

Carter, et al., v Wells Fargo Advisors, LLC., et al.

Exhibit 1 to the Motion for Preliminary Approval – Settlement Agreement

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

Evelyn Carter, Michelle Phillips, and)
Eileen Wasserman,)
)
On behalf of themselves and all others similarly)
situated,) NO. 1:09-CV-01752 (CKK)
) CLASS ACTION
)
Plaintiffs,)
v.)
)
Wells Fargo Advisors, LLC, Wells Fargo & Co.,)
Wachovia Securities, LLC, a wholly owned)
subsidiary of Wells Fargo & Co., and Wachovia)
Corporation,)
)
Defendants.)

SETTLEMENT AGREEMENT

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I. INTRODUCTION

Subject to approval by the United States District Court for the District of Columbia (the “Court”), this Settlement Agreement (“Settlement Agreement”) sets forth the full and final terms by which the Named Plaintiffs, on behalf of themselves and members of the Class defined herein, and Wells Fargo Advisors, LLC; Wells Fargo & Company; Wachovia Securities, LLC, a wholly owned subsidiary of Wells Fargo & Company; and Wachovia Corporation (collectively “Defendants”) have settled and resolved all claims that have been raised in the Class Action Complaint filed by the Named Plaintiffs on September 15, 2009. This Action and Settlement applies to all women who are or were employed in the United States as Financial Advisors by: (a) Wachovia Securities, LLC, or its successor Wells Fargo Advisors, LLC, at any time between March 17, 2003 and the date of Preliminary Approval; and/or (b) Wells Fargo Investments, LLC at any time between December 31, 2008 and the date of Preliminary Approval. Women who were employed as Financial Advisors by Prudential Securities Inc. or A.G. Edwards & Sons, Inc. are included only as of the effective date of the respective business consolidation or merger of these corporations with Wachovia Securities/Wachovia Corporation.

II. NATURE AND RESOLUTION OF THE CASE

A. Named Plaintiffs Evelyn Carter, Michelle Phillips, and Eileen Wasserman retained Class Counsel to investigate claims of gender discrimination at Wachovia Securities. These Named Plaintiffs each filed a charge of discrimination with the Equal Employment Opportunity Commission (“EEOC”), alleging, among other things, that Wachovia Securities discriminated against them and a class of similarly situated female financial advisors throughout the United States on the basis of their gender in several aspects

of their employment. The first of the Plaintiffs' administrative charges of gender discrimination was filed with the EEOC on March 17, 2005. The charges were first amended in February 2006 to allege a pattern or practice of discrimination.

B. After Named Plaintiffs began pursuing their charges of discrimination, Wachovia Corporation, which was the parent company of Wachovia Securities, LLC underwent a series of mergers. As of October 1, 2007, Wachovia Corporation acquired A.G. Edwards & Sons, Inc. On December 31, 2008, Wells Fargo & Company purchased Wachovia Corporation, including Wachovia Securities, LLC.

C. On September 15, 2009, the Named Plaintiffs filed a Complaint in the Court on behalf of themselves as individuals and on behalf of a nationwide class of women employees against the Defendants pursuant to Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000(e), et seq., ("Title VII"), and under parallel state and local laws prohibiting gender discrimination. In this Action, the Named Plaintiffs, among other things, alleged on behalf of themselves and members of the Class defined herein, that they are women who are or were employed with Wachovia Securities, LLC as Financial Advisors, that they have been and are afforded fewer business opportunities than comparable male Financial Advisors, and that they experienced gender discrimination in numerous aspects of their employment. They further alleged, on behalf of themselves and members of the Class defined herein, that aspects of their employment in which they have experienced gender discrimination include, but are not limited to, career advancement, distribution of accounts, work assignments, signing bonuses, partnerships and teams, compensation, termination, and other terms and conditions of employment. In addition to these class claims, the Named Plaintiffs asserted various individual, non-class claims, including some for retaliation and

age discrimination, as set forth in the Complaint. The Named Plaintiffs devoted significant time and energy to pursuing the claims of the Class.

D. On February 5, 2010, Defendants filed their Answer to the Complaint and their affirmative defenses, denying that they engaged in a pattern or practice of gender discrimination against the Named Plaintiffs or any similarly situated current and former women Financial Advisors. Defendants denied the allegations in the administrative charges and the Complaint, and in connection therewith denied any liability under Title VII of the Civil Rights Act of 1964, as amended, or any other federal, state or local laws, and specifically denied that Defendants unlawfully discriminated against Plaintiffs or Class Members on the basis of gender, or that Plaintiffs or Class Members are otherwise entitled to the relief requested.

E. In an effort to determine whether the parties could settle this dispute prior to the commencement of litigation, the parties' counsel, who are experienced class action attorneys, participated in detailed and exhaustive discussions and negotiations over the course of three years. The parties engaged the services of Margaret Shaw, Esq., a highly experienced professional mediator, skilled in mediation of complex class actions, including employment discrimination litigation. Ms. Shaw became familiar with the case and conducted more than one dozen mediation sessions. The formal mediation sessions and follow-up settlement discussions between the parties concluded with the execution of this Settlement Agreement. During the negotiations, counsel bargained vigorously on behalf of their clients. All negotiations were conducted at arm's length and in good faith.

F. In order to facilitate settlement discussions, two Named Plaintiffs, Ms. Carter and Ms. Phillips, executed tolling agreements covering the time period from September 17,

2007 to September 11, 2009, at which point the Complaint in this Action was filed.¹

G. For settlement purposes, Class Counsel sought, and Defendants produced to Class Counsel, voluminous data and other information concerning the Financial Advisor workforce and work practices relevant to the claims asserted and damages sought by Plaintiffs and the Class. Class Counsel interviewed approximately 70 Class Members in 25 states during the course of their investigation and retained an expert to conduct statistical analyses of the data. The expert worked with Class Counsel to review the data, ensure it was complete, request supplemental data, and analyze the data. The expert also conducted studies similar to those that they would have conducted in preparation for the trial of this matter. Counsel for the parties have also conducted their own substantial investigations of the matter, including the facts underlying the claims and issues raised in the charges and the Complaint. The investigations included, among other things, interviewing Class Member witnesses and reviewing a substantial number of relevant company records. As a result of the exchange of information, the investigation, and other activity both prior to and after filing the Complaint, counsel for the parties are familiar with the strengths and weaknesses of their respective positions, and have had a full opportunity to assess the litigation risks presented in this case.

H. All parties and their counsel recognize that, in the absence of an approved settlement, they would face a long litigation course, including motions to dismiss, motions for class certification, formal discovery, motions for summary judgment, and trial and potential appellate proceedings that would consume time and resources and present each of

¹ Ms. Wasserman requested a right to sue letter from the EEOC just prior to filing the Complaint. Accordingly, a tolling agreement of her claims was not necessary to preserve the limitations period.

them with ongoing litigation risks and uncertainties. The Parties wish to avoid these risks and uncertainties, as well as the consumption of time and resources, and have decided that an amicable settlement pursuant to the terms and conditions of this Settlement Agreement is more beneficial to them than continued litigation. Class Counsel believe that the terms of the Settlement Agreement are in the best interests of the Class and are fair, reasonable, and adequate, and Defendants wish to bring the litigation to a conclusion on the terms set forth in this Settlement Agreement.

I. Without any admission or concession by Defendants of any liability or wrongdoing with respect to the allegations in any administrative charge or in the Complaint, all released claims shall be finally and fully compromised, settled, and released subject to the terms and conditions of this Settlement Agreement, which were the subject of negotiation and agreement by the parties.

III. GENERAL TERMS OF THE SETTLEMENT AGREEMENT

A. **Definitions.** In addition to terms identified and defined elsewhere in this Settlement Agreement, and as used in this Settlement Agreement, the following terms shall have the following meanings:

1. “Action” means the lawsuit described above and the allegations contained in the Complaint filed September 15, 2009.

2. “Claims Administrator” means Settlement Services Inc., managed by attorney Thomas A. Warren, which has been jointly designated by counsel for the parties to administer the Settlement Fund pursuant to Section VIII below and orders of the Court.

3. “Claim Form” means the form to be submitted by eligible Class Members and as agreed to by the parties.

4. “Class” means the class that the parties jointly seek to have certified, solely for the purposes of this Settlement Agreement, which is defined as all women who are or were employed in the United States as Financial Advisors by: (a) Wachovia Securities, LLC, or its successor Wells Fargo Advisors, LLC, at any time between March 17, 2003 and the date of Preliminary Approval; and/or (b) Wells Fargo Investments, LLC at any time between December 31, 2008 and the date of Preliminary Approval. Women who were employed as Financial Advisors by Prudential Securities Inc. or A.G. Edwards & Sons, Inc. are included only as of the effective date of the respective business consolidation or merger of these corporations with Wachovia Securities/Wachovia Corporation.

5. “Claimants” means Class Members who have submitted a timely Claim Form.

6. “Class Counsel” means the law firms of Mehri & Skalet, PLLC, Sprenger + Lang, PLLC, and Moody & Warner, PC.

7. “Class Member” means any person who meets the criteria set forth in the definition of “Class” below.

8. “Class Member Release” means the Release Agreement in the form agreed to by counsel for the parties, and attached hereto as Exhibit 1, with respect to those Class Members who are not Named Plaintiffs as referenced in Section V.

9. “Company” means Wells Fargo Advisors, LLC and its successors.

10. “Complaint” means the Complaint filed in this Action on September 15, 2009 and the Amended Complaint filed simultaneously herewith.

