Edgar Filing: Merk Randall W - Form 4

Merk Randall Form 4										
November 01	, 2006									
FORM	ORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISS						COMMISSION	OMB	PROVAL 3235-0287	
Check this if no longe subject to Section 16 Form 4 or	STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES								Number: Expires: Estimated a burden hou response	January 31, 2005 average rs per
Form 5 obligation: may contin <i>See</i> Instruct 1(b).	Filed purst s Section 17(a)	20(h) of the Investment Commonly A at at 1040								0.5
(Print or Type Ro	esponses)									
1. Name and Address of Reporting Person <u>*</u> Merk Randall W			2. Issuer Name and Ticker or Trading Symbol SCHWAB CHARLES CORP					5. Relationship of Reporting Person(s) to Issuer		
	[[SCHW]					(Check all applicable)			
(Last) C/O THE CH CORPORAT STREET	(AB 1	3. Date of Earliest Transaction(Month/Day/Year)10/30/2006					Director X 10% Owner X Officer (give title Other (specify below) below) below) EVP-Schwab Financial Products			
	(Street) 4. If Ame Filed(Mo				te Original			 6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person 		
SAN FRANC	CISCO, CA 9410	8						Form filed by N Person		
(City)	(State) (Z	Zip)	Table	e I - Non-De	erivative S	ecurit	ies Acq	uired, Disposed of	f, or Beneficial	ly Owned
1.Title of Security (Instr. 3)		ansaction Date 2A. Deemed hth/Day/Year) Execution Date, if any (Month/Day/Year)		3. 4. Securities Acquired Transaction(A) or Disposed of Code (D) (Instr. 8) (Instr. 3, 4 and 5) (A) or Code V Amount (D) Price				5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	
Common Stock	10/30/2006			Code V A	Amount 25,105 (1)	(D) A	Price \$ 0	31,706 <u>(2)</u>	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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 Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
 (e.g., puts, calls, warrants, options, convertible securities)

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. 5. Number of TransactiorDerivative Code Securities (Instr. 8) Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Ar Underlying Se (Instr. 3 and 4)
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title I
Non-Qualified Stock Option (Right to Buy)	\$ 19.186 (3)	10/30/2006		А	81,081	10/30/2007 <u>(4)</u>	10/30/2013	Common Stock

Reporting Owners

	Relationships						
Director	10% Owner	Officer	Other				
	Х	EVP-Schwab Financial Products					
			Director 10% Owner Officer				

Signatures

Jane E. Fry, Attorney-in-fact 11/01/2006

**Signature of Reporting Person

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

Date

- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The award vests in increments of 25% on November 1, 2007, 2008, 2009, and 2010 based on the company achieving a performance target related to return on equity for the one-year performance period ending on the day immediately prior to each vesting date.
- (2) As of the date of this report, the reporting person also had an indirect beneficial ownership interest in 157,393 shares held in trust.
- (3) Shares under the option have an exercise price of \$19.186, which is 106% of the closing price of the company's common stock on the date of grant (\$18.10).
- (4) The option vests 25% on each of the first, second, third, and fourth anniversary of the grant date and has a term of seven years.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.