Trustee for any reason.

Section 2. Rights and Obligations of Members. Members shall have the rights of members to the fullest extent permitted under the General Corporation Law of the State of Delaware, except as set forth in and consistent with these Bylaws. In addition, as provided in Article III, Section 2, each Founding Member shall have the power to veto any action by the Board of Trustees or any Committee.

Section 3. Meetings and Actions of Members. Except as otherwise expressly provided in these Bylaws, meetings and actions of members shall be governed by and held and taken in accordance with the provisions of Article III of these Bylaws concerning meetings and actions of the Board of Trustees, with such changes in content as are necessary to substitute the membership and the individual members for the Board of Trustees and individual Trustees.

Section 4. Resignation and Retirement. Any member may resign at any time for any reason by giving written notice to another person who is the Chairman, President, or Secretary of this corporation. Each member is encouraged to consider submitting to such officer a written Declaration of Retirement if such member determines that he or she is unable to carry out

the duties of a member due to illness or other compelling reason. Any resignation or retirement shall take effect on receipt of the notice or Declaration by such officer or at any later time specified therein.

ARTICLE III BOARD OF TRUSTEES

Section 1. Powers. This corporation shall have powers to the full extent allowed by law. Subject to Section 2 below, all powers and activities of this corporation shall be exercised and managed by the Board of Trustees of this corporation directly or, if delegated, under the ultimate direction of the Board.

Section 2. Limitation on Powers. Any Founding Member of this corporation may veto any action by the Board of Trustees or by any Committee of this corporation by providing a notice of veto to the Secretary by hand delivery, facsimile transmission with proof of receipt, or by first-class mail or electronic mail if an acknowledgment by the Secretary or by any person authorized by the Secretary is timely received, within three business days of receiving notice of such action as provided in Section 17 of this Article III. Any action of the Board or of such Committee regarding which the Secretary receives notice of veto as provided by this Section shall have no validity or effect.

Section 3. Number of Trustees. The number of Trustees shall be not less than two nor more than eleven, with the exact number of authorized Trustees to be fixed from time to time by the Board; provided, that upon the death, resignation, or retirement of the last surviving Founding Member, the Board shall authorize an odd number of Trustees.

Section 4. Election and Term of Office of Trustees. All Trustees shall be elected by the members, as defined in Article II, Section 1. The term of office for Trustees shall be three years, with a maximum of three consecutive terms. A Trustee who has served three consecutive terms shall be eligible for re-election if he or she has been out of office for at least twelve months. Each Trustee shall hold office until a successor has been elected.

Section 5. Vacancies. A vacancy shall be deemed to exist on the Board in the event that the actual number of Trustees is less than the authorized number for any reason. Vacancies may be filled by the Board for the unexpired portion of the term.

Section 6. Resignation and Retirement. Any Trustee may resign at any time for any reason by giving written notice to another person who is the Chairman, President, or Secretary of this corporation. Each Trustee is encouraged to consider submitting to such officer a written Declaration of Retirement if such Trustee determines that he or she is unable to carry out the duties of a Trustee due to illness or other compelling reason. Any resignation or retirement shall take effect on receipt of the notice or Declaration by such officer or at any later time specified therein.

Section 7. Removal. Either the members or the Board may by a unanimous resolution remove any Trustee at any time, with or without cause.

Section 8. Annual Meetings. Meetings of the Board of Trustees shall be held at least once a year. Annual meetings of the Board shall be called by the Chairman, the President, or any two Trustees. All annual meetings shall be noticed in accordance with Section 10.

Section 9. Special Meetings. Special meetings of the Board of Trustees may be called by the Chairman, the President, or any two Trustees. All special meetings shall be noticed in accordance with Section 10.

Section 10. Notice. Notice of the annual meeting and any special meetings of the Board of Trustees shall be given to each Trustee at least seven business days before any such meeting if by first-class mail, or at least forty-eight hours if personally or by telephone, facsimile transmission, or electronic mail if an acknowledgment of such electronic mail is timely received by electronic mail by the person giving notice. Each notice shall state the date, place, and time of the meeting, and, in the case of a special meeting, the purposes for which it is called.

Section 11. Waiver of Notice. The transactions of any meeting of the Board of Trustees, however called and noticed and wherever held, shall be valid as though taken at a meeting duly held after proper call and notice, if a quorum is present, and if, either before or after the meeting, each of the Trustees not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any Trustee who attends the meeting without protesting the lack of adequate notice before the meeting or at its commencement.