11. “Court” means the United States District Court for the District of Columbia.

12. “Defendants” means the collective group of companies known as Wells Fargo Advisors, LLC; Wells Fargo & Company; Wachovia Securities, LLC, a wholly owned subsidiary of Wells Fargo & Company; and/or Wachovia Corporation; and their successors in interest.

13. “Defendants’ Counsel” means the law firm of Morgan, Lewis & Bockius LLP.

14. “Depository Bank” means Branch Bank & Trust (“BB&T”) or another bank selected by Class Counsel to receive, hold, invest, and disburse the Settlement Fund, subject to the direction of the Claims Administrator.

15. “Effective Date” means the date on which all of the following have occurred: (1) the Court has finally approved and entered this Settlement Agreement; (2) the Court has entered an Order and Judgment dismissing the Action with prejudice, with continuing jurisdiction limited to enforcing this Settlement Agreement; and (3) the time for appeal has either run without an appeal being filed or any appeal (including any requests for rehearing *en banc*, petitions for certiorari or appellate review) has been finally resolved.

16. “Final Approval” means the date on which the United States District Court grants final approval of the Settlement.

17. “Financial Advisor” means a person who is or was employed as a financial advisor by Wachovia Securities, LLC or who is or was employed as a financial advisor by Wells Fargo Investments, LLC or Wells Fargo Advisors, LLC following the merger with Wachovia Securities.

18. “Lead Class Counsel” means Steven M. Sprenger of Sprenger + Lang, PLLC and Cyrus Mehri of Mehri & Skalet, PLLC.

19. “Named Plaintiff Release” means the General Release and Indemnification Agreement in the form, attached hereto as Exhibit 2, agreed to by counsel for the parties with respect to the Named Plaintiffs as referenced in Section V.

20. “Notice” means the Notice of Class Action, Proposed Settlement Agreement, and Settlement Hearing, which is to be mailed directly to Class Members substantially in the form attached hereto as Exhibit 3.

21. “Notice of Award” means the letter sent to each eligible Claimant specifying the amount of that Claimant’s award, as determined by the Claims Administrator.

22. “Plaintiffs” or “Named Plaintiffs” means the three Plaintiffs named in the caption of the Complaint.

23. “Preliminary Approval” means the order of the Court preliminarily certifying the Settlement Class and preliminarily approving this Settlement Agreement and the form of Notice to be sent to Class Members.

24. “Settlement,” “Agreement,” and “Settlement Agreement” each mean the settlement as reflected in this Settlement Agreement.

25. “Settlement Class” means the Class that the parties seek to have certified solely for purposes of this Settlement Agreement, excluding any Class Member who files and serves a timely opt out statement that is not subsequently rescinded within the allotted time period for revocation.

26. “Settlement Class Member” means any person who meets the criteria set forth in the definition of “Settlement Class”.

27. “Settlement Fund” or “Fund” means the settlement monies transferred by Defendants to the Depository Bank pursuant to this Settlement Agreement, including any

interest earned thereon, to be held, invested, administered, and disbursed pursuant to this Settlement Agreement.

28. “Settlement Hearing” means the hearing at which the Court will consider final approval of this Settlement Agreement and related matters.

29. “Settlement Monitor” means the individual appointed to carry out the duties specified in Section VII., K., of this Agreement.

B. Duration of the Settlement. The programmatic relief embodied in this Settlement Agreement and the agreements incorporated in it shall remain binding on the parties and their agents and successors for a four-year period following the Effective Date.

C. Cooperation. The parties agree that they will cooperate to effectuate and implement all terms and conditions of this Settlement Agreement, and exercise good faith efforts to accomplish the terms and conditions of this Settlement Agreement. The parties agree to accept non-material and procedural changes to this Settlement Agreement if so required by the Court in connection with Final Approval of the Settlement, but are not obligated to accept any changes in the monetary amount of relief or the substantive programmatic relief provided for herein, or any other material substantive change.

D. Persons Covered by this Settlement Agreement

1. **Definition of “Class.”** Solely for purposes of Settlement and judicial approval of this Settlement Agreement, the parties stipulate to the certification of the following Class:

All women who are or were employed in the United States as Financial Advisors by: (a) Wachovia Securities, LLC, or its successor Wells Fargo Advisors, LLC, at any time between March 17, 2003 and the date of Preliminary Approval; and/or (b) Wells Fargo Investments, LLC at any time between December 31, 2008 and the date of Preliminary Approval. Women who were

employed as Financial Advisors by Prudential Securities Inc. or A.G. Edwards & Sons, Inc. are included only as of the effective date of the respective business consolidation or merger of these corporations with Wachovia Securities/Wachovia Corporation.

2. **Certification.** The Class will be certified pursuant to Fed. R. Civ. P. 23(b)(2) and 23(b)(3).

IV. COURT APPROVAL/NOTICE AND FAIRNESS HEARING

A. Jurisdiction and Venue

1. The parties agree that the Court has jurisdiction over the parties and the subject matter of this Action and that venue is proper. The Court shall retain jurisdiction of this Action for four years from the Effective Date of the Settlement Agreement solely for the purpose of entering all orders and judgments authorized hereunder that may be necessary to implement and enforce the relief provided herein.

B. Preliminary Approval

1. Prior to execution of this Settlement Agreement, the parties have agreed upon a form for written Notice of this Settlement Agreement to Class Members, subject to Court approval.

2. Within ten (10) days after the execution of this Settlement Agreement, but no later than December 22, 2010, the parties shall petition the Court for the following orders:

(a) preliminarily certifying the Class; preliminarily approving this Settlement Agreement; approving the Notice to be sent to Class Members describing the terms of the Settlement and informing them of their rights to submit objections and to opt out; and preliminarily enjoining, pending the outcome of the Settlement Hearing, (i) all members of the Class from commencing, prosecuting or maintaining any claim already

asserted in, and encompassed by, this Action, and (ii) all Class Members (including those who request exclusion) from commencing, prosecuting or maintaining in any court or forum other than the Court any claim, action or other proceeding that challenges or seeks review of or relief from any order, judgment, act, decision or ruling of the Court in connection with this Settlement Agreement or otherwise in connection with this Action; and

(b) entering Administrative Order No. 1 relating to this Settlement Agreement attached as Exhibit 4 hereto.

C. Notice and Settlement Hearing

1. Defendants will identify all Class Members and will provide to the Claims Administrator, within ten (10) days after Preliminary Approval of this Settlement Agreement, the name, social security number, and last known address of each Class Member. The Claims Administrator shall utilize Class Members' social security numbers only for the purpose of locating and identifying Class Members and shall keep those social security numbers confidential.

2. Within twenty (20) days after Preliminary Approval of the Settlement Agreement, the Claims Administrator will mail the Notice to each Class Member in the form agreed upon by the parties or such other form as approved by the Court. The parties intend to provide actual notice to each Class Member, to the extent practicable. The Claims Administrator shall mail a Claim Form to each Class Member at the same time the Notice is sent.

3. The Claims Administrator shall provide to Lead Class Counsel a list of those Class Members who have not been located and the Claims Administrator may engage third party vendors in order to locate Class Members. The Claims Administrator

will maintain a log of its activities undertaken pursuant to this section.

4. Class Member objections to this Settlement Agreement must be submitted in writing and must include a detailed description of the basis of the objection. Objections must be filed with the Court, with copies served on Lead Class Counsel and counsel for Defendants within forty-five (45) days after the Notice is mailed to Class Members. No one may appear at the Settlement Hearing for the purpose of objecting to the Settlement Agreement without first having filed and served her objection(s) in writing within forty-five (45) days after the Notice was mailed to Class Members.

5. Any Class Member who wishes to opt out of the Class must mail to Lead Class Counsel and counsel for Defendants a written, signed statement that she is opting out. Lead Class Counsel shall file with the Court all opt-out statements that are timely received. The Settlement Class will not include those individuals who file and serve a timely opt-out statement, and individuals who opt out are not entitled to any monetary award under this Settlement Agreement. With respect to each such individual, the statute of limitations for her to assert any claims for individual relief will resume running on the date of Final Approval of the Settlement. The Notice mentioned above shall include the following language: “Any Class Member who wishes to opt out of the Class must mail a written, signed statement that she is opting out of the Class to Lead Class Counsel and counsel for Defendants at the addresses as listed in the Notice. To be effective, this opt-out statement must be received by Lead Class Counsel and counsel for Defendants on or before _____.” [forty-five (45) days after the Notice is scheduled to be mailed to Class Members.] To be effective, the opt-out letter and statement must include the language specified in the Notice confirming that the individual is aware that by opting out she will forego the

opportunity to receive monetary benefits from this Settlement. Class Members who file opt-outs may rescind their opt-outs. To be effective, such rescissions must be in writing and must be received by either Lead Class Counsel, counsel for Defendants, or the Claims Administrator on or before _____. [sixty (60) days from the date that the Notice is scheduled to be mailed to the class.]

6. Upon Preliminary Approval, a briefing schedule and Settlement Hearing date will be set at the Court's convenience. The parties Motion for Final Approval and for Certification of the Class will be due no earlier than thirty (30) days following the close of the objection and opt-out period, and the Settlement Hearing will be held no earlier than forty-five (45) days following the close of the objection and opt-out period.

7. The time periods referenced in this section are guidelines; actual dates will be inserted in the Preliminary Approval Order by the Court.

