Board of Governors of the Federal Reserve System

Banking Organization Systemic Risk Report—FR Y-15

Report at the close of business as of the last calendar day of the quarter.

This Report is required by law: Sections 163, 165, and 604 of the Dodd-Frank Act; the International Banking Act, the Bank Holding Company Act, and the Home Owners' Loan Act (12 U.S.C. § 1467a, 1844, 3106, and 3108); and section 225.5(b) of Regulation Y, section 238.4(b) of Regulation LL (12 CFR 225.5(b) and 238.4(b)), and section 252.153(b)(2) of Regulation YY (12 CFR 252.153(b)(2)).

The Federal Reserve may not conduct or sponsor, and an organization (or a person) is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

NOTE: Each banking organization's board of directors and senior management are responsible for establishing and maintaining an effective system of internal control, including controls over the *Banking Organization Systemic Risk Report*. The *Banking Organization Systemic Risk Report* is to be prepared in accordance with instructions provided by the Federal Reserve System. The *Banking Organization Systemic Risk Report* must be signed and attested by the Chief Financial Officer (CFO) of the reporting banking organization (or by the individual performing this equivalent function).

Date of Report: **September 30, 2018**
Month / Day / Year (RISK 9999)

I, the undersigned CFO (or equivalent) of the named banking organization, attest that the *Banking Organization Systemic Risk Report* (including the supporting schedules) for this report date has been prepared in conformance with the instructions issued by the Federal Reserve System and is true and correct to the best of my knowledge and belief.

Peter Crawford
Printed Name of Chief Financial Officer (or Equivalent) (RISK C490)

Signature of Chief Financial Officer (or Equivalent) (RISK H321)

11/16/2018
Date of Signature (MM/DD/YYYY) (RISK J196)

CHARLES SCHWAB CORPORATION, THE
Legal Title of Bank Holding Company (RSSD 9017)

211 MAIN STREET
(Mailing Address of the Bank Holding Company) Street / PO Box (RSSD 9028)

SAN FRANCISCO	CA	94105
City (RSSD 9130)	State (RSSD 9200)	Zip Code (RSSD 9220)

Person to whom questions about this report should be directed:

Heather Iden, Director Regulatory Reporting
Name / Title (RISK 8901)

720-418-4414
Area Code / Phone Number (RISK 8902)

720-418-4335
Area Code / FAX Number (RISK 9116)

heather.iden@schwab.com
E-mail Address of Contact (RISK 4086)

Banking organizations must maintain in their files a manually signed and attested printout of the data submitted.

The ongoing public reporting burden for this information collection is estimated to average 401 hours per response, including time to gather and maintain data in the required form and to review instructions and complete the information collection. Comments regarding this burden estimate or any other aspect of this information collection, including suggestions for reducing the burden, may be sent to Secretary, Board of Governors of the Federal Reserve System, 20th and C Streets, NW, Washington, DC 20551, and to the Office of Management and Budget, Paperwork Reduction Project (7100-0352), Washington, DC 20503.