Section 12. Quorum. A majority of the total number of Trustees then in office shall constitute a quorum of the Board, provided that in no event shall the required quorum be less than one. The act of a majority of the Trustees present at a meeting at which a quorum is present shall be the act of the Board except as otherwise provided in these Bylaws or in the Delaware General Corporation Law. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Trustees, if any action taken is approved by at least a majority of the Trustees in office. Each Trustee shall be entitled to one vote.

Section 13. Action Without a Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting if all Trustees shall individually or collectively consent to such action in writing. Such written consents shall be filed with the minutes of the proceedings of the Board. Such written consents shall have the same force and effect as the unanimous vote of such Trustees at a duly called and noticed meeting.

Section 14. Telephone Meetings. Trustees may participate in a meeting through use of conference telephones or similar communications equipment so long as all Trustees participating in such meeting can hear one another. Participation in a meeting pursuant to this Section constitutes presence in person at such meeting.

Section 15. Adjournments. If less than a quorum shall be in attendance at the time for which a meeting shall have been called, the meeting may be adjourned by a majority vote of those present without any notice other than by announcement at the meeting. Any meeting at which a quorum is present may also be adjourned, in like manner, for such time, or upon such call, as may be determined by vote.

Section 16. Standard of Care. Any Trustee or member of a committee of the Board shall, in the performance of his or her duties, be fully protected in relying in good faith upon the records of this corporation and upon such information, opinions, reports, or statements presented to this corporation by any of this corporation's officers or employees, or committees of the Board of Trustees, or by any other person as to matters the Trustee reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of this corporation.

Section 17. Notice of Action to Founding Members. The Board of Trustees, and each Board Committee, shall notify each Founding Member of all actions taken within six business days of taking such action by hand delivery, facsimile transmission, or by electronic mail if an acknowledgment is timely received by electronic mail by the person giving notice; provided, however, that a Founding Member who is present in person or by conference telephone at the Board or Committee meeting where such action is taken is deemed to have notice of such action by virtue of his or her presence.

Section 18. Inspection. Every Trustee shall have the right to inspect and copy all books, records, and documents of this corporation.

Section 19. Confidentiality. Except as required by law or provided by resolution of the Board, every Trustee shall observe an absolute duty of confidentiality with respect to all information to which the Trustee may have access in the course of his or her duties as a Trustee and had not known before such access.

Section 20. Compensation. The Board of Trustees may authorize, by resolution, the payment to a Trustee of a reasonable fee for services and expenses as a Trustee and for attending meetings of the Board and Board Committees.

ARTICLE IV COMMITTEES

Section 1. Board Committees. In addition to the Audit Committee defined below, the Board of Trustees may, by resolution adopted by a majority of the Trustees then in office, create any number of Board Committees, each consisting of one or more Trustees, to serve at the pleasure of the Board. Appointments to any Board Committee shall be made by any method determined by a majority vote of the Trustees then in office. Board Committees may be given all the authority of the Board, except for the powers to:

- (a) set the number of Trustees within a range specified in these Bylaws;

- (b) elect Trustees or remove Trustees without cause;
- (c) fill vacancies on the Board of Trustees;
- (d) fix compensation of Trustees for serving on the Board or any Board Committee;
- (e) amend or repeal these Bylaws or adopt new Bylaws;
- (f) adopt amendments to the Certificate of Incorporation of this corporation;
- (g) amend or repeal any resolution of the Board of Trustees which by its express terms is not so amendable or repealable;
- (h) create any other Board Committees or appoint the members of any Board Committees; or
- (i) approve any merger, reorganization, voluntary dissolution, or disposition of substantially all of the assets of this corporation.

Section 2. Audit Committee. For any tax year in which this corporation has gross revenue of \$2 million or more, this corporation shall have an Audit Committee whose members shall be appointed by the Board of Trustees, and who may include both directors and non-directors, subject to the following limitations: (a) a majority of the members of the Audit Committee may not consist of members of the Finance Committee, if any; (b) the chair of the Audit Committee may not be a member of the Finance Committee, if any; (c) the Audit Committee may not include any member of the staff nor the Chairman, President, or Treasurer; (d) the Audit Committee may not include any person who has a material financial interest in any entity doing business with this corporation; and (e) Audit Committee members who are not trustees may not receive compensation greater than the compensation, if any, paid to trustees for their Board service.

The Audit Committee shall: (1) recommend to the Board of Directors the retention and, when appropriate, the termination of an independent certified public accountant to serve as auditor, (2) negotiate the compensation of the auditor on behalf of the Board, (3) confer with the auditor to satisfy the Audit Committee members that the financial affairs of this corporation are in order, (4) review and determine whether to accept the audit, (5) approve performance of any non-audit services provided to this corporation by the auditor's firm, and (6) perform such other duties as the Board may delegate to it under a Board-approved charter or resolution.

