

1 GILBERT R. SEROTA (No. 75305)  
 Email: gserota@howardrice.com  
 2 PATRICIA J. MEDINA (No. 201021)  
 Email: pmedina@howardrice.com  
 3 JASON M. SKAGGS (No. 202190)  
 Email: jskaggs@howardrice.com  
 4 HOWARD RICE NEMEROVSKI CANADY  
 FALK & RABKIN  
 5 A Professional Corporation  
 Three Embarcadero Center, 7th Floor  
 6 San Francisco, California 94111-4024  
 Telephone: 415/434-1600  
 7 Facsimile: 415/217-5910

8 Attorneys for Defendants  
 WELLS FARGO FUNDS MANAGEMENT, LLC,  
 9 WELLS CAPITAL MANAGEMENT  
 INCORPORATED, WELLS FARGO FUNDS  
 10 DISTRIBUTOR, LLC, WELLS FARGO FUNDS  
 TRUST and STEPHENS INC.  
 11

12 UNITED STATES DISTRICT COURT  
 13 NORTHERN DISTRICT OF CALIFORNIA  
 14 SAN FRANCISCO DIVISION  
 15

16 RONALD SIEMERS, Individually And On  
 Behalf Of All Others Similarly Situated,

17 Plaintiff,

18 v.

19 WELLS FARGO & COMPANY, H.D. VEST  
 20 INVESTMENT SERVICES, LLC, WELLS  
 FARGO INVESTMENTS, LLC, WELLS  
 21 FARGO FUNDS MANAGEMENT, LLC,  
 WELLS CAPITAL MANAGEMENT INC.,  
 22 STEPHENS INC., WELLS FARGO FUNDS  
 DISTRIBUTOR, LLC, and WELLS FARGO  
 23 FUNDS TRUST,

24 Defendants.  
 25

No. 05-04518 WHA

~~PROPOSED~~ ORDER GRANTING FINAL  
 APPROVAL OF SETTLEMENT,  
 AWARDING ATTORNEYS' FEES AND  
 EXPENSES, AND ENTERING FINAL  
 JUDGMENT

1 On the 31st day of January, 2008, a hearing having been held before this Court to determine:  
2 (a) whether the terms of the Settlement described in the Stipulation of Settlement, filed with this  
3 Court on July 5, 2007, are fair, reasonable and adequate, and should be approved by the Court;  
4 (b) whether the proposed Plan of Allocation is fair and reasonable and should be approved by the  
5 Court; (c) whether this Order and Final Judgment should be entered, dismissing and releasing  
6 certain claims as set forth in the Stipulation and herein; (d) whether the application of Lead Plaintiff  
7 and Lead Counsel for an award of attorneys' fees and reimbursement of expenses should be  
8 approved; and (e) such other matters as the Court may deem appropriate; and

9 The Court having considered all matters submitted to it at the hearing and otherwise; and

10 It appearing that notices substantially in the form approved by the Court in the Preliminary  
11 Approval Order were delivered and published as set forth in Paragraph 4 of the Stipulation; and

12 It appearing that all officials required to be notified of the Settlement pursuant to 28 U.S.C.  
13 §1715 have been so notified;

14 NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

15 1. The Court has jurisdiction over the subject matter of the Action, Lead Plaintiff, all  
16 Settlement Class Members and Defendants.

17 2. All capitalized terms used herein shall have the same meanings as set forth and defined  
18 in the Stipulation.

19 3. The Court incorporates its prior order of June 1, 2007 finding that the prerequisites for a  
20 class action under Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure have been satisfied  
21 as to the following class: All purchasers of shares (of any class) bought between November 4, 2000,  
22 and June 8, 2005, in the Wells Fargo Advantage Small Cap Growth Fund, Wells Fargo Montgomery  
23 Emerging Markets Focus Fund, and Wells Fargo Diversified Equity Fund, but excluding any person  
24 or entity whose only purchases of shares in these funds during the Class Period were through  
25 dividend reinvestments. The Court further finds that the Settlement Class, as defined in the  
26 Stipulation, differs from the class the Court previously certified only insofar as the Settlement Class  
27 excludes the Court, Released Parties, and any member of the Settlement Class who made a proper  
28 and timely request for exclusion from the Settlement Class. The Court also clarifies that the class

1 previously certified and the Settlement Class do not include purchasers of shares of the Montgomery  
2 Emerging Markets Focus Fund to the extent their purchases were made prior to June 9, 2003  
3 because that fund was not named the Wells Fargo Emerging Markets Focus Fund and Wells Fargo  
4 Funds Trust did not have responsibility for the registration of that fund until June 9, 2003. The  
5 Court therefore amends its order of June 1, 2007 to conform the scope of the class there certified to  
6 the scope of the Settlement Class.