8. In the event that this Settlement Agreement does not become final and binding, no party shall be deemed to have waived any claims, objections, rights or defenses, or legal arguments or positions, including, but not limited to, claims or objections to class certification, and claims and defenses on the merits. Neither this Settlement Agreement nor the Court's Preliminary or Final Approval hereof shall be admissible in any court regarding the propriety of class certification or regarding any other issue or subject (except for the purpose of enforcing this Settlement Agreement). Each party reserves the right to prosecute or defend this Action in the event that the Settlement Agreement does not become final and binding.

9. If the number of Class Members who have duly requested exclusion from the Class in the manner provided in the Court's Preliminary Approval order equals or

exceeds the numbers set forth in Appendix 1 filed with the Court under seal concurrently with this Settlement Agreement, Defendants shall have the right, for thirty (30) days after the deadline for Class Members to opt out, to either withdraw from and fully terminate this Settlement Agreement pursuant to Section IV. C. 10. of this Settlement Agreement by providing written notice to Class Counsel and the Court, *or* not to withdraw from this Settlement Agreement and take the opt out credit described below. Failure to provide written notice to withdraw within the aforesaid thirty (30) day period constitutes a waiver and termination of Defendants' right to withdraw pursuant to this paragraph. The opt out credit to which Defendants are entitled under this paragraph shall be a pro rata share of the Settlement Fund based on the number of Class Members who have opted out in relation to the total number of Class Members. Regardless of the number of Class Members who opt out, Defendants shall also have no obligation to pay the employer's share of taxes and contributions pertaining to any opt outs, as discussed in Section IX. G. 2. of this Settlement Agreement.

10. If this Settlement Agreement is not approved by the Court or for any other reason is terminated or fails to become effective in accordance with its terms (or, if following approval by this Court, such approval is reversed or substantively modified), the parties shall be restored to their respective positions that existed in this Action prior to entering into this Settlement Agreement; the terms and provisions of this Settlement Agreement shall have no force or effect and shall not be used in this Action or in any proceeding for any purpose; the Settlement Fund shall be returned to Defendants, including any interest earned by the Settlement Fund through the date of termination (after deducting all costs and expenses, including costs of providing Notice to Class Members, paid or

incurred by the Claims Administrator as of the date of termination); any Judgment entered by the Court in accordance with the terms of this Settlement Agreement shall be treated as vacated, *nunc pro tunc*; and the litigation of the Action will resume as if there had been no Settlement Agreement, with no stipulated Class. The parties retain all rights, claims, and defenses as to class certification and otherwise as to any of the allegations asserted in this Action. This Settlement Agreement will not be considered an admission of liability by Defendants nor represent a cap on damages available to the Named Plaintiffs or the Class.

V. RELEASE/BAR OF CLAIMS

A. All Settlement Class Members, other than the Named Plaintiffs, as a condition of receiving a monetary payment in conjunction with this Settlement Agreement, will be required to execute and deliver to the Claims Administrator a Class Member Release in the form agreed to by counsel for the parties and attached hereto as Exhibit 1. The Class Member Release will release all gender discrimination claims against Defendants under federal, state and local laws up through the date that Notice is mailed to the Class.

B. All Named Plaintiffs, as a condition of receiving a monetary payment in conjunction with this Settlement Agreement, will be required to execute and deliver to the Claims Administrator a Named Plaintiff Release in the form agreed to by counsel for the parties and attached hereto as Exhibit 2. The Named Plaintiff Release is more expansive than the limited release of gender discrimination claims to be executed by other Class Members. It releases all of the Named Plaintiffs' individual claims and is a general release of all claims of any nature against Defendants under federal, state and local laws for any period up through the date that Notice is mailed to the Class. Accordingly, when the Claims Administrator makes determinations as to Class Members' individual monetary awards, as

described in Section IX. D., the Claims Administrator will consider whether the Class Member has executed a Named Plaintiff Release, as well as their efforts to advance the interests of the Class.

C. The Claims Administrator shall provide all Class Members with the Class Member Release at the time the Notice of Award is provided to them.

D. The Claims Administrator shall also provide all Named Plaintiffs with the Named Plaintiff Release at the time the Notice is provided to them.

E. The terms of the Releases, attached hereto as Exhibits 1 and 2, are a material part of this Settlement Agreement and are hereby incorporated as if fully set forth in the Settlement Agreement; if these Releases, attached hereto as Exhibits 1 and 2, are not finally approved by the Court, or the Settlement Agreement cannot become effective for any reason and the Settlement set forth in this Settlement Agreement shall terminate as provided in Section IV. C. 10., of this Settlement Agreement, then the Named Plaintiff Releases and Class Member Releases shall terminate *nunc pro tunc* and be of no force and effect.

F. Any Class Member who does not execute and timely deliver a Class Member Release, and any Named Plaintiff who does not execute and timely deliver a Named Plaintiff Release, as appropriate, shall be ineligible for, and forever barred from receiving, monetary relief under this Settlement Agreement, even if said Class Member or Named Plaintiff has not opted out.

G. Class Members who neither timely opt out nor timely file a Claim Form shall, upon the Effective Date, be ineligible to receive any monetary award pursuant to this Settlement Agreement and be deemed to have fully, finally and irrevocably waived, released and discharged Defendants from any and all claims of gender discrimination, whether

known or unknown, actual or potential, from March 17, 2003 to the date that Notice is mailed to the Class.

VI. NO ADMISSION, NO DETERMINATION

A. This Settlement Agreement does not, and is not intended to constitute, nor shall it be deemed to constitute, an admission by any party as to the merits, validity or accuracy of any of the allegations, claims or defenses of any party in this case. The Class Members continue to assert the merits and validity of their claims under Title VII or parallel state and local laws prohibiting gender discrimination. By entering into this Agreement, Defendants do not admit or concede, expressly or impliedly, but deny that they have in any way violated Title VII, parallel state and local laws prohibiting gender discrimination, the common law of any jurisdiction, or any other federal, state or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Neither the Court nor any other court has made any findings or expressed any opinion concerning the merits, validity or accuracy of any of the allegations, claims or defenses in this case.

B. Nothing in this Settlement Agreement, nor any action taken in implementation thereof, nor any statements, discussions or communications, nor any materials prepared, exchanged, issued or used during the course of the mediation or negotiations leading to this Settlement Agreement, is intended by the parties to, nor shall any of the foregoing constitute, be introduced, be used or be admissible in any way in this case or any other judicial, arbitral, administrative, investigative or other proceeding of whatsoever kind or nature (including, without limitation, the results of the Claims Process established under this Settlement Agreement) as evidence of discrimination, retaliation or sexual harassment or as evidence of any violation of Title VII, parallel state and local laws

prohibiting gender discrimination, the common law of any jurisdiction, or any other federal, state or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this Settlement Agreement may be used in any proceeding in the Court or in mediation to enforce or implement any provision of this Settlement Agreement or implement any orders or judgments of the Court entered into in connection herewith.

VII. PROGRAMMATIC RELIEF²

A. COMMUNICATIONS

1. The Company shall distribute its Equal Employment Opportunity (“EEO”) and Anti-Harassment Policies to all Company employees upon hire. Company employees shall be required to acknowledge receipt of these policies.

2. On an annual basis, the CEO of Wells Fargo Advisors shall issue a statement in support of the EEO and Anti-Harassment Policies and their underlying tenets. The statement shall include a link to the on-line EEO and Anti-Harassment Policies.

3. The Policies will be kept available generally on the Company’s intranet site and included in the employee handbook.

B. TRAINING AND INITIATIVES

1. The Company will provide diversity training to Field Management, including new Field Management.

² Company practices are subject to regulatory review and changes may be necessary due to regulatory requirements.

2. The Company will train hiring managers to encourage a diverse pool of candidates for interviews. The Company will communicate its strong preference for inclusion and consideration of diverse slates to recruiters and hiring managers.

3. The Company will provide training to its Human Resources staff on EEO laws and best practices in responding to employee complaints.

4. The Company will continue its commitment to its Women's Initiative or program of comparable efficacy at least through the term of this Agreement.

C. FIELD MANAGEMENT

1. Field Management job opportunities will be posted on the Company's internal job bank for a minimum of seven business days, excluding selection decisions made as part of a restructuring, consolidation or reorganization. Currently, Field Management positions include: Branch Manager; Complex Manager; Regional President; and Major Market Managers for PCG; and Regional Brokerage Manager and Senior Director of Brokerage for WBS ("Field Management").

2. The Company will inform FAs³ of their ability to elect to receive notifications of job opportunities through the Company's Job Agent or comparable system.

3. Except for external candidates, only then-current Company employees who apply through the internal job posting process may be considered for a Field Management position.

4. The basic qualifications for Field Management positions shall be listed on the Company's internal job bank. The Company shall provide applicants with a

³ In the Programmatic Relief section of this agreement, all terms relate to both the Private Client Group ("PCG") and the Wealth Brokerage Services group ("WBS"), unless otherwise noted.

written response that provides confirming receipt of an application within five business days of receipt of the application.

5. The Company will continue its Branch Manager Leadership Program or program of comparable efficacy for PCG at least through the term of this Agreement. The Program provides participants with a formal process for development toward becoming complex managers. The Company will encourage a diverse pool of applicants for the Program. The Company will provide the Settlement Monitor with information on female participation in the program.

6. Diversity will be a component on which the Company evaluates and compensates Field Management. For PCG, diversity will be a material component on the leadership factor on which Field Management is evaluated on an annual basis. For WBS, diversity will be a material component of the people factor on which Field Management is evaluated on an annual basis.

