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7 Milliner, Joanne Brem, and the putative class

FILED

JUN 06 2018

SUSAN Y SOONG  
CLERK, U.S. DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
OAKLAND

8 UNITED STATES DISTRICT COURT  
9 NORTHERN DISTRICT OF CALIFORNIA

10 CHARLOTTE B. MILLINER, as trustee of  
11 the Charlotte B. Milliner Trust dated  
12 January 30, 1997, and as owner and holder  
13 of the CHARLOTTE B. MILLINER SEP  
14 IRA; JOANNE BREM, as Trustee of the  
15 Van Santen-Brem Revocable Trust, for  
16 themselves and on behalf of all others  
17 similarly situated,

18 Plaintiffs,

19 v.

20 MUTUAL SECURITIES, INC., a  
21 California corporation;

22 Defendant.

Case No. 15-cv-03354 JD

STIPULATION AND ORDER RE:  
ESTABLISHMENT OF QUALIFIED  
SETTLEMENT FUND

23 Plaintiffs Charlotte B. Milliner (as trustee of the Charlotte B. Milliner Trust dated  
24 January 30, 1997, and as owner and holder of the CHARLOTTE B. MILLINER SEP IRA), and  
25 Joanne Brem (as Trustee of the Van Santen-Brem Revocable Trust)(“Plaintiffs); and Defendant  
26 Mutual Securities, Inc., (“Defendant”), have entered into a Settlement Agreement (the  
“Settlement Agreement”) in this Action;

1 Pursuant to the terms of the Settlement Agreement, the parties have agreed to establish a  
2 Qualified Settlement Fund ("QSF") under Internal Revenue Code §468B and Treasury  
3 Regulations §1.468B-1 *et seq.* to satisfy claims in the underlying Action and facilitate the  
4 settlement and settlement funding.

5 In furtherance of the terms of the Settlement Agreement, Plaintiffs and Defendant, by and  
6 through their respective counsel, hereby stipulate to entry of an order establishing a QSF as  
7 follows:

8 1. A QSF will be established pursuant to §468B of the Internal Revenue Code of 1986, as  
9 amended and Treasury Regulation §§1.468B-1, *et seq.*

10 2. In accordance with Plaintiffs' nomination, Frontier Wealth Strategies, Inc., located at  
11 1990 North California Boulevard, 8th Floor, Walnut Creek, California, will serve as the  
12 Administrator of the QSF (the "Administrator") within the meaning of *Treas. Reg.* §1.468B-  
13 2(k)(3), and shall have all the rights, powers, protections, duties, and obligations expressly  
14 provided therein. The Administrator will obtain a Federal Taxpayer Identification Number for  
15 the QSF upon the execution of this Order by the Court. If at any time Frontier Wealth Strategies,  
16 Inc. is unable to act as administrator, the appointment will terminate and Plaintiffs will seek  
17 Court approval of their nominated successor administrator. No bond shall be required for the  
18 QSF or the Administrator.

19 3. The Administrator shall be empowered to take all actions as the Administrator deems  
20 necessary to ensure that the QSF continues to qualify as a qualified settlement fund under  
21 Internal Revenue Code §468B and Treasury Regulations §1.468B-1 *et seq.* Notwithstanding  
22 anything to the contrary herein, in the event that any provision may be considered cause for the  
23 QSF to fail to qualify as a qualified settlement fund, such provision will be considered null, void,  
24 and of no effect, without any action by any court or by the Administrator, so that the QSF  
25 continues to qualify as a qualified settlement fund.

26 4. Defendant will pay the Settlement Payment into the QSF in accordance with the terms of  
the Settlement Agreement, and as further instructed by the Administrator. The Settlement  
Payment will be the sole property of the QSF, and any accounts opened by the Administrator

1 will be in the name of the QSF. Defendant (including related persons) will have no interest in  
2 the QSF, and in no event will any of the monies paid into the QFS be refunded to Defendant or  
3 related persons. Until such time as funds are distributed from the QSF, neither Plaintiffs nor  
4 their agents will be deemed in constructive receipt of the Settlement Payment, nor shall they  
5 have any right to mortgage, pledge, assign, transfer or encumber the same in any manner.

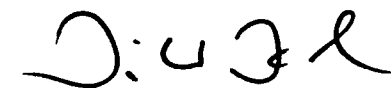
6 5. The QSF, through the Administrator, and Plaintiffs through their counsel, shall agree to  
7 the distribution of funds from the QSF, by executing any necessary documents required or  
8 related to those distributions. The QSF may purchase and assign structured settlements created  
9 under an agreement with Plaintiffs and/or their counsel. The Administrator shall also be  
10 authorized to enter into non-qualified assignments for the convenience of the Plaintiffs to the  
11 extent that attorneys' fees are to be paid as part of their obligations under existing fee  
12 agreements.

13 6. The Administrator is authorized, upon final distribution of all monies from the QSF, to  
14 take appropriate steps to wind down the QSF and thereafter be discharged from any further  
15 responsibility with respect to the QSF. The Administrator may, but shall not be obligated to,  
16 seek a final order of discharge from the Court.

17 7. This Court retains jurisdiction over all matters covered by, or related to, this Order.

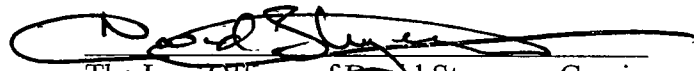
18  
19 SO STIPULATED:

20 Dated: 6/1/18



Winget Spadafora & Schwartzberg LLP,  
Attorneys for Defendant Mutual Securities, Inc.

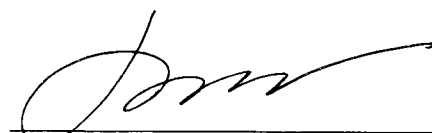
22 Dated: 6/1/18



The Law Offices of David Sturgeon-Garcia,  
Attorneys for Plaintiffs

25 SO ORDERED.

26 Dated: 6/6/18



DONNA M. RYU  
United States Magistrate Judge