7 4. The Court hereby finds that the form, content and method of distribution of the Notice  
8 and Summary Notice provided the most reasonable notice practicable under the circumstances.  
9 These notices provided due and adequate notice of these proceedings and the matters set forth  
10 herein, including the Settlement and Plan of Allocation, to all persons and entities entitled to such  
11 notice, and fully satisfied the requirements of Rule 23 of the Federal Rules of Civil Procedure,  
12 Section 21D(a)(7) of the Securities Exchange Act of 1934, 15 U.S.C. 78u-4(a)(7) as amended by the  
13 Private Securities Litigation Reform Act of 1995, and due process. With respect to notice of the  
14 settlement of the Derivative Claim, the Court specifically finds and concludes that: (1) Rule 23.1 of  
15 the Federal Rules of Civil Procedure does not apply to claims under Section 36(b) of the Investment  
16 Company Act, *see Daily Income Fund v. Fox*, 464 U.S. 523, 528 (1991); (2) there is no authority  
17 requiring direct notice to all current shareholders of the Wells Fargo Advantage Small Cap Growth  
18 Fund; (3) a significant percentage of current shareholders of the Wells Fargo Advantage Small Cap  
19 Growth Fund received direct notice of the Settlement, because such notice was included in the  
20 Notice regarding the class settlement, and an estimated 75% of shareholders of the fund as of June  
21 26, 2007 were holders of the Wells Fargo Advantage Small Cap Growth Fund on June 8, 2005;  
22 (4) sending direct notice to the other current shareholders would be prohibitively expensive,  
23 particularly in light of the amount of money paid to settle this claim; and (5) the Summary Notice  
24 was reasonably calculated to reach current shareholders of the Wells Fargo Advantage Small Cap  
25 Growth Fund because it was published in the Investors' Business Daily and on a national wire  
26 service.

27 5. A full opportunity has been offered to the Settlement Class Members to exclude  
28 themselves from the Settlement Class, and attached as Exhibit A is a list of all the persons and

1 entities that either timely submitted a valid request for exclusion from the Settlement Class or that  
2 submitted an untimely or invalid request for exclusion from the Settlement Class, but whose  
3 exclusion Lead Plaintiff and Defendants nevertheless consent to. It is hereby determined that all  
4 Settlement Class Members who are not listed on Exhibit A are bound by this Order and Final  
5 Judgment.

6 6. A full opportunity has been offered to the Settlement Class Members and additional,  
7 current shareholders of the Wells Fargo Advantage Small Cap Growth Fund to object to the  
8 proposed Settlement and to participate in the hearing thereon. In the absence of any such objections,  
9 and having considered argument by Lead Plaintiff and Defendants, and the Stipulation itself, the  
10 Court concludes that the Stipulation is fair, reasonable and adequate, and in the best interests of the  
11 Settlement Class and the Wells Fargo Advantage Small Cap Growth Fund, and therefore approves  
12 it. Lead Plaintiff, Lead Counsel and Defendants are directed to consummate the Settlement in  
13 accordance with the terms and provisions of the Stipulation.

14 7. All Certified Class Claims hereby are dismissed on the merits and with prejudice as to  
15 Lead Plaintiff and the Settlement Class Members.

16 8. All Uncertified Class Claims hereby are dismissed with prejudice as to Lead Plaintiff  
17 and without prejudice as to the putative members of any class alleged in the any of the complaints  
18 filed in the Action.

19 9. All Stayed Claims hereby are dismissed with prejudice as to Lead Plaintiff and without  
20 prejudice as to the putative members of any class alleged in the any of the complaints filed in the  
21 Action.

22 10. The Derivative Claim hereby is dismissed on the merits and with prejudice as to Lead  
23 Plaintiff, on behalf of himself and the Wells Fargo Advantage Small Cap Growth Fund, including all  
24 predecessors to that fund, whether those predecessors were simply renamed or merged into the  
25 current fund.

26 11. Consistent with Paragraphs 7-10, the Action is hereby dismissed on the merits and with  
27 prejudice as to Lead Plaintiff, on behalf of himself.

28 12. Providing the Effective Date occurs, Lead Plaintiff and the Settlement Class Members,

1 and each of their respective past or present agents, partners, members, affiliates, subsidiaries, issues,  
2 heirs, representatives, successors and assigns, shall have released and forever discharged, as against  
3 any and all of the Released Parties, each and every of the Certified Class Claims and, in addition,  
4 any and all known and unknown claims, debts, demands, rights or causes of action or liabilities  
5 whatsoever, whether based on federal, state, local, statutory or common law or any other law, rule or  
6 regulation, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or  
7 in equity, matured or unmatured, whether class or individual in nature, or direct or derivative, with  
8 respect to the Certified Wells Fargo Mutual Funds, arising out of or based upon the allegations made  
9 in any of the complaints filed in the Action and/or related in any way to any payments by or to any  
10 of Defendants in connection with the Certified Wells Fargo Mutual Funds.