D. ACCOUNT DISTRIBUTION: Account Distribution Policies for PCG

1. The Company will continue to implement the Financial Advisor Book Reassignment (FABR) Policies and Important Information, as agreed to by the parties, which include policies covering the distribution of the accounts of departing FAs, retiring FAs (other than accounts subject to a sunset agreement), and departing team members. The FABR Policies shall be posted on the Company's intra-net site and shall include a prohibition on discrimination. The Policies shall describe the methodology for calculating the FABR rankings, including the name of each factor, an explanation of each factor, and how each factor is weighed. The Company will provide annual reminders that the FABR Policies are available on the intranet. Upon hire, each FA will be informed that the FABR Policies

are posted on the intranet. The Company will provide notice to FAs regarding any modification to the FABR ranking methodology. The Company will train Field Management on account distribution policies and procedures.

2. The Company shall continue to abide by the eligibility criteria set forth in the FABR Policies attached hereto as Appendix 2. In the event the Company wishes to change the eligibility criteria, the Company will discuss the changes with the Industrial Psychologist prior to making any modifications. Before implementing any changes to the eligibility criteria, the Company shall provide Class Counsel with its rationale for such changes. If Class Counsel believes the proposed changes violate the purpose and intent of this Agreement, then Section XII. of this Agreement shall apply.

3. The FABR Policies shall instruct applicable managers that where an exception is made to the account distribution policy because of client choice or other reason, each individual exception shall be noted within the automated FABR system. If the exception reasoning does not appropriately fit within one of the pre-approved reasons within FABR, the manager may select "Other" and will be instructed to explain the exception reason. The Company, with assistance from the Industrial Psychologist, shall establish a practice for centralized review of exceptions on a reasonable periodic basis to ensure compliance with policy.

4. The Company shall maintain, subject to regulatory retention period requirements, its automated account distribution process. The results of all account distributions shall be electronically stored and readily retrievable for monitoring to ensure compliance with account distribution policies.

E. ACCOUNT DISTRIBUTION: FABR Rankings for PCG

1. The Company will make changes to the factors in the Financial Advisor Book Reassignment (FABR) Policy to reduce reliance on historical factors, such as assets under management or trailing 12 months production, and place more reliance on criteria that reflect recent performance or are predictive of future performance. The revised FABR factors are set forth in Appendix 2 filed under seal along with this Settlement Agreement.

2. To the extent the Company wishes to propose changes to the FABR factors in addition to those set forth in Appendix 2, before implementing such changes, the Company shall discuss the changes with the Industrial Psychologist and Class Counsel. In those discussions, the Company will explain the business rationale for such changes and show that the change will not materially disadvantage female FAs. Only after making such a showing may the Company implement the additional changes. If the parties cannot agree on whether such a showing has been made, then Section XII. of this Agreement shall apply. In the event that additional changes to the FABR factors are implemented pursuant to this paragraph, the weighting requirements set forth in Appendix 2 must be followed.

3. The Company will work with the Industrial Psychologist to implement an effective, cost efficient, reasonable method to adjust all FABR ranking factors that measure performance from the previous twelve-month period to exclude Company-approved leaves of absences, such as parental leave or disability leave. For example, if an FA was on a leave of absence for four of the preceding twelve months, a trailing 12 months measure might instead count the last twelve months that the employee was working full time, or it might annualize the results from the eight months the employee was active full time. The implementation of the system will commence as soon as reasonably practicable.

4. FAs may make a request to either the branch manager or a Company Human Resources representative,⁴ and the Company shall make available to the requesting FA his or her individual ranking at the time any distribution is made. The individual ranking shall include information about the FA with respect to each individual factor under the FABR rankings. The Company shall also make available upon request the actual distributions of a departing FA's book, including (without identification of any particular FA by name), the rankings and the number of households and the assets distributed to each ranked FA.

5. Two years from the implementation of additional FABR factors identified in paragraph 2 of Appendix 2, the Industrial Psychologist will conduct a review of these additional FABR factors to assess their effectiveness. The results of this review will be provided to senior leadership of the Company and Class Counsel.

F. ACCOUNT DISTRIBUTION: Account Assignment Policies for WBS

1. The Company shall implement an account assignment system in the WBS division. If FABR does not lend itself to use in the WBS division, the Company shall work in good faith with the Industrial Psychologist to develop and implement an account assignment policy for WBS that uses objective criteria for account assignments.

2. Any account assignment system developed by the Company, with input from the Industrial Psychologist, shall be subject to review by Class Counsel before being implemented. If Class Counsel believes that the developed system for account

⁴ "Human Resources representatives" includes human resource professionals, whether at the regional or central support level for Wells Fargo Advisors.

assignments violates the purpose and intent of this Agreement, then the Parties may utilize the dispute resolution procedures in Section XII. of this Agreement.

3. Once implemented, to the extent the Company wishes to change the WBS account assignment system, the Company will discuss the changes with the Industrial Psychologist and Class Counsel before implementing them. In those discussions, the Company will explain the business rationale for such changes. If Class Counsel believes the proposed changes violate the purpose and intent of this Agreement, then Section XII. of this Agreement shall apply.

G. ACCOUNT DISTRIBUTION: Retiring Brokers/Sunset Agreements

1. Accounts formerly serviced by a retiring FA will be distributed through the account distribution system. Where the retiring FA made arrangements to participate in the Company's Sunset Program at least twelve (12) months prior to his/her retirement date, provided that the minimum time period may be reduced to one (1) month where participating FAs have shared a split rep code for twelve (12) months or more, the accounts will be distributed pursuant to such arrangements and will be noted as an exception in the account distribution system. The twelve (12) month time period may be reduced where a retirement is brought about by unforeseen life events (e.g., disabling condition of FA or his/her family member, etc.). If the receiving FA leaves the Company during the twelve (12) month time period, the retiring FA may still participate in the Sunset Program and select a replacement receiving FA without re-starting the twelve (12) month period. This provision shall become effective six (6) months after the effective date of this Agreement and be applicable to Sunset arrangements initiated on or after that date.

2. The eligibility requirements for participating in the Company's Sunset Program, as agreed by the parties, shall remain in effect. Before implementing any changes to the eligibility requirements, the Company shall inform the Industrial Psychologist and explain to Class Counsel the business rationale for such changes. If Class Counsel believes the proposed changes violate the purpose and intent of this Agreement, then Section XII. of this Agreement shall apply.

3. Semi-annually, the Industrial Psychologist will review female participation in the Company's Sunset Program, including female FAs' participation as retiring brokers and receiving brokers and the value of assets transferred; and, if appropriate, s/he will make recommendations for increased female participation.

H. ACCOUNT DISTRIBUTION: Call-ins/Walk-ins

1. Each PCG Branch Office shall implement a program to handle call-ins and walk-ins to the Branch Office. All FAs, as well as producing branch managers, are eligible to participate in the program. Pursuant to this program, all client prospects who either walk in or telephone the branch and who are seeking an FA shall be directed to the appropriate FA, or other eligible employee, designated to handle such clients through an objective, rotating designation system.

2. The branch will keep a log that will detail all telephone calls and walk-in prospects and the name of the FA or eligible employee to whom each such prospect was referred through the program. The Company shall maintain these logs for the length of this Agreement.

3. If a potential client insists on speaking to the branch manager, the branch manager will speak with the client, and as part of this conversation, will direct the

client to the designated FA or other eligible employee as outlined in the program, unless the client requests to speak to a specific FA in which case the client's choice will be honored. If the designated FA or other eligible employee is not qualified to handle the prospect's account, the branch manager will refer the client to the next qualified FA or other eligible employee designated under the terms of the program.

I. UPFRONT OR SIGNING BONUSES

1. The Company shall keep records of all up-front or signing bonuses, and other transitional compensation packages offered to hired lateral FA recruits, including the name, gender, production start date, assets under management, and trailing 12 month production of all hired recruits, whether offered bonuses or not.

2. The records of all up-front or signing bonuses and other transitional compensation packages offered to hired lateral recruits shall be readily retrievable. The Company will provide such records to the Settlement Monitor on a quarterly basis.

J. TEAMS

1. All new full-time team arrangements entered into among FAs after the effective date of this Agreement ("New Team Arrangements") must be in writing at the outset. The Company will establish a team agreement(s) to be made available to FAs who elect to form New Team Arrangements. New team agreements will require the signature and agreement of the team members to the agreement and the approval of the branch manager or Regional Brokerage Manager.

2. Existing teams are not required to enter into new team agreements. If any member of an existing team has concerns with subsequent modifications to an existing agreement, including its dissolution provisions, he or she may bring such issue directly to

the designated Human Resources representative(s). The Company will provide semi-annual reports to the Monitor regarding concerns received from female FAs related to account distribution upon dissolution of an existing team.

3. Modifications at the inception of or during the life of a new team agreement must be in writing, accepted in writing by all members of the team affected, and approved in writing by the branch manager or Regional Brokerage Manager.

4. New team agreements shall contain dissolution provisions and a dispute resolution provision. At dissolution, the division of accounts among the team members cannot be altered from the most recent written team agreement without the express agreement of all affected team members. Notwithstanding the foregoing, the branch manager, with approval and sign-off from the next level of management, may adjust the distribution to ensure the Company is meeting its obligations to its clients, so long as any such adjustments do not unfairly disadvantage female FAs. The Monitor will review any adjustments made pursuant to this provision.

5. The Monitor will review female FA participation in New Team Arrangements and will receive information from the Company about the gender of persons participating in teams, including the commission split assigned to male and female team members in new team agreements.