Section 3. Advisory Committees. The Board of Trustees may establish one or more Advisory Committees to the Board. The members of any Advisory Committee may consist of Trustees or non-Trustees and may be appointed as the Board determines. Advisory committees may not exercise the authority of the Board to make decisions on behalf of this corporation, but shall be

restricted to making recommendations to the Board or Board Committees, and implementing Board or Board Committee decisions and policies under the supervision and control of the Board or Board Committee.

Section 4. Meetings.

A. Of Board Committees. Meetings and actions of Board Committees shall be governed by and held and taken in accordance with the provisions of Article III of these Bylaws concerning meetings and actions of the Board of Trustees, with such changes in the content of those Bylaws as are necessary to substitute the Board Committee and its members for the Board of Trustees. Minutes shall be kept of each meeting of any Board Committee and shall be filed with the corporate records.

B. Of Advisory Committees. Advisory Committees shall determine their own meeting rules and whether minutes shall be kept.

The Board of Trustees may adopt rules for the governance of any Board or Advisory Committee not inconsistent with the provisions of these Bylaws.

ARTICLE V
OFFICERS

Section 1. Officers. The officers of this corporation shall be a Chairman, a President, one or more Managing Directors, a Secretary, a Treasurer, and an Assistant Treasurer. The corporation may also have, at the discretion of the Trustees, such other officers as may be appointed by the Board of Trustees. Any number of offices may be held by the same person.

Section 2. Election. The term of office of the initial Chairman and President shall be for life; provided, that upon his or her resignation or retirement as set forth in Section 4 of this Article V, such office shall be deemed to be vacant and the term of office shall be for one year. The other officers of this corporation shall be elected annually by the Board, and each shall serve at the pleasure of the Board.

Section 3. Removal. Any officer may be removed, with or without cause, by the Board of Trustees.

Section 4. Resignation and Retirement. Any officer may resign at any time for any reason by giving written notice to another person who is the Chairman, President, or Secretary of this corporation. Each officer is encouraged to consider submitting to such officer a written Declaration of Retirement if such officer determines that he or she is unable to carry out the duties of an officer due to illness or other compelling reason. Any resignation or retirement shall take effect on receipt of the notice or Declaration by the agent of the corporation or at any later time specified therein.

Section 5. Vacancies. Upon the death, or resignation or retirement of any officer as set forth in Section 4 of this Article V, above, that office shall be filled by the Board of Trustees for the remainder of the unexpired term.

Section 6. Chairman. The Chairman shall preside at all meetings of the Board of Trustees, shall supervise the Managing Director(s), and shall have such other powers and duties as may be prescribed by the Board..

Section 7. President. The President shall be the chairman of the Executive Committee, if any, shall have such other powers and duties as may be prescribed by the Board.

Section 8. Managing Director. This corporation shall have one or more Managing Directors who shall generally supervise, direct and control the business of this corporation, and shall have the general powers and duties of management of the corporation, subject to the control of the Board of Trustees.

Section 9. Secretary. The Secretary shall supervise the keeping of a full and complete record of the proceedings of the Board of Trustees and of the Audit Committee, shall supervise the giving of such notices as may be proper or necessary, and shall supervise the keeping of the minute books of this corporation. The Secretary shall have such other powers and duties as may be prescribed by the Board.

Section 10. Treasurer. The Treasurer shall supervise the charge and custody of all funds of this corporation, the deposit of such funds in the manner prescribed by the Board of Trustees, and the keeping and maintaining of adequate and correct accounts of this corporation's properties and business transactions, and shall render reports and accountings as required. The Treasurer shall have such other powers and duties as may be prescribed by the Board.

Section 11. Assistant Treasurer. The Assistant Treasurer shall, in the absence of the Treasurer, carry out the duties of the Treasurer. The Assistant Treasurer shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

ARTICLE VI INTERESTED TRUSTEE OR OFFICER TRANSACTIONS

Section 1. Conflicts Policy. Each Trustee and officer shall sign, adopt and comply with the Conflicts of Interest Policy of this corporation. With respect to any contract or transaction of this corporation, each Trustee and officer shall promptly disclose any actual or potential conflict of interest to the Board, including but not limited to the existence of any affiliation with an actual or potential grantee or vendor. Upon disclosure of any actual or potential conflict of interest, the Board and any such Trustee or officer shall review and shall fully comply with each of the requirements of the Conflicts of Interest Policy of this corporation.

