

**UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION**

Jonathan Corrente, et al.,

Plaintiffs,

v.

The Charles Schwab Corporation,

Defendant.

Case No. 4:22-cv-470-ALM

Hon. Amos L. Mazzant, III

**PLAINTIFFS' UNOPPOSED MOTION FOR
PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT**

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INTRODUCTION

Plaintiffs Jonathan Corrente, Charles Shaw, and Leo Williams respectfully request preliminary approval of the proposed class settlement (“Settlement”) they have reached with Defendant The Charles Schwab Corporation (“Schwab”).

After arm’s-length negotiations facilitated by an experienced mediator, the Hon. Nancy F. Atlas (Ret.), the parties entered into the Stipulation and Agreement of Settlement (“Settlement Agreement”) attached as Exhibit 1. The Settlement provides meaningful injunctive relief to Plaintiffs and settlement class members consisting of current U.S. brokerage customers of Schwab and its affiliates (the “Settlement Class”) based on Plaintiffs’ claims, under Section 7 of the Clayton Act, that the 2020 merger between Schwab and TD Ameritrade Holding Corporation substantially lessened competition in an asserted market for retail order flow, thereby allegedly affecting the price improvement on trades by Schwab brokerage customers and reducing transparency regarding how those trades are routed to market makers.

As shown below, the Settlement readily satisfies the standard for preliminary approval—namely, that at the final-approval stage, the Court will likely find the Settlement fair, reasonable, and adequate under Rule 23(e)(2) and will likely certify the Settlement Class. *See* Fed. R. Civ. P. 23(e)(1)(B). Plaintiffs therefore respectfully request that the Court enter the proposed order: 1) certifying the proposed class for settlement purposes; 2) preliminarily approving the Settlement; 3) provisionally appointing Yavar Bathaee of Bathaee Dunne LLP and Christopher M. Burke of Burke LLP as co-lead class counsel; 4) provisionally appointing Plaintiffs as class representatives; 5) approving the proposed notice plan; and 6) setting a fairness hearing for final approval of the Settlement and to consider the application for attorney’s fees, service awards, and reimbursement of litigation costs and expenses.

BACKGROUND

I. HISTORY OF THE LITIGATION

On June 2, 2022, Plaintiffs filed a class action complaint challenging the merger between Schwab and TD Ameritrade Holding Corporation (“Ameritrade”) (the “Merger”) under Section 7 of the Clayton Act, seeking damages and injunctive relief. *See* Compl., ECF No. 1; Joint Decl. of Christopher Burke and Yavar Bathaee (“Burke/Bathaee Decl.”) ¶ 5. Plaintiffs allege the Merger substantially lessened competition in an asserted Retail Order Flow Market (“ROFM”), harming Schwab brokerage customers in the form of reduced price improvement on trades through their brokerage accounts and reduced transparency regarding how their trade orders are routed to market makers. Burke/Bathaee Decl. ¶ 6.

On August 29, 2022, Schwab filed a motion to dismiss, which the Court denied on February 24, 2023. ECF Nos. 18, 40. Discovery opened following the parties’ Rule 26(f) conference on October 12, 2022. On December 1, 2022, Plaintiffs served their First Set of Interrogatories and Requests for Admission on Schwab. Burke/Bathaee Decl. ¶ 9.

On March 15, 2023, Plaintiffs deposed Schwab through its Rule 30(b)(6) designee, a Senior Vice President. Burke/Bathaee Decl. ¶ 9. Plaintiffs also deposed four key Schwab and Ameritrade executives prior to settlement discussions: Schwab’s Managing Director of Market and Execution Services; Managing Director of Corporate Development; Managing Director of Trading Order Management and Risk; and Managing Director of Trading Operation, Equity, Options and Futures Trading Operations. *Id.* In addition, Schwab produced approximately 218,319 documents comprising 950,021 pages, of which Plaintiffs have conducted a thorough review for merits and expert purposes. *Id.*

Plaintiffs’ experts conducted extensive statistical analysis to investigate and test the hypothesis that the Merger reduced price improvement on trades below the levels that would have

prevailed absent the Merger. This analysis involved processing voluminous data on more than 6 billion trades. Burke/Bathae Decl. ¶ 10.

During discovery, Plaintiffs filed two motions to compel against Schwab. ECF Nos. 80, 109; Burke/Bathae Decl. ¶ 11. Discovery proceeded until July 2024, when the parties jointly moved for the appointment of a mediator and a stay of most case deadlines to facilitate settlement discussions. ECF No. 140.

II. THE PROPOSED SETTLEMENT

By mutual agreement, the Hon. Nancy F. Atlas (Ret.), held a full-day, in-person mediation session on July 9, 2024, with the parties. Burke/Bathae Decl. ¶ 12. Although the parties did not reach a resolution at the mediation, they conceived of a conceptual framework for a potential resolution and resolved to continue further negotiations thereafter with Judge Atlas's assistance. On July 24, 2024, the parties jointly requested that the Court formally appoint Judge Atlas to serve as a mediator. *Id.* ¶ 13. The Court granted this request on July 29, 2024, mooting the pending discovery motions and staying all other case deadlines except for Plaintiffs' deadline to file a motion for class certification and associated expert reports, which it reset to October 7, 2024. ECF No. 141; Burke/Bathae Decl. ¶ 13. After providing a status report on August 23, 2024, indicating that the negotiations had made significant progress, the parties jointly reported on September 27, 2024, to the Court that they had reached an agreement in principle with respect to settlement that had been reduced to a signed term sheet. ECF Nos. 142, 145; Burke/Bathae Decl. ¶¶ 15-16. On October 1, 2024, the Court stayed all remaining case deadlines, and since then, the parties have provided further status reports on the process of finalizing the settlement. ECF No. 146; Burke/Bathae Decl. ¶ 16. After months of further negotiation, the parties executed the Stipulation and Agreement of Settlement on December 12, 2024. Burke/Bathae Decl. ¶ 18.

A. The Settlement Class

The proposed Settlement Class is defined as:

persons, entities, and corporations who are current U.S. brokerage customers of Schwab or any of its affiliates, including customers who previously held accounts at TD Ameritrade.

Excluded from the Settlement Class are: (a) the Defendant; (b) its employees, officers, directors, legal representatives, heirs, successors, and wholly or partly owned subsidiaries or affiliates; and (c) the judicial officers and their immediate family members and associated court staff assigned to this case. Because the Settlement provides prospective relief that will benefit current and future Schwab customers only, the proposed Settlement Class is narrower than the class defined in the Complaint, which also encompassed past customers seeking damages for past conduct, *see* Compl. ¶¶ 464-65. *See Zaragoza v. Union Pac. R.R. Co.*, 112 F.4th 313, 318-19 (5th Cir. 2024) (court may “redefine” pleaded class definition “as appropriate in response to the progression of the case from assertion to facts”).

B. The Settlement Relief

The parties agreed to jointly retain an independent consultant at Schwab’s expense to design an antitrust compliance program that Schwab will implement. The parties interviewed several candidates before submitting the Settlement for preliminary approval and have agreed to retain a team of attorneys from Fried, Frank, Harris Shriver & Jacobson LLP, including Bernard A. Nigro, Jr., Aleksandr Livshits, and Nihal Patel, to serve as the consultant. Mr. Nigro is Global Chair of Fried Frank’s Antitrust and Competition Department. Mr. Nigro previously served as the Department of Justice’s Principal Deputy Assistant Attorney General for Antitrust and the Federal Trade Commission’s Deputy Director for the Bureau of Competition. While in government, Mr. Nigro worked on revisions to the merger guidelines and remedies policies. In private practice, Mr. Nigro has advised numerous companies on antitrust compliance issues. Mr. Livshits represents

clients in connection with antitrust merger reviews, including governmental investigations of complex cross-border transactions, as well as antitrust compliance issues. Mr. Patel represents financial institutions and buy-side market participants on regulatory and compliance issues relating to securities and derivatives training. Mr. Patel regularly advises broker-dealers on regulatory issues. Burke/Bathae Decl. ¶ 21. Messrs. Nigro, Livshits, and Patel's combined experience, covering antitrust and financial institutions, makes them an ideal fit for this matter.

In designing the antitrust compliance program, the consultant will consider (without limitation) the following areas of Schwab's business:

- Policies, practices, and procedures related to Schwab's communications with and among market makers and other broker-dealers;
- Policies, practices, and procedures related to Schwab's order routing and execution, including those pertaining to Schwab's order routing allocations and price improvement as provided by market makers to Schwab's retail customers who trade equities and options;
- Policies, practices, and procedures applicable to Schwab's order routing committees and decisionmakers, including as to communications and coordination with market makers and other broker-dealers; and
- Schwab's post-merger disclosures, reporting, statements, and other communications with retail clients regarding transaction-related price improvement and order routing that may promote inter-brand competition among broker-dealers.

Settlement Agmt. (Ex. 1) ¶ 2.2. These areas are directly implicated in Plaintiffs' allegations that the Merger has led to a substantial lessening of competition in an asserted Retail Order Flow Market, leading to decreased price improvement and reduced transparency regarding order routing for Schwab customers.

Plaintiffs believe the antitrust compliance program will provide tangible benefits to members of the Settlement Class and future Schwab customers by further ensuring price improvement on trades (which would provide direct monetary benefits) and transparency

regarding order routing (which would provide information that could be used to select broker dealers).

C. Scope of the Release

The Settlement releases the claims of the members of the Settlement Class as to all injunctive and other equitable or non-monetary claims or remedies asserted or that could have been asserted in the action, including any claim for divestiture. Settlement Agmt. (Ex. 1) ¶¶ 1.33, 3.3, 3.6. Schwab also has agreed to pay each of the three Plaintiffs \$50 in return for releasing their individual damages claims. *Id.* ¶ 2.1. The Settlement does not release any right of absent class members to bring damages claims, either individually or on behalf of a class.

D. Notice to the Class

Notice to the Settlement Class will be administered by a notice administrator, which shall send the Summary Notice via email or postcard notice, substantially in the form of Exhibits B and C to the Declaration of Michael T. Norheim (“Norheim Decl.”) (Summary Notice), directly to all potential Settlement Class members for which contact information is available. The notice administrator shall also make the Long Form Notice substantially in the form of Exhibit D to the Norheim Declaration available to the Settlement Class on the settlement website. The costs of notice to the Settlement Class shall be paid by Schwab. Settlement Agmt. (Ex.1) ¶ 6.7.

E. Attorney’s Fees, Costs, and Expenses and Representative Plaintiff Service Awards

Counsel for Plaintiffs’ (“Plaintiffs’ Counsel”) will apply to the Court for an award of attorney’s fees and reimbursement of litigation costs and expenses to be paid by Schwab. Settlement Agmt. (Ex. 1) ¶ 7.1. The parties did not discuss the amounts of attorney’s fees, costs, and expenses Plaintiffs’ Counsel will seek prior to agreeing on relief for the Settlement Class. Instead, they mediated the issue before Judge Atlas on January 24, 2025. The notice given to the

class and the proposed settlement website will disclose that Plaintiffs' Counsel will seek an award of attorney's fees in an amount not exceeding \$8,250,000 and reimbursement of litigation expenses and costs in an amount not exceeding \$700,000. Plaintiffs' Counsel also intend to apply for service awards of up to \$5,000 for each Plaintiff for service undertaken on behalf of the Settlement Class in connection with the litigation of this action. Burke/Bathae Decl. ¶ 19.

ARGUMENT

A class action “may be settled, voluntarily dismissed, or compromised only with the court’s approval.” Fed. R. Civ. P. 23(e). Where the parties have reached a proposed settlement, Rule 23(e)(1)(B) requires a court to “direct notice in a reasonable manner to all class members who would be bound by the proposal if giving notice is justified by the parties’ showing that the court will likely be able to: (i) approve the proposal under Rule 23(e)(2); and (ii) certify the class for purposes of judgment on the proposal.” Fed. R. Civ. P. 23(e)(1)(B).

“To approve the settlement, a court must first determine whether the class should be preliminarily certified for settlement purposes.” *Kostka v. Dickey’s Barbecue Restaurants, Inc.*, 2022 WL 16821685, at *2 (N.D. Tex. Oct. 14, 2022) (citations omitted), *report and recommendation adopted*, 2022 WL 16821665 (N.D. Tex. Nov. 8, 2022). “If a court preliminarily certifies the class, it then moves to the preliminary fairness evaluation” under Rule 23(e)(2). *Id.* “[I]f the Court determines that the settlement is fair, the Court directs that notice pursuant to Rule 23(e) be given to the class members of a formal fairness hearing, at which arguments and evidence may be presented in support of and in opposition to the settlement.” *Id.* (citation omitted).

I. PLAINTIFFS HAVE ARTICLE III STANDING

For a court to approve a proposed class action settlement, at least one named plaintiff must have Article III standing. *Frank v. Gaos*, 586 U.S. 485, 492 (2019). As current Schwab brokerage customers, Corrente Decl. ¶ 5; Shaw Decl. ¶ 5; Williams Decl. ¶ 5, all three Plaintiffs maintain

that they have Article III standing to seek the injunctive relief provided for in the Settlement. They allege an “imminent” (in fact, ongoing) injury—underpayment for their order flow, in the form of reduced price improvement on their trades, and reduced transparency regarding order routing, *see, e.g.*, Compl. ¶¶ 3, 35, 448-59.¹ *See Perez v. McCreary, Veselka, Bragg & Allen, P.C.*, 45 F.4th 816, 827 (5th Cir. 2022) (where injunctive relief is sought, plaintiff may show standing based on “a material risk of future harm . . . , at least so long as the risk of harm is sufficiently imminent and substantial” (quoting *TransUnion LLC v. Ramirez*, 594 U.S. 413, 435, 141 S. Ct. 2190, 2210 (2021))). And Plaintiffs’ threatened injury (and that of other members of the Settlement Class) would be redressed by the injunctive relief provided for in the Settlement. *See TransUnion*, 594 U.S. at 423 (standing requires “that the injury would likely be redressed by judicial relief”). As discussed, the antitrust compliance program to be implemented by Schwab would target the very areas of Schwab’s business where Plaintiffs allege the competitive forces affecting price improvement have been suppressed by the Merger. *See supra* Background Part I; *see, e.g., Kostka*, 2022 WL 16821685, at *5 (finding redressability where plaintiffs alleged their injuries “may be redressed by . . . potential equitable relief to prevent future harm”).

II. THE PROPOSED CLASS SHOULD BE PRELIMINARILY CERTIFIED

In considering whether to certify a settlement class, a court must consider whether the requirements of Rule 23 have been satisfied. *Amchem Prods., Inc. v. Windsor*, 521 U.S. 591, 620 (1997). “Specifically, all Rule 23(a) factors and at least one subsection of Rule 23(b) must be satisfied, except that the Court need not consider the manageability of a potential trial, since the

¹ Because the parties are settling at the class-certification stage, “the Court only considers whether the [s]ettling [p]laintiffs have ‘plausibly alleged’ the minimum requirements for Article III standing.” *Kostka*, 2022 WL 16821685, at *4 (quoting *Lujan v. Defs. of Wildlife*, 504 U.S. 555, 561 (1992), and citing *Earl v. Boeing Co.*, 339 F.R.D. 391, 412 (E.D. Tex. 2021) (Mazzant, J.)).

settlement, if approved, would obviate the need for one.” *Duncan v. JPMorgan Chase Bank, N.A.*, 2015 WL 11623393, at *2 (W.D. Tex. Oct. 21, 2015) (citing *Amchem*, 521 U.S. at 620). Plaintiffs here seek to certify an injunctive-relief class under Rule 23(b)(2). In addition, an “implied prerequisite” of Rule 23 is that the proposed class be “ascertainable.” *John v. Nat’l Sec. Fire & Cas. Co.*, 501 F.3d 443, 445 (5th Cir. 2007). Each of these elements is satisfied such that the Court “will likely be able to certify the class” at the final approval stage, Fed. R. Civ. P. 23(e)(1)(B), and accordingly the Settlement Class should be preliminarily certified.

A. The Settlement Class Is Ascertainable

To satisfy the ascertainability requirement, the class must be “adequately defined and clearly ascertainable.” *DeBremaecker v. Short*, 433 F.2d 733, 734 (5th Cir. 1970). The Settlement Class fits the bill. The class is defined (with narrow exceptions) to include: persons, entities, and corporations who are current U.S. brokerage customers of Schwab or any of its affiliates, including customers who previously held accounts at Ameritrade. Whether someone is in the class is objectively determinable by reference to their status as a current brokerage customer of Schwab or its affiliated entities. And as current customers, these class members will be identifiable through Schwab’s customer records and reachable by email, mail, or whatever other means Schwab uses to contact its customers. This is not the sort of “amorphous” or “imprecise” class definition that might defeat ascertainability. *See Braidwood Mgmt., Inc. v. Equal Emp. Opportunity Comm’n*, 70 F.4th 914, 933 n.36 (5th Cir. 2023). The ascertainability requirement is satisfied.

B. The Rule 23(a) Requirements Are Met

The Rule 23(a) factors are: numerosity, commonality, typicality, and adequacy of representation. *Braidwood Mgmt.*, 70 F.4th at 933. Each is met here.

1. Numerosity

Rule 23(a)(1) requires that “the class is so numerous that joinder of all members is impracticable.” Schwab’s records establish that the Settlement Class consists of approximately 36 million members. This is far more than sufficient to satisfy the numerosity requirement. *See Mullen v. Treasure Chest Casino, LLC*, 186 F.3d 620, 624 (5th Cir. 1999) (holding that a class of 100 to 150 members “is within the range that generally satisfies the numerosity requirement”).

2. Commonality

Rule 23(a)(2) requires that “there are questions of law or fact common to the class.” Commonality is satisfied where the putative class members’ claims “depend upon a common contention” that “must be of such a nature that it is capable of class-wide resolution—which means that determination of its truth or falsity will resolve an issue that is central to the validity of each one of the claims in one stroke.” *Yates v. Collier*, 868 F.3d 354, 361 (5th Cir. 2017) (quoting *Wal-Mart Stores, Inc. v. Dukes*, 564 U.S. 338, 350 (2011)). “[E]ven a single common question will do.” *Id.* at 365 n.6 (quoting *Wal-Mart*, 564 U.S. at 359).

There are several questions of law and fact that are capable of classwide resolution here, including: (1) whether the U.S. Retail Order Flow Market is a relevant antitrust market; (2) whether the effect of the Merger “may be substantially to lessen competition” in the ROFM, per Section 7 of the Clayton Act, 15 U.S.C. § 18; and (3) whether there is “threatened” loss or damage from the Merger entitling Plaintiffs and the class members to injunctive relief under Section 16 of the Clayton Act, 15 U.S.C. § 26. The commonality requirement is satisfied.

3. Typicality

Rule 23(a)(3) requires that “the claims or defenses of the representative parties are typical of the claims or defenses of the class.” Typicality “focuses on the similarity between the named plaintiffs’ legal and remedial theories and the theories of those whom they purport to represent.

. . . If the claims arise from a similar course of conduct and share the same legal theory, factual differences will not defeat typicality.” *Angell v. GEICO Advantage Ins. Co.*, 67 F.4th 727, 736 (5th Cir. 2023) (citations omitted).

Plaintiffs’ claims and those of the other members of the Settlement Class all arise from the same course of conduct and are based on the same alleged legal theory—that the Merger will substantially lessen competition in the ROFM (as it already has done), resulting in reduced price improvement on future trades for all or most Schwab brokerage customers. Typicality is satisfied.

4. Adequacy of Representation

Rule 23(a)(4) requires that “the representative parties will fairly and adequately protect the interests of the class.” Adequacy involves the following factors: “(1) the zeal and competence of the representatives’ counsel; (2) the willingness and ability of the representatives to take an active role in and control the litigation and to protect the interests of absentees; and (3) the risk of conflicts of interest between the named plaintiffs and the class they seek to represent.” *Angell v. GEICO Advantage Ins. Co.*, 67 F.4th 727, 737 (5th Cir. 2023) (cleaned up).

Plaintiffs have demonstrated that they are well suited to represent the Settlement Class. They have taken an active role in this litigation since before the filing of the Complaint, including by cooperating in discovery and approving the terms of the Settlement. Corrente Decl. ¶ 10; Shaw Decl. ¶ 10; Williams Decl. ¶ 10. There are no conflicts of interest between Plaintiffs and the Settlement Class. As current Schwab brokerage customers, Plaintiffs have the same interest as the rest of the class in establishing Schwab’s liability and will benefit from the proposed injunctive relief in the same way as other class members. And while Plaintiffs will each receive \$50 from Schwab in return for releasing their individual damages claims, any damages claims of absent class members are not being released under the Settlement, so there is no concern that Plaintiffs have sacrificed the rights of absent class members for their own benefit. Finally, Plaintiffs’ Counsel are

well qualified to represent the Settlement Class, as they each possess significant experience prosecuting complex class actions, including antitrust class actions. *See* Burke/Bathae Decl. ¶¶ 24-34.

C. The Rule 23(b)(2) Requirements Are Met

Plaintiffs seek certification of an injunctive-relief class under Rule 23(b)(2), which applies when “the party opposing the class has acted or refused to act on grounds that apply generally to the class, so that final injunctive relief or corresponding declaratory relief is appropriate respecting the class as a whole.” Certification under Rule 23(b)(2) is available if three requirements are met: “(1) class members must have been harmed in essentially the same way; (2) injunctive relief must predominate over monetary damage claims; and (3) the injunctive relief sought must be specific. The specificity element requires plaintiffs to give content to the injunctive relief they seek so that final injunctive relief may be crafted to describe in reasonable detail the acts required.” *Yates v. Collier*, 868 F.3d 354, 366-67 (5th Cir. 2017) (cleaned up).

These elements are met here. First, Plaintiffs allege that as a result of the Merger, all members of the Settlement Class will be harmed in “essentially the same way,” by underpayment for their retail order flow, in the form of reduced price improvement on trades through their Schwab brokerage accounts. Second, injunctive relief more than “predominates”—it is the only relief sought. Finally, the injunctive relief sought is specific. The Settlement not only requires the engagement of a consultant (whom the parties have already selected) to design an antitrust compliance program to be implemented by Schwab, but it also directs the consultant to examine specific areas of Schwab’s business where Plaintiffs allege competitive forces have been diminished due to the Merger and where Plaintiffs allege remedial measures are most likely to benefit class members. *See supra* Background Part II.B. This provides more than enough detail as

to the “acts required” under the requested injunctive relief to support certification under Rule 23(b)(2). *See Yates*, 868 F.3d at 368.

* * *

Because the Settlement Class is ascertainable and the Rule 23(a) and Rule 23(b)(2) factors are satisfied, the Court “will likely be able to certify the class” at the final approval stage, Fed. R. Civ. P. 23(e)(1)(B). The Settlement Class should be preliminarily certified.

III. THE SETTLEMENT MERITS PRELIMINARY APPROVAL

To be approved, a proposed settlement must be “fair, reasonable, and adequate.” Fed. R. Civ. P. 23(e)(2). Under Rule 23(e)(2), courts making this determination look to whether:

- (A) the class representatives and class counsel have adequately represented the class;
- (B) the proposal was negotiated at arm’s length;
- (C) the relief provided for the class is adequate, taking into account:
 - (i) the costs, risks, and delay of trial and appeal;
 - (ii) the effectiveness of any proposed method of distributing relief to the class, including the method of processing class-member claims;
 - (iii) the terms of any proposed award of attorney’s fees, including timing of payment; and
 - (iv) any agreement required to be identified under Rule 23(e)(3); and
- (D) the proposal treats class members equitably relative to each other.

Fed. R. Civ. P. 23(e)(2). In evaluating a proposed settlement, courts should consider the “overriding public interest in favor of settlement” in class action suits, *Cotton v. Hinton*, 559 F.2d 1326, 1331 (5th Cir. 1977). *See ODonnell v. Harris Cnty., Tex.*, 2019 WL 4224040, at *8 (S.D. Tex. Sept. 5, 2019).

Before the amendment of Rule 23(e)(2) in 2018, the Fifth Circuit had set forth a six-factor test (the “*Reed* Test”) to determine the appropriateness of a proposed settlement: “(1) the existence of fraud or collusion behind the settlement; (2) the complexity, expense, and likely duration of the litigation; (3) the stage of the proceedings and the amount of discovery completed; (4) the probability of plaintiffs’ success on the merits; (5) the range of possible recovery; and (6) the opinions of the class counsel, class representatives, and absent class members.” *Reed v. Gen. Motors Corp.*, 703 F.2d 170, 172 (5th Cir. 1983); accord *Jones v. Singing River Health Servs. Found.*, 865 F.3d 285, 293 (5th Cir. 2017). The 2018 amendment of Rule 23(e)(2) does not displace the largely overlapping *Reed* Test; rather, the *Reed* factors inform courts’ application of the Rule 23(e)(2) requirements. *See Kostka*, 2022 WL 16821685, at *10 (citing Fed. R. Civ. P. 23(e)(e) advisory committee’s note to 2018 amendment).

The proposed settlement here meets the Rule 23(e)(2) requirements and should be preliminarily approved.

A. Plaintiffs and Counsel Have Adequately Represented the Class

As discussed above with respect to Rule 23(a)(4), Plaintiffs and Plaintiffs’ Counsel have adequately represented the Settlement Class, *see* Fed. R. Civ. P. 23(e)(2)(A). *See supra* Argument Part II.B.4. Plaintiffs have been actively involved in the litigation and in approving the terms of the Settlement and their interests are aligned with those of the absent class members. Plaintiffs’ Counsel have extensive experience in complex class actions, including antitrust class actions, have zealously prosecuted the class’s claims, and have negotiated for injunctive relief that will meaningfully benefit class members. This factor favors preliminary approval of the settlement.

B. The Settlement Was Negotiated at Arm’s Length

The Settlement was negotiated at arm’s length under the auspices of an experienced and esteemed mediator, the Hon. Nancy F. Atlas (Ret.), satisfying both Rule 23(e)(2)(B) and the first

Reed factor (concerning the existence of fraud or collusion behind the settlement). “The involvement of an experienced and well-known mediator is . . . a strong indicator of procedural fairness.” *Jones*, 865 F.3d at 295 (internal quotation marks omitted). In her attached declaration, Judge Atlas affirms that the negotiations were conducted at arm’s length. Atlas Decl. ¶¶ 6-9; *see, e.g., Jones*, 865 F.3d at 295 (crediting mediator’s affidavit affirming that “[a]t all times, the participating parties’ negotiations were civil, professional, but hard fought. The negotiations were conducted at arm’s length without collusion.”). A court may “presume that no fraud or collusion occurred between opposing counsel in the absence of any evidence to the contrary,” *Kostka*, 2022 WL 16821685, at *10 (citation omitted), and such a presumption is warranted here. This factor favors preliminary approval.

C. The Relief Provided for the Class Is Adequate

Rule 23(e)(2)(C) asks whether the proposed relief is adequate, taking into account: “(i) the costs, risks, and delay of trial and appeal; (ii) the effectiveness of any proposed method of distributing relief to the class, including the method of processing class-member claims; (iii) the terms of any proposed award of attorney’s fees, including timing of payment; and (iv) any agreement required to be identified under Rule 23(e)(3).” Considering these factors, the antitrust compliance program provided for in the Settlement—which would focus on the areas of Schwab’s business that Plaintiffs allege were affected by the Merger—provides exceptional value to the Settlement Class. Indeed, the mediator, Judge Atlas, has expressed her view that “the settlement provides meaningful relief to the members of the settlement class.” Atlas Decl. ¶ 10.

Enhancing this value is the fact that the Settlement preserves any right that absent class members have to bring damages claims (including on behalf of a class). “[T]he relief provided to the class cannot be assessed in a vacuum. Rather, the settlement’s benefits must be considered by comparison to what the class actually gave up by settling.” *Campbell v. Facebook, Inc.*, 951 F.3d

1106, 1123 (9th Cir. 2020). As in *Campbell*, a leading case on injunctive-relief-only class settlements, the Settlement Class “gave up very little” to obtain the injunctive relief provided for in the Settlement, which weighs heavily in favor of a finding that the relief is adequate. *See id.* (“Here, the class did not need to receive much for the settlement to be fair because the class gave up very little.”); *see also id.* at 1124 (noting that “the settlement here expressly excludes any release of absent class members’ claims for damages”).

1. The costs, risks, and delay of trial and appeal

The first Rule 23(e)(2)(C) consideration—“the costs, risks, and delay of trial and appeal”—implicates four of the *Reed* factors: “(2) the complexity, expense, and likely duration of the litigation; (3) the stage of the proceedings and the amount of discovery completed; (4) the probability of plaintiffs’ success on the merits; [and] (5) the range of possible recovery.” *Kostka*, 2022 WL 16821685, at *11 (quoting *Reed*, 703 F.2d at 172). Examining these factors supports a finding that the proposed injunctive relief is adequate.

