

United States District Court  
For the Northern District of California

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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  
AMENDMENT NO. 4 TO  
STIPULATION OF  
SETTLEMENT**

Prior to approval of amendment no. 4 to the stipulation of settlement, this order requires certain revisions:

*First*, the stipulated form of notice in Exhibit A to amendment no. 4 to the stipulation of settlement shall be amended to include the following:

“This is the third notice that you have received that relates to the legal proceeding identified above. The first one notified you that a class action had been certified and allowed you to opt out; the second one notified you that a settlement agreement had been reached; and this is the third notice. The reason for this notice is that a clarification has been made to the scope of the release of claims that you will be giving Schwab, namely, the release encompasses more claims than just those certified in the litigation for the federal securities class, of which you have been a member. As a result, you are being given another opportunity to opt out of the class action. If you still choose to proceed as a part of the class and not opt out, you will receive the compensation that the previous notice about the settlement told you that you would receive for your federal securities claims, as set forth in the appended estimate, and which in the Court’s

1 judgment is fair and adequate. Alternatively, you can choose to opt out and bring your own  
2 federal securities and/or Section 17200 claims, among other potential claims. In that case you  
3 would not be bound by the release in the settlement here but you will also not be entitled to  
4 receive the benefits of the settlement, namely the money recovery.”

5 The stipulated form of notice in Exhibit B shall be amended to include the following:

6 “This is the second notice that you have received that relates to the legal proceeding  
7 identified above. The first one notified you that a class action had been certified, as well as  
8 settled, and allowed you to opt out; this is the second notice. The reason for this notice is that a  
9 clarification has been made to the scope of the release of claims that you will be giving Schwab,  
10 namely, the release encompasses more claims than just those certified in the litigation for the  
11 federal securities class, of which you have been a member. As a result, you are being given  
12 another opportunity to opt out of the class action. If you still choose to proceed as a part of the  
13 class and not opt out, you will receive the compensation that the previous notice about the  
14 settlement told you that you would receive for your federal securities claims, as set forth in the  
15 appended estimate, and which in the Court’s judgment is fair and adequate. Alternatively, you  
16 can choose to opt out and bring your own federal securities and/or Section 17200 claims, among  
17 other potential claims. In that case you would not be bound by the release in the settlement here  
18 but you will also not be entitled to receive the benefits of the settlement, namely the money  
19 recovery.”

20 Based on these additions, counsel will please adjust the rest of both forms of notice to  
21 eliminate any possible confusion or unnecessary overlap.

22 *Second*, the notice shall disclose that the California class received an additional \$35  
23 million for release of their Section 17200 claims, and that for those California class members who  
24 were also members of the federal securities class, this was in addition to their recovery for their  
25 federal securities claims.

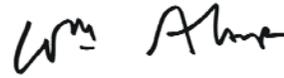
26 *Third*, paragraph 4.14 of the amendment shall be stricken. Class members will not be  
27 permitted to attend any fairness hearing by telephone.  
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*Fourth*, the parties shall substitute in the notice that the final fairness hearing will be on February 11, 2011, at 9:00 a.m.

The parties shall submit the revised forms of notice by **MONDAY, NOVEMBER 29, 2010, AT 2:00 P.M.**

Dated: November 23, 2010.



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WILLIAM ALSUP  
UNITED STATES DISTRICT JUDGE