

1 UNITED STATES DISTRICT COURT  
2 NORTHERN DISTRICT OF CALIFORNIA  
3 SAN FRANCISCO DIVISION  
4

5 SECURITIES AND EXCHANGE COMMISSION,

6 Plaintiff,

7 vs.

8 CHARLES SCHWAB INVESTMENT  
9 MANAGEMENT, CHARLES SCHWAB & CO.,  
INC., AND SCHWAB INVESTMENTS,

10 Defendants.  
11

Case No. C 11-00136 WHA

12  
13 **~~PROPOSED~~ ORDER APPOINTING TAX ADMINISTRATOR**

14 The Court having reviewed the Securities and Exchange Commission's  
15 ("Commission") motion to appoint Damasco & Associates LLP as Tax Administrator and for  
16 good cause shown,  
17

18 **IT IS HEREBY ORDERED:**

19 1. Damasco & Associates LLP is appointed as Tax Administrator to execute all  
20 income tax reporting requirements, including the preparation and filing of tax returns, with  
21 respect to funds under this Court's jurisdiction in this case (the "Distribution Fund").

22 2. Damasco & Associates LLP shall be designated the administrator of the Distribution  
23 Fund, pursuant to section 468B(g) of the Internal Revenue Code (IRC), 26 U.S.C. § 468B(g),  
24 and related regulations, and shall satisfy the administrative requirements imposed by those

1 regulations, including but not limited to (a) obtaining a taxpayer identification number, (b) filing  
2 applicable federal, state, and local tax returns and paying taxes reported thereon out of the  
3 Distribution Fund, and (c) satisfying any information, reporting, or withholding requirements  
4 imposed on distributions from the Distribution Fund. The Tax Administrator shall  
5 contemporaneously provide copies of all such filings to the Commission's counsel of record.

6 3. The Tax Administrator shall, at such times as the Tax Administrator deems necessary  
7 to fulfill the tax obligations of the Distribution Fund, request that the Commission's counsel of  
8 record file with the Court a motion, supported by the Tax Administrator's declaration of the  
9 amount of taxes due, to transfer funds from the Distribution Fund on deposit with the Court to  
10 pay any tax obligations of the Distribution Fund.

11 4. The Tax Administrator shall be entitled to charge reasonable fees for tax compliance  
12 services and related expenses in accordance with its agreement with the Commission. The Tax  
13 Administrator shall, at such times as the Tax Administrator deems appropriate, submit a  
14 declaration of fees and expenses to Charles Schwab Investment Management and Charles  
15 Schwab & Co., Inc. for payment. A copy of each declaration also shall be sent to the  
16 Commission's counsel of record.

17 Dated: March 8, 2011.



18  
19 WILLIAM ALSUP  
UNITED STATES DISTRICT JUDGE