Complexity, expense, and likely duration of litigation. This litigation involves complex legal and factual issues and—in the absence of a settlement—is virtually certain to continue for years, at significant expense to both sides. To establish a claim under Section 7 of the Clayton Act, Plaintiffs will have to show that the effect of the Merger “may be substantially to lessen competition.” 15 U.S.C. § 18. This requires defining a relevant market (*i.e.*, the ROFM), “establish[ing] a prima facie case that the merger is likely to substantially lessen competition in the relevant market,” and, if Schwab were to rebut that prima facie case, “producing additional evidence of anticompetitive effects.” *Illumina, Inc. v. Fed. Trade Comm’n*, 88 F.4th 1036, 1047–48 (5th Cir. 2023). To obtain injunctive relief, Plaintiffs would also need to show “a threat of antitrust injury.” *Cargill, Inc. v. Monfort of Colo., Inc.*, 479 U.S. 104, 122 (1986). And Plaintiffs would need to establish the requirements for proceeding on a classwide basis under Rule 23. While

Plaintiffs are confident they would prevail, many of these issues would be vigorously contested by Schwab. *Cf. In re N.J. Tax Sales Certificates Antitrust Litig.*, 750 F. App'x 73, 79 (3d Cir. 2018) (affirming district court finding that antitrust case was “complex” to prosecute “in light of the elements Plaintiffs must demonstrate to establish their claim under § 1 of the Sherman Act”). Moreover, this action involves “complex factual questions involving the . . . securities industry, which would likely require expert testimony, complex models, and analysis of financial data.” *Athale v. Sinotech Energy Ltd.*, 2013 WL 11310686, at *4 (S.D.N.Y. Sept. 4, 2013); *see also Utah Ret. Sys. v. Healthcare Servs. Grp., Inc.*, 2022 WL 118104, at *8 (E.D. Pa. Jan. 12, 2022) (“Lead Plaintiff’s theory of liability, and the defenses proffered by Defendants, require sophisticated analysis of complex financial data and accounting rules before the case could proceed to trial.”).

Finally, though this litigation has been pending for two-and-a-half years, it has yet to reach the class-certification stage and would likely go on for years absent a settlement. Given the hard-fought nature of this case to date, “[a]dditional litigation would likely include: (1) contested class certification proceedings; (2) an appeal under Federal Rule of Procedure 23(f); (3) dispositive motions; (4) expert depositions leading to *Daubert* challenges; (5) extensive pretrial filings; (6) a lengthy trial; (7) post-trial proceedings in this District Court; and (8) further appeals.” *DeHoyos v. Allstate Corp.*, 240 F.R.D. 269, 291-92 (W.D. Tex. 2007); *see also Rodriguez v. W. Publ’g Corp.*, 563 F.3d 948, 966 (9th Cir. 2009) (same, antitrust action).

Stage of the proceedings and amount of discovery completed. Courts consider the stage of the proceedings and the amount of discovery completed to determine “whether the parties have sufficient information to evaluate the terms of the settlement.” *DeHoyos*, 240 F.R.D. at 292; *see also Cotton*, 559 F.2d at 1332–33. Here, the parties have engaged in an extensive discovery process, with Plaintiffs having deposed several of Schwab’s executives most knowledgeable about

PFOF and Schwab having produced nearly one million pages of documents and 6.5 terabytes of financial data comprising approximately 6.4 billion individual trades placed by Schwab and Ameritrade customers from 2019–2023. Plaintiffs have retained a renowned finance professor who has more than 30 years of academic experience researching, writing, and speaking in the area of securities trading, the structure of the securities market, securities trading by retail customers, and payment for order flow. Plaintiffs’ expert conducted an extensive study of market microstructure relevant to this case, including how the structure, design, and operation of the relevant market affect price formation and transaction costs of investors. Plaintiffs have also retained expert economists who have engaged in both qualitative and quantitative analysis of this information to determine the Merger’s effect on competition in the asserted ROFM. Having analyzed this discovery in consultation with their experts, Plaintiffs are sufficiently informed to assess the parties’ positions and determine that the Settlement is in the best interests of the putative class. *Cf. DeHoyos*, 240 F.R.D. at 292 (finding this factor satisfied where defendant produced “tens of thousands of documents” and “voluminous electronic data” and plaintiffs’ experts conducted statistical data analysis).

Probability of Plaintiffs’ success on the merits. Absent fraud or collusion, “the most important factor in determining the fairness, adequacy, and reasonableness of the settlement is the likelihood of plaintiffs’ success on the merits if the case were to proceed to trial.” *DeHoyos*, 240 F.R.D. at 287 (citations omitted). Plaintiffs are confident they would ultimately prevail at trial but also recognize the substantial risks of proceeding with litigation, particularly given that many of “the key legal issues in the case ha[ve] not been adjudicated,” *C.C. & L.C. v. Baylor Scott & White Health*, 2022 WL 4477316, at *3 (E.D. Tex. Sept. 26, 2022). As noted above, Plaintiffs face substantial legal and factual hurdles in establishing a claim under Section 7 of the Clayton Act and

an entitlement to classwide relief. Schwab can be expected to push back at every turn, likely opposing class certification, seeking to exclude Plaintiffs' experts, and moving for summary judgment. *Cf. In re N.J. Tax Sales Certificates Antitrust Litig.*, 750 F. App'x at 81 (evaluating plaintiffs' probability of success in light of "[d]efendants' intent to oppose class certification and move for summary judgment, and the complexities inherent in prosecuting a case that sounds in antitrust and that involves a settlement class of thousands"); *see also Rodriguez*, 563 F.3d at 964 (noting "the difficulty of proving an antitrust case," particularly where there are "no government coattails for the class to ride").

Against the nonnegligible risk that Plaintiffs might not prevail at trial, the Settlement secures meaningful relief that can be expected to provide concrete benefits to the Settlement Class. Given the risks inherent in proceeding with the litigation, this factor weighs in favor of approving the Settlement.

Range of possible recovery. In considering the range of possible recovery, the question is "whether the settlement's terms fall within *a reasonable range of recovery*, given the likelihood of the plaintiffs' success on the merits." *ODonnell*, 2019 WL 4224040, at *12 (citation omitted). Because the Settlement would bind only an injunctive-relief class under Rule 23(b)(2) and does not release damages claims, the relevant inquiry is the range of possible recovery were this case to proceed to trial as a Rule 23(b)(2) class action. In that scenario, the lowest end of the range would be no recovery at all. On the high end would be divestiture of Ameritrade from Schwab or segregation of the legacy Schwab and Ameritrade lines of business within the merged entity, to protect against future injury due to the Merger. *See* Compl. ¶ 487; *Chicago Bridge & Iron Co. N.V. v. F.T.C.*, 534 F.3d 410, 440-42 (5th Cir. 2008) (approving divestiture remedy in Clayton Act § 7 suit). While not as drastic a remedy as divestiture or segregation, the antitrust compliance program

provided for in the Settlement will ensure Schwab's order-routing practices (among others) promote price improvement and provide transparency regarding order routing for members of the Settlement Class and future Schwab brokerage customers. Given the risks inherent in proceeding with the litigation, this is doubtlessly within "a reasonable range of recovery" for the class.

2. Proposed method of distributing relief to the class

The second Rule 23(e)(2)(C) consideration—"the effectiveness of any proposed method of distributing relief to the class, including the method of processing class-member claims"—does not apply here, since only injunctive relief is proposed and such relief will not need to be distributed to individual class members. *Cf. Nelson v. Constant*, 2020 WL 5258454, at *8 (E.D. La. Sept. 3, 2020) (applying this factor to refunds distributed to class members but not to injunctive relief); *see also* Fed. R. Civ. P. 23(b)(2) (Rule 23(b)(2) class action requires that injunctive relief be appropriate respecting the class "as a whole").

3. Proposed award of attorney's fees

The third Rule 23(e)(2)(C) consideration—"the terms of any proposed award of attorney's fees, including timing of payment"—supports a finding that the proposed injunctive relief is adequate. Provided the amount is reasonable, "[a]n agreed upon award of attorneys' fees and expenses is proper in a class action settlement." *DeHoyos*, 240 F.R.D. at 322 (citing Fed. R. Civ. P. 23(h) and collecting cases). Indeed, the Fifth Circuit has encouraged counsel in class actions to resolve fee issues by agreement. *See Johnson v. Ga. Highway Exp., Inc.*, 488 F.2d 714, 720 (5th Cir. 1974). By the same token, courts evaluating a proposed settlement must consider the terms of a proposed fee award, as "an inordinate fee may be the sign that counsel sold out the class's claims at a low value in return for the high fee." 4 *Newberg and Rubenstein on Class Actions* § 13:54 (6th ed. 2024). That concern is not present here.

The parties did not discuss the amount of attorney's fees Plaintiffs' Counsel would seek in their fee petition until after the substantive provisions of the Settlement, including the proposed injunctive relief, were agreed on. Burke/Bathae Decl. ¶ 19. Instead, the parties mediated the maximum amounts of attorney's fees, costs, and expenses to be sought before the court-appointed mediator (Judge Atlas) over a month after execution of the Settlement Agreement. Plaintiffs' Counsel agreed to cap their attorney's fee application at \$8,250,000 and expense reimbursement application at \$700,000, and Schwab agreed not to object to these applications. *See DeHoyos*, 240 F.R.D. at 323 (noting with approval that "attorneys' fees were not negotiated or discussed until after the agreement was reached between the parties on all other terms of the settlement," and citing *Hanlon v. Chrysler Corp.*, 150 F.3d 1011, 1029 (9th Cir. 1998)). In addition, these amounts will be disclosed in the notice of settlement, providing class members notice and the opportunity to object prior to final approval. *See Kostka*, 2022 WL 16821685, at *12 (noting that "the Objecting Plaintiffs, and any other concerned class member, may object to the award of attorneys' fees after the application has been filed").

Moreover, regardless of the fee cap negotiated by the parties, any award would ultimately be determined by the Court using the lodestar method, as required where attorney's fees are sought under a federal fee-shifting statute such as Section 16 of the Clayton Act, 15 U.S.C. § 26, *see Combs v. City of Huntington, Tex.*, 829 F.3d 388, 391-95 (5th Cir. 2016) (describing two-step lodestar method applicable in statutory fee-shifting cases). *See Nelson*, 2020 WL 5258454, at *8 n.3 (noting that counsel's request for attorney's fees "will be at the discretion of the court"). Here, Plaintiffs' Counsel will seek an amount not to exceed their lodestar and will forgo any multiplier or supplemental fee request. And because there is no damages award (and no corresponding release

of damages claims), there is no settlement fund that might be drawn down by an attorney’s fee award. Accordingly, any fee award “will not affect [class members’] recovery.” *Id.*

4. Agreements required to be identified under Rule 23(e)(3)

There are no agreements between the parties beyond the terms set forth in the Settlement Agreement. Accordingly, this consideration under Rule 23(e)(2)(C)(iv) is not applicable here. *See Kostka*, 2022 WL 16821685, at *13.

* * *

Taking into account the Rule 23(e)(2)(C) considerations and applicable *Reed* factors, the injunctive relief provided for in the Settlement—which, as discussed above, is designed to provide meaningful benefits to class members and future Schwab brokerage customers—is clearly adequate. This supports preliminary approval.

D. The Settlement Treats Class Members Equitably Relative to Each Other

Rule 23(e)(2)(D) asks whether the proposed settlement “treats class members equitably relative to each other.” The Settlement satisfies this factor. The antitrust compliance program to be implemented under the Settlement will redound to the benefit of all class members. Any measures related to price improvement or trading transparency will be shared broadly by Schwab brokerage customers. *See, e.g., ODonnell*, 2019 WL 4224040, at *13 (noting in injunctive-relief settlement that “[a]ll class members are entitled to the same relief”).

The only potential differential recovery among class members is that Schwab has agreed that it will not object to Plaintiffs’ motion to receive a service award of up to \$5,000 each, subject to court approval. Service awards (also called “incentive awards”) are entirely consistent with Rule 23(e)(2)(D)’s equitable-treatment mandate because “the named plaintiffs invest in the case more heavily than their unnamed counterparts.” *Scott v. Dart*, 99 F.4th 1076, 1086 (7th Cir. 2024). The Plaintiffs here have certainly done so, having spent considerable time and effort on such tasks as

assisting in counsel's initial investigation of the theory of the case, reviewing the Complaint, keeping abreast of case developments, collecting voluminous electronic documents and years of account statements for production, responding to two rounds of interrogatories, and consulting on and reviewing the terms of the Settlement. Corrente Decl. ¶¶ 9-13; Shaw Decl. ¶¶ 9-13; Williams Decl. ¶¶ 9-13. Moreover, the \$5,000 maximum provided for in the Settlement is in line with what courts in the Fifth Circuit typically award. *See Duncan v. JPMorgan Chase Bank, N.A.*, 2016 WL 4419472, at *16 (W.D. Tex. May 24, 2016) ("District courts in the Fifth Circuit routinely award \$5,000-\$10,000 per named plaintiff."), *report and recommendation adopted*, 2016 WL 4411551 (W.D. Tex. June 17, 2016); *see, e.g., DeHoyos*, 240 F.R.D. at 339-40 (approving incentive award of \$5,000 to each named plaintiff in Rule 23(b)(2) class action). This factor supports preliminary approval.

E. The Opinions of Class Counsel and the Class Representatives Weigh in Favor of Approval

The final *Reed* factor—"the opinions of the class counsel, class representatives, and absent class members," 703 F.2d at 172—also supports preliminary approval. In determining whether to approve a proposed settlement, "[t]he trial court is entitled to rely upon the judgment of experienced counsel for the parties." *Jones*, 865 F.3d at 300 (quoting *Cotton*, 559 F.2d at 1330); *see also id.* ("[I]f experienced counsel reached this settlement, the court may trust that the terms are reasonable in ways that it might not had the settlement been reached by lawyers with less experience in class action litigation." (citation omitted)). Indeed, absent fraud or collusion, the trial court "should be hesitant to substitute its own judgment for that of counsel." *Cotton*, 559 F.2d at 1330. Plaintiffs' Counsel have many years of experience litigating class actions, and specifically antitrust class actions. *See Burke/Bathae Decl.* ¶¶ 24-33. This experience informs counsel's

conclusion that the proposed settlement is fair, reasonable, and adequate. *See, e.g., Kostka*, 2022 WL 16821685, at *13-14 (crediting opinion of experienced class counsel).

In addition, Plaintiffs have reviewed the Settlement and consider it to be fair, reasonable, and adequate, and each of them endorses court approval of the Settlement. Corrente Decl. ¶¶ 12-13; Shaw Decl. ¶¶ 12-13; Williams Decl. ¶¶ 12-13. This factor supports preliminary approval.

* * *

Because the Settlement meets the Rule 23(e)(2) requirements, the Court “will likely be able to approve” it at the final approval stage, Fed. R. Civ. P. 23(e)(2). The Settlement should be preliminarily approved.

IV. THE CLASS NOTICE PLAN SHOULD BE APPROVED

Rule 23 requires that a court approving a class action settlement “direct notice in a reasonable manner to all class members who would be bound by the proposal.” Fed. R. Civ. P. 23(e)(1)(B). “There are no rigid rules to determine whether a settlement notice to the class satisfies constitutional or Rule 23(e) requirements.” *ODonnell*, 2019 WL 4224040, at *26 (quoting *Wal-Mart*, 396 F.3d at 114). Instead, “a settlement notice need only satisfy the broad reasonableness standards imposed by due process.” *In re Katrina Canal Breaches Litig.*, 628 F.3d 185, 197 (5th Cir. 2010) (internal quotation marks omitted). In a mandatory class action, such as one under Rule 23(b)(2),² due process requires that “class members be given information reasonably necessary for them to make a decision whether to object to the settlement.” *Id.*; *see also ODonnell*, 2019 WL 4224040, at *26 (“The purpose of a notice of a proposed class settlement is to set forth the major contours of the proposal and to inform class members of their right to attend the fairness hearing

² *See Johnson v. Kansas City S. Ry. Co.*, 208 F. App’x 292, 296 (5th Cir. 2006) (“There are essentially two separate types of class action suits, mandatory non-opt-out classes under 23(b)(1) or 23(b)(2) and discretionary opt-out classes under 23(b)(3).”); *accord Wal-Mart*, 564 U.S. at 362.

and to lodge written objections by a prescribed date should they so desire.” (quoting American Law Institute, Principles of the Law of Aggregate Litigation § 3.04(a) (2010))). Further, “[i]n the case of Rule 23(b)(2) class settlement, individualized notice is not required, but may be ordered by the court” in its discretion. *Nelson*, 2020 WL 5258454, at *9; *accord* 3 *Newberg and Rubenstein on Class Actions* § 8:15 (6th ed. 2024).³

The notice plan agreed to by the parties satisfies Rule 23(e)(1)(B). To provide reasonable notice to the Settlement Class, the parties selected Ankura Consulting Group LLC (“Ankura”) to develop a notice program. Ankura has over 15 years of experience in designing notice and claims administration programs for class actions and mass torts. Plaintiffs have attached to this motion a declaration from Michael T. Norheim, Managing Director at Ankura, that proposes a comprehensive notice program and includes proposed class notices and Ankura’s resume. The proposed notice program provides individual direct notice to all reasonably identifiable members of the Settlement Class via email or postcard notice, along with a dedicated website, class helpline, and helpdesk support where Settlement Class Members can learn more about their legal rights, the notices, and implications of the litigation, among other topics. Norheim Decl. ¶¶ 6-18. The costs of notice shall be paid by Schwab. Settlement Agmt. (Ex. 1) ¶ 6.7.

For direct notice, Ankura, under the supervision of Plaintiffs’ Counsel, will begin immediately by obtaining basic contact information from Schwab for class members. Ankura will then send direct notices to all potential class members for which contact information is available. Based on its experience and the available Schwab data, Ankura estimates that about 95% (34.2

³ In addition, the Class Action Fairness Act (CAFA) “requires that defendants provide notice of a proposed class action settlement to the appropriate state and federal officials no later than 10 days after the proposed settlement is filed in court.” *Nelson*, 2020 WL 5258454, at *7 (citing 28 U.S.C. § 1715(b)). Under the Settlement, Schwab has agreed to serve the notice required under CAFA. Settlement Agmt. (Ex. 1) ¶ 6.8.

million) of these direct notices will go out via email. Ankura further estimates that the remainder of the direct notices (1.8 million) will go out via physical postcard notices. Norheim Decl. ¶ 7.

Ankura will employ methods to maximize the number of Settlement Class Members who receive notice via email or postcard notices. For example, prior to distributing email notice, Ankura will engage in an email cleansing and validation process to help ensure the quality of recipient email addresses. Norheim Decl. ¶ 8. Before mailing physical postcard notices, Ankura will process the addresses through the U.S. Postal Service's National Change of Address (NCOA) program and the Coding Accuracy Support System (CASS) certification to minimize undeliverable mail. *Id.* ¶ 12. Ankura will endeavor to disseminate the direct notices within 21 days after the Court approves the notice plan. To aid class members, Ankura will set up and maintain a settlement website that provides an overview of the litigation, issued notices, frequently asked questions, associated program documents, and any relevant contact information. Ankura will also set up a class helpline and a helpdesk to aid class members with any questions. *Id.* ¶¶ 17-18.

Notice will be provided in plain terms and easy-to-understand language. Direct email and postcard notices will be in a short-form version (Summary Notice) of the long-form notice, which will be accessible on the settlement website. All forms of notice will include information about the nature of the action, the definition of the Settlement Class, the settlement itself, the rights of Settlement Class Members under the Settlement (including their right to object), and the date and location of the Fairness Hearing. Exemplars of the long-form and summary notices are attached as Exhibits B and D to the Norheim Declaration.

Plaintiffs' notice plan will provide the "reasonable" notice required by Rule 23(e)(1)(B) and should be approved.

CONCLUSION

The Settlement readily meets the standard for preliminary approval. Plaintiffs therefore respectfully request that this Court enter the proposed order submitted herewith, 1) certifying the proposed class for settlement purposes, 2) preliminarily approving the Settlement, 3) provisionally appointing Yavar Bathaee of Bathaee Dunne LLP and Christopher M. Burke of Burke LLP as co-lead class counsel, 4) provisionally appointing Plaintiffs as class representatives, 5) approving the proposed notice plan, and 6) setting a fairness hearing for final approval of the Settlement and to consider the application for attorney's fees, service awards, and reimbursement of litigation costs and expenses.

Dated: February 4, 2025

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Respectfully submitted,

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CERTIFICATE OF SERVICE

I certify that on February 4, 2025, the above document was served on counsel of record for all parties via the CM/ECF system.

/s/ Yavar Bathaee

CERTIFICATE OF CONFERENCE

I certify that the meet and confer requirement in Local Rule CV-7(h) has been complied with and that the motion is unopposed.

/s/ Yavar Bathaee

EXHIBIT 1

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION**

JONATHAN CORRENTE, et al.,

Plaintiffs,

v.

THE CHARLES SCHWAB CORPORATION,

Defendant.

Civil Action No. 4:22-CV-470-ALM

Hon. Amos L. Mazzant, III

**STIPULATION AND AGREEMENT OF SETTLEMENT WITH
THE CHARLES SCHWAB CORPORATION**

THIS STIPULATION AND AGREEMENT OF SETTLEMENT is made and entered into by and between Plaintiffs Jonathan Corrente, Charles Shaw, and Leo Williams (“Plaintiffs”), on behalf of themselves and on behalf of the other members of the Settlement Class,¹ and Defendant The Charles Schwab Corporation (“Schwab”) and embodies the terms and conditions of the settlement of the above-captioned Action. Subject to the approval of the Court and the terms and conditions expressly provided herein, this Stipulation is intended to fully, finally, and forever compromise, settle, release, resolve, discharge, and dismiss with prejudice the Action and all Released Claims against Schwab and the other Released Defendant Persons.

WHEREAS, Plaintiffs are prosecuting claims in the Action against Schwab on their own behalf and on behalf of a proposed class;

WHEREAS, Plaintiffs, on behalf of themselves and as representatives of the proposed class, allege they have been and will continue to be injured as a result of the combination of Schwab and TD Ameritrade Holding Corporation (“Ameritrade”), in October 2020 in violation of Section 7 of the Clayton Act (15 U.S.C. § 18) as set out in the Class Action Complaint (ECF No. 1);

WHEREAS, Schwab denies Plaintiffs’ allegations, denies any and all alleged wrongdoing in connection with the facts and claim that have been or could have been alleged against it in the Action, asserts that the claim lacks merit, asserts that it has many valid defenses to it, and denies any loss or damage to Plaintiffs;

¹ All capitalized words and terms that are not otherwise defined in text have the meaning ascribed to them below in the section entitled “Definitions.”

WHEREAS, counsel for the Parties have engaged in arm's-length negotiations on the terms of this Settlement with the assistance of the Honorable Nancy F. Atlas (Ret.), and this Stipulation embodies all of the terms and conditions of this Settlement;

WHEREAS, Plaintiffs, through their counsel, investigated the facts and law regarding the Action, and have concluded that resolving the claim against Schwab, according to the terms set forth below, is in the best interests of Plaintiffs and the Settlement Class given the value of the injunctive relief that Schwab has agreed to undertake pursuant to this Stipulation;

WHEREAS, Schwab, despite its belief that the claim lacks merit and its belief that it has good defenses to it, has nevertheless agreed to enter into this Settlement to avoid further expense, inconvenience, and the distraction of burdensome and protracted litigation, and to obtain the release, order, and judgment contemplated by this Agreement, and to put to rest with finality all claims that have been or could have been asserted against Schwab, as more particularly set out below;

WHEREAS, the Parties wish to preserve all arguments, defenses, and responses to all claims in the Action, including any arguments, defenses, and responses to any litigation class proposed by Plaintiffs in the event this Settlement does not obtain final approval;

WHEREAS, the Parties have had a full opportunity to examine the facts and circumstances surrounding their respective decisions to accept the terms of this Stipulation and have not relied on any representations (or the lack thereof) made by any other Party concerning the facts and circumstances leading to this Stipulation;

NOW THEREFORE, in consideration of the foregoing, the terms and conditions set forth below, and other good and valuable consideration, it is agreed by and among the Parties that the Plaintiffs' Released Claims and the Settlement Class Released Claims be settled, compromised,

and dismissed on the merits with prejudice as to Schwab and the Released Defendant Persons, subject to Court approval pursuant to Fed. R. Civ. P. 23(e), on and subject to the terms and conditions set forth below.

1. DEFINITIONS

As used in this Stipulation and any exhibits made a part hereof, the following terms shall have the means specified below:

1.1. “Action” means *Jonathan Corrente, et al. v. The Charles Schwab Corporation*, No. 4:22-CV-470-ALM (E.D. Tex.).

1.2. “Attorney’s Fees and Expenses” means any fees and expenses approved by the Court for payment to counsel who have represented Plaintiffs and the Settlement Class, including such counsel’s attorney’s fees, costs, litigation expenses, and fees and expenses of experts (excluding Notice Costs).

1.3. “Co-Lead Counsel” means the law firms of Bathaee Dunne LLP and Korein Tillery P.C.

1.4. “Complaint” means the Class Action Complaint filed on June 2, 2022 (ECF No. 1).

1.5. “Consultant” means an independent consultant retained by the Parties to design an antitrust compliance program that Schwab will implement.

1.6. “Court” means the United States District Court for the Eastern District of Texas and the Honorable Amos L. Mazzant, III.

1.7. “Effective Date” with respect to the Settlement means the first business day following occurrence of all the events and conditions specified in ¶12.1.

1.8. “Execution Date” means the latest date of the execution of this Agreement by all Parties.

1.9. “Fairness Hearing” means the hearing scheduled by the Court to determine whether (a) the Settlement is fair, reasonable, and adequate; and (b) Plaintiffs’ request for an award of Attorney’s Fees and Expenses, including any Service Awards to Plaintiffs, is reasonable.

1.10. “Final” means an order or Judgment of the Court that has reached the point when: (a) there is no pending stay, motion for reconsideration, motion for rehearing, motion to vacate, appeal, petition for writ of certiorari or similar request for relief; (b) if no appeal or petition for review is filed, the day following the expiration of the time to appeal or petition for review; or (c) if there is an appeal or review, the day after such order or Judgment is affirmed or the appeal or review is dismissed or denied, and such order or Judgment is no longer subject to further judicial review, including upon appeal or review by writ of certiorari.

1.11. “Judgment” means the proposed judgment to be entered approving the Settlement and dismissing with prejudice the claim brought against the Defendant, substantially in the form attached hereto as Exhibit B.

1.12. “Litigation Expenses” means costs and expenses reasonably incurred in connection with commencing, prosecuting, and settling the Action (which may include the costs and expenses of Plaintiffs directly related to their representation of the Settlement Class), for which Co-Lead Counsel intend to apply to the Court for a reimbursement from Schwab.

1.13. “Notice” means the Notice of Proposed Class Action Settlement, which is to be provided to members of the Settlement Class.

1.14. “Notice Administrator” means the company selected by Co-Lead Counsel and appointed by the Court to disseminate Notice to the Settlement Class.

1.15. “Notice Costs” means the reasonable costs and expenses incurred in connection with providing notice to Settlement Class Members, including (as applicable) preparing, emailing,

publishing, and/or otherwise disseminating the Notice and the Summary Notice. All such Notice Costs shall be paid by Schwab.

1.16. “Parties” means the undersigned parties to this Stipulation.

1.17. “Person” means any individual, corporation, partnership, limited liability company or partnership, limited partnership, professional corporation, association, joint stock company, trust, estate, unincorporated association, government or any political subdivision or agency thereof, and any other type of legal or political entity, any representative, and, as applicable, his, her, or its respective spouses, heirs, predecessors, successors-in-interest, representatives, and assigns.

1.18. “Plaintiffs” means Jonathan Corrente, Charles Shaw, and Leo Williams.

1.19. “Plaintiffs’ Released Claims” means any and all claims, counterclaims, demands, actions, potential actions, suits, and causes of action, losses, obligations, damages, matters, and issues of any kind or nature whatsoever, and liabilities of any nature, including without limitation claims for costs, expenses, penalties, and attorney’s fees that the Plaintiffs ever had or now have against any of the Released Defendant Persons, whether arising under federal, state, local, common, or foreign law or regulation, whether known claims or Unknown Claims, suspected or unsuspected, asserted or unasserted, foreseen or unforeseen, actual or contingent, accrued or unaccrued, matured or unmatured, disclosed or undisclosed, apparent or unapparent, liquidated or unliquidated, or claims that have been, could have been, or in the future might be asserted in law or equity, on account of or arising out of or resulting from or in any way related to any conduct that was alleged or could have been alleged in the Action based on any or all of the same factual predicates of the Action, including but not limited to Schwab’s participation in an allegedly

anticompetitive merger with Ameritrade in October 2020. Plaintiffs' Released Claims shall not include any future claims relating to the enforcement of any terms of this Stipulation.

1.20. "Preliminary Approval Order" means the proposed order preliminarily approving the Settlement and directing notice thereof to the Settlement Class, substantially in the form attached hereto as Exhibit A.

1.21. "Program" shall refer to the antitrust compliance program designed by the Consultant and implemented by Schwab.

1.22. "Related Persons," when used in reference to a Person, means (a) the Person; (b) for natural Persons, each of that Person's respective immediate family members and any trust which that Person is the settlor of or which is for the benefit of any such Person and/or the members of his or her family, and, for non-natural persons, each of past, present, and future, direct and indirect corporate parents (including holding companies), subsidiaries, related entities and affiliates, associates, predecessors, and successors; and (c) for any of the entities or Persons listed at (a) or (b) above, their respective past, present, or future parents, subsidiaries and affiliates, and their respective directors, officers, managers, managing directors, partners, members, principals, employees, auditors, accountants, representatives, insurers, trustees, trustors, agents, attorneys, professionals, predecessors, successors, assigns, heirs, executors, and administrators, in their capacities as such, and any entity in which the Person has a controlling interest.

1.23. "Released Defendant's Claims" means all claims and causes of action of every nature and description, whether known claims or Unknown Claims, whether arising under federal, state, local, common, or foreign law or regulation, by any of the Released Defendant Persons against Plaintiffs, any members of the Settlement Class, or any of their Related Persons, including any Co-Lead Counsel, which arise out of or relate in any way to the institution, prosecution,

assertion, settlement, or resolution of the Action or the Released Claims. Released Defendant's Claims shall not include any future claims relating to the enforcement of any terms of this Stipulation. For the avoidance of doubt, the release in this paragraph is intended to cover only litigation conduct in this Action.

1.24. "Released Defendant Persons" means (a) Schwab; and (b) its Related Persons.