6. The Company will present one of the purposes of teams to be a training opportunity – one way for less experienced brokers (who have completed the FAIT program) to learn the business, make contacts and network, and one way for more experienced brokers to get help in handling some of their accounts.

7. The Company will provide information to its FAs on the potential benefits of teams, including information concerning team formation, assignments, commission splits, and dissolution. At least every other year, the Women's Initiative or program of comparable efficacy will include a seminar about teams.

K. SETTLEMENT MONITOR

1. The parties shall jointly appoint a Settlement Monitor ("Monitor"). The Mediator will propose a slate of three to five candidates for Class Counsel and the Company to consider. The parties must reach agreement on the individual chosen as the Monitor. If none of the candidates proposed by the mediator are acceptable to both parties, the parties will propose additional candidates for consideration.

2. The Monitor shall be external to and independent of the Company, even though the Monitor will be compensated by the Company. The Monitor will be charged with monitoring the Company's efforts to satisfy its obligations as set forth in this Agreement.

3. The Monitor will report to Class Counsel and the Company. The Monitor will have access to the relevant data and documents herein described as necessary to carry out the Monitor's agreed upon responsibilities. When accessing and utilizing Company information, the Monitor will ensure appropriate confidentiality and compliance with regulatory requirements.

4. The Monitor's responsibilities and duties and deadlines for performing these duties will be specified in her/his contract for compensation by the Company. Class Counsel shall review and approve the contract between the Company and the Monitor, including any list of duties and/or deadlines that are included in such contract.

5. The Monitor's responsibilities and duties include:

a. The Monitor will receive quarterly data relating to sign-on bonuses and reports from the Company regarding complaints by FAs made through the Company's complaint process alleging gender discrimination related to compensation, promotion or the assignment of sales assistants to work with FAs, and the Company's investigation and/or response thereof.

b. The Company will provide and the Monitor will review semi-annually data relating to account distribution, New Team Arrangements, new team commission splits, adjustments to distribution provisions upon team agreement dissolutions, reports from the designated Human Resources representative(s) regarding concerns about account distributions upon dissolution of a team, sunset agreements (including instances where unforeseen life events reduce the time period), and the Branch Manager Leadership Program, along with any complaints, to review the Company's compliance with policies and this Agreement.

c. The Monitor will conduct an annual analysis of exceptions from the account distribution system to review for consistency with the purposes of this Agreement.

d. On an annual basis, the Monitor will review training of management on EEO policies, including the strong preference for diverse slates, to ensure that such training is consistent with this Agreement.

e. The Monitor will conduct an annual review of all Field Management positions filled during the preceding year to ensure that such positions are filled in a manner consistent with this Agreement.

f. The Monitor will provide reports to Class Counsel and the Company at least semi-annually regarding the items monitored, including the analysis of the account distribution system. If the Monitor desires to update counsel for the parties more frequently, s/he may do so. The Monitor may report incidents of material non-compliance with this Agreement to counsel for the parties on a more frequent basis.

g. The Monitor will maintain records for the term of this Agreement.

h. If the Monitor identifies issues of potential non-compliance, s/he may request that the Company conduct an appropriate investigation. In that event, the Company will conduct an investigation and report its findings to the Monitor.

i. Semi-annually, the Company will provide the Settlement Monitor with data regarding all Field Management selection decisions made as part of restructuring, consolidation or reorganization. Such data will include the Field Management position, location of the position, a description of the restructuring, consolidation or reorganization, a list of individuals considered for the positions and/or who applied for the positions, and the gender of the individual selected.

6. If the Settlement Monitor identifies issues of non-compliance, she/he will inform the Company and Lead Class Counsel. After consultation with Lead Class Counsel, the Company will take appropriate corrective actions to address such non-compliance. The Company will inform the Settlement Monitor and Lead Class Counsel of any such corrective action taken. In the event the Parties disagree whether such non-compliance has occurred and the Parties cannot resolve this disagreement, then Section XII. shall apply.

L. INDUSTRIAL PSYCHOLOGIST

1. The parties shall jointly appoint an Industrial Psychologist or Psychologists (hereinafter “Industrial Psychologist”) who is a SIOP fellow and has relevant industry knowledge or experience. The parties must reach agreement on the individual chosen as the Industrial Psychologist.

2. The Industrial Psychologist shall be external to and independent of the Company, although the Industrial Psychologist will be compensated by the Company. The Industrial Psychologist will be charged with carrying out the duties set forth in this Agreement, including collecting and analyzing data.

3. The Industrial Psychologist will report to Class Counsel and the Company. The Industrial Psychologist will have access to the relevant documents, data, and Company employees necessary to carry out his/her responsibilities. When accessing and utilizing Company information, the Industrial Psychologist will ensure appropriate confidentiality and compliance with regulatory requirements.

4. The Industrial Psychologist will provide advisory services and make state of the art and innovative recommendations designed to further attract women FAs to the Company and enhance their success, relating to the following areas generally identified as areas for improvement within the industry:

- concerning policies and programs designed to continue to recruit, mentor, and promote women FAs (including transitional compensation packages);

- increasing participation of women FAs in the receipt of retiring FAs' books of business and in teams, and continuing to promote fairness and inclusiveness in such arrangements;
- assisting with designing and implementing changes to the account distribution system, including assessing the impact of changes, if any, on women;
- further enhancing the effectiveness of the diversity component of branch managers' leadership objectives;
- evaluating EEO policies and training to effectuate the goals of this Agreement.

5. The Industrial Psychologist will submit her/his recommendations to counsel for the parties for a 30-day review and comment period. After the 30-day review and comment period, the Industrial Psychologist shall present her/his final recommendations to the Company. A copy of the recommendations will also be provided to Lead Class Counsel. All recommendations of the Industrial Psychologist will be designed to advance the purposes of this Settlement Agreement consistent with the Company's business needs and objectives, and the Company shall consider and assess the recommendations in good faith consistent with the purposes of this Settlement Agreement. If the Company does not agree with the recommendations, but Lead Class Counsel still thinks they should be implemented notwithstanding the Company's objections, the Industrial Psychologist, along with Lead Class Counsel, will have the opportunity to present the recommendations to appropriate senior executives.

M. DATA COLLECTION

1. The Company will develop a system of internal data collection and a monitoring process consistent with Sections VII. K. and L. necessary to ensure that the Company is complying with the terms of the settlement. The data to be collected and monitored will include but not be limited to: (1) account distributions, including exceptions; (2) new team agreements, including the commission split of the FAs within each new team agreement and adjustments to the distribution provisions upon dissolution of team agreements; (3) sunset agreements, including instances where unforeseen life events reduce the time period; (4) complaints of gender harassment or discrimination related to compensation, promotion or the assignment of sales assistants to work with FAs that are made through the Company's complaint process, the time each complaint remained open for investigation, and the resolution and outcome(s) of each complaint; (5) up-front and sign-on bonuses for lateral hires; (6) Field Management job opportunities and selection; and (7) any other areas agreed upon by the parties.

2. Based on the methodology established by the Industrial Psychologist with input by the parties, the Industrial Psychologist will produce a semi-annual report to the Company, to the Monitor, and to Class Counsel at the end of each six-month period.

N. TERM

The programmatic relief embodied in this Agreement shall remain binding on the parties and their agents and successors for a period of four years following the Effective Date.

VIII. GENERAL NON-DISCRIMINATION PROVISIONS

1. The Company reaffirms its commitment to the prohibition against discrimination on the basis of gender with respect to compensation, business opportunities and other terms and conditions of employment. Further, the Company reaffirms its commitment to the prohibition against retaliation for reporting gender discrimination, participating in any internal complaint process, participating in this or any discrimination settlement, filing a lawsuit or complaint with any outside agency or entity alleging gender discrimination, or for refusing to participate in gender discrimination.

2. The parties agree that it shall be a violation of this Settlement Agreement for a Company supervisor to retaliate against any Class Member for her participation in the prosecution of the allegations contained in the charges underlying this Settlement or in the Settlement itself. However, nothing in this Settlement will prevent a Class Member from pursuing whatever legal rights or remedies she otherwise may have with respect to any individual claim not covered by the claims released through this Settlement.

IX. MONETARY RELIEF

A. **Settlement Fund.** No later than ten (10) days after Preliminary Approval of this Settlement Agreement, Defendants shall pay by wire transfer or otherwise transmit to the Depository Bank the sum of thirty two million dollars (\$32,000,000.00 or \$32 million). The \$32 million will be placed in an account titled in the name of Wachovia Securities Financial Advisor Gender Discrimination Settlement Fund, a Qualified Settlement Fund organized and existing under the laws of the State of Florida, intended by the parties to be a “Qualified Settlement Fund” as described in Section 468B of the Internal Revenue Code of 1986, as amended, and Treas. Reg. Section 1.468B-1, et seq. This payment is made in order

to satisfy the claims of all Named Plaintiffs and Settlement Class Members, as well as for other purposes identified in this paragraph. The monies so transferred, together with any interest subsequently earned thereon, shall constitute the Settlement Fund. The \$32 million transferred into the Settlement Fund by Defendants shall, with the additional Employer Payroll Tax Payment described below, constitute the total Settlement cash outlay by Defendants in connection with: (1) the resolution of this matter; (2) this Settlement Agreement (and attachments); and (3) the dismissal of this Action. Except as provided in Section IX. G. 2. (*i.e.*, employment taxes), this sum is inclusive of payment for: (a) all amounts paid to Settlement Class Members, including Named Plaintiffs, which are to be distributed pursuant to Section IX. below; (b) all attorneys' fees and costs awarded by the Court, including those in connection with securing court approval of the Settlement, the claims process and monitoring the Settlement Agreement, other than fees and costs awarded in connection with any successful proceeding to enforce the terms of this Settlement Agreement; and (c) all costs in connection with the Settlement Fund including, but not limited to, those related to notice, claims processing, legal advice relating to the establishment of the Qualified Settlement Fund and tax treatment and tax reporting of awards to claimants, preparation of tax returns (and the taxes associated with such tax returns as defined below), and the Claims Administrator's fees and expenses; and (d) applicable federal, state and local income taxes and the employee's portion of applicable payroll taxes. However, the \$32 million dollar payment to the Settlement Fund does not include Defendants' share of taxes or contributions (*i.e.*, FUTA, SUTA, FICA and Medicare) which will be paid separately by Defendants to the Claims Administrator. Defendants shall, upon notice from the Claims Administrator as required in Section IX.G.2.

below, remit any required tax payment to the Claims Administrator. Nothing in the foregoing provisions of this Section, however, shall release Defendants from expending the resources required to fulfill its responsibilities under this Settlement Agreement.