Section 2. Voidability of Transactions. No contract or transaction between a corporation and one or more of its Trustees or officers, or between a corporation and any other

corporation, partnership, association, or other organization in which one or more of its Trustees or officers, are Trustees or officers, or have a financial interest, shall be void or voidable solely for that reason, or solely because the Trustee or officer is present at or participates in the meeting of the Board or committee which authorizes the contract or transaction, or solely because any such Trustee's or officer's votes are counted for such purpose, if either:

(a) The material facts as to the Trustee's or officer's relationship or interest, and as to the contract or transaction, are disclosed or are known to the Board of Trustees or the committee, and the Board or committee in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested Trustees even though the disinterested Trustees be less than a quorum; or

(b) The contract or transaction is fair to the corporation as of the time it is authorized, approved or ratified by the Board of Trustees or committee.

Section 3. Quorum in Interested Trustee Transactions. Common or interested Trustees may be counted in determining the presence of a quorum at a meeting of the Board of Trustees or of a committee that authorizes the contract or transaction.

ARTICLE VII INDEMNIFICATION AND INSURANCE

Section 1. Right of Indemnity. To the fullest extent allowed by Section 145 of the Delaware General Corporation Law, this corporation may indemnify and advance expenses to its agents, in connection with any proceeding, and in accordance with Section 145. For purposes of this Article, "agent" shall include Trustees, officers, employees, other agents, and persons formerly occupying such positions, either for this corporation or, at the request of this corporation, for another corporation, partnership, joint venture, trust or other enterprise (whether for profit or not for profit); "proceeding" shall include any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation); and "expenses" shall include attorneys' fees, judgments, fines and amounts paid in settlement, actually and reasonably incurred by such agent.

Section 2. Approval Procedures. On written request to the Board of Trustees in each specific case by any agent seeking indemnification, to the extent that the agent has been successful on the merits the Board shall promptly authorize indemnification in accordance with Section 145(c) of the Delaware General Corporation Law. Otherwise, the Board shall promptly determine, in accordance with procedure set forth in Section 145(d), whether, in the specific case, the agent has acted in good faith and in a manner the agent reasonably believed to be in or not opposed to the best interests of the corporation, and with respect to any criminal action or proceeding had no reasonable cause to believe that his or her conduct was unlawful, thereby meeting the applicable standard of conduct stated in Section 145(a). If the agent has been adjudicated to be liable, the Board shall determine whether, pursuant to Section 145(b), the court with jurisdiction of the matter has nonetheless deemed indemnity of the agent for such expenses to

be proper in view of all the circumstances of the case. Upon a finding by the Board that the necessary standard as set forth above has been met, the Board may authorize indemnification to the extent permitted by Section 145(a) or 145(b), as the case may be.

Section 3. Advancing Expenses. The Board of Trustees may authorize the advance of expenses incurred by or on behalf of an agent of this corporation in defending any proceeding prior to final disposition, if the Board finds that:

(a) the requested advances are reasonable in amount under the circumstances; and

(b) before any advance is made, the agent will submit a written undertaking satisfactory to the Board to repay the advance unless it is ultimately determined that the agent is entitled to indemnification for the expenses under this Article.

The Board shall determine whether the undertaking must be secured, and whether interest shall accrue on the obligation created thereby.

Section 4. Scope of Application. The provisions of this Article shall be applicable to claims, actions, suits or proceedings made or commenced after the adoption hereof, whether arising from acts or omissions occurring before or after adoption hereof. Any indemnification and advancement provided by this Article shall, unless otherwise provided when authorized or ratified, inure to the benefits of the heirs, executors and administrators of the agents of this corporation.

Section 5. Nonexclusivity. The indemnification and advancement of expenses provided by this Article shall not be deemed exclusive of any other rights to which such Trustee, officer, employee or agent may be entitled under any statute, Bylaw, agreement, vote of the disinterested members or Trustees or otherwise, and shall not restrict the power of this corporation to make any indemnification permitted by law.

Section 6. Insurance. The Board of Trustees may adopt a resolution authorizing the purchase of insurance on behalf of any agent against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, and such insurance may provide for coverage against liabilities beyond this corporation's power to indemnify the agent under law.

ARTICLE VIII GRANTS ADMINISTRATION

Section 1. Purpose of Grants. This corporation shall have the power to make grants and contributions and to render other financial assistance for the purposes expressed in this corporation's Certificate of Incorporation.

Section 2. Power in the Board of Trustees. The Board of Trustees, or any person or persons on whom such power may be conferred by the Board, shall make policy with regard to grants. The Board shall have ultimate control over all grants, contributions, and other financial assistance given by this corporation.

Section 3. Refusal; Withdrawal. The Board of Trustees may refuse to make any grants or contributions or to render other financial assistance for any or all of the purposes for which the funds are requested.