1.25. "Released Plaintiff Persons" means (a) Plaintiffs; and (b) each of their Related Persons.

1.26. "Released Settlement Class Persons" means (a) Settlement Class Members and (b) each of their Related Persons.

1.27. "Schwab" or "Defendant" means Defendant The Charles Schwab Corporation.

1.28. "Schwab's Counsel" means Gibson, Dunn & Crutcher LLP, King & Spalding LLP, Gillam & Smith LLP, and Wilmer Cutler Pickering Hale and Dorr LLP.

1.29. "Service Award" means any Court-approved monetary awards for Plaintiffs paid by Schwab.

1.30. "Settlement" means the resolution of this Action as against Schwab and the Released Defendant Persons in accordance with the terms and provisions of this Stipulation.

1.31. "Settlement Class" means persons, entities, and corporations who are current U.S. brokerage customers of Schwab or any of its affiliates, including customers who previously held accounts at Ameritrade. Excluded from the Settlement Class are: (a) the Defendant; (b) its employees, officers, directors, legal representatives, heirs, successors, and wholly or partly owned subsidiaries or affiliates; and (c) the judicial officers and their immediate family members and associated court staff assigned to this case.

1.32. “Settlement Class Member” means any Person who falls within the Settlement Class.

1.33. “Settlement Class Released Claims” means any and all injunctive, equitable and non-monetary claims or remedies on account of, or arising out of, or resulting from, or in any way related to, any conduct that was alleged or could have been alleged in the Action based on any or all of the same factual predicate of the Action, including but not limited to any claim for divestiture. Settlement Class Released Claims shall not include any damages or monetary claims or any future claims relating to enforcement of the terms of this Stipulation.

1.34. “Stipulation” means this Stipulation and Agreement of Settlement.

1.35. “Summary Notice” means the Summary Notice of Proposed Class Action Settlement, which is to be provided to members of the Settlement Class.

1.36. “Unknown Claims” means (a) any Released Claims that a Plaintiff does not know or suspect to exist in his, her, or its favor at the time of the release of such claims, which if known by him, her, or it, might have affected his, her, or its decision(s) with respect to the Settlement, including, but not limited to, the decision not to object to the Settlement; and (b) any Released Defendant’s Claims that Schwab does not know or suspect to exist in its favor at the time of the release of such claims, which if known by it might have affected its decision(s) with respect to the Settlement. With respect to any and all Plaintiffs’ Released Claims and Released Defendant’s Claims, the Parties stipulate and agree that upon the Effective Date, the Parties shall expressly waive, and by operation of the Judgment shall have waived, any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law that is similar, comparable, or equivalent to Cal. Civ. Code § 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT

TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

The Parties may hereafter discover facts in addition to or different from those that any of them now knows or believes to be true related to the subject matter of the Plaintiffs' Released Claims or the Released Defendant's Claims, but the Parties shall expressly settle and release upon the Effective Date, shall be deemed to have, and by operation of Judgment shall have, fully, finally, and forever settled and released any and all Plaintiffs' Released Claims and Released Defendant's Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, disclosed or undisclosed, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct that is negligent, intentional, with or without malice, or a breach of any duty, law, regulation or rule, without regard to the subsequent discovery or existence of such different or additional facts. The Plaintiffs and Defendant acknowledge, and shall be deemed by operation of law to have acknowledged, that the foregoing waiver was separately bargained for and a material element of the Settlement.

2. SETTLEMENT CONSIDERATION

2.1 Monetary Consideration. Schwab shall pay, or cause to be paid, in the form of brokerage account credits, the sum of USD \$50 (fifty dollars) to each Plaintiff to settle and release the Plaintiffs' Released Claims, to be credited to their Schwab brokerage accounts within fifteen (15) business days of the Effective Date.

2.2 Non-Monetary Consideration:

(a) **Implementation of an Antitrust Compliance Program.** The Parties agree to engage the Consultant to design the Program that Schwab will implement.

(b) **Retention of a Consultant.** The Consultant, to be jointly retained by the Parties, shall consist of a team of attorneys from Fried, Frank, Harris Shriver & Jacobson LLP, including Bernard A. Nigro, Jr., Aleksandr Livshits, and Nihal Patel (“Fried Frank”). After proposing, considering, and jointly interviewing multiple candidates, Schwab and Plaintiffs determined that Fried Frank possesses expertise in the design of antitrust compliance programs generally and experience with the financial services industry specifically. An agreed budget shall be established in advance of the commencement of the Consultant’s work. Schwab shall bear all reasonable costs, fees, and expenses associated with the Consultant’s work. The retention of the agreed-upon Consultant will be finalized after the Effective Date.

(c) **Consultant’s Remit.** The Consultant shall have access to Schwab information as reasonably requested for review, subject to applicable privileges and protections, including but not limited to the following:

- i. Policies, practices, and procedures related to Schwab’s communications with and among market makers and other broker-dealers;
- ii. Policies, practices, and procedures related to Schwab’s order routing and execution, including those pertaining to Schwab’s order routing allocations and price improvement as provided by market makers to Schwab’s retail customers who trade equities and options;
- iii. Policies, practices, and procedures applicable to Schwab’s order routing committees and decisionmakers, including as to communications and coordination with market makers and other broker-dealers; and

iv. Schwab's post-merger disclosures, reporting, statements, and other communications with retail clients regarding transaction-related price improvement and order routing that may promote inter-brand competition among broker-dealers.

(d) **Report and Recommendations.**

i. Phase 1 (Review): Within 180 days of the Effective Date, the Consultant shall conduct its review of policies, procedures, and practices related to the design of the Program.

ii. Phase 2 (Initial Report and Recommendation): Within 60 days after the completion of Phase 1, the Consultant shall submit its initial report and recommendation for the design of the Program ("Initial Report and Recommendation") to the Parties.

iii. Phase 3 (Schwab's Response): Within 30 days after the date of Initial Report and Recommendation, (a) the Parties shall meet and address any recommendations that Schwab considers unduly burdensome, impractical, or inappropriate, (b) Schwab may propose in writing an alternative policy, procedure, or disclosure designed to achieve the same objective or purpose, and (c) Plaintiffs may propose any recommendations Plaintiffs believe fail to address competitive failures in Schwab's payment for order flow practices. The Parties shall confer on a joint written response ("Parties' Response") to the Consultant, which shall be provided to the Consultant within 60 days after the date of Initial Report and Recommendation. The Consultant shall consider the Parties' Response. Within 30 days after receiving the Parties' Response, the Consultant shall issue to the Parties a final report that contains recommendations regarding the Program ("Final Report").

iv. Schwab and Plaintiffs may agree to reasonable extensions of any of these deadlines in consultation with the Consultant.

(e) **Implementation and Periodic Reporting.** Schwab shall adopt and begin to implement all recommendations in the Final Report within 60 days of its issuance. Schwab reserves the right to address areas in addition to those in the Final Report, so long as doing so does not undermine the goals of the Program. Once implementation of the Program is complete, Schwab shall provide Plaintiffs written certification that it has implemented and is complying with the recommendations in the Final Report. Schwab will provide the same written certification to Plaintiffs on a yearly basis for four years. The Court shall retain jurisdiction to enforce the terms of this Stipulation. Schwab may make modifications to the Program as necessary to comply with changes in the law. Schwab may also make minor changes to the Program that are consistent with the material terms of the Final Report and such other changes as are requested and approved by the Consultant. Four years after Schwab certifies that it has completed implementation and is complying with the recommendations in the Final Report, Schwab will be released from all obligations under the terms of this Stipulation.

3. SCOPE AND EFFECT OF RELEASES

3.1 The obligations incurred pursuant to this Stipulation shall be in full and final disposition of: (a) the claim asserted in the Action; (b) any and all Plaintiffs' Released Claims as against the Released Defendant Persons; (c) any and all Settlement Class Released Claims against Released Defendant Persons; and (d) any and all Released Defendant's Claims as against the Released Plaintiff Persons and Released Settlement Class Persons, as more fully set forth herein.

3.2 Upon the Effective Date, each Released Plaintiff Person shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, waived, relinquished and discharged, and shall forever be enjoined from prosecuting, all Plaintiffs' Released Claims against each Released Defendant Person.

3.3 Upon the Effective Date, each Released Settlement Class Person shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, waived, relinquished and discharged, and shall forever be enjoined from prosecuting, all Settlement Class Released Claims against each Released Defendant Person.

3.4 Upon the Effective Date, Schwab, and each of the Released Defendant Persons in their capacities as such shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, waived, relinquished and discharged, and shall forever be enjoined from prosecuting, each and every one of the Released Defendant's Claims against each Released Plaintiff Person and Released Settlement Class Person.

3.5 Upon the Effective Date, Schwab and the Plaintiffs shall mutually release and covenant not to sue each other, including their agents, subsidiaries, and lawyers, as to all Plaintiffs' Released Claims, on any claim that was or could have been asserted in the Action, including all claims for damages.

3.6 Upon the Effective Date, Schwab and the Settlement Class Members shall mutually release and covenant not to sue each other, including their agents, subsidiaries, and lawyers, as to all Settlement Class Released Claims, on any claim for non-monetary relief that was or could have been asserted in this Action.

3.7 The releases provided in this Stipulation shall become effective immediately upon the occurrence of the Effective Date without the need for any further action, notice, condition, or event.

4. CONFIDENTIALITY

4.1 The Parties must comply with all portions of the Stipulated Protective Order (Dkt. 26), including but not limited to Section 15 of the Stipulated Protective Order, which requires the return or destruction of Confidential Information and Confidential Attorney Eyes Only

Information (as defined in the Protective Order) within sixty (60) days of the final disposition of the Action.

4.2 This Stipulation and its terms, including the fact of the proposed Settlement, shall remain completely confidential until all documents are executed and the Preliminary Approval Order is filed with the Court. Pending the filing of that Order, Schwab's Counsel and Co-Lead Counsel may disclose the Stipulation and its terms to their respective clients and experts as necessary for the implementation of this Stipulation, who will also maintain the complete confidentiality of this Stipulation and its terms, including the fact of the proposed Settlement, until all documents are executed and the Preliminary Approval Order is filed with the Court. After entry of the Preliminary Approval Order, the Stipulation and briefing in support of the Settlement will be made publicly available to Settlement Class Members.

4.3 The existence of the Consultant will be set forth publicly in the Stipulation filed with the Court. Except as agreed by Schwab, or as required by the Court, all work performed by the Consultant, and all reports generated by the Consultant are and will be confidential and protected by a non-disclosure agreement consistent with the Stipulated Protected Order.

5. DEFENDANT'S DENIAL OF LIABILITY

5.1 Schwab denies all of the material allegations in the Action. Schwab enters into this Stipulation without in any way acknowledging any fault, liability, or wrongdoing of any kind. Schwab disputes that Plaintiffs' claim has merit and that Plaintiffs and the class they allege they represent are entitled to any relief. Schwab nonetheless has concluded that it is in its best interests to resolve the Action on the terms and conditions set forth herein in light of the expense that would be necessary to defend the Action, the benefits of disposing of protracted and complex litigation, and the desire of Schwab to conduct its business unhampered by the distractions of continued litigation.

5.2 Schwab enters into this Stipulation without acknowledging the validity of any proposed litigation class that Plaintiffs have sought or may seek to certify in this Action, except exclusively for the Settlement Class to be established for the limited purpose of effectuating this Stipulation.

5.3 This Stipulation, the fact of settlement, the settlement proceedings, the settlement negotiations, and any related documents, shall not be used or construed as an admission of any factual allegation, fault, liability, or wrongdoing by any Person, and shall in no event be offered or received in evidence as an admission, concession, presumption, or inference against the Parties in any action or proceeding of any nature, or otherwise referred to or used in any manner in or before any court or other tribunal, except in such proceeding as may be necessary to enforce this Stipulation.

5.4 Schwab preserves all arguments, defenses, and responses to the claim alleged in the Action, including any arguments, defenses, and responses to any litigation class proposed by Plaintiffs in the event this Settlement does not obtain final approval.

5.5 To the extent permitted by law, this Stipulation may be pleaded as a full and complete defense to, and may be used as the basis for an injunction against, any action, suit, or other proceeding which may be instituted, prosecuted, or attempted for claims, causes of action, and/or theories of relief covered by the covenants not to sue and/or the releases in this Stipulation.

6. ISSUANCE OF NOTICE

6.1 The Notice Administrator shall (a) administer the issuance of notice to the Settlement Class in accordance with the terms of this Stipulation, the Preliminary Approval Order, and any other orders of the Court, and (b) otherwise provide such administration services as are customary in settlements of this type, subject to such supervision of Co-Lead Counsel and (as

appropriate or as circumstances may require) the Court. The Notice Administrator shall be retained subject to the condition that it agrees to be subject to the jurisdiction of the Court.

6.2 Schwab shall make good-faith efforts to provide the Notice Administrator with the names, physical mailing address of record, and, where available, email address, for each potential Settlement Class Member. The names, physical mailing addresses, and email addresses of potential Settlement Class Members are personal information that shall be provided to the Notice Administrator confidentially and solely for the purposes of providing notice. The Notice Administrator shall execute the Stipulated Protective Order, treat all such information as Confidential Attorney Eyes Only Information (as defined in the Protective Order), and take all reasonable steps to ensure that all such information is used solely for the purpose of administering notice of this Settlement.

6.3 When reasonably feasible, the Notice Administrator will send a copy of the Summary Notice to the email address of each potential Settlement Class Member who can be identified with reasonable effort. For any Settlement Class Member whose email address is not reasonably available to the Notice Administrator, or from whose email address a delivery-failure notice is sent in response to attempted electronic delivery of the Summary Notice, the Notice Administrator shall endeavor to send a paper copy of the Summary Notice to that Settlement Class Member's physical mailing address of record by First Class mail.

6.4 The Notice Administrator shall publish and make available for download the Notice on a website that the Notice Administrator shall establish and maintain to inform the Settlement Class Members of the terms of the Settlement, their rights, dates, deadlines, and related information ("Settlement Website"). The Settlement Website shall include without limitation this Stipulation, the Notice, the motion for preliminary settlement approval and supporting papers, the

Fee and Expense Application and supporting papers, the Preliminary Approval Order, and other Court orders pertaining to the Settlement. A direct link to the Settlement Website shall be included in the Summary Notice.

6.5 The Notice Administrator shall endeavor to cause the Summary Notice to be disseminated by email or paper mail in accordance with ¶6.3 by the twenty-first (21st) calendar day after entry of the Preliminary Approval Order. If, despite using best efforts, the Notice Administrator is unable to disseminate the Summary Notice by the twenty-first (21st) calendar day after entry of the Preliminary Approval Order, the Notice Administrator shall inform the Parties of the status of the notice and shall notify the Parties when the Summary Notice has been disseminated.

6.6 With the exception of notice required by the Court, any additional notice to the Settlement Class Members must be jointly approved by the Parties.

6.7 Notice Costs shall be paid by Schwab. In no event shall Plaintiffs, Settlement Class Members, or Co-Lead Counsel be responsible to pay any amount for Notice Costs.

6.8 No later than ten (10) calendar days following the filing of this Stipulation with the Court, Schwab shall serve the notice required under the Class Action Fairness Act, 28 U.S.C. § 1715 *et seq.* (“CAFA”). Schwab shall be solely responsible for the costs of the CAFA notice and administering the CAFA notice. The Parties agree that any delay by Schwab in timely serving the CAFA notice will not provide grounds for delay of the Fairness Hearing or entry of the Judgment.

6.9 Plaintiffs and Schwab agree that the proposed Notice and Summary Notice to the Settlement Class will be in the form of Exhibit C and Exhibit D, respectively, which shall be subject to Court approval. Plaintiffs and Schwab further agree that they will use language

consistent with that specified for each of them in Exhibit E in any other public statement about the resolution of this matter, except as otherwise required in Schwab's corporate disclosures, as required to be consistent with subsequent orders of the Court, or as required in any trial or appellate court filings relating to the Settlement of the Action. Plaintiffs and Schwab also shall confer upon the contents of the motions for settlement approval.

7. THE FEE AND EXPENSE APPLICATION

7.1 Co-Lead Counsel will submit an application to the Court (the "Fee and Expense Application") for an award of Attorney's Fees and Expenses, including for (a) reasonable attorney's fees and (b) payment of litigation costs and expenses reasonably incurred in connection with the investigation, filing, prosecution, and settlement of the Action. The Parties will mediate the amount of the Attorney's Fees and Expenses before the Court appointed mediator. The maximum amount of Attorney's Fees and Expenses sought will be disclosed in the Notice. Any award of Attorney's Fees and Expenses will be paid by Schwab.

7.2 Any Attorney's Fees and Expenses awarded by the Court shall be payable by Schwab within fifteen (15) business days of an order awarding such amounts, notwithstanding the existence of any timely filed objections thereto, or potential for appeal or collateral attack on the Settlement or any part thereof. However, if and when, as a result of any appeal and/or further proceedings on remand, or successful collateral attack, any Attorney's Fees and Expenses award is overturned or reduced, if the Settlement is terminated, or if there is an appeal and any order approving the Settlement does not become final and binding upon the Settlement Class, then, within fifteen (15) business days after receiving notice from Schwab's Counsel of such an order from a court of appropriate jurisdiction, each Co-Lead Counsel law firm that has received any fees or expenses shall refund to Schwab such funds previously paid to it. Each law firm that serves as Co-Lead Counsel, as a condition of receiving a portion of the Attorney's Fees and Expenses award,

on behalf of itself and each partner, shareholder, or member of it, agrees that the law firm and its partners, shareholders, and/or members are subject to the jurisdiction of the Court for purposes of enforcing the provisions of this paragraph.

7.3 The Released Defendant Persons and Schwab's Counsel shall have no responsibility for or liability with respect to any allocation of an award of Attorney's Fees and Expenses from Schwab.

7.4 It is agreed that the procedure for and the allowance or disallowance by the Court of any Fee and Expense Application shall be considered by the Court separate and apart from its consideration of the fairness, reasonableness, and adequacy of the Settlement, and any order or proceeding relating to the Fee and Expense Application, and any appeal of any order relating thereto or reversal or modification thereof, shall not operate to, or be grounds to, terminate, modify, or cancel this Stipulation or affect or delay its finality, and shall have no effect on the terms of this Stipulation or on the validity or enforceability of the terms of this Stipulation. The approval, finality and effectiveness of this Stipulation of Settlement shall not be contingent on an award of Attorney's Fees and Expenses, or on any Service Awards to Plaintiffs.

8. THE SERVICE AWARD APPLICATION

8.1 Co-Lead Counsel will submit an application to the Court ("The Service Award Application") for a Service Award of not more than \$5,000 per Plaintiff for service undertaken on behalf of the Settlement Class in connection with the litigation of this Action. Any Service Award approved and ordered by the Court shall be made payable by Schwab to the Plaintiffs within fifteen (15) business days of the Effective Date.

9. THE PRELIMINARY APPROVAL ORDER

9.1 The Parties agree to recommend approval of this Stipulation to the Court as fair and reasonable and to undertake their reasonable best efforts to obtain such approval. "Reasonable

best efforts” includes that the Parties may not oppose any application for appellate review by one of the Parties in the event the Court denies preliminary or final approval. The Parties therefore agree that, within one month of the execution of this Stipulation (or later should the Parties mutually agree), the Co-Lead Counsel shall submit this Stipulation together with its exhibits to the Court, and Co-Lead Counsel shall apply for entry of a Preliminary Approval Order in connection with the settlement proceedings substantially in the form annexed hereto as Exhibit A.

9.2 The Preliminary Approval Order shall provide for, among other things: (a) preliminary approval of the Settlement as set forth in this Stipulation; (b) the setting of deadlines for the distribution of the Notice and the Summary Notice; (c) the setting of deadlines for Settlement Class Members to submit objections to the proposed Settlement and/or the Fee and Expense Application; (d) the setting of the time, date and location for Fairness Hearing; (e) approval of Co-Lead Counsel’s recommended Notice Administrator; and (f) approval of the form and content of the Notice and the Summary Notice. Before submission, Schwab shall have a reasonable opportunity to review and comment on the motion for preliminary approval, and Plaintiffs shall reasonably consider Schwab’s comments. Schwab agrees solely for the purposes of settlement that it will consent to, and shall not oppose, entry of the Preliminary Approval Order.

9.3 Any Settlement Class Member who wishes to object to the fairness, reasonableness, or adequacy of this Settlement or to any aspect of the Fee and Expense Application, including the Service Award Application, must do so in the manner specified and within the deadlines specified in the Preliminary Approval Order and Notice.

10. SETTLEMENT CLASS CERTIFICATION

10.1 Solely for purposes of this Settlement, the Parties stipulate and agree that the Settlement Class should be certified pursuant to Rules 23(a) and 23(b)(2) of the Federal Rules of Civil Procedure; that Plaintiffs should be appointed as representatives of the Settlement Class; and

that Co-Lead Counsel should be appointed as class counsel pursuant to Rule 23(g) of the Federal Rules of Civil Procedure. If, for any reason, this Stipulation is not approved by the Court the certification and all the agreements contained herein shall be considered null and void, with the exception that the fact and terms of the Stipulation shall not be deemed or construed to be an admission by any Party or evidence of any kind in this Action.

10.2 The Parties' agreement as to certification of the Settlement Class is only for purposes of effectuating this Settlement, and for no other purpose. If for any reason the Effective Date does not occur, if the Settlement set forth in this Stipulation does not receive the Court's final approval, if the Court's approval is reversed or vacated on appeal, if the Stipulation is terminated as provided herein, or if the Settlement set forth in this Stipulation is not consummated for any reason, the order certifying the Settlement Class for purposes of effectuating the Settlement (and all preliminary and final findings regarding the class certification order) shall be automatically vacated upon notice of the same Court. This Action shall then proceed as though the Settlement Class had never been certified pursuant to this Stipulation and such findings had never been made, and the Action shall be returned to its procedural posture as determined by the Court, with Schwab retaining all of its objections, arguments, and defenses, and all rights to contest class certification. If this Stipulation is not consummated, then neither this Stipulation nor any other Settlement-related statement may be cited in support of an argument for certifying a class related to this proceeding.

11. THE JUDGMENT

11.1 Following the issuance of notice, Plaintiffs shall file with the Court a motion for final approval of the Settlement and entry of a Judgment substantially in the form of Exhibit B hereto. Before submission, Schwab shall have a reasonable opportunity to review and comment on the motion for final approval, and Plaintiffs shall reasonably consider Schwab's comments.

Should Plaintiffs so request, and solely for the purposes of settlement, Schwab shall join in requesting final approval of the Settlement and entry of a Judgment substantially in the form of Exhibit B hereto.

12. EFFECTIVE DATE OF SETTLEMENT; TERMINATION

12.1 The Effective Date shall be the first business day after the date on which all of the following events or conditions have been met or occurred:

(a) the Court has entered the Preliminary Approval Order, Exhibit A to this Stipulation, in all material respects;

(b) Schwab has not validly exercised its right (if applicable) to terminate the Settlement pursuant to ¶12.3, and its right (if applicable) to do so has expired in accordance with the terms of the Stipulation;

(c) Plaintiffs have not validly exercised their right (if applicable) to terminate the Settlement pursuant to ¶¶12.3-12.4, and their option (if applicable) to do so has expired in accordance with the terms of the Stipulation; and

(d) the Court has entered the Judgment, following issuance of Notice to the Settlement Class, that approves the Settlement, and such Judgment has become Final.

12.2 Upon the occurrence of all of the events referenced in ¶12.1, Plaintiffs and Released Settlement Class Persons shall have by operation of the Order and Final Judgment, fully, finally, and forever released, waived, settled, and discharged, the Released Defendant Persons from and with respect to the Plaintiffs' Released Claims and the Settlement Class Released Claims.

12.3 Schwab, or Plaintiffs, through their respective counsel, shall each, in their respective discretions have the right to terminate the Settlement and this Stipulation by providing written notice of their election to do so to all other counsel for the Parties within thirty (30) calendar days of:

- (a) the Court's Final refusal to enter the Preliminary Approval Order in any material respect;
- (b) the Court's Final refusal to approve this Stipulation or any material part of it (except with respect to any decision by the Court concerning the Fee and Expense Application);
- (c) the Court's Final refusal to enter the Judgment in any material respect; or
- (d) the date on which the Judgment is modified or reversed in any material respect by a Court of Appeals or the United States Supreme Court and such modification or reversal has become Final.

12.4 If Schwab (or its successor) does not pay or cause to be paid the account credits to Plaintiffs, Attorney's Fees and Expenses as ordered by the Court, and Service Awards as ordered by the Court, in full within the time periods specified in ¶2.1 of this Stipulation, then Plaintiffs, in their sole discretion, may, at any time prior to the Court entering the Judgment: (a) seek to enforce the terms of the Settlement and this Stipulation and seek entry of a judgment and/or order to effectuate and enforce the terms of this Stipulation; and/or (b) pursue such other rights as Plaintiffs and the Settlement Class may have arising out of the failure to timely pay the account credit to Plaintiffs or Attorney's Fees and Expenses as ordered by the Court and Service Awards as ordered by the Court.

12.5 Except as otherwise provided herein, in the event that the Settlement is terminated in accordance with its terms, the Judgment is vacated, or the Effective Date fails to occur, then (a) the Parties shall be deemed to have reverted to their respective statuses and positions in the Action as determined by the Court, and the fact and terms of the Stipulation shall not be deemed or construed to be an admission by any Party or evidence of any kind in this Action and, except as otherwise expressly provided, the Parties shall proceed in all respects as if this Stipulation and any

related orders had not been entered. Any actual and incurred Notice Costs shall not be repaid to Schwab.

13. MISCELLANEOUS PROVISIONS

13.1 The Parties acknowledge that it is their intent to consummate the Settlement contemplated by this Stipulation.

13.2 The Parties shall use their reasonable best efforts and take all necessary steps to consummate the Settlement contemplated herein, and the Parties and their respective counsel agree to cooperate reasonably with one another in seeking judicial approval of the Preliminary Approval Order, the Stipulation and the Settlement, and the entry of the Judgment, and to promptly agree upon and execute all such other documentation as may be reasonably required to obtain final judicial approval of the Settlement and to effectuate and implement all terms and conditions of this Stipulation.

13.3 The administration and consummation of the Settlement as embodied in this Stipulation shall be under the authority of the Court, and the Court shall also retain jurisdiction for purposes of, inter alia, entering orders relating to the Fee and Expense Application, the Service Award Application, and the enforcement of the terms of this Stipulation.

13.4 The Parties agree that all of the terms of this Stipulation were negotiated at arm's-length by experienced and competent legal counsel and in good faith by the Parties with the assistance of an experienced court-appointed neutral, the Honorable Nancy F. Atlas (Ret.), who has, as required by order of the Court and the Court Annexed Mediation Plan, filed a mediation report.

13.5 By executing this Stipulation, each of the Parties represents that they have the right, legal capacity, power and authority to enter into this Stipulation and to perform their obligations

hereunder, without requiring additional consent, approval, or authorization of any other person, board, entity, tribunal, or other regulatory or governmental authority.

13.6 Each Party agrees that no representations, warranties, inducements, covenants, or promises of any kind or character have been made by any other Party, Released Plaintiff Person, Released Defendant Person, or anyone else to induce the execution of this Stipulation except as expressly provided in this Stipulation, and that this Stipulation and its exhibits, together with the Supplemental Agreement constitutes the entire agreement between the Parties.

13.7 Each Party represents and warrants that they have had the opportunity to be represented by counsel of their choice throughout the negotiations, which preceded the execution of this Stipulation, and in connection with the preparation and execution of this Stipulation, and that they have been afforded sufficient time and opportunity to review this Stipulation with counsel of their choice.

13.8 All of the exhibits attached hereto are hereby incorporated by reference as though fully set forth in this Stipulation.

13.9 No amendment or modification of this Stipulation shall be effective unless in writing and signed by, or on behalf of, all of the Parties and approved by the Court.

13.10 Whenever this Stipulation requires or contemplates that a Defendant shall or may give notice to Plaintiffs (or Co-Lead Counsel), or that Plaintiff shall or may give notice to Schwab (or Schwab's Counsel), unless otherwise specified such notice shall be provided by email and next business day express delivery service, as set forth below, to the below-listed counsel:

If to Plaintiff or Co-Lead Counsel:

Yavar Bathaee
Andrew Wolinsky
BATHAEE DUNNE LLP
445 Park Avenue, 9th Floor
New York, NY 10022

Tel: (332) 322-8835
yavar@bathaeedunne.com
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Brian J. Dunne
Edward M. Grauman
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Walter W. Noss
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Chad Bell
KOREIN TILLERY LLC
205 N. Michigan Ave., Suite 1950
Chicago, IL 60601
Tel: (312) 641-9750
cbell@koreintillery.com

If to Schwab or Schwab's Counsel:

Daniel G. Swanson
GIBSON, DUNN & CRUTCHER LLP
333 South Grand Avenue
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Veronica S. Moyé
KING & SPALDING LLP
2601 Olive Street, Suite 2300
Dallas, TX 75201
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vmoye@kslaw.com

13.11 Co-Lead Counsel, on behalf of the Settlement Class, is expressly authorized to take all appropriate action required or permitted to be taken by the Settlement Class pursuant to this Stipulation to effectuate its terms, and to enter into any written modifications or amendments to this Stipulation on behalf of the Settlement Class.

13.12 This Stipulation shall be binding upon, and inure to the benefit of, the successors, assigns, executors, administrators, heirs, and representatives of the Parties. No assignment shall relieve any Party hereto of any obligations hereunder.

13.13 This Stipulation and all exhibits hereto shall be governed by, construed, performed, and enforced in accordance with the laws of the State of Texas without regard to its rules of conflicts of law, except to the extent that federal law requires that federal law governs.