B. Administration by Trustees. Co-lead Class Counsel shall serve as Trustees of the Settlement Fund and shall act as a fiduciary with respect to the handling, management and distribution of the Settlement Fund. The Claims Administrator shall serve as a Trustee of the Settlement Fund with regard to payment of valid claims and reporting and paying taxes on such awards. Co-lead Class Counsel shall act in a manner necessary to qualify the Settlement Fund as a “Qualified Settlement Fund” under Section 468B of the Internal Revenue Code of 1986, as amended, and Treas. Reg. Section 1.468B-1, et seq., and to maintain that qualification.

C. Claims Filing Procedures for Settlement of Claims of Named Plaintiffs and Settlement Class Members. Settlement Class Members shall be entitled to submit their Claim Forms to the Claims Administrator in accordance with the procedures set forth on the Claim Form. Any Settlement Class Member who previously released claims which would otherwise be covered by this Settlement Agreement, or who obtained a final judicial determination concerning claims which would otherwise be covered by this Settlement Agreement, is not eligible to receive a monetary award for those claims.

In order to be eligible for an award from the Settlement Fund, Settlement Class Members, including Named Plaintiffs, must submit a Claim Form which must be postmarked or actually received by the date established by the Court. The Claim Form shall be completed in its entirety to the extent applicable.

The Claims Administrator will provide counsel for Defendants and Defendants’

payroll department with the names and social security numbers of Settlement Class Members who submitted Claim Forms (“Claimants”). The identity of the Claimants will not be disclosed to anyone other than counsel for Defendants and those employees of Defendants with a strict business need to know or otherwise necessary to retrieve the information to be provided to the Claims Administrator under this Section. The content of the Claim Form will be kept confidential. In no case shall the identity of participating class members be provided to any Wachovia/Wells Fargo employee in Field Management at the Regional President and Regional Brokerage Manager levels or below.

After receiving the Claimant information discussed in the paragraph above, Defendants, through their counsel, will provide the Claims Administrator with the dates each Claimant was employed as a Financial Advisor. Defendants shall also provide the Claims Administrator with a list of Claimants who have previously signed releases, including the effective date of such releases. The Claims Administrator will provide that information to each Claimant. To the extent there is any disagreement relating to the accuracy of the information provided to the Claimants, the disagreement shall be resolved by the Claims Administrator.

D. Claims Administrator’s Authority to Determine Award Eligibility.

1. Within a reasonable time period after the date specified for receipt of the Claim Forms, Claims Administrator shall render a determination as to the monetary award, if any, that should be paid to each Claimant from the Settlement Fund. Settlement Class Members who submit a Claim Form will be eligible to receive monies based on (i) the Claimant’s length of tenure (e.g., weeks worked) for Defendants as a Financial Advisor during the class period; (ii) facts in support of their individual claims of gender-based

discrimination, if any; (iii) the extent of claims they are releasing; and (iv) their contributions to the prosecution of this action, if any. Class Counsel, with input from the Claims Administrator, shall propose a distribution formula to the Court for individual awards. Upon approval of the formula, the Claims Administrator shall render a determination as to the monetary award that should be paid to each Claimant from the Settlement Fund. The Claims Administrator's determination shall be final and not subject to review by, or appeal to, any court, mediator, arbitrator or other judicial body, including without limitation this Court. As will be reflected in the final order approving this Settlement, Defendants and Class Counsel shall have no responsibility, and may not be held liable, for any determination reached by the Claims Administrator.

2. The total amount of such awards shall not exceed the net amount of the Settlement Fund after payment of all administrative and Notice costs and Class Counsel's attorneys' fees and expenses. Class Counsel shall be entitled to keep any interest on funds set aside for attorneys' fees that accrues before the attorneys' fees are paid.

3. Following approval by the Court, the Claims Administrator shall send a Notice of Award to each eligible Claimant, along with a Named Plaintiff Release or a Class Member Release, whichever is applicable. Within a reasonable time period after receipt of an executed Named Plaintiff Release from a Named Plaintiff or an executed Class Member Release from a Class Member, the Claims Administrator shall send the Named Plaintiff or Settlement Class Member her award payment. Any Named Plaintiff who does not execute and timely deliver an executed Named Plaintiff Release, and any Settlement Class Member who does not execute and timely deliver an executed Class Member Release to the Claims Administrator within six (6) months of the date the Notice of Award was

mailed to her shall be ineligible for, and forever barred from receiving, monetary relief under this Settlement Agreement and be deemed to have fully, finally and irrevocably waived, released, and discharged Defendants from any and all claims of gender discrimination, whether known or unknown, actual or potential, from March 17, 2003 to the date that Notice is mailed to the Class, even though said Named Plaintiff or Settlement Class Member has not opted out. Any undistributed funds that remain after six (6) months after the mailing of the Notice of Award due to unsubmitted releases shall be distributed to 501(c)(3) organizations advancing career opportunities for women, including career opportunities in the financial services industry, as selected by Lead Class Counsel. Any undistributed funds that remain after one year from the mailing of the Notice of Award due to uncashed checks also shall be distributed to 501(c)(3) organizations advancing career opportunities for women, including career opportunities in the financial services industry, as selected by Lead Class Counsel.

4. The Claims Administrator shall maintain the distribution plan and allocation list for a period of five (5) years. Defendants shall have access to individual allocation amounts only upon written notice to Class Counsel and a showing of good cause (e.g., actual or threatened litigation by a Claimant). Any dispute as to whether good cause exists for such a requested disclosure shall be resolved through the Dispute Resolution process set forth in Section XII.

E. **Confidentiality Regarding Amount of Monetary Award.** All Claimants receiving monetary awards will be required to keep the amount of their award confidential, except that they may disclose the amount to immediate family, legal counsel or tax advisors.

F. **Non-Admissibility of Fact of Award (or Non-Award).** Except to the extent that it would constitute a set off in an action for damages claimed for any period covered by this settlement, neither the fact nor amount of an award, nor the fact of any non-award, shall be admissible in any other proceeding for any purpose other than to enforce a Named Plaintiff Release or a Class Member Release executed in accordance with this claims process, nor shall it be deemed to be a finding as to the merits of any claim.

G. **Tax Treatment**

1. **Qualified Tax Status and Tax Responsibilities.** The Settlement Fund shall be established as a Qualified Settlement Fund within the meaning of Section 468B of the Internal Revenue Code of 1986, as amended, and Treas. Reg. Section 1.468B-1, et seq., and shall be administered by Class Counsel and Claims Administrator under the Court's supervision. The parties shall cooperate to ensure such treatment and shall not take a position in any filing or before any tax authority inconsistent with such treatment.

2. **Payment of Federal, State and Local Taxes.** The parties recognize that the awards to eligible Claimants will be subject to applicable tax withholding and reporting, which will be handled as follows: The Claims Administrator shall serve as trustee of the portion of Settlement Fund devoted to paying claims ("Claims Fund") and shall act as a fiduciary with respect to the handling, management, and distribution of the claims, including the handling of tax-related issues and payments. Specifically, the Claims Administrator shall be responsible for withholding, remitting and reporting of the Claimants' share of the payroll taxes from the Claims Fund, and Defendants shall be responsible for the employer's share of payroll taxes as set forth in this section.

The Claims Administrator will establish the allocation for tax purposes of the

payments made to Claimants to wages, interest, compensatory damages, or such other tax character of such payout as the Claims Administrator may determine, based on the principles set forth in Treas. Reg. §1.468B-4, by reference to the types of claims for which distributions are made and as if Defendants made such payments directly to Claimants.

The Claims Administrator shall inform Defendants in writing of the employer's share of all taxes or contributions (*i.e.*, FUTA, SUTA, FICA and Medicare) required to be paid by Defendants. Defendants shall, within twenty (20) business days of such notice, remit all such payments to the Claims Administrator for payment to appropriate taxing authorities ("Employer Payroll Tax Payment").

The Claims Administrator shall be responsible for the timely reporting and remitting of the Employer Payroll Tax Payment to the appropriate taxing authorities and shall indemnify Defendants for any penalty arising out of an incorrect calculation and/or interest with respect to late payment of the same. Subject to the Claims Administrator's obligation to comply with applicable laws, the parties anticipate that any amounts designated as interest shall not be subject to withholding and shall be reported, if required, to the IRS on Form 1099-INT. The amounts paid for emotional distress, if any, shall not be subject to withholding and shall be reported to the IRS on Form 1099-MISC.