ARTICLE IX MISCELLANEOUS

Section 1. Fiscal Year. The fiscal year of this corporation shall end each year on December 31.

Section 2. Contracts, Notes, and Checks. All contracts entered into on behalf of this corporation must be authorized by the Board of Trustees or any person or persons on whom such power may be conferred by the Board and, except as otherwise provided by law, every check, draft, promissory note, money order, or other evidence of indebtedness of this corporation shall be signed by any person or person on whom such power may be conferred by the Board.

Section 3. Amendments. Proposed amendments to these Bylaws shall be submitted in writing to any Founding Member who is then living and has not resigned, and to the Trustees, at least one week in advance of the meeting of the members and of the Trustees at which they will be considered for adoption. The vote of two-thirds of the Trustees then in office, and the written consent of any living Founding Member who has not resigned, shall be required to adopt a bylaw amendment.

Section 4. Audit; Annual Reports to Trustees. Within 150 days after the end of this corporation's fiscal year, the Treasurer and/or the Audit Committee shall cause the report of an audit of the corporation by independent certified public accountants to be delivered to the President. Within 60 days thereafter, the President shall furnish a written report to all Trustees of this corporation containing the following information:

(a) the assets and liabilities, including the trust funds of this corporation, as of the end of the fiscal year;

- (b) the principal changes in assets and liabilities, including trust funds, during the fiscal year;
- (c) the revenue or receipts of this corporation, both unrestricted and restricted to particular purposes, for the fiscal year;
- (d) the expenses or disbursements of this corporation, for both general and restricted purposes, for the fiscal year; and
- (e) any transaction during the previous fiscal year involving more than \$50,000 between this corporation (or its subsidiaries, if any) and any of its Trustees or officers (or the Trustees, directors or officers of its subsidiaries, if any) or any holder of more than ten percent of the voting power of this corporation or its subsidiaries, if any, or any of a number of such transactions in which the same person had a direct or indirect material financial interest, and which transactions in the aggregate involved more than \$50,000, as well as the amount and circumstances of any indemnifications or advances aggregating more than \$10,000 paid during the fiscal year to any Trustee or officer of this corporation. For each transaction, the report must disclose the names of the interested persons involved in such transaction, stating such person's relationship to this corporation, the nature of such person's interest in the transaction and, where practicable, the value of such interest.

The foregoing report shall be accompanied by the audit report thereon of the independent accountants.

Section 5. Electronic Transmissions. Unless otherwise provided in these Bylaws, and subject to any guidelines and procedures that the Board of Directors may adopt from time to time, the terms "written" and "in writing" as used in these Bylaws include any form of recorded message in the English language capable of comprehension by ordinary visual means, and may include electronic transmissions, such as facsimile or email, provided (i) for electronic transmissions from the corporation, the corporation has obtained an unrevoked written consent from the recipient to the use of such means of communication; (ii) for electronic transmissions to the corporation, the corporation has in effect reasonable measures to verify that the sender is the individual purporting to have sent such transmission; and (iii) the transmission creates a record that can be retained, retrieved, reviewed, and rendered into clearly legible tangible form.

Section 6. Compliance with Private Foundation Rules. Any provision of these Bylaws or the Certificate of Incorporation of this corporation to the contrary notwithstanding, so long as this corporation is deemed to be a "private foundation" as defined in Section 509 of the Internal Revenue Code of 1986, as amended, this corporation:

- (a) shall distribute its income for each taxable year (and principal, if necessary) at such time and in such manner as not to subject this corporation to tax under Code Section 4942;
- (b) shall not approve of, or engage in, any act of self-dealing as defined in subsection (d) of Code Section 4941;

(c) shall not retain any excess business holdings as defined in subsection (c) of Code Section 4943;

(d) shall not make any investments in such a manner as to subject this corporation to tax under Code Section 4944; and

(e) shall not make any taxable expenditure as defined in subsection (d) of Code Section 4945.

Section 7. Governing Law. The governance, investment, and other provisions of these Bylaws shall be construed and interpreted in accordance with the laws of the State of Delaware as amended from time to time, so as to give full effect and validity to the intent and meaning of these Bylaws.

CERTIFICATE OF SECRETARY

I certify that I am presently the duly elected and acting Secretary of CHARLES AND HELEN SCHWAB FOUNDATION, a Delaware nonstock corporation, and that the above Bylaws, consisting of twelve pages, are the Bylaws of this corporation as adopted by the Board of Trustees on January 1, 2012.

DATED: Jan 5, 2012

Nancy Bechtle
Secretary - Nancy Bechtle