13.14 Plaintiffs, on behalf of themselves and each Settlement Class Member, hereby irrevocably submit to the jurisdiction of the Court for any suit, action, proceeding, or dispute arising out of or relating to this Stipulation, the applicability of this Stipulation, or the enforcement of the terms of this Stipulation.

13.15 The Parties acknowledge that each Party has participated jointly and equally in the negotiation and preparation of this Stipulation. In the event an ambiguity or question of intent or interpretation arises, such ambiguity or question shall not be construed against any Party, and no presumption or burden of proof shall arise from favoring or disfavoring any Party solely by virtue of the authorship of any of the provisions of this Stipulation, and instead this Stipulation shall be construed as if each Party participated equally in the drafting of all such provisions.

13.16 The Parties agree not to assert in any forum that the Action was brought or litigated by Plaintiffs (or any other Settlement Class Member or their counsel, including Co-Lead Counsel), or defended by any Defendant (or any Person previously named as a defendant in this matter or their counsel), in bad faith or without a reasonable basis, and further agree not to assert in any forum that any Party or their counsel violated any provision of Rule 11 of the Federal Rules of Civil Procedure, or any other similar statute, rule, or law, relating to the commencement, prosecution, maintenance, defense, litigation or settlement of the Action.

13.17 The headings in this Stipulation are used for purposes of convenience and ease of reference only and are not meant to have legal effect.

13.18 The waiver by one Party of any breach of this Stipulation by any other Party shall not be deemed a waiver by any other Party of such breach, nor shall it be deemed a waiver of any other breach of this Stipulation, including any prior or subsequent breach of this Stipulation. The provisions of this Stipulation may not be waived except by a writing signed by the affected Party or counsel for that Party. No failure or delay on the part of any Party in exercising any right, remedy, power, or privilege under this Stipulation shall operate as a waiver thereof or of any other right, remedy, power, or privilege of such Party under this Stipulation; nor shall any single or partial exercise of any right, remedy, power, or privilege under this Stipulation on the part of any Party operate as a waiver thereof or of any other right, remedy, power, or privilege of such Party under this Stipulation, or preclude further exercise thereof or the exercise of any other right, remedy, power, or privilege.

13.19 All counsel and any other Person executing this Stipulation and any of the exhibits hereto, or any related Settlement documents, warrant and represent that they have full authority to do so on behalf of their respective clients, and that they similarly have the authority to take all

appropriate actions required or permitted to be taken pursuant to the Stipulation to effectuate its terms.

13.20 This Stipulation may be executed in one or more original, photocopied, PDF copies or facsimile counterparts, and facsimile or scanned signatures shall have the same force and effect as original signatures, and the exchange of fully executed copies of this Stipulation may similarly be effectuated by emailed PDF to the email addresses shown below for the Parties' respective counsel. All executed counterparts and each of them shall be deemed to be one and the same instrument. A copy of the complete set of executed counterparts of this Stipulation shall be electronically filed with the Court.

13.21 This Stipulation is executed voluntarily by each of the Parties without any duress or undue influence on the part, or on behalf, of any of them. The Parties represent and warrant to each other that they have read and fully understand the provisions of this Stipulation and have relied on the advice and representation of legal counsel of their own choosing.

IN WITNESS WHEREOF, the Parties, intending to be legally bound by this Stipulation, have caused this Stipulation to be executed, by their duly authorized attorneys, as of December 12, 2024.

On behalf of Plaintiffs:



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Andrew Wolinsky
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Tel: (332) 322-8835
yavar@bathaeedunne.com
awolinsky@bathaeedunne.com

On behalf of The Charles Schwab Corporation:



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EXHIBIT A

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION**

JONATHAN CORRENTE, *et al.*,

Plaintiffs,

v.

THE CHARLES SCHWAB CORPORATION,

Defendant.

Civil Action No. 4:22-CV-470-ALM

Hon. Amos L. Mazzant, III

**[PROPOSED] ORDER GRANTING PLAINTIFFS' MOTION FOR
PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT AND FOR
ISSUANCE OF NOTICE TO THE SETTLEMENT CLASS**

EXHIBIT A

WHEREAS, (a) Plaintiffs Jonathan Corrente, Charles Shaw, and Leo Williams (“Plaintiffs”) in the above-captioned class action (the “Action”), on behalf of themselves and the Settlement Class (as defined below) and (b) Defendant The Charles Schwab Corporation (“Defendant”), have entered into the Stipulation and Agreement of Settlement, dated as of December 12, 2024 (the “Stipulation”), which is subject to review under Rule 23 of the Federal Rules of Civil Procedure and which, together with the exhibits annexed thereto, sets forth the terms and conditions for the resolution, discharge, release, settlement, and dismissal of the Action and all claims set forth therein upon and subject to the terms and conditions hereof;

WHEREAS, Plaintiffs have applied for an order pursuant to Rule 23(e) of the Federal Rules of Civil Procedure granting preliminary approval of the Settlement and directing notice to the Settlement Class;

WHEREAS, Plaintiffs have sought, and the Defendant has agreed not to object to, the certification of the Settlement Class (as defined below) solely for settlement purposes;

WHEREAS, this Court has read and considered the Stipulation, and other documents submitted in connection with Plaintiffs’ Motion for Preliminary Approval of Class Action Settlement and for Issuance of Notice to the Settlement Class, and found that substantial and sufficient grounds exist for entering this Order, and the Parties having consented to the entry of this Order;

WHEREAS, unless otherwise defined herein, all capitalized terms contained in this Order shall have the same meanings as they have in the Stipulation;

NOW, THEREFORE, IT IS HEREBY ORDERED that:

EXHIBIT A

I. Preliminary Approval of the Settlement

1. The Court preliminarily finds that: (a) the Stipulation resulted from good-faith, arm's-length negotiations during which the Parties were represented by competent and experienced counsel; and (b) the terms of the proposed Stipulation are fair, reasonable, and adequate, and fall within the range of possible approval.

2. Accordingly, the Court preliminarily approves the Settlement pursuant to Fed. R. Civ. P. 23(e)(2) subject to further consideration at the Fairness Hearing described below.

II. Certification of the Settlement Class

3. Pursuant to Fed. R. Civ. P. 23(a) and (b)(2) and for the purposes of this Settlement only, the Action is hereby preliminarily certified as a class action on behalf of a class (the "Settlement Class") consisting of persons, entities, and corporations who are current U.S. brokerage customers of Schwab or any of its affiliates, including customers who previously held accounts at TD Ameritrade. Excluded from the Settlement Class are: (a) the Defendant; (b) its employees, officers, directors, legal representatives, heirs, successors, and wholly or partly owned subsidiaries or affiliates; and (c) the judicial officers and their immediate family members and associated court staff assigned to this case.

4. This Court finds, preliminarily and for purposes of this Settlement only, that the prerequisites for class certification under Fed. R. Civ. P. 23(a) have been satisfied in that: (a) the number of Settlement Class Members is so numerous that joinder of all members of the Settlement Class is impracticable; (b) there are questions of law and fact common to the Settlement Class; (c) the claims of the Plaintiffs are typical of the claims of the Settlement Class they seek to represent; (d) Plaintiffs and Co-Lead Counsel have and will continue to fairly and adequately protect the interests of the Settlement Class. In addition, the Court finds, preliminarily and for

EXHIBIT A

purposes of this Settlement only, that this Action satisfies the requirements for class certification under Fed. R. Civ. P. 23(b)(2) and that final injunctive relief is appropriate respecting the class as a whole.

III. Class Counsel and Class Representatives

5. Pursuant to Fed. R. Civ. P. 23(c)(1) and 23(g), preliminarily and for purposes of this Settlement only, the following counsel are appointed as class counsel for the Settlement Class (“Co-Lead Counsel”):

Yavar Bathaee
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445 Park Avenue, 9th Floor
New York, NY 10022
Tel: (332) 322-8835
yavar@bathaeeandunne.com

Christopher M. Burke
KOREIN TILLERY P.C.
401 West A Street, Suite 1430
San Diego, CA 92101
Tel: (619) 625-5620
cburke@koreintillery.com

6. Co-Lead Counsel have the authority to act on behalf of the Settlement Class as to all acts or consents that are required by or may be given pursuant to the Stipulation, or that are reasonably necessary to consummate the Settlement.

7. Plaintiffs are designated as class representatives on behalf of the Settlement Class. Plaintiffs appear to have no conflict of interest with the Settlement Class and allege that they suffered the same injury as all Settlement Class Members.

IV. Class Notice and Fairness Hearing

8. Based upon the information before the Court, there is a sufficient basis for notifying the Settlement Class and for scheduling a Fairness Hearing to be held following the issuance of such notice pursuant to Rule 23(e).

9. The Court therefore directs the issuance of notice of the Settlement to the Settlement Class Members and the scheduling of a Fairness Hearing, as set forth below.

EXHIBIT A

10. The Court hereby schedules the Fairness Hearing, to be held before the Court, on _____ 2025 at __:__.m. for the following purposes:

a. to determine finally whether the requirements for class action treatment under Fed. R. Civ. P. 23 are satisfied;

b. to determine finally whether the Settlement is fair, reasonable, and adequate, and should be approved by the Court;

c. to determine whether the Judgment as provided under the Stipulation should be entered, dismissing the Action on the merits and with prejudice and releasing the Plaintiffs' Released Claims against the Released Defendant Persons, the Settlement Class Released Claims against the Released Defendant Persons, and the Released Defendant's Claims against the Released Plaintiff Persons and the Released Settlement Class Persons;

d. to consider Co-Lead Counsel's Fee and Expense Application for an award of attorney's fees and expenses (including any Service Awards);

e. to consider any valid objections submitted to the Court as further provided for herein and in the accompanying Notice; and

f. to rule upon such other matters as the Court may deem appropriate.

11. The Court also reserves the right to adjourn the Fairness Hearing to a later date or time without further notice to the Settlement Class Members other than entry of an order on the Court's docket (provided that the time or the date of the Fairness Hearing shall not be set at a time or date earlier than the time and date set forth in ¶10 above). In such event, however, Co-Lead Counsel are directed to instruct the Notice Administrator (as defined below) to post notice of any such adjournment on a website to be established by the Notice Administrator in this matter for the

EXHIBIT A

purposes of facilitating the dissemination of notice and other information about this Action (the “Settlement Website”).

12. Following the Fairness Hearing, the Court reserves the right to approve the Settlement without modification, or with such modifications as the Parties may agree, without further notice, and to enter its Judgment approving the Settlement and dismissing the Action on the merits and with prejudice, regardless of whether it has awarded attorney’s fees and expenses.

13. The Court approves the form and substance of the Notice and the Summary Notice as sufficient to inform the Settlement Class Members of the terms of the Settlement, their rights under the Settlement, their rights to object to the Settlement, and the date and location of the Fairness Hearing.

14. For purposes of this Settlement only, Ankura Consulting Group, LLC is appointed as the Notice Administrator to supervise and administer the notice procedure pursuant to the terms set forth in the Stipulation and substantially in the form approved herein.

15. The Notice Administrator shall endeavor to cause the Summary Notice to be disseminated via either email or paper mail by the twenty-first (21st) calendar day after entry of this Order, to all Settlement Class Members who can be identified with reasonable effort. In accordance with ¶6.2 of the Stipulation, to the extent it has not already done so, Schwab shall provide (at its expense) to the Notice Administrator contact information for Settlement Class Members for the purpose of assisting the Notice Administrator in identifying and giving notice to the Settlement Class.

16. Co-Lead Counsel, through the Notice Administrator, shall cause the Stipulation and its exhibits, this Order, and a copy of the Notice to be posted on the Settlement Website to be

EXHIBIT A

established by the Notice Administrator for the Settlement within fourteen (14) calendar days after entry of this Order.

17. Co-Lead Counsel shall, at least fourteen (14) calendar days before the Fairness Hearing, file with the Court proof of the dissemination of the Summary Notice and public posting of the Notice as required by this Order.

18. As provided in the Stipulation, pursuant to the Class Action Fairness Act, 28 U.S.C. §§ 1715 *et seq.* (“CAFA”), Schwab, at its own cost, shall serve proper notice of the proposed Settlement upon those who are entitled to such notice pursuant to CAFA.

19. Schwab shall, at least fourteen (14) calendar days before the Fairness Hearing, file with the Court proof, by affidavit or declaration, regarding its compliance with CAFA § 1715(b).

20. The Court finds that the forms and methods set forth herein of notifying the Settlement Class Members of the Settlement and its terms and conditions meet the requirements of due process, Fed. R. Civ. P. 23, and all other applicable laws and rules, and constitute the best notice practicable under the circumstances, and shall constitute due and sufficient notice to all persons and entities entitled thereto, and are reasonably calculated under the circumstances to describe the terms and effect of the Settlement and to apprise Settlement Class Members of their right to object to the proposed Settlement. No Settlement Class Member will be relieved from the terms and conditions of the Settlement, including the releases provided for therein, based upon the contention or proof that such Settlement Class Member failed to receive actual or adequate notice.

21. All reasonable fees and expenses incurred in identifying and notifying Settlement Class Members, and in administering the Settlement, shall be paid as set forth in the Stipulation. In the event the Settlement is not finally approved by the Court, or otherwise fails to become effective, neither Plaintiffs, nor Settlement Class Members, nor Co-Lead Counsel shall have any

EXHIBIT A

obligation to repay any amounts actually and properly disbursed by Schwab, except as provided in the Stipulation.

22. The Court will consider objections to the Settlement and the Fee and Expense Application, provided, however, that, absent further order of the Court, no Settlement Class Member or other Person shall be heard or entitled to contest the approval of the terms and conditions of the proposed Settlement, the Fee and Expense Application or, if approved, the Judgment, or any other order relating thereto, unless that Person has filed the objection with the Court at least thirty (30) calendar days prior to the Fairness Hearing. To be valid, a Settlement Class Member's objection must substantially comply with the following requirements, namely, it must set forth the Settlement Class Member's: (1) name, address, and telephone number; (2) proof of membership in the Settlement Class; (3) all grounds for the objection; (4) the name, address, and telephone number of the Settlement Class Member's counsel, if any; and (5) a list of other cases in which the objector or counsel for the objector has appeared either as an objector or counsel for an objector in the last five years. The objection must also state whether it applies only to the objector, to a specific subset of the class, or to the entire class, and state with specificity the grounds for the objection. The objection must be signed by the objector, even if the objection is filed by counsel for the objector. Attendance at the Fairness Hearing is not necessary, but Persons wishing to be heard orally in opposition to approval of the Stipulation and/or the Fee and Expense Application must state in their written objection that they intend to appear at the Fairness Hearing, and must identify any witnesses they may call to testify or exhibits they intend to introduce into evidence at the Fairness Hearing, provided, however, that the Court may excuse such requirements upon a showing of good cause. Settlement Class Members need not appear at the Fairness Hearing or take any other action to show their approval.

EXHIBIT A

23. Unless otherwise ordered by the Court upon a finding of good cause shown, any Settlement Class Member who does not object in the manner prescribed above shall: be deemed to have waived all such objections; be forever foreclosed from making any objection to the fairness, adequacy, or reasonableness of the Settlement, any Judgment approving the Settlement, and any orders approving the Fee and Expense Application; be bound by all the terms and provisions of the Stipulation and by all proceedings, orders, and judgments in the Action; and be foreclosed from appealing from any judgment or order entered in this Action.

24. All papers in support of the Settlement and/or the Fee and Expense Application shall be filed and served no later than forty-two (42) calendar days before the Fairness Hearing.

25. Any submissions filed in response to any objections or in reply or further support of the Settlement and/or the Fee and Expense Application shall be filed no later than fourteen (14) calendar days prior to the Fairness Hearing.

26. Schwab, Schwab's Counsel, and the other Released Defendant Persons shall have no responsibility for, or liability with respect to, the Fee and Expense Application (including any payments to Plaintiffs) submitted by Co-Lead Counsel, and such matters will be considered separately from the fairness, reasonableness, and adequacy of the Settlement.

V. Other Provisions

27. Pending final determination of whether the Settlement should be approved, Plaintiffs, all Settlement Class Members, and anyone who acts or purports to act on behalf of any or all of them, shall not institute, commence, maintain, or prosecute, and are hereby barred and enjoined from instituting, commencing, maintaining, or prosecuting, any action in any court or tribunal that asserts Released Defendant's Claims against any of the Released Defendant Persons.

EXHIBIT A

28. Neither this Order, nor the Stipulation (including the Settlement contained therein) nor any act performed or document executed pursuant to or in furtherance of the Settlement:

a. is or may be deemed to be, or may be used as an admission, concession, or evidence of, the validity or invalidity of any Released Claims, the truth or falsity of any fact alleged by any Plaintiff, the sufficiency or deficiency of any defense that has been or could have been asserted in the Action, or of any deception, wrongdoing, liability, negligence, or fault of Defendant, the Released Defendant Persons, or each or any of them, or that any Plaintiff or Settlement Class Member was harmed or damaged by any conduct by the Defendant;

b. is or may be deemed to be or may be used as an admission of, or evidence of, any fault or misrepresentation or omission with respect to any statement or written document attributed to, approved or made by Defendant or the Released Defendant Persons in any arbitration proceeding or any civil, criminal, or administrative proceeding in any court, administrative agency, or other tribunal;

c. is or may be deemed to be or shall be used, offered, or received against the Parties, Defendant, the Released Defendant Persons, the Released Plaintiff Persons, or any of them, as an admission, concession, or evidence of the validity or invalidity of the Released Claims, the infirmity or strength of any claim raised in the Action, the truth or falsity of any fact alleged by Plaintiffs or the Settlement Class, or the availability or lack of availability of meritorious defenses to the claims raised in the Action; and

d. is or may be deemed to be or shall be construed as or received in evidence as an admission or concession against Defendant, the Released Defendant Persons, the Released Plaintiff Persons, or any of them, that any of Plaintiffs' or Settlement Class

EXHIBIT A

Members' claims are with or without merit, that a litigation class should or should not be certified, that injunctive or equitable relief obtained in the Action would have been more extensive or not obtained, or that the consideration to be given pursuant to the Stipulation represents an amount equal to, less than or greater than the amount which could have or would have been recovered by Plaintiffs or the Settlement Class Members after trial.

29. In the event the Settlement is not consummated in accordance with the terms of the Stipulation, then the Stipulation and this Order (including any amendment(s) thereof, and except as expressly provided in the Stipulation or by order of the Court) shall be null and void, of no further force or effect, and without prejudice to any Party, and may not be introduced as evidence or used in any action or proceeding by any Person against the Parties, the Released Defendant Persons or the Released Plaintiff Persons, and each Plaintiff and Defendant shall be restored to his, her, or its respective litigation positions as determined by the Court.

30. The Court retains exclusive jurisdiction over the Action to consider all further matters arising out of, or relating to, the Settlement and the Stipulation including but not limited to the enforcement thereof.

IT IS SO ORDERED.

EXHIBIT B

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION**

JONATHAN CORRENTE, et al.,

Plaintiffs,

v.

THE CHARLES SCHWAB CORPORATION,

Defendant.

Civil Action No. 4:22-CV-470-ALM

Hon. Amos L. Mazzant, III

**[PROPOSED] ORDER AND FINAL JUDGMENT APPROVING
CLASS ACTION SETTLEMENT**

EXHIBIT B

WHEREAS, the Parties, through their counsel, have agreed, subject to judicial approval following issuance of notice to the Settlement Class and a Fairness Hearing, to settle and dismiss with prejudice all claims asserted in this Action upon the terms and conditions set forth in the Parties' Stipulation and Agreement of Settlement dated December 12, 2024 (ECF No. ____) (the "Stipulation");

WHEREAS, on _____, the Court issued its Order Granting Plaintiffs' Motion for Preliminary Approval of Class Action Settlement and for Issuance of Notice to the Settlement Class (the "Preliminary Approval Order") (ECF No. ____);

WHEREAS, it appears in the record that the Summary Notice substantially in the form approved by the Court in its Preliminary Approval Order was transmitted to all reasonably identifiable Settlement Class Members, and the Summary Notice and Notice were posted on the Settlement Website established by the Notice Administrator in this matter, in accordance with the Preliminary Approval Order;

WHEREAS, on the ____ day of _____ 2025, following issuance of notice of the Settlement to the Settlement Class, the Court held its Fairness Hearing to determine: (1) whether the terms and conditions of the Stipulation are fair, reasonable and adequate, and should be approved; (2) whether judgment should be entered dismissing, with prejudice, the Action and all claims set forth therein upon and subject to the terms and conditions hereof; (3) whether and in what amount to award Attorney's Fees and Expenses; and (4) whether and in what amount to grant any Service Awards to Plaintiffs; and

WHEREAS, the Court has considered all matters and papers submitted to it at or in connection with the Fairness Hearing and otherwise;

EXHIBIT B

WHEREAS, unless otherwise defined herein, all capitalized terms contained in this Order shall have the same meanings as they have in the Stipulation;

NOW, THEREFORE, based upon the Stipulation and all of the findings, records, and proceedings had herein, and it appearing to the Court upon examination, following the duly-noticed Fairness Hearing, that the Settlement is fair, reasonable, and adequate and should be finally approved and that this Order and Final Judgment should be entered;

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. The Court has jurisdiction over the subject matter of the Action, Plaintiffs, all Settlement Class Members, and Defendant The Charles Schwab Corporation (“Defendant”).

2. The Court finds that, solely for purposes of this Settlement, the prerequisites for a class action under Rule 23(a) of the Federal Rules of Civil Procedure have been satisfied in that:

a. the number of Settlement Class Members is so numerous that joinder of all members thereof is impracticable;

b. there are questions of law and fact common to the Settlement Class;

c. the claims of the Plaintiffs are typical of the claims of the Settlement Class they seek to represent; and

d. Plaintiffs and Co-Lead Counsel have and will continue to fairly and adequately represent the interests of the Settlement Class.

3. The Court further finds that, solely for purposes of this Settlement, the requirements for certification of a class action under Rule 23(b)(2) of the Federal Rules of Civil Procedure have also been satisfied in that the party opposing the class has acted or intends to act on grounds that apply generally to the Settlement Class, so that final injunctive relief is appropriate respecting the Class as a whole.

EXHIBIT B

4. Accordingly, the Court certifies this action as a class action, solely for purposes of this Settlement, pursuant to Rules 23(a) and (b)(2) of the Federal Rules of Civil Procedure, on behalf of the Settlement Class. Excluded from the Settlement Class are: (a) the Defendant; (b) its employees, officers, directors, legal representatives, heirs, successors, and wholly or partly owned subsidiaries or affiliates; and (c) the judicial officers and their immediate family members and associated court staff assigned to this case.

5. Pursuant to Fed. R. Civ. P. 23, solely for the purposes of this Settlement, Plaintiffs are appointed as class representatives of the Settlement Class, and the following counsel are appointed as class counsel for the Settlement Class:

Yavar Bathaee
BATHAEE DUNNE LLP
445 Park Avenue, 9th Floor
New York, NY 10022
Tel: (332) 322-8835
yavar@bathaeedunne.com

Christopher M. Burke
KOREIN TILLERY P.C.
401 West A Street, Suite 1430
San Diego, CA 92101
Tel: (619) 625-5620
cburke@koreintillery.com

6. In accordance with the Preliminary Approval Order, the Court finds that the forms and methods of notifying the Settlement Class of the Settlement and its terms and conditions and the rights of Settlement Class Members in connection therewith (a) constituted the best notice practicable under the circumstances; (b) constituted due and sufficient notice of these proceedings and the matters set forth herein (including the Settlement) to all persons and entities entitled to such notice; and (c) met the requirements of due process and Rule 23 of the Federal Rules of Civil Procedure. No Settlement Class Member is or shall be relieved from the terms and conditions of the Settlement, including the releases and covenants provided for in the Stipulation, based upon the contention or proof that such Settlement Class Member failed to receive actual or adequate notice. A full opportunity has been offered to the Settlement Class Members to object to the

EXHIBIT B

proposed Settlement (and to participate in the hearing thereon). The Court further finds that the notice provisions of the Class Action Fairness Act, 28 U.S.C. § 1715, were fully discharged. Thus, it is determined that all Settlement Class Members are bound by this Order and Final Judgment.

7. The Court finds that the Settlement is fair, reasonable, and adequate under Rule 23 of the Federal Rules of Civil Procedure, and in the best interests of the Settlement Class. The Court further finds that the Settlement is the result of good faith, arm's-length negotiations and that all Parties have been represented throughout by experienced and competent counsel.

8. The Court further finds that if the Settlement had not been achieved, the Parties would have faced the expense, risk, and uncertainty of extended litigation in connection with the claims asserted against the Defendant. The Court takes no position on the merits of either Plaintiffs', the Settlement Class's, or Defendant's liability positions but notes that the existence of substantial arguments both for and against their respective positions further supports approval of the Settlement.

9. Accordingly, the Court gives its final approval to the Stipulation and directs the Parties to consummate the Settlement in accordance with the terms and provisions of the Stipulation.

10. This Action is hereby dismissed on the merits and with prejudice. All Parties to the Action shall bear their own costs, except as otherwise provided in the Stipulation.

11. Each Released Plaintiff Person shall be deemed to have, and by operation of this Order and Final Judgment shall have, fully, finally, and forever released, waived, relinquished and discharged, and shall forever be enjoined from prosecuting, all Plaintiffs' Released Claims against each Released Defendant Person.

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12. Each Released Settlement Class Person shall be deemed to have, and by operation of this Order and Final Judgment shall have, fully, finally, and forever released, waived, relinquished and discharged, and shall forever be enjoined from prosecuting, all Settlement Class Released Claims against each Released Defendant Person.

13. Schwab and each of the Released Defendant Persons in their capacities as such shall be deemed to have, and by operation of this Order and Final Judgment shall have, fully, finally, and forever released, waived, relinquished and discharged, and shall forever be enjoined from prosecuting, all Released Defendant's Claims against each Released Plaintiff Person and Released Settlement Class Person.

14. Nothing contained herein shall, however, bar any Party, Released Defendant Person, or Released Plaintiff Person from bringing any action or claim to enforce the terms of the Stipulation or this Order and Final Judgment.

15. Neither this Order and Final Judgment, the Stipulation, nor any of the terms and provisions of the Stipulation, nor any of the negotiations or proceedings in connection therewith, nor any of the documents or statements referred to herein or therein, nor the Settlement, nor the fact of the Settlement, nor the Settlement proceedings, nor any statement in connection therewith:

a. is or may be deemed to be, or may be used as an admission, concession, or evidence of the validity or invalidity of any Released Claim, the truth or falsity of any fact alleged by Plaintiffs, the sufficiency or deficiency of any defense that has been or could have been asserted in the Action, or any wrongdoing, liability, negligence, or fault of Defendant, its Related Persons, or any of them;

b. is or may be deemed to be or may be used as an admission of, or evidence of, any fault or misrepresentation or omission with respect to any statement or written

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document attributed to, approved, or made by Defendant or its Related Persons in any civil, criminal, or administrative proceeding in any court, administrative agency, or other tribunal;

c. is or may be deemed to be or shall be used, offered, or received against any Party or any of their Related Persons as an admission, concession, or evidence of the validity or invalidity of any of Plaintiffs' Released Claims, Settlement Class Released Claims, or Released Defendant's Claims, the infirmity or strength of any claim raised in the Action, the truth or falsity of any fact alleged by Plaintiffs or the Settlement Class, or the availability or lack of availability of meritorious defenses to the claims raised in the Action; or

d. is or may be deemed to be or shall be construed as or received in evidence as an admission or concession against Defendant, or its Related Persons, or any of them, that any of Plaintiffs' or the Settlement Class Members' claims are with or without merit, that a litigation class should or should not be certified, that injunctive or equitable relief obtained in the Action would have been more extensive or not obtained, or that the consideration to be given pursuant to the Stipulation is equal to, less than, or greater than any consideration which could have or would have been awarded to Plaintiffs or the Settlement Class Members after trial.

16. Notwithstanding the immediately preceding paragraph, however, the Parties and the other Released Defendant Persons and Released Plaintiff Persons may file the Stipulation and/or this Order and Final Judgment in any other action that may be brought against them in order to support a defense or counterclaim based on principles of res judicata, collateral estoppel, full faith and credit, release, good faith settlement, judgment bar or reduction or any other theory of

EXHIBIT B

claim preclusion or issue preclusion or similar defense or counterclaim. The Parties may also file the Stipulation and/or this Order and Final Judgment in any proceedings that may be necessary to consummate or enforce the Stipulation, the Settlement, or this Order and Final Judgment.

17. Without affecting the finality of this Order and Final Judgment in any way, this Court retains continuing exclusive jurisdiction over all Parties to the Action and the Settlement Class Members for all matters relating to the Action, including the administration, interpretation, effectuation, and enforcement of the Stipulation.

18. There is no just reason for delay in the entry of this Order and Final Judgment, and immediate entry by the Clerk of the Court is expressly directed.

19. The finality of this Order and Final Judgment shall not be affected, in any manner, by rulings that the Court may make on the Fee and Expense Application, including any Service Awards for Plaintiffs.

20. If the Settlement is not consummated in accordance with the terms of the Stipulation, then the Stipulation and this Order and Final Judgment (including any amendment(s) thereof, and except as expressly provided in the Stipulation or by order of the Court) shall be null and void, of no further force or effect, and without prejudice to any of the Parties, and may not be introduced as evidence or used in any action or proceeding by any Person against the Parties, and the Parties shall be restored to their respective litigation positions as they existed as of October 1, 2024.

EXHIBIT C

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

JONATHAN CORRENTE, *et al.*,

Plaintiffs,

v.

THE CHARLES SCHWAB CORPORATION,

Defendant.

