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IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

IN RE: No. C 08-01510 WHA
CHARLES SCHWAB CORPORATION
SECURITIES LITIGATION.

This Document Relates
To All Cases.

**ORDER REGARDING 1172
OMITTED ACCOUNTS**

That 1172 accounts were omitted is a disappointment. If they are now excluded, then a new lawsuit will follow, possibly with different counsel, which would then be related to the pending suit, and a mess would ensue. The 1172 accounts should have been included from the outset. This appears to be Schwab's fault but maybe there is more to that story than can be gleaned from the joint submission.

Given that the 1172 accounts should have been included from the outset, the fairest approach is to include the 1172 accounts and add the additional money as proposed in the second alternative.

However, the fairness hearing must go forward as noticed for the existing class members. That will be too hard to change. The notice to the 1172 account holders should so advise and also specify the procedure and hearing dates for the 1172 accounts. We will have to have a separate hearing later for the 1172 accounts. Build in sufficient time to track down the 1172 account

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holders. Adjust the 1172 notice to explain why that notice and process differs from the notice and timeline for the main body of class members. Please submit a proposed order that does all of this.

IT IS SO ORDERED.

Dated: September 2, 2010.



WILLIAM ALSUP
UNITED STATES DISTRICT JUDGE