11 13. Providing the Effective Date occurs, Lead Plaintiff, on behalf of himself and the Wells  
12 Fargo Advantage Small Cap Growth Fund, including all predecessors to that fund (whether those  
13 predecessors were simply renamed or merged into the current fund), and each of Lead Plaintiff's  
14 respective past or present agents, partners, issues, heirs, representatives, successors and assigns,  
15 shall have released and forever discharged, the Derivative Claim as against any and all of the  
16 Released Parties.

17 14. Providing the Effective Date occurs, Lead Plaintiff, on behalf of himself, his spouse, and  
18 any retirement or other account maintained by Lead Plaintiff or his spouse, and on behalf of each of  
19 his respective past or present agents, partners, issues, heirs, representatives, successors and assigns,  
20 shall have released and forever discharged, as against any and all of the Released Parties, any and all  
21 known and unknown claims, debts, demands, rights or causes of action or liabilities whatsoever,  
22 whether based on federal, state, local, statutory or common law or any other law, rule or regulation,  
23 whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity,  
24 matured or unmatured, whether class or individual in nature, or direct or derivative, arising out of,  
25 based upon or related in any way to (i) the allegations made in any of the complaints filed in the  
26 Action by the Lead Plaintiff against any of the Released Parties, or (ii) the allegations that could  
27 have been made in any forum by the Lead Plaintiff against any of the Released Parties which arise  
28 out of or are based upon the allegations, transactions, facts, matters or occurrences, representations

1 or omissions involved, set forth, or referred to in any of the complaints in the Action; *provided*,  
2 *however*, that this release shall not extend to claims unrelated to (i) the issuance, sale, marketing,  
3 distribution, and/or management of mutual funds by any of the Released Parties, or the purchase of  
4 the mutual funds by the Lead Plaintiff, during the Class Period, or (ii) any disclosures made in  
5 connection therewith, including without limitation within prospectuses and statements of additional  
6 information and by broker-dealers.

7 15. The Court finds that all parties to the Action and their counsel have complied with each  
8 requirement of Rule 11 of the Federal Rules of Civil Procedure as to all proceedings herein.

9 16. Neither this Order and Final Judgment, the Stipulation, nor any of the negotiations,  
10 documents or proceedings connected with them shall be:

11 (a) offered or received against Defendants as evidence of or construed as or deemed  
12 to be evidence of any presumption, concession, or admission by any of the Defendants with respect  
13 to the truth of any fact alleged by any of the plaintiffs or the validity of any claim that has been or  
14 could have been asserted in the Action or in any litigation, or the deficiency of any defense that has  
15 been or could have been asserted in the Action or in any litigation, or of any liability, negligence,  
16 fault, or wrongdoing of Defendants;

17 (b) offered or received against Defendants as evidence of a presumption, concession  
18 or admission of any fault, misrepresentation or omission with respect to any statements or written  
19 document approved or made by any Defendant;

20 (c) offered or received against Defendants as evidence of a presumption, concession  
21 or admission with respect to any liability, negligence, fault or wrongdoing, or in any way referred to  
22 or for any other reason as against any of the Defendants, in any other civil, criminal or  
23 administrative action or proceeding, other than such proceedings as may be necessary to effectuate  
24 the provisions of the Stipulation; provided, however, that if the Stipulation is approved by the Court,  
25 Defendants may refer to it to effectuate the liability protection granted them hereunder;

26 (d) construed against Defendants or the Settlement Class as an admission or  
27 concession that the consideration to be given hereunder represents the amount which could be or  
28 would have been recovered after trial; or

1 (e) construed as, or received in evidence as, an admission, concession or presumption  
2 against the Settlement Class that any of its claims are without merit or that damages recoverable  
3 under any of the complaints filed in the Action would not have exceeded the Settlement Account.

4 17. The Plan of Allocation is approved as fair and reasonable, and Lead Counsel and the  
5 Claims Administrator are directed to administer the Stipulation in accordance with its terms and  
6 provisions.

7 18. Lead Counsel shall be paid from the Settlement Account attorneys' fees in the amount  
8 of two hundred eighty-seven thousand five hundred dollars (\$287,500.00) and expenses in the  
9 amount of fifty-four thousand seventy-eight dollars and ninety cents (\$54,078.90), plus interest on  
10 both amounts at the same rate accrued by the funds in the Settlement Account from the date of this  
11 Order. The Court finds that Lead Counsel's expenses were reasonably incurred in this action and  
12 are of the type that are typically billed by attorneys to paying clients. The Court also finds that Lead  
13 Counsel's request for fees is a reasonable percentage of the benefits obtained for the Settlement  
14 Class. Furthermore, the fee award is less than a quarter of Lead Counsel's lodestar in this action of  
15 \$1,188,400.00, and both the number of hours worked (2531.25) and the hourly rates of \$375 to \$525  
16 are reasonable in light of the tasks performed in this case and the skills and experience of Lead  
17 Counsel. Finally, the Court finds that the fee award is justified in light of the results achieved in this  
18 litigation, the risks involved, the quality of the work, the contingent nature of the fee, the financial  
19 burden for expenses borne by lead counsel, and the Court's experience in similar case, as reflected  
20 in the memorandum of points and authorities submitted by Lead Counsel.