Civil Action No. 4:22-CV-470-ALM

Hon. Amos L. Mazzant, III

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

PLEASE READ THIS ENTIRE NOTICE CAREFULLY. A UNITED STATES FEDERAL COURT AUTHORIZED THIS NOTICE. YOUR RIGHTS MAY BE AFFECTED BY THE PROCEEDINGS IN THIS ACTION. THIS NOTICE ADVISES YOU OF YOUR RIGHTS AND OPTIONS WITH RESPECT TO THIS ACTION.

To: All persons, entities, and corporations who are current U.S. brokerage customers of The Charles Schwab Corporation (“Schwab”) or any of its affiliates, including customers who previously held accounts at TD Ameritrade (“Ameritrade”).

The capitalized terms in these paragraphs, as well as other capitalized terms, are explained or defined below or in the Stipulation and Agreement of Settlement with Schwab (the “Stipulation”). The Stipulation and the Court’s Preliminary Approval Order are posted on the Claims Administrator’s website at www. .com (the “Settlement Website”).

This Notice of Pendency of Class Action, Hearing on Proposed Settlement and Attorney’s Fees Petition, and Right to Object (“Notice”) is given pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Eastern District of Texas (the “Court”). It is not junk mail, an advertisement, or a solicitation from a lawyer. You have not been sued.

The purpose of this Notice is to inform you of the Settlement with Schwab in the above-captioned case (the “Action”).

Please do not contact the Court regarding this Notice. Inquiries concerning this Notice should be directed to:

Notice Administrator

Address

Address

Tel.: 1-XXX-XXXX

(if calling from outside the United States or Canada, call 1-XXX-XXX-XXXX)

Questions? Visit www. .com or call 1-XXX-XXX-XXXX
(if calling from outside the United States or Canada, call 1-XXX-XXX-XXXX)

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Email: [REDACTED]
Website: [REDACTED]

Plaintiffs allege that the combination of Schwab and TD Ameritrade Holding Corporation, in October 2020, violated Section 7 of the Clayton Act (15 U.S.C. § 18). Plaintiffs allege that the merger decreased competition among brokers, resulting in Plaintiffs making less money from their trading activity.

The Court preliminarily approved the Settlement with Schwab on [REDACTED]. To resolve this lawsuit, Schwab agreed to implement an antitrust compliance program to address Plaintiffs' claims.

The following table contains a summary of your rights and options regarding the Settlement. More detailed information about your rights and options can be found in the Stipulation, which is available at [www.\[REDACTED\].com](http://www.[REDACTED].com) (the "Settlement Website").

YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT	
DO NOTHING	You are automatically part of the Settlement Class if you fit the Settlement Class description. You will be bound by past and any future Court rulings, including rulings on the Settlement, if approved, and releases.
OBJECT TO THE SETTLEMENT	If you wish to object to the Settlement, Attorney's Fees and Expenses, or Service Awards, you must file a written objection with the Court by [REDACTED], 2025 and serve copies on Co-Lead Counsel and Schwab's Counsel. See question 13.
GO TO THE SETTLEMENT HEARING	You may ask the Court for permission to speak at the Fairness Hearing by including such a request in your written objection, which you must file with the Court and serve copies of on Co-Lead Counsel and Schwab's Counsel, by [REDACTED], 2025. The Fairness Hearing is scheduled for [REDACTED], 2025 at [REDACTED]. See questions 16 through 18.
APPEAR THROUGH AN ATTORNEY	You may enter an appearance through your own counsel at your own expense. See question 14.

These rights and options and the deadlines to exercise them are explained in this Notice.

You are receiving this Notice because records indicate that you may be a Settlement Class Member in this Action because you may be a current brokerage customer of Schwab or any of its affiliates, including as a former customer of Ameritrade.

Questions? Visit [www.\[REDACTED\].com](http://www.[REDACTED].com) or call 1-XXX-XXX-XXXX (if calling from outside the United States or Canada, call 1-XXX-XXX-XXXX)

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BASIC INFORMATION

1. What Is a Class Action Lawsuit?

A class action is a lawsuit in which one or more representative plaintiffs (in this case, Jonathan Corrente, Charles Shaw, and Leo Williams (collectively, “Plaintiffs”)) bring a lawsuit on behalf of themselves and other similarly situated persons (*i.e.*, a class) who the representative plaintiffs allege have similar claims against a defendant. The representative plaintiffs, the court, and counsel appointed to represent the class all have a responsibility to make sure that the interests of all class members are adequately represented.

Importantly, class members are NOT individually responsible for attorney’s fees or litigation expenses. Any award of attorney’s fees and litigation expenses will be paid by Schwab.

When a representative plaintiff enters into a settlement with a defendant on behalf of a class, such as the Settlement with Schwab, the court will require that the members of the class be given notice of the settlement and an opportunity to be heard with respect to the settlement. The court then conducts a hearing (called a “Fairness Hearing”) to determine, among other things, if the settlement is fair, reasonable, and adequate.

2. Why Did I Get This Notice?

You received this Notice because you requested it or records indicate that you may be a Settlement Class Member. As a potential Settlement Class Member, you have a right to know about the proposed Settlement with Schwab before the Court decides whether to approve the Settlement.

This Notice explains the Action, the Settlement, your legal rights, and what benefits the Settlement provides. The purpose of this Notice is also to inform you of the Fairness Hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement and to consider requests for awards of attorney’s fees, litigation expenses, and any service awards for Plaintiffs from Schwab.

3. What Is This Action About?

Plaintiffs allege they have been and will continue to be injured as a result of the combination of Schwab and Ameritrade in October 2020 in violation of Section 7 of the Clayton Act (15 U.S.C. § 18), a provision of the federal antitrust laws.

Plaintiffs allege that the merger decreased competition among brokers, resulting in Plaintiffs making less money from their trading activity.

Plaintiffs allege they suffered an injury of the type that the antitrust laws were intended to prevent.

4. What Has Happened in This Action?

Plaintiffs filed their Complaint on June 2, 2022. ECF No. 1. On August 29, 2022, Defendant moved to dismiss the Complaint. ECF No. 18. On February 24, 2023, the Court issued a Memorandum Opinion and Order denying Defendant’s motion to dismiss. ECF No. 40.

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Since 2022, the Parties conducted discovery to investigate the strength of the claims and defenses, including taking depositions and reviewing voluminous documents. The Parties also consulted with experts.

After extensive, arm's-length negotiations, including a mediation, the Parties reached an agreement to settle the Action on December 12, 2024. The Court granted Plaintiffs' motion for preliminary approval of the Settlement with Schwab on **MONTH XX**, 2025, respectively.

5. Why Is There a Settlement?

Plaintiffs and Co-Lead Counsel believe that Settlement Class Members were harmed by the merger of Schwab and Ameritrade's brokerage businesses. Schwab does not agree with the allegations made by the Plaintiffs and asserts that the claims lack merit and that Schwab has meritorious defenses. Schwab believes it would have defeated all of Plaintiffs' claims before trial, at trial, and/or on appeal. The Court has not decided in favor of either Plaintiffs or Schwab. Co-Lead Counsel engaged in settlement discussions with Schwab with the assistance of a retired federal judge, the Hon. Nancy F. Atlas. Judge Atlas was appointed by the Court to mediate the Action. As a result of the mediation process, the parties reached a negotiated resolution of the Action. The Settlement would allow both sides to avoid the risks and costs of lengthy litigation and the uncertainty of pre-trial proceedings, a trial, and appeals. If approved, Settlement Class Members will receive valuable injunctive relief without releasing their individual damage claims, rather than risk receiving nothing if the case were to proceed to trial and post-trial appeals. Plaintiffs and Co-Lead Counsel believe the Settlement is fair and in the best interest of all Settlement Class Members.

As a part of the Settlement, Schwab has agreed to implement a comprehensive antitrust compliance program to prevent antitrust violations. If the Settlement is approved, any Notice Costs, any Court-awarded attorney's fees and litigation expenses, service awards for Plaintiffs, and any other costs or fees approved by the Court will be paid by Schwab.

If the Settlement is approved, the Action will be dismissed. Schwab will no longer be the defendant in this Action. If the Settlement is not approved, Schwab will remain as the defendant in the Action, and Plaintiffs will continue to pursue their claims against Schwab.

WHO IS A MEMBER OF THE SETTLEMENT CLASS?

6. How Do I Know if I Am a Settlement Class Member?

In the Preliminary Approval Orders, the Court preliminarily approved the following Settlement Class:

All persons, entities, and corporations who are current U.S. brokerage customers of Schwab or any of its affiliates, including customers who previously held accounts at Ameritrade.

7. Are There Exceptions to Being Included in the Settlement Class?

Yes. You are not included in the Settlement Class if you are: (a) the Defendant; (b) one of its employees, officers, directors, legal representatives, heirs, successors, or wholly or partly owned

Questions? Visit **www. .com** or call **1-XXX-XXX-XXXX**
(if calling from outside the United States or Canada, call **1-XXX-XXX-XXXX**)

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subsidiaries or affiliates; or (c) one of the judicial officers or their immediate family members or associated court staff assigned to this case.

8. I'm Still Not Sure if I Am Included.

If you are still not sure whether you are included, you can ask for free help. You can call toll-free 1-XXX-XXX-XXXX (if calling from outside the United States or Canada, call 1-XXX-XXX-XXXX) or visit www. .com for more information.

THE SETTLEMENT BENEFITS

9. What Does the Settlement Provide?

Schwab will implement an antitrust compliance program, if the Settlement is approved. The antitrust compliance program will be designed by an independent third-party consultant. This consultant, to be jointly retained by the Parties, will consist of a team of attorneys from Fried, Frank, Harris Shriver & Jacobson LLP, including Bernard A. Nigro, Jr., Aleksandr Livshits, and Nihal Patel. The third-party consultant will consider, among other things:

- a. Policies, practices, and procedures related to Schwab's communications with and among market makers and other broker-dealers;
- b. Policies, practices, and procedures related to Schwab's order routing and execution, including those pertaining to Schwab's order routing allocations and price improvement as provided by market makers to Schwab's retail customers who trade equities and options;
- c. Policies, practices, and procedures applicable to Schwab's order routing committees and decisionmakers, including as to communications and coordination with market makers and other broker-dealers; and
- d. Schwab's post-merger disclosures, reporting, statements, and other communications with retail clients regarding transaction-related price improvement and order routing that may promote inter-brand competition among broker-dealers.

Once the program has been designed and implemented, Schwab will certify its compliance on a yearly basis for four years.

10. What Am I Giving Up to Receive Injunctive Relief?

Upon the Effective Date, Schwab, Plaintiffs and all Settlement Class Members shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever waived, released, relinquished, and discharged any and all injunctive, equitable, and non-monetary claims or remedies on account of, or arising out of, or resulting from, or in any way related to, any conduct that was alleged or could have been alleged in the Action based on any or all of the same factual predicates of the Action, including but not limited to any claim for divestiture. Settlement Class Members are not releasing any damage or monetary claims against Schwab or any future claims relating to enforcement of the Settlement terms. The capitalized terms used in this paragraph are defined in the Stipulation, Preliminary Approval Order, or this Notice. For easy reference, certain of these terms are copied below:

Questions? Visit www. .com or call 1-XXX-XXX-XXXX (if calling from outside the United States or Canada, call 1-XXX-XXX-XXXX)

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- “Related Persons,” when used in reference to a Person, means (a) the Person; (b) for natural Persons, each of that Person’s respective immediate family members and any trust which that Person is the settlor of or which is for the benefit of any such Person and/or the members of his or her family, and, for non-natural persons, each of past, present, and future, direct and indirect corporate parents (including holding companies), subsidiaries, related entities and affiliates, associates, predecessors, and successors; and (c), for any of the entities or Persons listed at (a) or (b) above, their respective past, present, or future parents, subsidiaries and affiliates, and their respective directors, officers, managers, managing directors, partners, members, principals, employees, auditors, accountants, representatives, insurers, trustees, trustors, agents, attorneys, professionals, predecessors, successors, assigns, heirs, executors, and administrators, in their capacities as such, and any entity in which the Person has a controlling interest.
- “Released Defendant’s Claims” means all claims and causes of action of every nature and description, whether known claims or Unknown Claims, whether arising under federal, state, local, common, or foreign law or regulation, by any of the Released Defendant Persons against Plaintiffs, any members of the Settlement Class, or any of their Related Persons, including any Co-Lead Counsel, which arise out of or relate in any way to the institution, prosecution, assertion, settlement, or resolution of the Action or the Released Claims. Released Defendant’s Claims shall not include any future claims relating to the enforcement of any terms of this Stipulation. For the avoidance of doubt, the release in this paragraph is intended to cover only litigation conduct in this Action.
- “Plaintiffs’ Released Claims” means any and all claims, counterclaims, demands, actions, potential actions, suits, and causes of action, losses, obligations, damages, matters, and issues of any kind or nature whatsoever, and liabilities of any nature, including without limitation claims for costs, expenses, penalties, and attorney’s fees that the Plaintiffs ever had or now have against any of the Released Defendant Persons, whether arising under federal, state, local, common, or foreign law or regulation, whether known claims or Unknown Claims, suspected or unsuspected, asserted or unasserted, foreseen or unforeseen, actual or contingent, accrued or unaccrued, matured or unmatured, disclosed or undisclosed, apparent or unapparent, liquidated or unliquidated, or claims that have been, could have been, or in the future might be asserted in law or equity, on account of or arising out of or resulting from or in any way related to any conduct that was alleged or could have been alleged in the Action based on any or all of the same factual predicates of the Action, including but not limited to Schwab’s participation in an allegedly anticompetitive merger with Ameritrade in October 2020. Plaintiffs’ Released Claims shall not include any future claims relating to the enforcement of any terms of the Settlement. Settlement Class Members are not releasing claims for money damages against Schwab.
- “Settlement Class Released Claims” means any and all injunctive, equitable and non-monetary claims or remedies on account of or arising out of, or resulting from, or in any way related to, any conduct that was alleged or could have been alleged in the Action based on any or all of the same factual predicates of the Action, including but not limited to any claim for divestiture. Settlement Class Released Claims shall not include any damages or

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compensatory monetary claims or any future claims relating to enforcement of the terms of the Settlement.

11. What if I Do Nothing?

You are automatically a Settlement Class Member if you fit the Settlement Class description. You will be bound by past and any future Court rulings, including rulings on the Settlement and its releases. Unless you object, you may not oppose, in whole or in part, the terms of the Settlement.

INABILITY TO EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS

12. What if I Do Not Want to Be in the Settlement Class?

If you are a Settlement Class Member, you may not exclude yourself from the Settlement Class. However, you may object to the Settlement by following the procedures in this Notice.

OBJECTING TO THE SETTLEMENT

13. How Do I Tell the Court What I Think About the Settlement?

If you are a Settlement Class Member, you can tell the Court what you think about the Settlement. You can object to all or any part of the Settlement, application for attorney's fees and litigation expenses, and any service awards for Plaintiffs. You can give reasons why you think the Court should approve them or not. The Court will consider your views.

If you want to make an objection, you may enter an appearance in the Action, at your own expense, individually or through counsel of your own choice, by filing with the Clerk of Court a notice of appearance and your objection by **MONTH XX**, 2025, and serving copies of your notice of appearance and objection on Co-Lead Counsel and Schwab's Counsel at the following physical addresses:

Yavar Bathaee
Andrew Wolinsky
BATHAEE DUNNE LLP
445 Park Avenue, 9th Floor
New York, NY 10022
Tel: (332) 322-8835
yavar@bathaeedunne.com
awolinsky@bathaeedunne.com

Brian J. Dunne
Edward M. Grauman
BATHAEE DUNNE LLP
901 South MoPac Expressway
Barton Oaks Plaza I, Suite 300
Austin, TX 78746
Tel: (213) 462-2772
bdunne@bathaeedunne.com
egrauman@bathaeedunne.com

Christopher M. Burke
Walter W. Noss
Yifan (Kate) Lv
KOREIN TILLERY P.C.
401 West A Street, Suite 1430
San Diego, CA 92101
Tel: (619) 625-5620
cburke@koreintillery.com
wnoss@koreintillery.com
klv@koreintillery.com

Chad Bell
KOREIN TILLERY LLC
205 N. Michigan Ave., Suite 1950
Chicago, IL 60601
Tel: (312) 641-9750
cbell@koreintillery.com

Co-Lead Counsel

Questions? Visit www. .com or call **1-XXX-XXX-XXXX**
(if calling from outside the United States or Canada, call **1-XXX-XXX-XXXX**)

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Daniel G. Swanson
GIBSON, DUNN & CRUTCHER LLP
333 South Grand Avenue
Los Angeles, CA 90071-3197
Tel: (213) 229-7430
dswanson@gibsondunn.com

Veronica S. Moyé
KING & SPALDING LLP
2601 Olive Street, Suite 2300
Dallas, TX 75201
Tel: 713-276-7398
vmoye@kslaw.com

Jason J. Mendro
Cynthia Richman
GIBSON, DUNN & CRUTCHER LLP
1700 M Street, N.W.
Washington, D.C. 20036-5306
Tel: (202) 955-8500
jmendro@gibsondunn.com
crichman@gibsondunn.com

Schwab's Counsel

Any Settlement Class Member who does not enter an appearance will be represented by Co-Lead Counsel.

If you choose to object, you must file a written objection with the Court. You cannot make an objection by telephone or email. Your written objection must include a heading that refers to this Action by case name and case number, and the following information: (1) name, address, and telephone number; (2) proof of membership in the Settlement Class; (3) all grounds for the objection; (4) the name, address, and telephone number of the Settlement Class Member's counsel, if any; and (5) a list of other cases in which the objector or counsel for the objector has appeared either as an objector or counsel for an objector in the last five years. If you want to be heard at the hearing, you must say so in your written objection and also identify any witnesses you propose to call to testify or exhibits you propose to introduce into evidence, if the Court so permits.

If you do not timely and validly submit your objection, your views may not be considered by the Court or any court on appeal.

THE LAWYERS REPRESENTING YOU

14. Do I Have a Lawyer in This Case?

The Court has appointed the lawyers listed below to represent you and the Settlement Class in this Action:

Yavar Bathaee
BATHAEE DUNNE LLP
445 Park Avenue, 9th Floor
New York, NY 10022
Tel: (332) 322-8835
yavar@bathaedunne.com

Christopher M. Burke
KOREIN TILLERY P.C.
401 West A Street, Suite 1430
San Diego, CA 92101
Tel: (619) 625-5620
cburke@koreintillery.com

Questions? Visit www.schwabandblum.com or call 1-XXX-XXX-XXXX
(if calling from outside the United States or Canada, call 1-XXX-XXX-XXXX)

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These lawyers are called Co-Lead Counsel. Co-Lead Counsel will receive any payment of attorney's fees and litigation expenses from Schwab. You will not be charged for Co-Lead Counsel's services. If you want to be represented by your own lawyer, you may hire one at your own expense.

15. How Will the Lawyers Be Paid?

To date, Co-Lead Counsel have not been paid any attorney's fees or reimbursed for any out-of-pocket litigation expenses. The Settlement provides that Co-Lead Counsel may apply to the Court for an award of attorney's fees and litigation expenses and that Schwab will pay the amount awarded by the Court. Any attorney's fees and litigation expenses will be awarded only as approved by the Court in amounts determined to be fair and reasonable. Prior to the Settlement Hearing, Co-Lead Counsel will move for an award of up to \$ [REDACTED] in attorney's fees, plus payment of no more than \$ [REDACTED] for litigation expenses.

The Fee and Expense Application will be made collectively on behalf of Bathaee Dunne LLP, located at 901 South MoPac Expressway, Barton Oaks Plaza I, Suite 300, Austin, Texas 78746, Korein Tillery P.C., located at 401 West A Street, Suite 1430, San Diego, CA 92101, and Korein Tillery LLC, 505 N. 7th #3600, St. Louis, MO 63101.

This is only a summary of the request for attorney's fees and litigation expenses. Any motions in support of the requests will be available for viewing on the Settlement Website after they are filed no later than **Month XX**, 2025. After that date, if you wish to review the motion papers, you may do so by viewing them at **www. [REDACTED].com**.

The Court will consider the motion for attorney's fees and litigation expenses at the Fairness Hearing.

THE COURT'S SETTLEMENT HEARING

16. When and Where Will the Court Decide Whether to Approve the Settlement?

The Court will hold the Fairness Hearing on **[DATE]** at **[TIME]** **p.m.** at the United States District Court for the Eastern District of Texas, Paul Brown United States Courthouse, 101 East Pecan Street, Sherman, Texas 75090. The Fairness Hearing may be moved to a different date or time without notice to you. Although you do not need to attend, if you plan to do so, you should check **www. [REDACTED].com** before making travel plans.

At the Fairness Hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The Court will also consider whether to approve the requests for attorney's fees and litigation expenses, and any service awards for Plaintiffs. If there are any objections, the Court will consider them at this time. We do not know how long the Fairness Hearing will take or when the Court will make its decision. The Court's decision may be appealed.

17. Do I Have to Come to the Fairness Hearing?

No. Co-Lead Counsel will answer any questions the Court may have. You are, however, welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you draft, file, and serve your written objection according to the

Questions? Visit **www. [REDACTED].com** or call **1-XXX-XXX-XXXX**
(if calling from outside the United States or Canada, call **1-XXX-XXX-XXXX**)

EXHIBIT C

requirements set forth above, the Court will consider it. You may attend the Fairness Hearing personally or you may hire your own lawyer to attend and you (or your counsel) may ask the Court to allow you to participate in the Fairness Hearing, but you are not required to do so.

18. May I Speak at the Fairness Hearing?

You may ask the Court for permission to speak at the Fairness Hearing. If you want to appear at the Fairness Hearing, you may enter an appearance in the Action at your own expense, individually or through counsel of your own choice, by filing with the Clerk of Court a notice of appearance and your objection by MONTH XX, 2025, and serving copies of your objection on Co-Lead Counsel and Schwab's Counsel at the addresses set forth in question 13. Any Settlement Class Member who does not enter an appearance will be represented by Co-Lead Counsel.

GETTING MORE INFORMATION

19. How Do I Get More Information?

This Notice summarizes the Settlement. More details are in the Stipulation, which is available for your review at www.XXXXXXXXXX.com. The Settlement Website also has answers to common questions about the Settlement and other information to help you determine whether you are a Settlement Class Member. You may also call toll-free 1-XXX-XXX-XXXX (if calling from outside the United States or Canada, call 1-XXX-XXX-XXXX) or write to the Claims Administrator at:

Notice Administrator
Address

Email: _____

*******Please do not contact the Court or the Clerk's Office regarding this Notice or for additional information.*******

Questions? Visit www.XXXXXXXXXX.com or call 1-XXX-XXX-XXXX (if calling from outside the United States or Canada, call 1-XXX-XXX-XXXX)

EXHIBIT D

SUMMARY NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

If you are a person, entity, or corporation who is a current U.S. brokerage customer of Schwab or any of its affiliates, including as a customer who previously held accounts at TD Ameritrade (“Ameritrade”), your rights may be affected by a pending class action settlement.

This notice is to alert you to a proposed settlement reached with The Charles Schwab Corporation (“Schwab”) in *Jonathan Corrente, et al. v. The Charles Schwab Corporation*, No. 4:22-CV-470-ALM (E.D. Tex.) and the injunctive relief contemplated in the proposed settlement, specifically, the implementation of an antitrust compliance program. The settlement with Schwab will resolve the claim against it in this action.

The United States District Court for the Eastern District of Texas (the “Court”) authorized this notice. The Court appointed the lawyers listed below to represent the Settlement Class:

Yavar Bathaee
BATHAEE DUNNE LLP
445 Park Avenue, 9th Floor
New York, NY 10022
Tel: (332) 322-8835
yavar@bathaeedunne.com

Christopher M. Burke
KOREIN TILLERY P.C.
401 West A Street, Suite 1430
San Diego, CA 92101
Tel: (619) 625-5620
cburke@koreintillery.com

Who Is a Member of the Settlement Class?

Subject to certain exceptions, the Settlement Class consists of all persons, entities, and corporations who are current U.S. brokerage customers of Schwab or any of its affiliates, including customers who previously held accounts at Ameritrade.

“Schwab” or “Defendant” means Defendant The Charles Schwab Corporation.

If you are not sure if you are included in the Settlement Class, you can get more information, by visiting www.schwab.com or by calling toll-free 1-XXX-XXX-XXXX (if calling from outside the United States or Canada, call 1-XXX-XXX-XXXX).

What Is This Lawsuit About?

Plaintiffs allege they were injured as a result of the combination of Schwab and TD Ameritrade Holding Corporation, in October 2020. Specifically, Plaintiffs allege that the merger decreased competition among brokers, resulting in Plaintiffs making less money from their trading activity. Plaintiffs assert a claim under federal antitrust law.

What Does the Settlement Provide?

To settle the claim in this lawsuit, Schwab has agreed to implement an antitrust compliance program to be designed by a third-party Consultant. This Consultant, to be jointly retained by the Parties, will consist of a team of attorneys from Fried, Frank, Harris Shriver & Jacobson LLP,

EXHIBIT D

including Bernard A. Nigro, Jr., Aleksandr Livshits, and Nihal Patel. If the settlement is approved, all Notice Costs, Court-awarded attorney's fees and litigation expenses, any service awards for the class representatives, and any other expenses approved by the Court will be paid by Schwab.

Settlement Class Members will not receive a payment.

What Are My Rights?

If you are a Settlement Class Member and do not object, you will release certain legal rights against Defendant and the other released parties, as explained in the Court's detailed Notice and the Stipulation and Agreement of Settlement, which are available at www. .com. If you do want to object to the Settlement you must do so by **Month XX, 2025**. You may object to the Settlement, application for an award of attorney's fees and litigation expenses, and/or service awards for Plaintiffs. Information on how to object is contained in the Court's detailed Notice, which is available at www. .com. No Settlement Class Members' damages claims are released in this resolution.

When Is the Fairness Hearing?

The Court will hold a fairness hearing at the United States District Court for the Eastern District of Texas, Paul Brown United States Courthouse, 101 East Pecan Street, Sherman, Texas 75090, on **[DATE]** at **[TIME]** to consider whether to finally approve the Settlement, award any attorney's fees and litigation expenses, and order any service awards for Plaintiffs. You or your lawyer may ask to appear and speak at the hearing at your own expense, but you do not have to.

For more information, call toll-free 1-XXX-XXX-XXXX (if calling from outside the United States or Canada, call 1-XXX-XXX-XXXX) or visit www. .com.

******* Please do not call the Court or the Clerk of the Court
for information about the settlements. *******

EXHIBIT E

Plaintiffs' Statement

We have reached an agreement with Schwab to resolve this case. We are pleased to have settled the matter on terms that provide meaningful relief to the class members.

Defendant's Statement

We are pleased to have reached a resolution in this matter, allowing us to move forward without further expenditure of time or resources. We remain focused on delivering exceptional service and an outstanding experience to our clients, which is our highest priority.

**UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION**

Jonathan Corrente, *et al.*,

Plaintiffs,

v.

The Charles Schwab Corporation,

Defendant.

Case No. 4:22-cv-470-ALM

Hon. Amos L. Mazzant, III

**JOINT DECLARATION OF CHRISTOPHER BURKE AND YAVAR BATHAE
IN SUPPORT OF PLAINTIFFS' UNOPPOSED MOTION FOR
PRELIMINARY APPROVAL OF CLASS SETTLEMENT**

Pursuant to 28 U.S.C. § 1746, I, Christopher Burke, declare:

1. I am currently a partner in the law firm of Burke LLP. Before January 1, 2025, I was a partner in the law firm of Korein Tillery PC.¹ I am an attorney admitted to practice in the United States District Court for the Eastern District of Texas as well as the highest courts of New York, Wisconsin, and California, among other jurisdictions. I am over the age of 18 and am personally familiar with and have personal knowledge of the facts contained herein, which I could and would testify competently thereto. I have personally spent considerable time on this case and have been involved in nearly every aspect of the case.

Pursuant to 28 U.S.C. § 1746, I, Yavar Bathaee, declare:

2. I am an attorney admitted to practice in the United States District Court for the Eastern District of Texas as well as the highest courts of New York and California, among other jurisdictions. I am a partner at Bathaee Dunne LLP. I am over the age of 18 and am personally

¹ I was a partner at Korein Tillery PC from November 2022 to December 2024, during which I actively represented plaintiffs in this case. On January 1, 2025, I left Korein Tillery PC to establish my own firm, Burke LLP. My current firm, Burke LLP, continues to represent plaintiffs in this case alongside attorneys from Korein Tillery PC and Bathaee Dunne LLP.

familiar with and have personal knowledge of the facts contained herein, which I could and would testify competently thereto. I have personally spent considerable time on this case and have been involved in nearly every aspect of the case.

Pursuant to 28 U.S.C. § 1746, we, Christopher Burke and Yavar Bathaee, jointly declare:

3. We are two of the attorneys of record for the Plaintiffs in the above-captioned matter, and our respective firms—Korein Tillery PC, Burke LLP, and Bathaee Dunne LLP—are co-counsel for Plaintiffs. We submit this declaration in support of Plaintiffs’ Unopposed Motion for Preliminary Approval of Class Settlement (“Motion”).

4. As Plaintiffs also move to certify a class for purposes of settlement, we ask to be appointed class counsel on behalf of the Settlement Class for this action.

I. THE LITIGATION

5. On June 2, 2022, Plaintiffs Jonathan Corrente, Charles Shaw, and Leo William filed a class action complaint in this Court challenging the merger between The Charles Schwab Corporation (“Schwab”) and TD Ameritrade Holding Corporation (“Ameritrade”) (the “Merger”) under Section 7 of the Sherman Act, seeking damages and injunctive relief. *See* Compl. (ECF No. 1). Plaintiffs brought their claim on behalf of a putative class of “[a]ll persons, entities, and/or corporations in the United States who purchased or sold equities or equity options through TD Ameritrade, Schwab, or any of their affiliates from October 26, 2020, through the present.” *Id.* ¶ 464.