Except with respect to the Employer Payroll Tax Payment, the Claims Administrator shall be responsible to satisfy from the Claims Fund any and all federal, state and local employment and withholding taxes, including, without limitation, federal and state income tax withholding, FICA, Medicare and any state employment taxes. The Claims Administrator shall satisfy all federal, state, local, and other reporting requirements (including any applicable reporting with respect to attorneys' fees and other costs and

expenses subject to reporting), and any and all taxes, penalties and other obligations with respect to the payments or distributions from the Settlement Fund not otherwise addressed herein.

The Claims Administrator shall be responsible for procuring an executed Named Plaintiff or Class Member Release from each Claimant prior to paying any monetary allocations to such Claimant.

All (i) taxes (including any estimated taxes, interest or penalties) arising with respect to the income earned by the Settlement Fund, including any taxes or tax detriments that may be imposed on Defendants with respect to income earned for any period during which the Settlement Fund does not qualify as a “Qualified Settlement Fund” for federal and state income tax purposes (hereinafter “Settlement Fund Taxes”), and (ii) expenses and costs incurred in connection with the operation and implementation of this paragraph (including, without limitation, expenses of tax attorneys and/or accountants and mailing and distribution costs and expenses relating to filing (or failing to file) any returns described herein or otherwise required to be filed pursuant to applicable authorities) (hereinafter “Settlement Fund Tax Expenses”), shall be paid out of the Claims Fund. Further, Settlement Fund Taxes and Settlement Fund Tax Expenses shall be treated as a cost of the administration of the Claims Fund. The parties hereto agree to cooperate with the Claims Administrator, each other, and their tax attorneys and accountants to the extent reasonably necessary to carry out the provisions set forth in this paragraph.

H. Defendants Have No Further Obligation, Liability or Responsibility.

Other than Defendants’ responsibility for the employer’s share of payroll taxes as discussed in Section IX. G. 2., above, Defendants shall have no withholding, reporting or any other tax

reporting or payment responsibilities with regard to the Settlement Fund or its distribution to Settlement Class Members. Moreover, Defendants shall have no liability, obligation, or responsibility for the administration of the Settlement Fund, the determination of any formulas for disbursement, or the disbursement of any monies from the Settlement Fund except for (1) its obligation to pay the settlement amount of \$32 million no later than ten (10) days after preliminary approval of this Agreement; (2) its obligation related to the Employer Payroll Tax Payment as set forth in Section IX. G. 2.; and (3) its agreement to cooperate in providing information which is necessary for Settlement administration set forth herein.

X. CONFIDENTIALITY

A. Documents and Information Produced by Defendants and Class Counsel.

All proprietary and confidential documents or information that have previously been provided to either Defendants or Class Counsel as of the date this Settlement Agreement is executed, or which are produced by Defendants or Class Counsel pursuant to any provision of this Settlement Agreement shall, unless otherwise agreed, be treated as, and thereafter remain, confidential. Said documents and information shall not be disclosed to anyone other than the mediator, arbitrator or the Court in connection with any proceeding to enforce any provision of this Settlement Agreement. If such disclosure is deemed necessary by Class Counsel or Defendants, Class Counsel or Defendants shall identify and disclose to the other party such documents and information deemed necessary to disclose at least ten (10) business days prior to filing such documents with any court, and, if a party so requests, shall seek permission to file said documents with this Court under seal.

B. Return or Disposal of Confidential Documents and Information. All proprietary and confidential documents or information that have previously been provided to Class Counsel or to Defendants as of the date this Settlement Agreement is executed, or which are produced by Defendants or Class Counsel pursuant to any provision of this Settlement Agreement, shall, upon request, be destroyed or returned to counsel as follows:

After the expiration of the four (4) year term of the Settlement all proprietary and confidential documents or information provided to Class Counsel or Defendants and designated “Confidential for Settlement Purposes Only” or similar designation pursuant to the Confidentiality Agreement, or that have been produced in confidence pursuant to any provision of this Settlement Agreement, and all copies of such documents or information, shall, upon request, be returned to counsel for the producing party or be destroyed. Upon request, certification of such destruction shall be provided to counsel for the producing party.

The preceding paragraphs of this Section are intended to supersede those provisions of the “Confidentiality Agreement For Settlement Discussions” earlier executed by counsel for the parties that address the timing of the return or destruction of proprietary and confidential documents or information provided to Class Counsel or Defendants. All other provisions of the “Confidentiality Agreement For Settlement Discussions” remain in full effect.

Nothing in the preceding paragraphs shall preclude any party from responding to a lawful discovery request, subpoena or court order; provided, however, that the party against whom such discovery is sought or such subpoena or order is directed agrees to provide prompt notice and a copy of same to counsel for the other parties to this Settlement

Agreement. Nor shall anything in the preceding paragraphs preclude any party from retaining attorney work product.

XI. ATTORNEYS' FEES AND EXPENSES OF CLASS COUNSEL

As discussed above in Section IX. A., all of Class Counsel's fees and costs, including those in connection with securing Court approval of this Settlement Agreement, the claims process and any monitoring of this Settlement Agreement, shall be paid from the Settlement Fund, following approval of those attorneys' fees and costs by the Court. Subject to approval by the Court, Class Counsel will seek attorneys' fees and reimbursement of costs and expenses of not more than 30% of the Settlement Fund, plus an annual payment during each of the four years of the term of the Settlement in the amount of \$320,000 in the first year and in the amount of \$200,000 for each subsequent year, plus any interest earned on those amounts until the dates of disbursement to Class Counsel. Defendants agree not to oppose or contest the reasonableness of Class Counsel's requests.

XII. ENFORCEMENT AND DISPUTE RESOLUTION MECHANISMS

1. Defendants and Class Counsel will meet at least once semi-annually regarding compliance and may confer more frequently at their discretion or as dictated by information either side gathers.

2. The parties will work diligently and in good faith to resolve all disputes that may arise between them concerning the rights, obligations, and duties of the parties to this Agreement. In the event that the parties cannot agree, the parties will attempt to resolve the dispute with the facilitation of a mediator. In the event that mediation is unsuccessful, then either party may institute an enforcement action.

3. Enforcement of this Agreement shall be prosecuted by Class Counsel or Defendants' counsel only, not third parties. In any action brought to enforce this Agreement, the Court may, in its discretion, award reasonable attorneys' fees and expenses to the prevailing party.

XIII. GOVERNING LAW

The parties agree that federal law shall govern the validity, construction and enforcement of this Settlement Agreement. To the extent that it is determined that the validity, construction or enforcement of this Settlement Agreement or any Named Plaintiff Release or Class Member Release executed pursuant to its terms is governed by state law, the law of the District of Columbia shall apply.

This Settlement Agreement, including the Exhibits hereto, contains the entire agreement and understanding of the parties with respect to the Settlement. This Settlement Agreement does not impose any obligations on the parties beyond the terms and conditions stated herein. Accordingly, this Settlement Agreement shall not prevent or preclude Defendants from revising its employment practices and policies or taking other personnel actions during the term of this Settlement Agreement so long as they are consistent with this Settlement Agreement.

Except as specifically provided for herein, this Settlement Agreement may not be amended or modified except with the express written consent of the parties.

XIV. OTHER CONDITIONS OF SETTLEMENT

A. Exhibits. The Exhibits to this Settlement Agreement are material and integral parts hereof and are fully incorporated herein by this reference.

B. Notices to Counsel. All notices to counsel required or desired to be given

under this Settlement Agreement shall be in writing and by overnight mail and e-mail to counsel for the respective parties (specifically, to Cyrus Mehri of Mehri & Skalet, PLLC, Steven M. Sprenger of Sprenger + Lang, PLLC, and Ken Turnbull of Morgan, Lewis & Bockius LLP) at their respective addresses set forth below (or to such other address as any such party or counsel may designate in a notice).

C. Failure to Insist on Strict Compliance. The failure of any party to insist in any one or more instances on strict compliance with the terms and conditions hereof shall not be construed to be a waiver of remedies available with respect to any prior or subsequent breach.

D. Settlement Agreement Binding. This Settlement Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their respective heirs, dependents, executors, administrators, trustees, legal representatives, personal representatives, agents, successors and assigns; provided, however, that this Settlement Agreements shall not inure to the benefit of any third party.

E. No Drafting Presumption. All parties hereto have participated, through their respective counsel, in the drafting of this Settlement Agreement and, therefore, this Settlement Agreement shall not be construed more strictly against one party than another.

F. Dispute As To Meaning of Agreement Terms. In the event of any dispute or disagreement with respect to the meaning, effect or interpretation of this Settlement Agreement or any Exhibit hereto, or in the event of a claimed breach of the Settlement Agreement, the parties agree that such dispute will be resolved and adjudicated only in accordance with the dispute resolution provisions of Section XII. of this Settlement Agreement.

G. Interpretation of Terms. Whenever possible, each provision and term of this Settlement Agreement shall be interpreted in such a manner as to be valid and enforceable.

H. Paragraph and Section Headings. Paragraph and section headings are for convenience of reference only and are not intended to create substantive rights or obligations.

I. Counterparts. This Settlement Agreement may be executed in counterparts. Each signed counterpart together with the others shall constitute the full Settlement Agreement.

J. Agreement Binding. As of the date on which counsel for the parties execute this Settlement Agreement, this Settlement Agreement will be binding in all respects, unless the Court fails to approve this Settlement Agreement and the Settlement Agreement is thus vacated.