21 19. Lead Plaintiff shall be paid from the Settlement Account one thousand dollars  
22 (\$1,000.00) to compensate him for lost wages plus interest thereon at the same rate accrued by the  
23 funds in the Settlement Account from the date of this Order. The Court denies the balance of Lead  
24 Plaintiff's request for compensation of \$6,922.80 in lost wages.

25 20. The Court has reviewed letters from Milberg Weiss LLP dated January 25 and January  
26 30, 2008, asserting a right to recover fees and expenses incurred by that firm prior to its removal as  
27 lead counsel. Neither Milberg Weiss LLP nor any other counsel for any plaintiff in this case other  
28 than Gutride Safier Reese LLP filed a timely application for attorneys' fees or expenses, nor did any

1 person file a timely objection to the proposed Plan of Allocation or the application for fees and  
2 expenses by Gutride Safier Reese LLP. Milberg Weiss LLP's letters are not an appropriate method  
3 to assert a right to attorneys' fees and expenses in a securities class action such as this one, where  
4 this Court has the duty to determine to whom attorneys' fees and expenses shall be awarded and in  
5 what amounts. *See* Fed. R. Civ. P. 23; 15 U.S.C. §77z-1. Milberg Weiss LLP partner Janine  
6 Pollack received notice of all filing deadlines via the Court's ECF system. Further, Milberg Weiss  
7 LLP was removed from its role as lead counsel after it was indicted and its services were terminated  
8 by Lead Plaintiff, and the work it performed prior to its removal did not contribute to the eventual  
9 recovery for Lead Plaintiff or the Settlement Class, because the plaintiffs' theories of liability and  
10 damages were substantially revised after substitution of counsel, in the subsequent versions of the  
11 amended complaint and briefing related thereto. Accordingly, neither Milberg Weiss LLP nor any  
12 lawyers other than Gutride Safier Reese LLP shall recover any attorneys' fees or expenses in this  
13 matter, nor shall any portion of the funds in the Settlement Account nor the amounts allocated  
14 therefrom to Lead Plaintiff or Lead Counsel be paid to Milberg Weiss LLP or other such lawyers.

15 21. Exclusive jurisdiction is hereby retained over the parties and the Settlement Class  
16 Members for all matters relating to the Action, including the administration, interpretation,  
17 effectuation or enforcement of the Stipulation and this Order and Final Judgment, and including any  
18 application for fees and expenses incurred in connection with administering and distributing the  
19 settlement proceeds to the Settlement Class Members.

20 22. Without further order of the Court, the parties may agree to reasonable extensions of  
21 time to carry out any of the provisions of the Stipulation.

22 23. There is no just reason for delay in the entry of this Order and Final Judgment and  
23 immediate entry by the Clerk of the Court is directed pursuant to Rule 54(b) of the Federal Rules of  
24 Civil Procedure. The finality of this Order and Final Judgment shall not be affected, in any manner,  
25 by rulings that the Court may make on Lead Plaintiff's or Lead Counsel's application for an award  
26 of attorneys' fees and reimbursement of expenses.

27 24. In the event that the Effective Date does not occur, then this Order and Final Judgment  
28 shall be rendered null and void and be vacated and the Settlement and all orders entered in



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connection therewith shall be rendered null and void, and the parties shall be returned to their respective positions immediately prior to June 12, 2007, with new dates to be set for all deadlines imposed by the Case Management Order of September 28, 2006 that had not yet passed.

DATED: February 5, 2008.



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HONORABLE WILLIAM ALSUP  
UNITED STATES DISTRICT COURT JUDGE

**EXHIBIT A**

The following persons and entities are excluded from the Settlement Class:

Carl Anderson

Bridgette E. Brown

Rebecca Fain

Elizabeth A. Jacobs

Wayne Jacobson

Theresa A. Nolte

Mark Pyburn

Jonathan Stein and Gillian C. Workman-Stein JTTN

Jerry E. Pott and Maureen H. O'Brien

Wellspring Corporation Employee Savings Plan

Centennial Homes 401(k) Profit Sharing Plan

Riley, Dettmann & Kelsey LLC Incentive Savings Plan

Mico Machines 401-K

Boyd's Gunstock Industries Inc 401 (K)