6. Plaintiffs allege that the Merger, which was completed on October 26, 2020, consolidated more than half of the Retail Order Flow Market (“ROFM”) in the United States into one entity, resulting in a significantly higher market concentration in the ROFM. Compl. ¶¶ 284-86. This higher market concentration has reduced competition among brokerages to maximize

price improvement to retail clients. *Id.* ¶¶ 372-73. The Merger also has the effect of allowing market makers to contract with fewer firms to obtain a substantial portion of all retail order flow. *Id.* ¶¶ 381-85. For these reasons, Plaintiffs allege the Merger did and will cause retail investors like Plaintiffs and putative class members to experience antitrust injury in the form of less payment for order flow remitted to retail customers, higher information costs resulting from the lack of price transparency, higher transactions costs in the form of wider bid-ask spreads from market makers, and diminished choice on how their trades are executed. *Id.* ¶¶ 385, 449-55, 485.

7. Both before and after commencing this lawsuit, our respective law firms, Bathaee Dunne LLP and Korein Tillery PC, investigated the underlying facts and thoroughly researched the relevant law. This included reviewing consumer complaints related to the selling of equities or equity options both before and after the Merger, reviewing public information and disclosures about the Merger, analyzing the highly specialized trade data Schwab produced to Plaintiffs in the course of discovery, and reviewing industry publications and relevant case law concerning the Merger in general. We also retained experts in the fields of antitrust economics, securities, and corporate finance and investigated the claims, consequences, and viable legal theories to be pursued against Schwab.

8. After Plaintiffs filed their Complaint on June 2, 2022, Schwab filed a motion to dismiss on August 29, 2022 (ECF No. 18), which the Court denied in its entirety on February 24, 2023 (ECF No. 40).

9. Discovery opened following the parties' Rule 26(f) conference on October 12, 2022. On December 1, 2022, Plaintiffs served their First Set of Interrogatories and Requests for Admission on Schwab. On March 15, 2023, Plaintiffs deposed Schwab through its Rule 30(b)(6) designee, a Senior Vice President. Plaintiffs also noticed and scheduled the depositions of seven

key Schwab and Ameritrade executives. Before settlement discussions began, Plaintiffs deposed four of these executives: Schwab's Managing Director of Market and Execution Services; Managing Director of Corporate Development; Managing Director of Trading Order Management and Risk; and Managing Director of Trading Operation, Equity, Options and Futures Trading Operations. In addition, Schwab has produced approximately 218,319 documents comprising 950,021 pages, of which Plaintiffs have conducted a thorough review.

10. In addition to documents, Schwab also produced 6.5 terabytes of financial data, comprising approximately 6.4 billion individual trades placed by Schwab and Ameritrade customers between 2019 and 2023. Plaintiffs retained expert econometricians and industrial organization economists who were in the process of using this financial data to construct a multivariate regression model that would estimate the impact of the Merger on the prices that Plaintiff class members paid for their trades. This model would also permit Plaintiffs' experts to estimate the trade prices "but for" the Merger, allowing for the calculation of both aggregated and individual-specific damages during the class period. Plaintiffs have also retained a renowned finance professor specializing in securities trading and the structure of securities market, who conducted an extensive study of market microstructure relevant to this case, including how the structure, design, and operation of the relevant market affect price formation and transaction costs of investors.

11. During discovery, Plaintiffs filed two motions to compel against Schwab. On September 8, 2023, Plaintiffs moved to compel Schwab to produce documents it had withheld under a purported privilege for "confidential supervisory information" based on regulations promulgated by the Federal Reserve Board and other banking regulators. (ECF No. 80). Plaintiffs argued that this purported privilege is without statutory authority and therefore invalid. *Id.* On

December 20, 2023, Plaintiffs moved to compel Schwab to produce the entire file from the U.S. Department of Justice's review of the Schwab-Ameritrade merger under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, including the approximately 15 million pages of documents produced to the DOJ by Schwab and TD Ameritrade. ECF No. 109.

II. THE SETTLEMENT NEGOTIATIONS

12. On July 9, 2024, the parties engaged in a full-day, in-person mediation with Judge Atlas. We were both present at this mediation.

13. On July 24, 2024, the parties jointly requested the appointment of the Hon. Nancy F. Atlas (Ret.) to serve as a mediator. (ECF No. 140). The Court granted this request on July 29, 2024, and stayed all other case deadlines except for Plaintiffs' deadline to file a motion for class certification and associated expert reports, which it reset to October 7, 2024. (ECF No. 141). The Court also rendered the Plaintiffs' two discovery motions moot. *Id.*

14. Since the in-person mediation, the parties have engaged in numerous telephone and Zoom calls, including with the assistance of Judge Atlas, to further discuss settlement.

15. On August 23, 2024, the parties provided the Court with a status report indicating that the mediation had made significant progress (ECF No. 142).

16. The parties reached an agreement in principle with respect to settlement, which was reduced to a signed term sheet on September 20, 2024. The parties jointly reported this development to the Court on September 27, 2024 (ECF No. 145). On October 1, 2024, the Court stayed all remaining case deadlines (ECF No. 146).

17. Since then, the parties have provided further status reports on the process of finalizing the settlement (ECF Nos. 147-48).

18. The parties executed the Stipulation and Agreement of Settlement on December 12, 2024.

19. The parties did not discuss the amounts of attorney's fees, costs, and expenses Plaintiffs' counsel will seek prior to agreeing on relief for the Settlement Class or executing the Stipulation and Agreement of Settlement. Instead, they mediated the issue before Judge Atlas on January 24, 2025. The notice given to the class and the proposed settlement website will disclose the maximum amount of fees and expense reimbursement Plaintiffs' counsel intend to seek. Plaintiffs' counsel also intend to apply for service awards of up to \$5,000 for each Plaintiff for service undertaken on behalf of the Settlement Class in connection with the litigation of this action.

III. THE PROPOSED SETTLEMENT

20. The proposed Settlement Class is defined as: persons, entities, and corporations who are current U.S. brokerage customers of Schwab or any of its affiliates, including customers who previously held accounts at Ameritrade. Excluded from the Settlement Class are: (a) the Defendant; (b) its employees, officers, directors, legal representatives, heirs, successors, and wholly or partly owned subsidiaries or affiliates; and (c) the judicial officers and their immediate family members and associated court staff assigned to this case.

21. The Settlement provides injunctive relief via retainer of an independent consultant ("Consultant") to design an antitrust compliance program, which Schwab will implement. The parties interviewed several candidates and have agreed to retain a team of attorneys from Fried, Frank, Harris Shriver & Jacobson LLP, including Bernard A. Nigro, Jr., Aleksandr Livshits, and Nihal Patel ("Fried Frank") to serve as the Consultant. Mr. Nigro is Global Chair of Fried Frank's Antitrust and Competition Department. Mr. Nigro previously served as the Department of Justice's Principal Deputy Assistant Attorney General for Antitrust and the Federal Trade Commission's

Deputy Director for the Bureau of Competition. While in government, Mr. Nigro worked on revisions to the merger guidelines and remedies policies. In private practice, Mr. Nigro has advised numerous companies on antitrust compliance issues. Mr. Livshits represents clients in connection with antitrust merger reviews, including governmental investigations of complex cross-border transactions, as well as antitrust compliance issues. Mr. Patel represents financial institutions and buy-side market participants on regulatory and compliance issues relating to securities and derivatives training. Mr. Patel regularly advises broker-dealers on regulatory issues. In designing the antitrust compliance program, the Consultant will consider (without limitation) the policies, practices, and procedures related to Schwab's communications with and among market makers and other broker-dealers; Schwab's order routing and execution; Schwab's order routing committees and decisionmakers, including as to communications and coordination with market makers and other broker-dealers; and Schwab's post-merger disclosures, reporting, statements, and other communications with retail clients. We believe that improvements to Schwab's business practices in these areas will result in tangible benefits to members of the Settlement Class and future Schwab customers, including through better price improvement on trades (providing direct monetary benefits) and more transparency regarding order routing (providing greater control and choice over how their trades are executed).

22. The Settlement releases the claims of the members of the Settlement Class as to all injunctive and other equitable or non-monetary claims or remedies asserted or that could have been asserted in the action, including any claim for divestiture. Schwab also has agreed to pay each of the three named Plaintiffs \$50 in consideration for releasing their individual damages claims. The Settlement does not release the right of absent class members to bring damages claims, either individually or on behalf of a class.

23. We believe the Settlement Agreement is fair, reasonable, and adequate, and is in the best interests of Plaintiffs and putative Settlement Class Members. Despite our strong belief in the merits of this litigation and likelihood of success as trial, we nonetheless believe that the benefits to Plaintiffs and the putative Settlement Class pursuant to the agreed upon terms substantially outweigh the risks of continuing to litigate the claims—namely, the delay that would result before Plaintiffs and putative Settlement Class Members receive any benefits should the action proceed to trial; the possibility of a negative outcome at trial; and the possibility of a negative outcome post-trial should Schwab appeal a judgment in favor of the putative Settlement Class. This Settlement provides significant benefits now and is in the best interests of all putative Settlement Class Members.

IV. QUALIFICATIONS

24. At all times, Bathaee Dunne LLP, Korein Tillery PC, and Burke LLP had the experience, expertise, and resources to effectively litigate any and all issues related to this litigation.

25. I, Yavar Bathaee, have been in private practice since 2008. In 2020, I co-founded Bathaee Dunne LLP, where my practice has focused on complex plaintiff-side cases in federal and state courts across the country. Prior to co-founding Bathaee Dunne LLP, I spent more than a decade in Sullivan & Cromwell's litigation group, where I represented a wide breadth of clients, including financial institutions, automotive manufacturers, technology companies, and central banks.

26. I, Yavar Bathaee, have been lead or co-lead counsel in numerous complex class actions, including:

- *Klein v. Meta Platforms, Inc.*, No. 3:20-cv-08570-JD (N.D. Cal.). Co-lead counsel in a consolidated antitrust class action challenging Meta (formerly Facebook's) monopolization of the social advertising market. After surviving two motions to dismiss, the advertiser claims in *Klein* are presently pending class certification, with a trial scheduled in June 2024.
- *Biddle v. The Walt Disney Company*, No. 5:22-cv-07317 (N.D. Cal.). Co-lead counsel in consolidated case for consumer class actions challenging Disney's anticompetitive licensing practices in connection with ESPN and other properties in the streaming live pay TV market. Case is presently in discovery after surviving two motions to dismiss, with classes pursuing Sherman Act and multistate indirect purchaser class claims.
- *Crowder v. LinkedIn Corp.*, No. 4:22-cv-00237 (N.D. Cal.). Co-lead counsel in consumer class action challenging LinkedIn's monopolization of the Professional Social Networking Market. Currently in discovery after surviving motions to dismiss.
- *Pietosi v. HP, Inc.*, No. 3:22-cv-04237 (N.D. Cal.), and *Day v. Advanced Micro Devices, Inc.*, No. 3:22-cv-04305 (N.D. Cal.). Co-lead counsel in related consumer class actions arising out of product defect in AMD's firmware TPM modules. Currently in discovery after surviving motions to dismiss.

27. I, Yavar Bathaee, graduated *magna cum laude*, Order of the Coif from Fordham Law School, where I also earned the Class of 1911 Prize.

28. A copy of Bathaee Dunne LLP's resume is submitted herewith as Exhibit A to this Declaration.

29. I, Christopher Burke, have been in private practice since 1994. My principal practice is complex antitrust litigation, particularly in the financial services industry.

30. I, Christopher Burke, have been a principal, trial, lead, and/or co-lead counsel in numerous complex class actions, including:

- *Alaska Elec. Pension Fund v. Bank of Am. Corp.*, No. 14-cv-7126 (S.D.N.Y.) (ISDAfix litigation) (\$504.5 million settlement);
- *Axiom Inv. Advisors, LLC, by & through its Trustee, Gildor Mgmt. LLC v. Barclays Bank PLC*, No. 15-cv-09323 (S.D.N.Y.) (\$50 million settlement);
- *Dahl v. Bain Cap. Partners*, No. 07-cv-12388 (D. Mass.) (\$590.5 million settlement);
- *In re Currency Conversion Antitrust Litig.*, MDL No. 1409 (S.D.N.Y.) (\$336 million settlement);
- *In re Disposable Contact Lens Antitrust Litig.*, MDL No. 1030 (M.D. Fla.) (\$90 million settlement with final settlements occurring during trial);
- *In re Foreign Exch. Benchmark Rates Antitrust Litig.*, No. 13- cv-7789 (S.D.N.Y.) (FX litigation) (\$2.3 billion settlement);
- *In re GSE Bonds Antitrust Litig.*, No. 19-cv-01704 (S.D.N.Y.) (\$386.5 million settlement);
- *In re Korean Air Lines Co., Ltd. Antitrust Litig.*, MDL No. 1891 (C.D. Cal.) (\$86 million settlement);
- *In re Payment Card Interchange Fee & Merch. Disc. Antitrust Litig.*, MDL No. 1720 (E.D.N.Y.) (\$5.6 billion settlement);
- *In re Prudential Ins. Co. of Am. SGLI/VGLI Contract Litig.*, No. 11-md-2208 (D. Mass.) (\$40 million settlement);

- *LiPuma v. Am. Express Co.*, No. 1:04-cv-20314 (S.D. Fla.) (\$90 million settlement);
- *Ross v. Am. Express Co.*, No. 04-cv-5723, MDL No. 1409 (S.D.N.Y.); and
- *Schwartz v. Visa*, No. 822505-4 (Alameda Cty. Super. Ct.) (\$780 million plaintiff's judgment after six months of trial).

31. I, Christopher Burke, am currently serving as co-lead counsel in the following antitrust cases:

- *In re Fragrance Direct Purchaser Antitrust Litig.*, No. 2:23-cv-02174, a lawsuit against main fragrance manufactures for a price fixing conspiracy;
- *In re Passenger Vehicle Replacement Tires Antitrust Litig.*, No. 5:24-md-3107 (N.D. Ohio) pursuing price fixing claims against main manufacturers in the tire industries.

32. I, Christopher Burke, have been recognized three times (2014, 2018, and 2020) by the American Antitrust Institute for exemplary work in private enforcement of the antitrust law.

33. A copy of Christopher Burke's resume is submitted herewith as Exhibit B to this Declaration.

34. Based on our experience and our knowledge regarding the factual and legal issues in this matter, and given the substantial benefits provided by the Settlement, we believe the proposed settlement is fair, reasonable, and adequate within the meaning of Fed. R. Civ. P. 23(e) and should be preliminarily approved by the Court.

I certify under penalty of perjury that the foregoing is true and correct. Executed this 4th day of February, 2025 at New York, New York.

/s/ Yavar Bathaee
Yavar Bathaee

Bathae Dunne LLP
445 Park Avenue, 9th Floor
New York, NY 10022
yavar@bathaeedunne.com

I certify under penalty of perjury that the foregoing is true and correct. Executed this 4th day of February, 2025, at San Diego, California.

/s/ Christopher Burke
Christopher Burke
Burke LLP
402 West Broadway, Suite 1890
San Diego, CA 92101
cburke@burke.law

EXHIBIT A

Bathae :: Dunne :: LLP

Firm Overview

Bathae Dunne was founded in 2020 with a dedicated focus on pursuing novel, complex, and significant cases—particularly in the spaces of antitrust, consumer protection, finance, and technology. Since its founding, the firm has served as lead counsel, co-lead counsel, or interim co-lead counsel in over a dozen nationwide class action suits. Our lawyers come from diverse backgrounds—we are engineers, physicists, actors, and musicians; antitrust, patent, securities, and products-liability lawyers; and were trained by preeminent law firms and some of the most highly respected judges in the country. We can litigate and win the cases we bring, and can quickly learn about any industry, product, business, or scheme.

Current and Noteworthy Leadership Roles

- *Klein v. Meta Platforms, Inc.*, No. 3:20-cv-8570 (N.D. Cal.): Interim co-lead counsel in this putative antitrust class action brought by Facebook advertisers alleging that Facebook (now Meta) unlawfully monopolized the social advertising market.
- *Biddle et al. v. The Walt Disney Co.*, No. 5:22-cv-07317 (N.D. Cal.): Co-lead counsel in this putative antitrust class action brought by YouTube TV and DirecTV subscribers alleging that Disney entered into agreements in restraint of trade that raised prices in the streaming live paid television market.
- *Corrente et al. v. The Charles Schwab Corp.*, 4:22-cv-00470 (E.D. Tex.). Co-lead counsel in this putative antitrust class action brought by Charles Schwab customers alleging that the merger between Schwab and TD Ameritrade resulted in a substantial lessening of competition in the retail order flow market.
- *Crowder et al. v. LinkedIn Corp.*, No. 4:22-cv-00237 (N.D. Cal.). Co-lead counsel in this putative antitrust class action filed on behalf of Premium LinkedIn subscribers alleging that LinkedIn has prevented entry to would-be competitors in the professional social networking market.
- *Bakay et al. v. Apple Inc.*, 3:24-cv-476 (N.D. Cal.). Lead counsel in this putative antitrust class action filed on behalf of purchasers of Apple iPhones alleging that Apple's agreements with horizontal competitors violate Sections 1 and 2 of the Sherman Act.
- *Baker et al. v. Discover Financial Corp., et al.*, No. 1:24-cv-1265 (E.D. Va.). Lead counsel in this putative antitrust class action, brought under Section 7 of the Clayton Act, which seeks to enjoin the merger of Capital One and Discover on the grounds that the merger will lead to a substantial lessening of competition in the general credit card market and the credit card payment processing market.
- *In re Passenger Vehicle Replacement Tires Antitrust Litigation*, MDL No. 3107, 5:24-cv-3107 (N.D. Ohio). Appointed to the Plaintiffs' Steering Committee in this antitrust MDL representing indirect purchasers in this multidistrict litigation related to alleged price fixing in the market for new passenger vehicle replacement tires.

- *Pietosi et al. v. HP, Inc.*, No. 3:22-cv-4273 (N.D. Cal.). Co-lead counsel in this putative class action lawsuit filed on behalf of purchasers of HP computers with defective central processing units.
- *Day et al. v. Advanced Micro Devices, Inc.*, No. 3:22-cv-4305 (N.D. Cal.). Co-lead counsel in this putative class action lawsuit filed on behalf of purchasers of defective AMD central processing units.
- *Smith et al. v. Intel Corp.*, No. 5:23-cv-5761 (N.D. Cal.). Lead counsel in this putative class action lawsuit filed on behalf of purchasers of defective Intel central processing units (as well as purchasers of computers that incorporate those defective central processing units).
- *Harper v. Sievert et al.*, No. 2022-819 (Del. Ch.). Lead counsel in this shareholder derivative suit, which seeks to hold T-Mobile and certain of its corporate officers and directors responsible for adopting a reckless plan to adopt a data-mining architecture using T-Mobile customer data at the behest of T-Mobile's largest shareholder, Deutsche Telekom.

Attorney Profiles

Yavar Bathaee (Partner) currently is lead, co-lead, or interim co-lead counsel in several class actions, including *Klein v. Meta Platforms, Inc.*, No. 3:20-cv-8570 (N.D. Cal.), *Biddle, et al. v. The Walt Disney Co.*, No. 5:22-cv-07317 (N.D. Cal.), *Crowder, et al. v. LinkedIn Corp.*, No. 4:22-cv-00237 (N.D. Cal.), and *Corrente, et al. v. The Charles Schwab Corp.*, 4:22-cv-00470 (E.D. Tex.). Mr. Bathaee has also represented clients in some of the largest class actions, multidistrict litigations, and trials in last decade, including in antitrust, RICO, securities, and bankruptcy cases. Mr. Bathaee holds a bachelor's degree in Computer Science and Engineering from the University of California, Davis, and is a *magna cum laude*, Order of the Coif graduate of Fordham Law School.

Brian J. Dunne (Partner) has represented clients in consumer class actions, antitrust cases, and patent cases for more than a decade. He is currently lead counsel in several class actions, including *Pietosi, et al., v. HP Inc.*, No. 3:22-cv-04273 (N.D. Cal.), and *Day, et al., v. Advanced Micro Devices, Inc.*, No. 3:22-cv-04305 (N.D. Cal.), and was recently appointed to the Plaintiffs' Steering Committee representing indirect purchasers in MDL No. 3107, *In re Passenger Vehicle Replacement Tires Antitrust Litigation*, No. 5:24-md-03107 (N.D. Ohio). Mr. Dunne holds a bachelor's degree in Physics from Stanford University and graduated with Honors, Order of the Coif, from the University of Chicago Law School, where he was a member of the University of Chicago Law Review. Before private practice, Mr. Dunne clerked for the Hon. Jay S. Bybee of the United States Court of Appeals for the Ninth Circuit and the Hon. Susan P. Read of the New York Court of Appeals.

Edward M. Grauman (Partner) is an experienced litigator who has represented plaintiffs and defendants in high-stakes, complex disputes across a wide range of industries and areas of law, from antitrust, securities, and RICO to insurance coverage, environmental, and general commercial matters. Mr. Grauman has successfully represented clients in federal and state

courts, government investigations, and arbitral proceedings. His experience across sectors and subject-matter areas gives him a deep understanding of the business considerations involved in large-scale disputes and enables him to provide sound strategic and tactical advice. Mr. Grauman served as managing principal of the Austin office of Beveridge & Diamond. Earlier in his career, he was an associate at Sullivan & Cromwell LLP and Boies, Schiller & Flexner LLP.

Andrew Chan Wolinsky (Partner) represents clients in class actions throughout the country. He has represented clients as both plaintiffs and defendants in complex and class cases, including in the areas of consumer protection, antitrust, bankruptcy, commodities, and shareholder rights. He holds an undergraduate degree from Tufts University, graduating *magna cum laude*, and is a *cum laude* graduate of Fordham Law School. Mr. Wolinsky previously served in the Office of the Governor of New York working on matters related to public integrity, and also worked as an associate attorney at Davis Polk & Wardwell LLP and Sullivan & Cromwell LLP. Mr. Wolinsky clerked for the Honorable Loretta A. Preska, then-Chief Judge of the United States District Court for the Southern District of New York and the Honorable Jane R. Roth of the United States Court of Appeals for the Third Circuit.

Andrew M. Williamson (Of Counsel) has represented plaintiffs and defendants in complex class action, multidistrict litigation, and other high stakes litigation throughout the country for the past decade. This includes RICO class actions, antitrust class actions, and data breach litigation. Andrew is an experienced litigator, who has tried several cases in state and federal court and has litigated and argued motions in discovery disputes in complex nationwide class actions. He is a former federal prosecutor. He is a graduate of the American University Washington College of Law and obtained his bachelor's degree in broadcast journalism from the University of Maryland Phillip Merrill College of Journalism. Prior to law school, he won multiple awards for his reporting and served as head coach for a collegiate baseball team, leading it to a national semifinal.

Priscilla Ghita (Associate) is a 2020 graduate of Wayne State University Law School, graduating *magna cum laude*, Order of the Coif, and . After graduating law school, she worked at Dickinson Wright, PLLC and clerked for The Hon. Diane D'Agostini, 48th District Court of Michigan. Ms. Ghita has represented both plaintiffs and defendants in complex commercial and class action matters in state and federal courts throughout the country, and taken leading roles at all steps of the litigation. Prior to law school, Ms. Ghita attended Oakland University, from which she graduated *magna cum laude*.

Allison Cross (Associate) graduated from UC Davis School of Law in 2019, Order of the Coif. There, she earned a Public Service Law Certificate along with her Juris Doctorate in part for her work with people incarcerated in California State Prisons. She is also a graduate of the University of Nevada, Reno, where she earned a Bachelor of Science degree, *magna cum laude*, in 2016. Following law school, Ms. Cross clerked for the Honorable Sul Ozerden of the United States District Court for the Southern District of Mississippi. Ms. Cross has experience with class action, consumer protection, and antitrust litigation, and has gained experience litigating technology and consumer class actions with Bathaee Dunne. Ms. Cross is admitted to practice in California and Florida.

Felipa Quiroz (Staff Attorney) has experience in commercial litigation across a range of industries, including oil and gas, pharmaceuticals, technology, and healthcare. Ms. Quiroz has worked on complex transnational litigation matters, civil and criminal government investigations, compliance, and other regulatory matters. She has worked with clients in the United States and Mexico regarding large-scale government investigations under the Foreign Corrupt Practices Act. Earlier in her career, Ms. Quiroz worked at the Brooklyn Defender Services Immigration Unit, advising clients and public defenders on the consequences of criminal charges. Ms. Quiroz earned her Juris Doctor from the University of California Berkeley School of Law, where she was on the Berkeley La Raza Law Journal and participated in the International Human Rights Law Clinic. Ms. Quiroz has an M.A. in education from the University of Pennsylvania and a B.A. in Romance Languages from Mount Holyoke College, where she graduated *cum laude*.

EXHIBIT B

CHRISTOPHER M. BURKE

Christopher M. Burke's principal practice is complex antitrust litigation, particularly in the financial services industry. Mr. Burke received his B.A. from The Ohio State University (1984), his Master's degree from William & Mary (1988), and his M.A. (1989) and Ph.D. (1996) in Political Science from the University of Wisconsin. He received his law degree from University of Wisconsin (1993).

Mr. Burke recovered over \$10 billion on behalf of class members. *See, e.g., In re Foreign Exchange Benchmark Rates Antitrust Litigation*, No. 13-cv-7789 (S.D.N.Y.) ("FX litigation") (\$2.3 billion settlement); *In re GSE Bonds Antitrust Litigation*, No. 19-cv-01704 (S.D.N.Y.) ("GSE litigation") (\$386.5 million settlement); *Alaska Electrical Pension Fund v. Banker of America Corp.*, No. 14-cv-7126 (S.D.N.Y.) ("ISDAfix litigation") (\$504.5 million settlement); *Dahl v. Bain Capital Partners, LLC*, No. 07-cv-12388 (D. Mass.) (\$590.5 million settlement); *In re Currency Conversion Antitrust Litigation*, MDL No. 1409 (S.D.N.Y.) (\$336 million settlement); and *In re Payment Card Interchange Fee & Merchant Discount Antitrust Litigation*, MDL No. 1720 (E.D.N.Y.) (\$5.6 billion settlement).

Mr. Burke has been lead counsel in some of the world's largest financial services antitrust matters. He is currently co-lead counsel in FX litigation. He previously served as co-lead counsel in GSE litigation and ISDAfix litigation. Mr. Burke is currently serving as co-lead counsel in *In re Fragrance Direct Purchaser Antitrust Litigation*, No. 2:23-cv-02174 (D.N.J.) and *In re Passenger Vehicle Replacement Tires Antitrust Litigation*, No. 5:24-md-3107 (N.D. Ohio) pursuing price fixing claims against main manufacturers in the fragrance and tire industries.

Mr. Burke has served as co-lead counsel in *Dahl v. Bain Capital Partners, LLC*, No. 07-cv-12388 (D. Mass.) (\$590.5 million settlement); *Axiom Investment Advisors, LLC, by and through its Trustee, Gildor Management LLC v. Barclays Bank PLC*, No. 15-cv-09323 (S.D.N.Y.) (\$50 million settlement); *In re Currency Conversion Antitrust Litigation*, MDL No. 1409 (S.D.N.Y.) (\$336 million settlement); *In re Payment Card Interchange Fee & Merchant Discount Antitrust Litigation*, MDL No. 1720 (E.D.N.Y.) (\$5.6 billion settlement); and *LiPuma v. American Express Co.*, No. 1:04-cv-20314 (S.D. Fla.) (\$90 million settlement).

Mr. Burke was also co-lead counsel for indirect purchasers in *In re Korean Air Lines Co., Ltd. Antitrust Litigation*, MDL No. 1891 (C.D. Cal.) (\$86 million settlement), and *In re Prudential Insurance Company of America SGLI/VGLI Contract Litigation*, No. 11-md-2208 (D. Mass.) (\$40 million settlement). He was one of the original lawyers in the *In re Wholesale Elec.* antitrust cases in California, which settled for over \$1 billion. Mr. Burke also investigated and filed the first complaint in *In re Credit Default Swaps Antitrust Litigation*, No. 13-md-2476 (S.D.N.Y.).

Mr. Burke has extensive trial experiences. Mr. Burke was lead trial counsel in the FX litigation and one of the trial counsel in *Schwartz v. Visa*, No. 822505-4 (Alameda Cty. Super. Ct.) (\$780 million plaintiff's judgment after six months of trial); *In re Disposable Contact Lens Antitrust Litigation*, MDL No. 1030 (M.D. Fla.) (\$90 million settlement with final settlements occurring during trial); *Ross v. Bank of America N.A. (USA)*, No. 05-cv-7116, MDL No. 1409 (S.D.N.Y.); and *Ross v. American Express Co.*, No. 04-cv-5723, MDL No. 1409 (S.D.N.Y.).

Mr. Burke frequently lectures at professional conferences and CLEs on competition matters, including litigation surrounding financial benchmarks, class-barring arbitration clauses, the effects of *Twombly* in 12(b)(6) motions, and the increasing use of experts at class certification and trial. The American Antitrust Institute (“AAI”) honored Mr. Burke with an Outstanding Antitrust Litigation Achievement in Private Law Practice award at their 2020 and 2018 Antitrust Enforcement Awards for efforts in the GSE litigation and ISDAfix litigation, respectively. In 2014, he was also recognized for his exemplary work in the *Dahl v. Bain Capital Partners* matter by the AAI and has regularly been designated as a Super Lawyer by *Thomson Reuters*.

