



CALIFORNIA PROFESSIONAL FIREFIGHTERS
INSURANCE TRUST

December 24, 2013

Charles Schwab, Chairman
The Charles Schwab Corporation
211 Main Street
San Francisco, CA 94105

Dear Mr. Schwab:

It has recently come to my attention that you personally provided a \$6.4 million political contribution in the 2012 election cycle laundered through three 501 (c)(4) "social welfare" organizations in support of the anti-union Proposition 32 on the 2012 California State Ballot which was defeated by California voters 56-44%. You intended to hide your name by making the contribution through a (c)(4) organization which on October 24, 2013, was fined by the California Fair Political Practices Commission (FPPC) for violating California Government Code section 85701, requiring any committee that receives a contribution where the source is not identified to turn the contribution over to the General Fund of the State of California.

Your action, in attempting to influence an election in California without being identified as a major contributor to a political proposal specifically designed to prevent working men and women in this state represented by organized labor to fully participate in a free, fair and a transparent election process is shameful. It also reflects poorly not only on you personally, but as Chairman of the Charles Schwab Corporation (SCHW), of which the California Professional Firefighters Insurance Trust (CPFIT) is both a client and a stakeholder of the corporation as well as a shareholder.

As an owner of SCHW, we are also aware that for several years the Comptroller of the City of New York, has requested our company to provide more transparency regarding the disclosure of political campaign contributions, specifically including the disclosure of all recipients of SCHW contributions, including the amount of such contributions. You and your fellow directors have opposed such transparency and asked shareholders to vote against such policy.

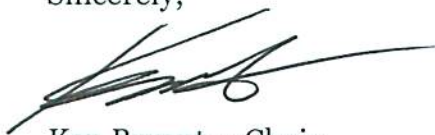
We are hereby notifying you that CPFIT intends to vote its shares of SCHW in favor of the shareholder proposal requesting that the company provide more transparency in its disclosure of political contributions. We also intend to vote against your re-election as a director of SCHW because of your despicable personal conduct in attempting to

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influence a statewide election with such a large amount of cash, while attempting to hide your identity in the process. This action, coupled with your opposition to transparency at the corporate level, undermines the credibility of your leadership and brings disrepute upon the Charles Schwab Corporation, creating additional reputational harm to the company which may eventually reduce shareholder value.

In addition, CPFIT will encourage our union, other labor organizations, AFL-CIO members and all responsible law abiding Americans to support the Comptroller's resolution as well as vote against your re-election to the SCHW board of directors.

Sincerely,



Ken Bryant - Chair

cc:

California Labor Federation
AFL-CIO
Attorney General – State of California
All California Professional Firefighters and Affiliated Unions
California Fair Political Practices Commission
American Federation of Government Employees
International Association of Fire Fighters