Schedule A—Size Indicator

U.S. Dollar Amounts in Thousands	RISK	Amount	
Total Exposures			
1. Derivative exposures:			
a. Current exposure of derivative contracts	M337	0	1.a.
b. Potential future exposure (PFE) of derivative contracts	M339	0	1.b.
c. Gross-up for derivatives collateral	Y822	0	1.c.
d. Effective notional amount of written credit derivatives	M340	0	1.d.
e. Cash variation margin included as an on-balance sheet receivable	Y823	169000	1.e.
f. Exempted central counterparty legs of client-cleared transactions included in items 1(a) and 1(b)	Y824	0	1.f.
g. Effective notional amount offsets and PFE adjustments for sold credit protection	Y825	0	1.g.
h. Total derivative exposures (sum of items 1.a. through 1.d, minus the sum of items 1.e through 1.g)	Y826	-169000	1.h.
2. Securities financing transaction (SFT) exposures:			
a. Gross SFT assets	M334	4439000	2.a.
b. Counterparty credit risk exposure for SFTs	N507	0	2.b.
c. SFT indemnification and other agent-related exposures	Y827	0	2.c.
d. Gross value of offsetting cash payables	Y828	0	2.d.
e. Total SFT exposures (sum of items 2.a through 2.c, minus item 2.d)	Y829	4439000	2.e.
3. Other on-balance sheet exposures:			
a. Other on-balance sheet assets	Y830	267663000	3.a.
b. Regulatory adjustments	M349	1014000	3.b.
4. Other off-balance sheet exposures:			
a. Gross notional amount of items subject to a 0% credit conversion factor (CCF)	M342	0	4.a.
b. Gross notional amount of items subject to a 20% CCF	M718	70000	4.b.
c. Gross notional amount of items subject to a 50% CCF	M346	11052000	4.c.
d. Gross notional amount of items subject to a 100% CCF	M347	257000	4.d.
e. Credit exposure equivalent of other off-balance sheet items (sum of 0.1 times item 4.a, 0.2 times item 4.b, 0.5 times item 4.c, and item 4.d)	Y831	5797000	4.e.
5. Total exposures prior to regulatory deductions (sum of items 1.h, 2.e, 3.a, and 4.e)	Y832	277730000	5.

	0=No 1=Yes	RISK		
6. Does item 5 represent an average value over the reporting period? (Enter "1" for Yes; enter "0" for No.)		FC52	0	6.

Memoranda

U.S. Dollar Amounts in Thousands	RISK	Amount	
1. Securities received as collateral in securities lending	M335	0	M.1.
2. Cash collateral received in conduit securities lending transactions	M336	88000	M.2.
3. Credit derivatives sold net of related credit protection bought	M341	0	M.3.

Schedule B—Interconnectedness Indicators

U.S. Dollar Amounts in Thousands	RISK	Amount	
Intra-Financial System Assets			
1. Funds deposited with or lent to other financial institutions	M351	10063000	1.
a. Certificates of deposit	M355	4921000	1.a.
2. Unused portion of committed lines extended to other financial institutions	J458	75000	2.
3. Holdings of securities issued by other financial institutions:			
a. Secured debt securities	M352	0	3.a.
b. Senior unsecured debt securities	M353	4209000	3.b.
c. Subordinated debt securities	M354	0	3.c.
d. Commercial paper	M345	0	3.d.
e. Equity securities	M356	955000	3.e.
f. Offsetting short positions in relation to the specific equity securities included in item 3.e	M357	3000	3.f.
4. Net positive current exposure of securities financing transactions (SFTs) with other financial institutions	M358	0	4.

Schedule B—Continued

U.S. Dollar Amounts in Thousands	RISK	Amount	
Intra-Financial System Assets—Continued			
5. Over-the-counter (OTC) derivative contracts with other financial institutions that have a net positive fair value:			
a. Net positive fair value	M359	0	5.a.
b. Potential future exposure	M360	0	5.b.
6. Total intra-financial system assets (sum of items 1, 2 through 3.e, 4, 5.a, and 5.b, minus item 3.f)	M362	15299000	6.
Intra-Financial System Liabilities			
7. Deposits due to other financial institutions:			
a. Deposits due to depository institutions	M363	0	7.a.
b. Deposits due to non-depository financial institutions	M364	0	7.b.
8. Borrowings obtained from other financial institutions	Y833	0	8.
9. Unused portion of committed lines obtained from other financial institutions	M365	0	9.
10. Net negative current exposure of SFTs with other financial institutions	M366	191000	10.
11. OTC derivative contracts with other financial institutions that have a net negative fair value:			
a. Net negative fair value	M367	0	11.a.
b. Potential future exposure	M368	0	11.b.
12. Total intra-financial system liabilities (sum of items 7.a through 11.b)	M370	191000	12.
Securities Outstanding			
13. Secured debt securities	M371	0	13.
14. Senior unsecured debt securities	M372	5736000	14.
15. Subordinated debt securities	M373	0	15.
16. Commercial paper	2309	0	16.
17. Certificates of deposit	M374	0	17.
18. Common equity	M375	66441000	18.
19. Preferred shares and other forms of subordinated funding not captured in item 15	N509	2900000	19.
20. Total securities outstanding (sum of items 13 through 19)	M376	75077000	20.