Mr. Burke has also served as an Assistant Attorney General at the Wisconsin Department of Justice and has lectured on law-related topics, including constitutional law, law and politics, and civil rights at the State University of New York at Buffalo and at the University of Wisconsin. Mr. Burke’s book, *The Appearance of Equality: Racial Gerrymandering, Redistricting, and the Supreme Court* (Greenwood, 1999), examines conflicts over voting rights and political representation within the competing rhetoric of communitarian and liberal strategies of justification.

Mr. Burke co-authored an article with Stephanie A. Hackett, David W. Mitchell, Simon J. Wilke, Melanie Stallings Williams, Michael A. Williams, and Wei Zhao, “Masters of the Universe: Bid Rigging by Private Equity Firms in Multibillion Dollar LBOs,” 87 U. Cin. L. Rev. 29 (2018).

**UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION**

Jonathan Corrente, et al.,

Plaintiffs,

v.

The Charles Schwab Corporation,

Defendant.

Case No. 4:22-cv-470-ALM

Hon. Amos L. Mazzant, III

**DECLARATION OF JONATHAN CORRENTE IN SUPPORT OF PLAINTIFFS’
UNOPPOSED MOTION FOR PRELIMINARY APPROVAL OF CLASS SETTLEMENT**

I, Jonathan Corrente, declare and state as follows:

1. I am a named plaintiff in the above-captioned litigation.
2. I am a resident of California.
3. I am over the age of 18 and am personally familiar with and have personal knowledge of the facts contained herein, which I could and would testify competently thereto.
4. I am aware that the proposed settlement class consists (with limited exceptions) of all persons, entities, and corporations who are current U.S. brokerage customers of Schwab or any of its affiliates, including customers who previously held accounts at TD Ameritrade Holding Corporation
5. I currently have an online brokerage account with Schwab, have executed trades in my Schwab account, and intend to continue as a brokerage customer of Schwab indefinitely.
6. I understand that by this motion I, along with the other named plaintiffs in this class action, am moving for the Court’s preliminary approval of the settlement agreement the parties in this case have reached following extensive negotiation (the “Settlement Agreement”).

7. I likewise understand that by this motion I, along with the other named plaintiffs in this class action, am moving for the Court to certify a class of plaintiffs solely for purposes of settlement.

8. I understand that a class representative is a representative party who acts on behalf of other class members in directing the litigation and am willing to serve in this capacity alongside the other named plaintiffs.

9. I understand that, as a class representative, I have a duty to prosecute the case vigorously and in the best interests of all class members, which includes reviewing important filings with the Court, consulting with counsel during the course of the litigation, and making recommendations as to whether or not to accept a particular settlement offer.

10. I have actively participated in this suit by reviewing and authorizing the Complaint, keeping abreast of case and settlement developments, reviewing and collecting my own documents for production to Schwab, and periodically discussing case-related matters with my counsel.

11. To the best of my knowledge, I have no conflicts of interest with any class member that would prevent me from fairly and adequately representing the best interests of the class.

12. I am familiar with the negotiations which have preceded the execution of the Settlement Agreement.

13. I have knowledge of the Settlement Agreement and have considered its terms and conditions.

14. I understand that under the terms of the Settlement Agreement, the other named plaintiffs and I will each receive \$50 in consideration of Schwab releasing our individual damages claims for the conduct alleged in the Complaint. I also understand that under the terms of the Settlement Agreement, Schwab will not be releasing the damages claims of other putative class members, but will only be releasing their injunctive/declaratory claims for the conduct alleged in the Complaint.

15. I understand that under the terms of the Settlement Agreement, Schwab will be releasing the injunctive/declaratory claims of all named plaintiffs and all putative class members for the conduct alleged in the Complaint.

16. I also understand that under the terms of the Settlement Agreement, Schwab has agreed to pay named plaintiffs a service award of up to \$5,000 each, subject to court approval.

17. I believe that the injunctive/declaratory relief mandated by the Settlement Agreement is valuable to all putative settlement class members in that it will likely redress Schwab's unlawful practices that have given rise to the conduct alleged in the Complaint.

18. Having considered all the terms and conditions of the Settlement Agreement, I believe that the Settlement Agreement is fair, reasonable, and adequate in light of the complexity, expense, and likely duration and possible outcomes of this litigation—including taking into consideration the risks involved in certifying a class, establishing liability, maintaining the class action through trial, and obtaining meaningful relief.

19. I further declare that the Settlement Agreement reflects the entire agreement between the parties, that there has been no collusion affecting the agreement, that no favoritism has been shown to any party in the litigation, and that there are no agreements between the parties other than those set forth in the Settlement Agreement.

20. I believe that the settlement is fair, reasonable, and adequate and in the best interest of both the named plaintiffs and the putative settlement class.

21. I endorse this settlement and recommend that the Court approve it.

I declare under penalty of perjury that the foregoing is true and correct. Executed on
11-Dec-2024.

Jonathan Corrente
Jonathan Corrente (Dec 11, 2024 12:42 MST)
Jonathan Corrente

**UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION**

Jonathan Corrente, et al.,

Plaintiffs,

v.

The Charles Schwab Corporation,

Defendant.

Case No. 4:22-cv-470-ALM

Hon. Amos L. Mazzant, III

**DECLARATION OF CHARLES SHAW IN SUPPORT OF PLAINTIFFS’
UNOPPOSED MOTION FOR PRELIMINARY APPROVAL OF CLASS SETTLEMENT**

I, Charles Shaw, declare and state as follows:

1. I am a named plaintiff in the above-captioned litigation.
2. I am a resident of New Hampshire.
3. I am over the age of 18 and am personally familiar with and have personal knowledge of the facts contained herein, which I could and would testify competently thereto.
4. I am aware that the proposed settlement class consists (with limited exceptions) of all persons, entities, and corporations who are current U.S. brokerage customers of Schwab or any of its affiliates, including customers who previously held accounts at TD Ameritrade Holding Corporation
5. I currently have an online brokerage account, have executed trades in my Schwab account, and intend to continue as a brokerage customer of Schwab indefinitely.
6. I understand that by this motion I, along with the other named plaintiffs in this class action, am moving for the Court’s preliminary approval of the settlement agreement the parties in this case have reached following extensive negotiation (the “Settlement Agreement”).

7. I likewise understand that by this motion I, along with the other named plaintiffs in this class action, am moving for the Court to certify a class of plaintiffs solely for purposes of settlement.

8. I understand that a class representative is a representative party who acts on behalf of other class members in directing the litigation and am willing to serve in this capacity alongside the other named plaintiffs.

9. I understand that, as a class representative, I have a duty to prosecute the case vigorously and in the best interests of all class members, which includes reviewing important filings with the Court, consulting with counsel during the course of the litigation, and making recommendations as to whether or not to accept a particular settlement offer.

10. I have actively participated in this suit by reviewing and authorizing the Complaint, keeping abreast of case and settlement developments, reviewing and collecting my own documents for production to Schwab, and periodically discussing case-related matters with my counsel.

11. To the best of my knowledge, I have no conflicts of interest with any class member that would prevent me from fairly and adequately representing the best interests of the class.

12. I am familiar with the negotiations which have preceded the execution of the Settlement Agreement.

13. I have knowledge of the Settlement Agreement and have considered its terms and conditions.

14. I understand that under the terms of the Settlement Agreement, the other named plaintiffs and I will each receive \$50 in consideration of Schwab releasing our individual damages claims for the conduct alleged in the Complaint. I also understand that under the terms of the Settlement Agreement, Schwab will not be releasing the damages claims of other putative class members, but will only be releasing their injunctive/declaratory claims for the conduct alleged in the Complaint.

15. I understand that under the terms of the Settlement Agreement, Schwab will be releasing the injunctive/declaratory claims of all named plaintiffs and all putative class members for the conduct alleged in the Complaint.

16. I also understand that under the terms of the Settlement Agreement, Schwab has agreed to pay named plaintiffs a service award of up to \$5,000 each, subject to court approval.

17. I believe that the injunctive/declaratory relief mandated by the Settlement Agreement is valuable to all putative settlement class members in that it will likely redress Schwab's unlawful practices that have given rise to the conduct alleged in the Complaint.

18. Having considered all the terms and conditions of the Settlement Agreement, I believe that the Settlement Agreement is fair, reasonable, and adequate in light of the complexity, expense, and likely duration and possible outcomes of this litigation—including taking into consideration the risks involved in certifying a class, establishing liability, maintaining the class action through trial, and obtaining meaningful relief.

19. I further declare that the Settlement Agreement reflects the entire agreement between the parties, that there has been no collusion affecting the agreement, that no favoritism has been shown to any party in the litigation, and that there are no agreements between the parties other than those set forth in the Settlement Agreement.

20. I believe that the settlement is fair, reasonable, and adequate and in the best interest of both the named plaintiffs and the putative settlement class.

21. I endorse this settlement and recommend that the Court approve it.

I declare under penalty of perjury that the foregoing is true and correct. Executed on
11-Dec-2024.

Charles Shaw
Charles Shaw (Dec 11, 2024 15:49 EST)
Charles Shaw

**UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION**

Jonathan Corrente, et al.,

Plaintiffs,

v.

The Charles Schwab Corporation,

Defendant.

Case No. 4:22-cv-470-ALM

Hon. Amos L. Mazzant, III

**DECLARATION OF LEO WILLIAMS IN SUPPORT OF PLAINTIFFS’
UNOPPOSED MOTION FOR PRELIMINARY APPROVAL OF CLASS SETTLEMENT**

I, Leo Williams, declare and state as follows:

1. I am a named plaintiff in the above-captioned litigation.
2. I am a resident of Florida.
3. I am over the age of 18 and am personally familiar with and have personal knowledge of the facts contained herein, which I could and would testify competently thereto.
4. I am aware that the proposed settlement class consists (with limited exceptions) of all persons, entities, and corporations who are current U.S. brokerage customers of Schwab or any of its affiliates, including customers who previously held accounts at TD Ameritrade Holding Corporation
5. I currently have an online brokerage account with Schwab, have executed trades in my Schwab account, and intend to continue as a brokerage customer of Schwab indefinitely.
6. I understand that by this motion I, along with the other named plaintiffs in this class action, am moving for the Court’s preliminary approval of the settlement agreement the parties in this case have reached following extensive negotiation (the “Settlement Agreement”).

7. I likewise understand that by this motion I, along with the other named plaintiffs in this class action, am moving for the Court to certify a class of plaintiffs solely for purposes of settlement.

8. I understand that a class representative is a representative party who acts on behalf of other class members in directing the litigation and am willing to serve in this capacity alongside the other named plaintiffs.

9. I understand that, as a class representative, I have a duty to prosecute the case vigorously and in the best interests of all class members, which includes reviewing important filings with the Court, consulting with counsel during the course of the litigation, and making recommendations as to whether or not to accept a particular settlement offer.

10. I have actively participated in this suit by reviewing and authorizing the Complaint, keeping abreast of case and settlement developments, reviewing and collecting my own documents for production to Schwab, and periodically discussing case-related matters with my counsel.

11. To the best of my knowledge, I have no conflicts of interest with any class member that would prevent me from fairly and adequately representing the best interests of the class.

12. I am familiar with the negotiations which have preceded the execution of the Settlement Agreement.

13. I have knowledge of the Settlement Agreement and have considered its terms and conditions.

14. I understand that under the terms of the Settlement Agreement, the other named plaintiffs and I will each receive \$50 in consideration of Schwab releasing our individual damages claims for the conduct alleged in the Complaint. I also understand that under the terms of the Settlement Agreement, Schwab will not be releasing the damages claims of other putative class members, but will only be releasing their injunctive/declaratory claims for the conduct alleged in the Complaint.

15. I understand that under the terms of the Settlement Agreement, Schwab will be releasing the injunctive/declaratory claims of all named plaintiffs and all putative class members for the conduct alleged in the Complaint.

16. I also understand that under the terms of the Settlement Agreement, Schwab has agreed to pay named plaintiffs a service award of up to \$5,000 each, subject to court approval.

17. I believe that the injunctive/declaratory relief mandated by the Settlement Agreement is valuable to all putative settlement class members in that it will likely redress Schwab's unlawful practices that have given rise to the conduct alleged in the Complaint.


18. Having considered all the terms and conditions of the Settlement Agreement, I believe that the Settlement Agreement is fair, reasonable, and adequate in light of the complexity, expense, and likely duration and possible outcomes of this litigation—including taking into consideration the risks involved in certifying a class, establishing liability, maintaining the class action through trial, and obtaining meaningful relief.

19. I further declare that the Settlement Agreement reflects the entire agreement between the parties, that there has been no collusion affecting the agreement, that no favoritism has been shown to any party in the litigation, and that there are no agreements between the parties other than those set forth in the Settlement Agreement.

20. I believe that the settlement is fair, reasonable, and adequate and in the best interest of both the named plaintiffs and the putative settlement class.

21. I endorse this settlement and recommend that the Court approve it.

I declare under penalty of perjury that the foregoing is true and correct. Executed on
12-Dec-2024.


Leo Williams (Dec 12, 2024 03:47 EST)
Leo Williams

**UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION**

Jonathan Corrente, *et al.*,

Plaintiffs,

v.

The Charles Schwab Corporation,

Defendant.

Case No. 4:22-cv-470-ALM

Hon. Amos L. Mazzant, III

DECLARATION OF THE HONORABLE NANCY F. ATLAS (RET.), MEDIATOR

I, the Honorable Nancy F. Atlas (ret.), declare and state as follows:

1. I served as a United States District Judge for the Southern District of Texas, Houston Division, from 1995 to 2022. I was member of the Judicial Puerto Rico Insolvency Mediation Team from mid-2017 to December 2021. I served on the U.S. Judicial Conference Committee on Judicial Security from 2005 to 2015, and as chair from 2010 to 2015. I also chaired the Southern District of Texas's Alternative Dispute Resolution Program and Court Security Committee for most of my judicial tenure. I continue to be a member of the Texas bar.

2. On July 24, 2024, the parties jointly moved the Court to appoint me as mediator in this action. ECF No. 140. On July 29, 2024, the Court appointed me as mediator. ECF No. 141.

3. On July 9, 2024, the parties engaged in a full-day, in-person mediation under my guidance.

4. After the in-person mediation, I engaged in additional written and telephonic communications with the parties to further discuss settlement.

5. The parties reached an agreement in principle with respect to settlement, which was reduced to a signed term sheet on September 20, 2024. The parties jointly reported this development to the Court on September 27, 2024. ECF No. 145.

6. The proposed settlement was reached through a robust negotiation process.

7. The negotiations were hard-fought but were conducted by both sides with civility and professionalism. There was no apparent collusion between the parties, and in my view the negotiations were conducted at arm's length.

8. The interests of all potential class members were considered, without any attempt to unfairly discriminate against any members. The settlement specifically requires that any amendment or modification to the settlement plan can only be made by agreement of all the parties, in writing, and by approval of the Court. Fairness proceedings will be predicated on appropriate notice to class members, coupled with an opportunity to appear and be heard.

9. The integrity of the settlement is premised on the following: (1) the parties' retention of an independent consultant to design an antitrust compliance program that The Charles Schwab Corporation must implement; (2) The Charles Schwab Corporation's obligation to, on an annual basis for four years following completion of the antitrust compliance program, provide Plaintiffs with written certification that it has implemented and complied with the consultant's recommendations; and (3) the fact the parties jointly are requesting that the Court retain jurisdiction to enforce the terms of the settlement.

10. I believe the settlement provides meaningful relief to the members of the settlement class.

I declare under penalty of perjury that the foregoing is true and correct. Executed on
December 10, 2024


Hon. Nancy F. Atlas (ret.)
Court-Appointed Mediator

DECLARATION OF MICHAEL T. NORTHEIM
ON BEHALF OF
ANKURA CONSULTING GROUP, LLC.
REGARDING NOTICE PLAN

1 I, Michael T. Northeim, declare and state as follows:

2 1. I am a Managing Director at Ankura Consulting Group, LLC, Inc. ("Ankura"). The
3 following statements are based on my personal knowledge, the information provided to me by
4 plaintiffs' counsel and other Ankura employees working on this matter, and records of Ankura
5 generated and maintained in the usual course of its business. If called on to do so, I could and would
6 testify competently thereto.

7 2. For this matter, Ankura is able and willing to provide Notice services as agreed upon
8 by the parties and as provided in the preliminary approval of the settlement ("Settlement Agreement"),
9 if the parties' motion is approved by the court.

10 3. Ankura, LLC, Inc. is located at 2000 K St NW 12th Floor, Washington, DC 20006.

11 4. I have more than 10 years of professional experience leveraging analytics to solve
12 complex litigation and class action settlements, specializing in financial, economic, and public health
13 matters. As Managing Director, I am responsible for overseeing notice and settlement administration
14 programs to ensure that all facets of the programs are executed as stipulated in their governing legal
15 agreements. I submit this declaration at the request of Counsel in support of the Motion for
16 Preliminarily Approval of Class Action Settlement.

17
18 **ANKURA'S EXPERIENCE RELEVANT TO THIS CASE**

19 5. Ankura is a leader in the settlement administration industry and has extensive
20 experience administering settlements and providing court approved notice of class actions. Over the
21 past 15 years, we have provided notification and/or settlement administration services in some of the
22 highest-profile and most complex matters. Some of our recent multi-state representative matters
23 include In Re: AT&T Mobility Wireless Data Services Sales Tax Litigation, Case No. 1:10-cv-02278

(MDL 2147); Financial Services Provider Data Analytics and Remediation Programs (clients confidential); Belize Real Estate Fraud Receivership; Toys “R” Us Severance Fund; Foreign Exchange Benchmark Rates Antitrust Litigation; PG&E Subrogation Wildfire Trust; Boeing 737 Max Crash Victim Beneficiaries Compensation Fund; Cryptocurrency Fund Receivership, and the Volkswagen TDI 2.0 and 3.0 Clean Diesel Settlements. Ankura offers a wide range of settlement administrative services for developing, managing and executing all stages of integrated settlement plans. A copy our company experience is attached as Exhibit A, which provides detailed information concerning our notice and settlement administration qualifications.

DIRECT NOTICE CAMPAIGN

6. Ankura understands that in this settlement a Class Member means: “All persons, entities, and corporations who are current U.S. brokerage customers of Schwab or any of its affiliates, including customers who previously held accounts at Ameritrade. The Defendants, its employees, officers, directors, legal representatives, heirs, successors, or wholly or partly owned subsidiaries or affiliates, and the judicial officers or their immediate family members or associated court staff assigned to this case are excluded from the class.”

7. It is also Ankura’s understanding that the parties expect that the Class Members can be identified and located from Defendant’s records. Through our notice program, Ankura will design, print, and send the injunctive notices (by email or physical postcard) to all potential class members for which contact information is available. Given the availability of contact information, it is estimated that 95% -- or 34.2 million -- of these notices will go out via email, whereas 5% -- or 1.8 million -- will go out via physical postcard notice.

1 8. Ankura's notice program begins immediately upon receiving the data, with a 30-day
2 period dedicated to data ingestion, cleansing, analysis, and validation tasks. Email notifications can
3 begin at the end of this 30-day period, however due to the large volume and to ensure optimal
4 deliverability, Ankura estimates that it will take 45-60 days to fully distribute all email notifications.
5 Additionally, Ankura will establish a settlement website within 2 weeks upon receiving a request to
6 do so. This website will feature an overview of the litigation, issued notices, frequently asked
7 questions, relevant program documents, and pertinent contact information.

8 9. **Email Notices:** Prior to sending email notices, Ankura will: (1) Run the email notice
9 text through spam analysis programs to ensure it receives the highest rating to reduce the likelihood
10 that it will be caught in spam filters; (2) Take active and continued steps to maintain our approved list
11 standing with internet service providers by providing an advance alert on significant mailings; (3)
12 Scrub the email addresses to remove from the list any determined to be invalid to optimize throughput
13 of currently active email addresses; (4) Ensure that the email notice is written in plain, inviting
14 language, with an option for unsubscribe, conforms to industry best practice standards, and is
15 designed for optimum readability across multiple devices and platforms; (5) Personalize the emails
16 with the recipient's name to increase engagement and reduce the chance of the email being marked
17 as spam; (6) Ensure compliance with legal email regulations, predicated by the recipient's
18 geographical location; and (7) Group emails in batches to avoid a large number of potential bounce-
19 backs that could cause being blacklisted by certain internet service providers.

20 10. Our team will provide regular email tracking metrics, which will include detailed
21 reports on successful delivery rates, notice view analysis, and click-through rates to the public
22 website. This data will enable us to assess the effectiveness of the email campaign and make any
23 necessary adjustments to improve engagement. Furthermore, any email addresses that result in

1 delivery failures will be reviewed and, where possible, corrected to maximize the reach of our
2 notifications.

3 11. A draft of the proposed email notice is attached as Exhibit B.

4 12. **Postcard Notices:** Prior to sending physical postcard notices, Ankura will run the
5 addresses through the U.S. Postal Service's National Change of Address ("NCOA") program and the
6 Coding Accuracy Support System ("CASS") certification process to reduce undeliverable mail
7 counts. Ankura will also ensure that the design of the postcard is eye-catching, and that the important
8 information is immediately visible. Lastly, Ankura will include a return address for undeliverable
9 mail, and consider a mechanism to update the contact information based on returned mail

10 13. Our team will diligently track the delivery status of all physical postcard notices to
11 ensure maximum reach. In cases where mail is returned due to incorrect addresses, we will promptly
12 update our records and coordinate remailing efforts to ensure that every potential class member
13 receives the necessary information. Additionally, we will maintain a detailed log of all returned mail
14 to continuously improve our address verification processes and enhance future mailing accuracy.

15 14. A draft of the proposed postcard notice is attached as Exhibit C.

16
17 **CLASS MEMBER SUPPORT**

18 15. With the commencement and execution of this notice program, potential class members
19 may have questions regarding the notices, their legal rights, and implications of the litigation, among
20 other topics. This underscores the need for robust consumer support to ensure clarity and provide
21 timely assistance. Ankura offers support through three facets – (1) public website, (2) interactive
22 voice response (IVR), and (3) helpdesk support – all designed to address the diverse inquiries of
23 potential class members effectively.

1 16. **Public Website:** Ankura will set up and maintain a dedicated public notice website,
2 which will remain active for the duration of the program. This website will include an overview of
3 the litigation, frequently asked questions, associated program documents, and any relevant contact
4 information. All issued notices will also be accessible on the website. A draft of the proposed Long
5 Form Notice is attached as Exhibit D. To enhance transparency and engagement, Ankura will provide
6 detailed reporting on website traffic, including visitor numbers and analytics such as the geographic
7 location and types of URLs that have accessed the site. The website will be accessible in both English
8 and Spanish, featuring an easy-to-navigate toggle on the landing page to accommodate a diverse
9 audience.

10 17. **Interactive Voice Response (IVR):** Ankura will set up a class helpline that is equipped
11 with pre-recorded FAQs, allowing class members to access information quickly. The IVR system also
12 provides the option for class members to leave voicemails for callbacks from help desk agents,
13 ensuring that all inquiries are addressed promptly and efficiently within 48 hours. This system is
14 designed to streamline the process of answering common questions while allowing for personalized
15 assistance when needed.

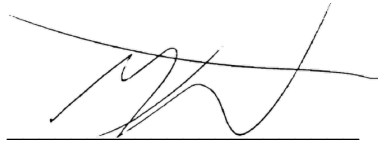
16 18. **Helpdesk Support:** Ankura will establish a notice program-specific email address,
17 enabling class members to easily reach out with their questions. Additionally, the website will feature
18 a function for submitting inquiries via an online form, which links directly to the settlement helpdesk
19 support inbox. Ankura's system will track inbound inquiries by subject matter, allowing us to develop
20 pre-coded responses for efficient handling and to identify and escalate trends or issues before they
21 become significant problems.
22

CONCLUSION

19. Based on our settlement administration experience with similar cases, the notice program described herein is consistent with other court-approved notice programs and will provide Class Members with notice of their legal rights and comports with due process requirements.

I declare under penalty of perjury under the laws of the United States and the District of Columbia that the foregoing is true and correct.

Executed on February 4, 2025, at Washington, District of Columbia.

A handwritten signature in black ink, appearing to read 'Michael T. Northeim', is written over a horizontal line.

Michael T. Northeim

EXHIBIT A

RELEVANT EXPERIENCE

Ankura has a proven track record in providing mass tort and class action services for some of the highest-profile and most complex matters. By leveraging sophisticated technology to handle the challenges posed by large classes and datasets, Ankura's experienced professionals collaborate closely with all stakeholders to achieve successful outcomes. Our extensive services include detailed data analysis, claims administration, notice program design, and fund distribution, all tailored to meet the unique needs of each case. Drawing from our extensive experience, Ankura proposes a comprehensive settlement program that maximizes notice effectiveness through direct mailings, emails, and digital communications. We have successfully implemented similar strategies in previous cases, ensuring effective reach and engagement with class members. Some notable examples pertaining to notice administration are highlighted below.

In Re: AT&T Mobility Wireless Data Services Sales Tax Litigation, Case No. 1:10-cv-02278 (MDL 2147)

Notice & Settlement Administrator

Ankura currently serves as the Settlement Administrator for a \$1.2 billion settlement fund established to reimburse over 20 million business and individual for state sales taxes that were collected and remitted by AT&T. The taxes were related to data usage on iPhones and were collected in violation of the Internet Tax Freedom Act. 45 states and over 2,300 taxing jurisdictions have settled and paid the fund resulting in distributions to over 15 million

individuals and businesses. The notification process for former AT&T customers involved sending emails and postcards. Initially, emails were sent to over 3.5 million customers, with about 1.1 million successfully delivered. The undelivered emails were then converted to postcard notifications and mailings were sent to a total of over 9.1 million customers, including those who initially had no email addresses and those whose emails were undeliverable.

Financial Services Provider Data Analytics and Remediation Programs (clients confidential)

Notice Administrator, Remediation Program Analyst, & Administrator

Ankura serves as the Notice Administrator for financial services remediation programs, expertly managing the full remediation lifecycle across numerous matters. Our role involves ingesting and analyzing large volumes of data, sending notice to over 500,000 potential claimants, and to investigate and confirm eligibility. Our services include performing skip tracing and address research, and setting up a public remediation site equipped with relevant program information and interactive tools for consumers to confirm eligibility, refund amounts, and affected transactions. Furthermore, Ankura develops and manages a contact center, providing voice, email, chat, and webform support to address inquiries, and we also track and process returned mail and manage check re-issuance requests efficiently.

Belize Real Estate Fraud Receivership

Claims Administration, Notice Administrator, & Technology Provider

Ankura was tasked with overseeing a receivership for a redress plan related to one of the largest overseas real estate investment scams in history. Ankura supports the claim review process, forensic accounting of the defendant's records, and consumer outreach. Ankura was also responsible for calculating the payment percentages used for redress payments and managed the payment process. In its capacity as Notice Administrator, Ankura designed and implemented a notice program whereby our team notified more than 1,600 consumers around the world regarding their eligibility status, as well as their requests regarding next steps with the ongoing sale of the development.

Toys "R" Us Severance Fund

Claims Administration, Notice Administrator, & Technology Provider

Ankura served as the Claims Administrator for a \$20 million dollar fund to pay former employees that lost their jobs when Toys "R" Us declared bankruptcy. This involved the design and implementation of a notice plan, centralized claims processing system, creating a valuation model, the review of over 20,000 claims, and standing up a call center.

Foreign Exchange Benchmark Rates Antitrust Litigation

Claims & Notice Expert

Ankura currently provides economic and analytical expertise for an antitrust dispute involving sixteen of the world's largest banks. Ankura oversees the \$2 billion settlement fund, including the creation of a Plan of Distribution, class member identification, notice, damages, and claim estimates. Ankura was deeply involved in the creation of the notice packet sent as part of the direct notice process and creation of the overall notice timeline. Ankura was also responsible for the intake, consolidation, and generation of final notice list from more than 20 different sources and provided oversight and management of the overall notice process.

PG&E Subrogation Wildfire Trust

Trustee, Notice Administrator, & Claims Administrator

Ankura served as the Notice Administrator, Trustee, and Claims Administration for an \$11 billion settlement fund established to compensate insurance companies and hedge funds for subrogation claims related to property damages caused by several California wildfires including the Camp fire. In less than 1 year, Ankura created the settlement fund entity, established claim review procedures, built a custom claims management system, and distributed over \$9 billion in settlement proceeds to insurers and hedge funds with valid subrogation claims. In its role as Notice Administrator, Ankura routinely notified potential beneficiaries regarding eligibility requirements, trust deadlines, pending payments, among other pertinent updates. In addition, Ankura also controlled the distribution of confidential

data for 50,000 subrogation wildfire trust claim data to the Fire Victims Trust and notified numerous insurance carriers on a biweekly basis regarding matched claim data as stipulated by bankruptcy court order.

Boeing 737 Max Crash Victim Beneficiaries Compensation Fund

Claims Administration, Notice Administrator, & Technology Provider

Ankura served as the Notice Administrator and Claims Administrator for three settlements related to compensating the families of the victims of two Boeing 737 Max crashes. In this capacity, Ankura designed and implemented a notice program, centralized claims processing system, and reviewed distribution plans per the intestacy laws of over 25 countries.

Cryptocurrency Fund Receivership

Claims Administration, Notice Administrator, & Technology Provider

A receivership was established in relation to a civil enforcement action following a fraud conviction of the manager of several cryptocurrency funds. Ankura is currently engaged to develop a notice plan and maintain a public claims portal through which potential claimants may learn about the process and file claims for compensation. Ankura provides settlement design, forensic accounting, public notice, claims processing, and fund distribution services to the Receivership.

