

**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.SchwabCorrenteSettlement.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:

Ankura Consulting Group, LLC
2000 K St NW, 12th Floor
Washington, DC 20006
Tel.: 888-828-5845

(if calling from outside the United States or Canada, call +1-888-828-5845)

Email: info@SchwabCorrenteSettlement.com
Website: www.SchwabCorrenteSettlement.com

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 February 19, 2025. 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.SchwabCorrenteSettlement.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 July 29, 2025 and serve copies on Co-Lead Counsel and Schwab's Counsel. <i>See</i> 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 July 29, 2025. The Fairness Hearing is scheduled for August 28, 2025 at 9:00 am CST. <i>See</i> questions 16 through 18.
APPEAR THROUGH AN ATTORNEY	You may enter an appearance through your own counsel at your own expense. <i>See</i> 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.

WHAT THIS NOTICE CONTAINS

WHAT THIS NOTICE CONTAINS	3
BASIC INFORMATION	4
1. What Is a Class Action Lawsuit?	4
2. Why Did I Get This Notice?	4
3. What Is This Action About?	4
4. What Has Happened in This Action?	4
5. Why Is There a Settlement?	5
WHO IS A MEMBER OF THE SETTLEMENT CLASS?	5
6. How Do I Know if I Am a Settlement Class Member?	5
7. Are There Exceptions to Being Included in the Settlement Class?	5
8. I'm Still Not Sure if I Am Included.	5
THE SETTLEMENT BENEFITS	6
9. What Does the Settlement Provide?	6
10. What Am I Giving Up to Receive Injunctive Relief?	6
11. What if I Do Nothing?	7
INABILITY TO EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS	7
12. What if I Do Not Want to Be in the Settlement Class?	7
OBJECTING TO THE SETTLEMENT	8
13. How Do I Tell the Court What I Think About the Settlement?	8
THE LAWYERS REPRESENTING YOU	9
14. Do I Have a Lawyer in This Case?	9
15. How Will the Lawyers Be Paid?	9
THE COURT'S SETTLEMENT HEARING	10
16. When and Where Will the Court Decide Whether to Approve the Settlement?	10
17. Do I Have to Come to the Fairness Hearing?	10
18. May I Speak at the Fairness Hearing?	10
GETTING MORE INFORMATION	10
19. How Do I Get More Information?	10

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 February 19, 2025.

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 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 888-828-5845 (if calling from outside the United States or Canada, call +1-888-828-5845) or visit www.SchwabCorrenteSettlement.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 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 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 July 29, 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
BURKE LLP
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
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@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 July 17, 2025. After that date, if you wish to review the motion papers, you may do so by viewing them at www.SchwabCorrenteSettlement.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 August 28, 2025 at 9:00 am CST 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.SchwabCorrenteSettlement.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 July 29, 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.SchwabCorrenteSettlement.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 888-828-5845 (if calling from outside the United States or Canada, call +1-888-828-5845) or write to the Claims Administrator at:

Ankura Consulting Group, LLC
2000 K St NW, 12th Floor
Washington, DC 20006
Email: info@SchwabCorrenteSettlement.com

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