Memoranda

U.S. Dollar Amounts in Thousands	RISK	Amount	
1. Standby letters of credit extended to other financial institutions	Y834	0	M.1.

Schedule C—Substitutability Indicators

U.S. Dollar Amounts in Thousands	RISK	Amount	
Payments Activity			
1. Payments made in the last four quarters:			
a. Australian dollars (AUD)	M377	82000	1.a.
b. Brazilian real (BRL)	M378	0	1.b.
c. Canadian dollars (CAD)	M379	90000	1.c.
d. Swiss francs (CHF)	M380	37000	1.d.
e. Chinese yuan (CNY)	M381	0	1.e.
f. Euros (EUR)	M382	536000	1.f.
g. British pounds (GBP)	M383	407000	1.g.
h. Hong Kong dollars (HKD)	M384	13000	1.h.
i. Indian rupee (INR)	M385	70000	1.i.
j. Japanese yen (JPY)	M386	34000	1.j.
k. Mexican pesos (MXN)	Y835	27000	1.k.
l. Swedish krona (SEK)	M387	12000	1.l.
m. United States dollars (USD)	M388	156811000	1.m.
2. Payments activity (sum of items 1.a through 1.m)	M390	158119000	2.
Assets Under Custody			
3. Assets held as a custodian on behalf of customers	M405	3544698000	3.

Schedule C—Continued

U.S. Dollar Amounts in Thousands	RISK	Amount	
Underwritten Transactions in Debt and Equity Markets			
4. Equity underwriting activity	M406	0	4.
5. Debt underwriting activity	M407	0	5.
6. Total underwriting activity (sum of items 4 and 5)	M408	0	6.

Memoranda

U.S. Dollar Amounts in Thousands	RISK	Amount	
1. New Zealand dollars (NZD)	Y836	19000	M.1.
2. Russian rubles (RUB)	Y837	0	M.2.
3. Payments made in the last four quarters in all other currencies	M389	78000	M.3.
4. Unsecured settlement/clearing lines provided	M436	86000	M.4.

Schedule D—Complexity Indicators

U.S. Dollar Amounts in Thousands	RISK	Amount	
Notional Amount of Over-the-Counter (OTC) Derivative Contracts			
1. OTC derivative contracts cleared through a central counterparty	M409	0	1.
2. OTC derivative contracts settled bilaterally	M410	0	2.
3. Total notional amount of OTC derivative contracts (sum of items 1 and 2)	M411	0	3.

U.S. Dollar Amounts in Thousands	RISK	Amount	
Trading and Available-for-Sale (AFS) Securities			
4. Trading securities	M412	84000	4.
5. AFS securities	1773	57329000	5.
6. Total trading and AFS securities (sum of items 4 and 5)	M414	57413000	6.
7. Trading and AFS securities that meet the definition of level 1 liquid assets	N510	12245000	7.
8. Trading and AFS securities that meet the definition of level 2 liquid assets, with haircuts	N511	9163000	8.
9. Total adjusted trading and AFS securities (item 6 minus items 7 and 8)	N255	36005000	9.
Level 3 Assets			
10. Assets valued for accounting purposes using Level 3 measurement inputs	G506	0	10.

Memoranda

U.S. Dollar Amounts in Thousands	RISK	Amount	
1. Held-to-maturity securities	1754	139001000	M.1.

Schedule E—Cross-Jurisdictional Activity Indicators

U.S. Dollar Amounts in Thousands	RISK	Amount	
Cross-Jurisdictional Claims			
1. Foreign claims on an ultimate-risk basis	M422	8297000	1.
Cross-Jurisdictional Liabilities			
2. Foreign liabilities (excluding local liabilities in local currency)	M423	3870000	2.
a. Any foreign liabilities to related offices included in item 2	M424	0	2.a.
3. Local liabilities in local currency	M425	81000	3.
4. Total cross-jurisdictional liabilities (sum of items 2 and 3, minus item 2.a)	M426	3951000	4.