Asbestos Litigation, Bankruptcies & Settlement Trusts

Economic Expert & Settlement Administrator

Ankura is currently providing expert economic advisory services involving the forecasting and quantification of total liability associated with bodily injury due to asbestos exposure. Ankura is also responsible for providing several major asbestos settlement trusts with liability forecasting services, specialized medical claims audits, claims administration and systems and general settlement administration. Ankura leads the design and implementation of a centralized claims processing system (“TrustOnline”) that has been used to process and pay nearly \$25 billion to 5 million claims, represented by more than 800 firms, to date by overseeing the allocation and distribution of settlement proceeds to claimants with asbestos caused injuries such as asbestosis, lung cancer, and mesothelioma.

In re Volkswagen “CleanDiesel” Marketing, Sales Practices, and Products Liability Litigation, Case No. 3:15-md-02672-CRB (“MDL 2672”)

Claims Supervisor

Ankura was appointed by the court to serve as the Claims Supervisor for the 2.0L and 3.0L Clean Diesel Emissions settlements. In this role Ankura was responsible for overseeing Volkswagen’s compliance with the settlement agreement. This included the review and valuation of over 550,000 claims, monitoring the vehicle buyback process and the Volkswagen call center, reporting on the status of the settlement to the court, and monitoring the payment of over \$10 billion to eligible claimants. We worked closely with the Plaintiffs’ Steering Committee, which was comprised of nationally recognized plaintiff attorneys from

firms across the US, the defendant, defense counsel, and multiple government agencies. Ankura also managed a \$327.5 million settlement was processed with Bosch, the supplier of the emissions software that was installed in some 2.0-liter and 3.0-liter Volkswagen, Audi and Porsche diesel vehicles.

EXHIBIT B

SUMMARY NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

If you are a person, entity, or corporation who is a current U.S. brokerage customer of Schwab or any of its affiliates, including as a customer who previously held accounts at TD Ameritrade (“Ameritrade”), your rights may be affected by a pending class action settlement.

This notice is to alert you to a proposed settlement reached with The Charles Schwab Corporation (“Schwab”) in *Jonathan Corrente, et al. v. The Charles Schwab Corporation*, No. 4:22-CV-470ALM (E.D. Tex.) and the injunctive relief contemplated in the proposed settlement, specifically, the implementation of an antitrust compliance program. The settlement with Schwab will resolve the claim against it in this action.

The United States District Court for the Eastern District of Texas (the “Court”) authorized this notice. The Court appointed the lawyers listed below to represent the Settlement Class:

Yavar Bathaee
BATHAEE DUNNE LLP
445 Park Avenue, 9th Floor
New York, NY 10022
Tel: (332) 322-8835
yavar@bathaeedunne.com

Christopher M. Burke
BURKE LLP
402 West Broadway, Suite 1890
San Diego, CA 92101
Tel: (619) 369-8244
cburke@burke.law

Who Is a Member of the Settlement Class?

Subject to certain exceptions, the Settlement Class consists of all persons, entities, and corporations who are current U.S. brokerage customers of Schwab or any of its affiliates, including customers who previously held accounts at Ameritrade.

“Schwab” or “Defendant” means Defendant The Charles Schwab Corporation.

If you are not sure if you are included in the Settlement Class, you can get more information, by visiting www.bathaeedunne.com or by calling toll-free 1-XXX-XXX-XXXX (if calling from outside the United States or Canada, call 1-XXX-XXX-XXXX).

What Is This Lawsuit About?

Plaintiffs allege they were injured as a result of the combination of Schwab and TD Ameritrade Holding Corporation, in October 2020. Specifically, Plaintiffs allege that the merger decreased competition among brokers, resulting in Plaintiffs making less money from their trading activity. Plaintiffs assert a claim under federal antitrust law.

What Does the Settlement Provide?

To settle the claim in this lawsuit, Schwab has agreed to implement an antitrust compliance program to be designed by a third-party Consultant. This Consultant, to be jointly retained by the Parties, will consist of a team of attorneys from Fried, Frank, Harris Shriver & Jacobson LLP, including Bernard A. Nigro, Jr.,

Aleksandr Livshits, and Nihal Patel. If the settlement is approved, all Notice Costs, Court-awarded attorney's fees and litigation expenses, any service awards for the class representatives, and any other expenses approved by the Court will be paid by Schwab.

Settlement Class Members will not receive a payment.

What Are My Rights?

If you are a Settlement Class Member and do not object, you will release certain legal rights against Defendant and the other released parties, as explained in the Court's detailed Notice and the Stipulation and Agreement of Settlement, which are available at www._____.com. If you do want to object to the Settlement you must do so by **Month XX, 2025**. You may object to the Settlement, application for an award of attorney's fees and litigation expenses, and/or service awards for Plaintiffs. Information on how to object is contained in the Court's detailed Notice, which is available at www._____.com. No Settlement Class Members' damages claims are released in this resolution.

When Is the Fairness Hearing?

The Court will hold a fairness hearing at the United States District Court for the Eastern District of Texas, Paul Brown United States Courthouse, 101 East Pecan Street, Sherman, Texas 75090, on **[DATE]** at **[TIME]** to consider whether to finally approve the Settlement, award any attorney's fees and litigation expenses, and order any service awards for Plaintiffs. You or your lawyer may ask to appear and speak at the hearing at your own expense, but you do not have to.

For more information, call toll-free 1-XXX-XXX-XXXX (if calling from outside the United States or Canada, call 1-XXX-XXX-XXXX) or visit www._____.com.

EXHIBIT C**Notice of Proposed Class Action Settlement**

This notice is to alert you to a proposed settlement reached with The Charles Schwab Corporation ("Schwab") in *Jonathan Corrente, et al. v. The Charles Schwab Corporation*, No. 4:22-CV-470-ALM (E.D. Tex.) and the injunctive relief contemplated in the proposed settlement, specifically, the implementation of an antitrust compliance program. The settlement with Schwab will resolve the claim against it in this action.

The United States District Court for the Eastern District of Texas (the "Court") authorized this notice. The Court appointed Yavar Bathaee of BATHAEE DUNNE LLP, and Christopher M. Burke of BURKE LLP to represent the Settlement Class.

Who Is a Member of the Settlement Class?

Subject to certain exceptions, the Settlement Class consists of all persons, entities, and corporations who are current U.S. brokerage customers of Schwab or any of its affiliates, including customers who previously held accounts at Ameritrade.

"Schwab" or "Defendant" means Defendant The Charles Schwab Corporation.

If you are not sure if you are included in the Settlement Class, you can get more information, by visiting www.schwab.com or by calling toll-free 1-XXX-XXX-XXXX (if calling from outside the United States or Canada call 1-XXX-XXX-XXXX).

What Is This Lawsuit About?

Plaintiffs allege they were injured as a result of the combination of Schwab and TD Ameritrade Holding Corporation, in October 2020. Specifically, Plaintiffs allege that the merger decreased competition among brokers, resulting in Plaintiffs making less money from their trading activity. Plaintiffs assert a claim under federal antitrust law.

What Does the Settlement Provide?

To settle the claim in this lawsuit, Schwab has agreed to implement an antitrust compliance program to be designed by a third-party Consultant. This Consultant, to be jointly retained by the Parties, will consist of a team of attorneys from Fried, Frank, Harris Shriver & Jacobson LLP, including Bernard A. Nigro, Jr., Aleksandr Livshits, and Nihal Patel. If the settlement is approved, all Notice Costs, Court-awarded attorney's fees and litigation expenses, any service awards for the class representatives, and any other expenses approved by the Court will be paid by Schwab. Settlement Class Members will not receive a payment.

What Are My Rights?

If you are a Settlement Class Member and do not object, you will release certain legal rights against Defendant and the other released parties, as explained in the Court's detailed Notice and the Stipulation and Agreement of Settlement, which are available at www.schwab.com. If you do want to object to the Settlement you must do so by **Month XX**, 2025. You may object to the Settlement, application for an award of attorney's fees and litigation expenses, and/or service awards for Plaintiffs. Information on how to object is contained in the Court's detailed Notice, which is available at www.schwab.com. No Settlement Class Members' damages claims are released in this resolution.

When Is the Fairness Hearing?

The Court will hold a fairness hearing at the United States District Court for the Eastern District of Texas, Paul Brown United States Courthouse, 101 East Pecan Street, Sherman, Texas 75090, on **[DATE]** at **[TIME]** to consider whether to finally approve the Settlement, award any attorney's fees and litigation expenses, and order any service awards for Plaintiffs. You or your lawyer may ask to appear and speak at the hearing at your own expense, but you do not have to.

For more information, call toll-free 1-XXX-XXX-XXXX (if calling from outside the United States or Canada, call 1-XXX-XXX-XXXX) or visit www.schwab.com.

Please do not call the Court or the Clerk of the Court for information about the settlements.

SUMMARY NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

If you are a person, entity, or corporation who is a current U.S. brokerage customer of Schwab or any of its affiliates, including as a customer who previously held accounts at TD Ameritrade ("Ameritrade"), your rights may be affected by a pending class action settlement.

Para una notificación en español, visite

www.schwab.com

**Questions? Call 1-XXX-XXX-XXXX
or visit www.schwab.com**

Corrente, et al. v. Charles Schwab
50 Corporate Park
Irvine, CA 92606

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EXHIBIT D

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION**

JONATHAN CORRENTE, *et al.*,

Plaintiffs,

v.

THE CHARLES SCHWAB CORPORATION,

Defendant.

Civil Action No. 4:22-CV-470-ALM

Hon. Amos L. Mazzant, III

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

PLEASE READ THIS ENTIRE NOTICE CAREFULLY. A UNITED STATES FEDERAL COURT AUTHORIZED THIS NOTICE. YOUR RIGHTS MAY BE AFFECTED BY THE PROCEEDINGS IN THIS ACTION. THIS NOTICE ADVISES YOU OF YOUR RIGHTS AND OPTIONS WITH RESPECT TO THIS ACTION.

To: All persons, entities, and corporations who are current U.S. brokerage customers of The Charles Schwab Corporation (“Schwab”) or any of its affiliates, including customers who previously held accounts at TD Ameritrade (“Ameritrade”).

The capitalized terms in these paragraphs, as well as other capitalized terms, are explained or defined below or in the Stipulation and Agreement of Settlement with Schwab (the “Stipulation”). The Stipulation and the Court’s Preliminary Approval Order are posted on the Claims Administrator’s website at www._____.com (the “Settlement Website”).

This Notice of Pendency of Class Action, Hearing on Proposed Settlement and Attorney’s Fees Petition, and Right to Object (“Notice”) is given pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Eastern District of Texas (the “Court”). It is not junk mail, an advertisement, or a solicitation from a lawyer. You have not been sued.

The purpose of this Notice is to inform you of the Settlement with Schwab in the above-captioned case (the “Action”).

Please do not contact the Court regarding this Notice. Inquiries concerning this Notice should be directed to:

Notice Administrator

[Address](#)

[Address](#)

Tel.: [1-XXX-XXXX](#)

(if calling from outside the United States or Canada, call [1-XXX-XXX-XXXX](#))

Email: [REDACTED]
Website: [REDACTED]

Plaintiffs allege that the combination of Schwab and TD Ameritrade Holding Corporation, in October 2020, violated Section 7 of the Clayton Act (15 U.S.C. § 18). Plaintiffs allege that the merger decreased competition among brokers, resulting in Plaintiffs making less money from their trading activity.

The Court preliminarily approved the Settlement with Schwab on XXXXXX. To resolve this lawsuit, Schwab agreed to implement an antitrust compliance program to address Plaintiffs' claims.

The following table contains a summary of your rights and options regarding the Settlement. More detailed information about your rights and options can be found in the Stipulation, which is available at [www.\[REDACTED\].com](http://www.[REDACTED].com) (the "Settlement Website").

YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT	
DO NOTHING	You are automatically part of the Settlement Class if you fit the Settlement Class description. You will be bound by past and any future Court rulings, including rulings on the Settlement, if approved, and releases.
OBJECT TO THE SETTLEMENT	If you wish to object to the Settlement, Attorney's Fees and Expenses, or Service Awards, you must file a written objection with the Court by Month XX, 2025 and serve copies on Co-Lead Counsel and Schwab's Counsel. See question 13.
GO TO THE SETTLEMENT HEARING	You may ask the Court for permission to speak at the Fairness Hearing by including such a request in your written objection, which you must file with the Court and serve copies of on Co-Lead Counsel and Schwab's Counsel, by Month XX, 2025. The Fairness Hearing is scheduled for Month XX, 2025 at TIME. See questions 16 through 18.
APPEAR THROUGH AN ATTORNEY	You may enter an appearance through your own counsel at your own expense. See question 14.

These rights and options and the deadlines to exercise them are explained in this Notice.

You are receiving this Notice because records indicate that you may be a Settlement Class Member in this Action because you may be a current brokerage customer of Schwab or any of its affiliates, including as a former customer of Ameritrade.

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BASIC INFORMATION

1. What Is a Class Action Lawsuit?

A class action is a lawsuit in which one or more representative plaintiffs (in this case, Jonathan Corrente, Charles Shaw, and Leo Williams (collectively, “Plaintiffs”)) bring a lawsuit on behalf of themselves and other similarly situated persons (*i.e.*, a class) who the representative plaintiffs allege have similar claims against a defendant. The representative plaintiffs, the court, and counsel appointed to represent the class all have a responsibility to make sure that the interests of all class members are adequately represented.

Importantly, class members are NOT individually responsible for attorney’s fees or litigation expenses. Any award of attorney’s fees and litigation expenses will be paid by Schwab.

When a representative plaintiff enters into a settlement with a defendant on behalf of a class, such as the Settlement with Schwab, the court will require that the members of the class be given notice of the settlement and an opportunity to be heard with respect to the settlement. The court then conducts a hearing (called a “Fairness Hearing”) to determine, among other things, if the settlement is fair, reasonable, and adequate.

2. Why Did I Get This Notice?

You received this Notice because you requested it or records indicate that you may be a Settlement Class Member. As a potential Settlement Class Member, you have a right to know about the proposed Settlement with Schwab before the Court decides whether to approve the Settlement.

This Notice explains the Action, the Settlement, your legal rights, and what benefits the Settlement provides. The purpose of this Notice is also to inform you of the Fairness Hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement and to consider requests for awards of attorney’s fees, litigation expenses, and any service awards for Plaintiffs from Schwab.

3. What Is This Action About?

Plaintiffs allege they have been and will continue to be injured as a result of the combination of Schwab and Ameritrade in October 2020 in violation of Section 7 of the Clayton Act (15 U.S.C. § 18), a provision of the federal antitrust laws.

Plaintiffs allege that the merger decreased competition among brokers, resulting in Plaintiffs making less money from their trading activity.

Plaintiffs allege they suffered an injury of the type that the antitrust laws were intended to prevent.

4. What Has Happened in This Action?

Plaintiffs filed their Complaint on June 2, 2022. ECF No. 1. On August 29, 2022, Defendant moved to dismiss the Complaint. ECF No. 18. On February 24, 2023, the Court issued a Memorandum Opinion and Order denying Defendant’s motion to dismiss. ECF No. 40.

Since 2022, the Parties conducted discovery to investigate the strength of the claims and defenses, including taking depositions and reviewing voluminous documents. The Parties also consulted with experts.

After extensive, arm’s-length negotiations, including a mediation, the Parties reached an agreement to settle the Action on December 12, 2024. The Court granted Plaintiffs’ motion for preliminary approval of the

Settlement with Schwab on MONTH XX, 2025, respectively.

5. Why Is There a Settlement?

Plaintiffs and Co-Lead Counsel believe that Settlement Class Members were harmed by the merger of Schwab and Ameritrade's brokerage businesses. Schwab does not agree with the allegations made by the Plaintiffs and asserts that the claims lack merit and that Schwab has meritorious defenses. Schwab believes it would have defeated all of Plaintiffs' claims before trial, at trial, and/or on appeal. The Court has not decided in favor of either Plaintiffs or Schwab. Co-Lead Counsel engaged in settlement discussions with Schwab with the assistance of a retired federal judge, the Hon. Nancy F. Atlas. Judge Atlas was appointed by the Court to mediate the Action. As a result of the mediation process, the parties reached a negotiated resolution of the Action. The Settlement would allow both sides to avoid the risks and costs of lengthy litigation and the uncertainty of pre-trial proceedings, a trial, and appeals. If approved, Settlement Class Members will receive valuable injunctive relief without releasing their individual damage claims, rather than risk receiving nothing if the case were to proceed to trial and post-trial appeals. Plaintiffs and CoLead Counsel believe the Settlement is fair and in the best interest of all Settlement Class Members.

As a part of the Settlement, Schwab has agreed to implement a comprehensive antitrust compliance program to prevent antitrust violations. If the Settlement is approved, any Notice Costs, any Court awarded attorney's fees and litigation expenses, service awards for Plaintiffs, and any other costs or fees approved by the Court will be paid by Schwab.

If the Settlement is approved, the Action will be dismissed. Schwab will no longer be the defendant in this Action. If the Settlement is not approved, Schwab will remain as the defendant in the Action, and Plaintiffs will continue to pursue their claims against Schwab.

WHO IS A MEMBER OF THE SETTLEMENT CLASS?

6. How Do I Know if I Am a Settlement Class Member?

In the Preliminary Approval Orders, the Court preliminarily approved the following Settlement Class:

All persons, entities, and corporations who are current U.S. brokerage customers of Schwab or any of its affiliates, including customers who previously held accounts at Ameritrade.

7. Are There Exceptions to Being Included in the Settlement Class?

Yes. You are not included in the Settlement Class if you are: (a) the Defendant; (b) one of its employees, officers, directors, legal representatives, heirs, successors, or wholly or partly owned subsidiaries or affiliates; or (c) one of the judicial officers or their immediate family members or associated court staff assigned to this case.

8. I'm Still Not Sure if I Am Included.

If you are still not sure whether you are included, you can ask for free help. You can call toll-free 1-XXX-XXX-XXXX (if calling from outside the United States or Canada, call 1-XXX-XXXXXXX) or visit www. .com for more information.

THE SETTLEMENT BENEFITS

9. What Does the Settlement Provide?

Schwab will implement an antitrust compliance program, if the Settlement is approved. The antitrust compliance program will be designed by an independent third-party consultant. This consultant, to be jointly retained by the Parties, will consist of a team of attorneys from Fried, Frank, Harris Shriver & Jacobson LLP, including Bernard A. Nigro, Jr., Aleksandr Livshits, and Nihal Patel. The third-party consultant will consider, among other things:

- a. Policies, practices, and procedures related to Schwab's communications with and among market makers and other broker-dealers;
- b. Policies, practices, and procedures related to Schwab's order routing and execution, including those pertaining to Schwab's order routing allocations and price improvement as provided by market makers to Schwab's retail customers who trade equities and options;
- c. Policies, practices, and procedures applicable to Schwab's order routing committees and decisionmakers, including as to communications and coordination with market makers and other broker-dealers; and
- d. Schwab's post-merger disclosures, reporting, statements, and other communications with retail clients regarding transaction-related price improvement and order routing that may promote inter-brand competition among broker-dealers.

Once the program has been designed and implemented, Schwab will certify its compliance on a yearly basis for four years.

10. What Am I Giving Up to Receive Injunctive Relief?

Upon the Effective Date, Schwab, Plaintiffs and all Settlement Class Members shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever waived, released, relinquished, and discharged any and all injunctive, equitable, and non-monetary claims or remedies on account of, or arising out of, or resulting from, or in any way related to, any conduct that was alleged or could have been alleged in the Action based on any or all of the same factual predicates of the Action, including but not limited to any claim for divestiture. Settlement Class Members are not releasing any damage or monetary claims against Schwab or any future claims relating to enforcement of the Settlement terms. The capitalized terms used in this paragraph are defined in the Stipulation, Preliminary Approval Order, or this Notice. For easy reference, certain of these terms are copied below:

- "Related Persons," when used in reference to a Person, means (a) the Person; (b) for natural Persons, each of that Person's respective immediate family members and any trust which that Person is the settlor of or which is for the benefit of any such Person and/or the members of his or her family, and, for non-natural persons, each of past, present, and future, direct and indirect corporate parents (including holding companies), subsidiaries, related entities and affiliates, associates, predecessors, and successors; and (c), for any of the entities or Persons listed at (a) or (b) above, their respective past, present, or future parents, subsidiaries and affiliates, and their respective directors, officers, managers, managing directors, partners, members, principals, employees, auditors, accountants, representatives, insurers, trustees, trustors, agents, attorneys, professionals, predecessors, successors,

assigns, heirs, executors, and administrators, in their capacities as such, and any entity in which the Person has a controlling interest.

- “Released Defendant’s Claims” means all claims and causes of action of every nature and description, whether known claims or Unknown Claims, whether arising under federal, state, local, common, or foreign law or regulation, by any of the Released Defendant Persons against Plaintiffs, any members of the Settlement Class, or any of their Related Persons, including any Co-Lead Counsel, which arise out of or relate in any way to the institution, prosecution, assertion, settlement, or resolution of the Action or the Released Claims. Released Defendant’s Claims shall not include any future claims relating to the enforcement of any terms of this Stipulation. For the avoidance of doubt, the release in this paragraph is intended to cover only litigation conduct in this Action.
- “Plaintiffs’ Released Claims” means any and all claims, counterclaims, demands, actions, potential actions, suits, and causes of action, losses, obligations, damages, matters, and issues of any kind or nature whatsoever, and liabilities of any nature, including without limitation claims for costs, expenses, penalties, and attorney’s fees that the Plaintiffs ever had or now have against any of the Released Defendant Persons, whether arising under federal, state, local, common, or foreign law or regulation, whether known claims or Unknown Claims, suspected or unsuspected, asserted or unasserted, foreseen or unforeseen, actual or contingent, accrued or unaccrued, matured or unmatured, disclosed or undisclosed, apparent or unapparent, liquidated or unliquidated, or claims that have been, could have been, or in the future might be asserted in law or equity, on account of or arising out of or resulting from or in any way related to any conduct that was alleged or could have been alleged in the Action based on any or all of the same factual predicates of the Action, including but not limited to Schwab’s participation in an allegedly anticompetitive merger with Ameritrade in October 2020. Plaintiffs’ Released Claims shall not include any future claims relating to the enforcement of any terms of the Settlement. Settlement Class Members are not releasing claims for money damages against Schwab.
- “Settlement Class Released Claims” means any and all injunctive, equitable and nonmonetary claims or remedies on account of or arising out of, or resulting from, or in any way related to, any conduct that was alleged or could have been alleged in the Action based on any or all of the same factual predicates of the Action, including but not limited to any claim for divestiture. Settlement Class Released Claims shall not include any damages or compensatory monetary claims or any future claims relating to enforcement of the terms of the Settlement.

11. What if I Do Nothing?

You are automatically a Settlement Class Member if you fit the Settlement Class description. You will be bound by past and any future Court rulings, including rulings on the Settlement and its releases. Unless you object, you may not oppose, in whole or in part, the terms of the Settlement.

INABILITY TO EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS

12. What if I Do Not Want to Be in the Settlement Class?

If you are a Settlement Class Member, you may not exclude yourself from the Settlement Class. However, you may object to the Settlement by following the procedures in this Notice.

OBJECTING TO THE SETTLEMENT

13. How Do I Tell the Court What I Think About the Settlement?

If you are a Settlement Class Member, you can tell the Court what you think about the Settlement. You can object to all or any part of the Settlement, application for attorney's fees and litigation expenses, and any service awards for Plaintiffs. You can give reasons why you think the Court should approve them or not. The Court will consider your views.

If you want to make an objection, you may enter an appearance in the Action, at your own expense, individually or through counsel of your own choice, by filing with the Clerk of Court a notice of appearance and your objection by **MONTH XX**, 2025, and serving copies of your notice of appearance and objection on Co-Lead Counsel and Schwab's Counsel at the following physical addresses:

Yavar Bathaee
Andrew Wolinsky
BATHAEE DUNNE LLP
445 Park Avenue, 9th Floor
New York, NY 10022
Tel: (332) 322-8835
yavar@bathaeedunne.com
awolinsky@bathaeedunne.com

Brian J. Dunne
Edward M. Grauman
BATHAEE DUNNE LLP
901 South MoPac Expressway
Barton Oaks Plaza I, Suite 300
Austin, TX 78746
Tel: (213) 462-2772
bdunne@bathaeedunne.com
egrauman@bathaeedunne.com

Christopher M. Burke
Yifan (Kate) Lv
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402 West Broadway, Suite 1890
San Diego, CA 92101
Tel: (619) 369-8244
cburke@burke.law
klv@burke.law

Chad Bell
KOREIN TILLERY LLC
205 N. Michigan Ave., Suite 1950
Chicago, IL 60601
Tel: (312) 641-9750
cbell@koreintillery.com

Co-Lead Counsel

Daniel G. Swanson
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Los Angeles, CA 90071-3197
Tel: (213) 229-7430
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Veronica S. Moyé
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vmoye@kslaw.com

Jason J. Mendro
Cynthia Richman
GIBSON, DUNN & CRUTCHER LLP
1700 M Street, N.W.
Washington, D.C. 20036-5306
Tel: (202) 955-8500
jmendro@gibsondunn.com
crichman@gibsondunn.com

Schwab's Counsel

Any Settlement Class Member who does not enter an appearance will be represented by Co-Lead Counsel.

If you choose to object, you must file a written objection with the Court. You cannot make an objection by telephone or email. Your written objection must include a heading that refers to this Action by case name and case number, and the following information: (1) name, address, and telephone number; (2) proof of membership in the Settlement Class; (3) all grounds for the objection; (4) the name, address, and telephone number of the Settlement Class Member's counsel, if any; and (5) a list of other cases in which the objector or counsel for the objector has appeared either as an objector or counsel for an objector in the last five years. If you want to be heard at the hearing, you must say so in your written objection and also identify any witnesses you propose to call to testify or exhibits you propose to introduce into evidence, if the Court so permits.

If you do not timely and validly submit your objection, your views may not be considered by the Court or any court on appeal.

THE LAWYERS REPRESENTING YOU

14. Do I Have a Lawyer in This Case?

The Court has appointed the lawyers listed below to represent you and the Settlement Class in this Action:

Yavar Bathaee
BATHAEE DUNNE LLP
445 Park Avenue, 9th Floor
New York, NY 10022
Tel: (332) 322-8835
yavar@bathaeedunne.com

Christopher M. Burke
BURKE LLP
402 West Broadway, Suite 1890
San Diego, CA 92101
Tel: (619) 369-8244
cburke@burke.law

These lawyers are called Co-Lead Counsel. Co-Lead Counsel will receive any payment of attorney's fees and litigation expenses from Schwab. You will not be charged for Co-Lead Counsel's services. If you want to be represented by your own lawyer, you may hire one at your own expense.

15. How Will the Lawyers Be Paid?

To date, Co-Lead Counsel have not been paid any attorney's fees or reimbursed for any out-of-pocket litigation expenses. The Settlement provides that Co-Lead Counsel may apply to the Court for an award of attorney's fees and litigation expenses and that Schwab will pay the amount awarded by the Court. Any attorney's fees and litigation expenses will be awarded only as approved by the Court in amounts determined to be fair and reasonable. Prior to the Settlement Hearing, Co-Lead Counsel will move for an award of up to \$8,250,000 in attorney's fees, plus payment of no more than \$700,000 for litigation expenses.

The Fee and Expense Application will be made collectively on behalf of all Plaintiffs' counsel.

This is only a summary of the request for attorney's fees and litigation expenses. Any motions in support of the requests will be available for viewing on the Settlement Website after they are filed no later than **Month XX, 2025**. After that date, if you wish to review the motion papers, you may do so by viewing them at **www. .com**.

The Court will consider the motion for attorney's fees and litigation expenses at the Fairness Hearing.

THE COURT'S SETTLEMENT HEARING

16. When and Where Will the Court Decide Whether to Approve the Settlement?

The Court will hold the Fairness Hearing on [DATE] at [TIME] p.m. at the United States District Court for the Eastern District of Texas, Paul Brown United States Courthouse, 101 East Pecan Street, Sherman, Texas 75090. The Fairness Hearing may be moved to a different date or time without notice to you. Although you do not need to attend, if you plan to do so, you should check www._____.com before making travel plans.

At the Fairness Hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The Court will also consider whether to approve the requests for attorney's fees and litigation expenses, and any service awards for Plaintiffs. If there are any objections, the Court will consider them at this time. We do not know how long the Fairness Hearing will take or when the Court will make its decision. The Court's decision may be appealed.

17. Do I Have to Come to the Fairness Hearing?

No. Co-Lead Counsel will answer any questions the Court may have. You are, however, welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you draft, file, and serve your written objection according to the requirements set forth above, the Court will consider it. You may attend the Fairness Hearing personally or you may hire your own lawyer to attend and you (or your counsel) may ask the Court to allow you to participate in the Fairness Hearing, but you are not required to do so.

18. May I Speak at the Fairness Hearing?

You may ask the Court for permission to speak at the Fairness Hearing. If you want to appear at the Fairness Hearing, you may enter an appearance in the Action at your own expense, individually or through counsel of your own choice, by filing with the Clerk of Court a notice of appearance and your objection by **MONTH XX**, 2025, and serving copies of your objection on Co-Lead Counsel and Schwab's Counsel at the addresses set forth in question 13. Any Settlement Class Member who does not enter an appearance will be represented by Co-Lead Counsel.

GETTING MORE INFORMATION

19. How Do I Get More Information?

This Notice summarizes the Settlement. More details are in the Stipulation, which is available for your review at www.XXXXXXXXXX.com. The Settlement Website also has answers to common questions about the Settlement and other information to help you determine whether you are a Settlement Class Member. You may also call toll-free **1-XXX-XXX-XXXX** (if calling from outside the United States or Canada, call **1-XXX-XXX-XXXX**) or write to the Claims Administrator at:

Notice Administrator

Address

Email: _____

******Please do not contact the Court or the Clerk's Office regarding this Notice or for additional information. ******