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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

IN RE CHARLES SCHWAB CORP.
SECURITIES LITIGATION

No. 08-cv-01510 WHA

THIS DOCUMENT RELATES TO:
All Actions

~~PROPOSED~~ ORDER AMENDING
PROPOSED SETTLEMENTS AND
DIRECTING THAT SETTLEMENT
NOTICE BE PROVIDED TO
INTERMEDIARY ACCOUNT CLASS
MEMBERS

Date Action Filed: March 18, 2008

1 Before the Court is the parties' Joint Administrative Motion to Modify Settlement (the
2 "Motion") pertaining to "Intermediary Accounts" that held YieldPlus Fund shares at broker-dealer
3 intermediaries other than Charles Schwab & Co., Inc. Although Intermediary Account holders are
4 members of the Classes as defined in this class action, neither the initial notice of pendency nor the
5 recent notice of the proposed settlement were provided to the Intermediary Accounts holders.

6 The Court hereby grants the Motion and orders that the following occur:

7 1. The parties are directed to execute the proposed amendments attached as Exhibits D
8 and E to the Motion.

9 2. Within seven (7) days of this Order, the Settlement Administrator is directed to send
10 a notice to all broker-dealer intermediaries identified in the Intermediary Account data provided by
11 Schwab. This notice will request that, for all accounts that held YieldPlus Fund shares at any time
12 from May 31, 2006 through and including March 17, 2008, the broker-dealer intermediary provide
13 names, addresses and all YieldPlus Fund transaction data. The notice will inform the broker-
14 dealers that, if it is not feasible to provide the YieldPlus Fund transaction data by October 1, 2010,
15 the broker-dealer intermediaries still must provide name and address information so that that proof
16 of claim forms may be sent to investors who held YieldPlus Fund shares in accounts with that
17 broker-dealer. The Court directs the broker-dealer intermediaries to promptly provide this
18 information so that the Intermediary Account holders may benefit from the proposed settlements.

19 3. After receiving the necessary data from the broker-dealer intermediaries, the
20 Settlement Administrator is to provide individual notice of the proposed settlement by U.S. Mail to
21 Intermediary Account holders who have allowed losses. Where the Settlement Administrator is
22 unable to obtain transaction data from the broker-dealer intermediary, the Settlement Administrator
23 is to send a proof of claim form to the investors who held YieldPlus Fund shares in Intermediary
24 Accounts. The notice will be in the forms attached as Exhibit B to Amendment No. 4 to
25 Stipulation of Settlement (Federal) and Exhibit B to Amendment No. 1 to Stipulation of Settlement
26 (California). The Court finds that this form and method of notice meets the requirements of
27 Federal Rule of Civil Procedure 23 and due process and is the best notice practicable under the
28 circumstances and constitutes due and sufficient notice.

1 4. Intermediary Account holders shall have at least 45 days from the date on which the
2 Intermediary Accounts Notice is sent to them in which to (i) provide the Settlement Administrator
3 with notice that he or she is opting out of the class, (ii) submit any objection to the settlement, or
4 (iii) where applicable, submit a proof of claim. Where the Settlement Administrator has or obtains
5 the necessary transaction data to determine allowed losses for a particular Intermediary Account
6 holder, the Intermediary Account holder will not be required to complete a proof of claim.
7 Otherwise, the Intermediary Accounts holder must complete a proof of claim in the form attached
8 to the notice and provide supporting documentation.

9 5. Schwab is directed to contribute an additional \$2,762,136.61 to the Settlement Fund
10 for the Federal Classes, and \$17,295.91 to the Settlement Fund for the California Class. As
11 described in the Declaration of Candace L. Preston Regarding Intermediary Accounts, these
12 amounts are intended to provide the class members in the Intermediary Accounts the same pro rata
13 recovery as other class members. The Court preliminarily approves the distribution plans set forth
14 in Amendment No. 4 to Stipulation of Settlement (Federal) and Amendment No. 1 to Stipulation of
15 Settlement (California).

16 6. Final approval hearing. A hearing to consider any objections filed by any class
17 member in the Intermediary Accounts is scheduled for December 15, 2010 at 2:00 p.m.

18
19 DATED: September 13, 2010.



20 THE HONORABLE WILLIAM ALSUP
21 UNITED STATES DISTRICT JUDGE