Schedule F—Ancillary Indicators

U.S. Dollar Amounts in Thousands	RISK	Amount	
Ancillary Indicators			
1. Total liabilities	2948	251268000	1.
2. Retail funding	M427	208892000	2.
3. Total gross revenue	M430	8029000	3.
4. Total net revenue	M428	7472000	4.
5. Foreign net revenue	M429	32081	5.
6. Gross value of cash provided and gross fair value of securities provided in securities financing transactions (SFTs)	M432	5368000	6.
7. Gross value of cash received and gross fair value of securities received in SFTs	M433	5157000	7.
8. Gross positive fair value of over-the-counter (OTC) derivative contracts	M434	0	8.
9. Gross negative fair value of OTC derivative contracts	M435	0	9.

Number in Single Units	RISK		
10. Number of jurisdictions	M437	6	10.

Schedule G—Short-Term Wholesale Funding Indicator

U.S. Dollar Amounts in Thousands	(Column A) Remaining Maturity of 30 Days or Less		(Column B) Remaining Maturity of 31 to 90 Days		(Column C) Remaining Maturity of 91 to 180 Days		(Column D) Remaining Maturity of 181 to 365 Days		
	RISK	Amount	RISK	Amount	RISK	Amount	RISK	Amount	
Short-term Wholesale Funding									
1. First tier:									
a. Funding secured by level 1 liquid assets	Y838		Y839		Y840		Y841		1.a.
b. Retail brokered deposits and sweeps	Y842		Y843		Y844		Y845		1.b.
c. Unsecured wholesale funding obtained outside of the financial sector	Y846		Y847		Y848		Y849		1.c.
d. Firm short positions involving level 2B liquid assets or non-HQLA	Y850		Y851		Y852		Y853		1.d.
e. Total first tier short-term wholesale funding (sum of items 1.a through 1.d)	Y854		Y855		Y856		Y857		1.e.
2. Second tier:									
a. Funding secured by level 2A liquid assets	Y858		Y859		Y860		Y861		2.a.
b. Covered asset exchanges (level 1 to level 2A)	Y862		Y863		Y864		Y865		2.b.
c. Total second tier short-term wholesale funding (sum of items 2.a. and 2.b)	Y866		Y867		Y868		Y869		2.c.
3. Third tier:									
a. Funding secured by level 2B liquid assets	Y870		Y871		Y872		Y873		3.a.
b. Other covered asset exchanges	Y874		Y875		Y876		Y877		3.b.
c. Unsecured wholesale funding obtained within the financial sector	Y878		Y879		Y880		Y881		3.c.
d. Total third tier short-term wholesale funding (sum of items 3.a through 3.c)	Y882		Y883		Y884		Y885		3.d.
4. All other components of short-term wholesale funding	Y886		Y887		Y888		Y889		4.
5. Total short-term wholesale funding, by maturity (weighted sum of items 1.e, 2.c, 3.d, and 4)	Y890	53094500	Y891	773250	Y892	26000	Y893	4600	5.

U.S. Dollar Amounts in Thousands	RISK	Amount	
6. Total short-term wholesale funding (sum of item 5, Columns A through D)	Y894	53898350	6.
7. Average risk-weighted assets	Y895	81507000	7.

	RISK	Percentage	
8. Short-term wholesale funding metric (item 6 divided by item 7)	Y896	66.13	8.

Optional Narrative Statement

The management of the reporting banking organization has the option to submit a public statement regarding the values reported on the FR Y-15. The statement must not contain any confidential information that would compromise customer privacy or that the respondent is not willing to have made public. Furthermore, the information in the narrative statement must be accurate and must not be misleading.

The statement may not exceed 750 characters, including punctuation, indentation, and standard spacing between words and sentences. Statements exceeding this limit will be truncated at 750 characters with no notice to the respondent. Other than the truncation of statements exceeding the character limit, the statement will appear on agency computerized records and in releases to the public exactly as submitted. Public disclosure of the statement shall not signify that a federal supervisory agency has verified the accuracy or relevance of the information contained therein.

If the respondent elects not to make a statement, the item should be left blank (i.e., do not enter phrases such as "No statement," "Not applicable," "N/A," "No comment," or "None").

	RISK		
1. Narrative statement……	6980		1.