[Remainder of this page intentionally left blank.]

DATED: December 22, 2010



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Class*

* *Admitted Pro Hac Vice*

Carter, et al., v Wells Fargo Advisors, LLC., et al.

Exhibit 1 to the Settlement Agreement – Class Member Release

RELEASE AND INDEMNIFICATION AGREEMENT
(CLASS MEMBERS, EXCLUDING NAMED PLAINTIFFS)

In consideration of my receipt of a court-approved monetary distribution from the Claims Portion of the Settlement Fund in *Carter, et al. v. Wells Fargo Advisors, LLC, et al.*, Case No. 1:09-CV-01752 (the “Litigation”), I hereby agree to be bound by the terms of this Release and Indemnification Agreement (the “Agreement”), as follows:

I. DEFINITIONS

Unless otherwise specified in this Agreement, the terms used herein shall have the same meanings as those set forth in the Settlement Agreement.

II. LIMITED RELEASE OF CLAIMS

I hereby waive, release and discharge Wells Fargo Advisors, LLC; Wells Fargo & Company; Wells Fargo Investments, LLC; Wachovia Securities, LLC, a wholly owned subsidiary of Wells Fargo & Company; and Wachovia Corporation (collectively “Wells Fargo”), including its officers, directors, subsidiaries, affiliates, predecessors, successors, fiduciaries, insurers, employees and agents (“Released Parties”), from any and all claims of gender discrimination under federal, state and local laws. I understand that this release includes all gender discrimination claims that I have or may have arising at any time on or before _____ [the date that Notice is mailed to the Class]. I also understand that my release includes all related claims for monetary damages, injunctive, declaratory or equitable relief, and costs and attorneys’ fees, whether arising under Title VII of the Civil Rights Act of 1964, as amended, or any other federal, state, local or common laws or regulations.

I understand that my release does not include other claims of discrimination such as claims of race, age, or national origin discrimination, or claims arising under the Fair Labor Standards Act or the Employment Retirement Income Security Act.

III. INDEMNIFICATION

I understand that I am responsible for payment of any and all federal, state or local taxes (excluding the employer share of employment taxes and unemployment taxes and excluding amounts properly withheld from the distributions) resulting from or attributable to the distributions that I receive. Accordingly, I agree to indemnify and hold harmless the Released Parties, Class Counsel, and the Depository Bank from any tax liability relating to my receipt of the award, including penalties and interest and costs of any proceedings. I further agree to indemnify and hold harmless the Claims Administrator and Trustees of the Settlement Fund from any tax liability, including penalties and interests and costs of any proceedings, attributable to my own acts or omissions. In the event a tax liability for interest or penalties arises with respect to my award that is attributable to acts or omissions of the Claims Administrator or Trustees, I agree to indemnify and hold harmless the Claims Administrator and Trustees of the Settlement Fund from any tax liability only to the extent of the taxes due and payable, but not with respect to penalties and interest, or the costs of any proceedings related to liability for penalties or interest.

IV. OTHER AGREEMENTS AND REPRESENTATIONS

A. Confidentiality. I agree to keep the amount of any and all distributions I receive from the Settlement Fund strictly confidential to the fullest extent permitted by law, except that I may disclose the same to my attorneys, tax advisors and immediate family members.

B. Pursuit of Released Claims. Except for the Litigation, and any administrative charges filed with respect to the claims asserted therein, I represent and warrant that I have not filed or caused to be filed any lawsuit or complaint with respect to any claim that I am releasing herein, and I promise never to file or prosecute a lawsuit or complaint based on such claims. I promise never to seek any damages, remedies, or other relief for myself personally (any right to which I hereby waive) by filing or prosecuting a charge with any administrative agency with respect to any such claim.

C. Ownership of Claims. I represent and warrant that I have not assigned or transferred any claim I am purporting to release.

D. Entire Agreement. This Agreement may not be modified in any manner, except by a writing signed by both me and an authorized Wells Fargo attorney. I acknowledge that Wells Fargo has made no representations or promises to me, and that I have not relied on any representations or promises, other than those in or referred to by this Agreement and the Settlement Agreement.

E. Successors and Assigns. This Agreement binds my heirs, administrators, representatives, executors, successors, and assigns.

F. Interpretation. This Agreement shall be construed as a whole according to its fair meaning. Unless the context indicates otherwise, the term "or" shall be deemed to include the term "and" and the singular or plural number shall be deemed to include the other. This Agreement shall be governed by the statutes and common law of the District of Columbia (excluding any that mandate the use of another jurisdiction's laws).

G. Knowing and Voluntary Waiver and Release of Claims. I understand and agree that:

- a. I am entering into this Agreement knowingly and voluntarily;
- b. I understand the terms of this Agreement;
- c. I have been advised of my right to consult with an attorney prior to signing this Agreement; and
- d. I have had a sufficient amount of time to consider this Agreement before signing it.

AGREED:

[SIGNATURE]

[PRINT NAME]

Date

Carter, et al., v Wells Fargo Advisors, LLC., et al.

Exhibit 2 to the Settlement Agreement – Named Plaintiff Release

GENERAL RELEASE AND INDEMNIFICATION AGREEMENT
(NAMED PLAINTIFFS)

In consideration of my receipt of a court-approved monetary distribution from the Claims Portion of the Settlement Fund in *Carter, et al. v. Wells Fargo Advisors, LLC, et al.*, Case No. 1:09-CV-01752 (the "Litigation"), I hereby agree to be bound by the terms of this General Release and Indemnification Agreement (the "Agreement"), as follows:

I. DEFINITIONS

Unless otherwise specified in this Agreement, the terms used herein shall have the same meanings as those set forth in the Settlement Agreement.

II. COMPLETE GENERAL RELEASE OF CLAIMS

I hereby waive, release, discharge, and covenant not to sue Wells Fargo Advisors, LLC; Wells Fargo & Company; Wells Fargo Investments, LLC; Wachovia Securities, LLC, a wholly owned subsidiary of Wells Fargo & Company; and Wachovia Corporation (collectively "Wells Fargo"), including its officers, directors, subsidiaries, affiliates, predecessors, successors, fiduciaries, insurers, employees and agents ("Released Parties"), from and with respect to any and all actions, causes of action, suits, liabilities, claims, and demands whatsoever, and each of them, whether known or unknown, from the beginning of time until ___ [the date that Notice is mailed to the Class]. I intend this release to be general and comprehensive in nature and to release all claims and potential claims against the Released Parties to the maximum extent permitted at law. Claims I am releasing *include* specifically, by way of description, but not by way of limitation, any and all claims: (i) arising out of or relating in any way to the alleged facts, circumstances and occurrences underlying the allegations of violations of Title VII and similar state and local laws that were asserted or could have been asserted in the Litigation by me or on my behalf; (ii) arising out of or relating in any way to the alleged facts, circumstances and occurrences underlying the allegations of violations of Title VII and similar state and local laws that were asserted or could have been asserted by me or on my behalf in a charge of discrimination filed against the Company and/or the Released Parties with the EEOC and/or state agencies; (iii) relating to the termination of my employment (if applicable); (iv) arising out of or in any way related to any federal, state, or local law prohibiting discrimination on the basis of age, race, color, religion, disability, sex, national origin, or citizenship, including, without limitation, claims under Title VII, the Employee Retirement Income Security Act, the Age Discrimination in Employment Act, and the Americans With Disabilities Act or any other similar statutes whatever the country of enactment; and (v) arising out of or in any way related to any transactions, occurrences, acts, statements, disclosures, or omissions occurring prior to _____, 2010. I understand that this release includes all related claims for monetary damages, injunctive, declaratory or equitable relief, and costs and attorneys' fees, whether arising under Title VII or any other federal, state, local or common laws or regulations.

III. ADEA WAIVER

I recognize that in addition to all other claims being released herein, I am releasing claims for age discrimination under the Age Discrimination in Employment Act. Accordingly, I have the right to reflect on this Agreement for a period of twenty-one (21) days before executing it, and I have an additional seven (7) days after executing it to revoke it under the terms of the Older Workers Benefit Protection Act. This Agreement will become effective and enforceable seven (7) days following the execution of this Agreement, unless it is revoked during the seven (7) day period, in which case this Agreement will be ineffective and unenforceable. By my signature below, I represent and warrant that I have been advised of these rights, that I have been advised that I have a right to consult with an attorney, and that I have discussed them with my attorney to the extent I thought necessary. I intend this to be a fully binding and enforceable release of all claims, including claims under the Age Discrimination in Employment Act.

IV. INDEMNIFICATION

I understand that I am responsible for payment of any and all federal, state or local taxes (excluding the employer share of employment taxes and unemployment taxes and excluding amounts properly withheld from the distributions) resulting from or attributable to the distributions that I receive. Accordingly, I agree to indemnify and hold harmless the Released Parties, Class Counsel, and the Depository Bank from any tax liability relating to my receipt of the award, including penalties and interest and costs of any proceedings. I further agree to indemnify and hold harmless the Claims Administrator and Trustees of the Settlement Fund from any tax liability, including penalties and interests and costs of any proceedings, attributable to my own acts or omissions. In the event a tax liability for interest or penalties arises with respect to my award that is attributable to acts or omissions of the Claims Administrator or Trustees, I agree to indemnify and hold harmless the Claims Administrator and Trustees of the Settlement Fund from any tax liability only to the extent of the taxes due and payable, but not with respect to penalties and interest, or the costs of any proceedings related to liability for penalties or interest.

V. OTHER AGREEMENTS AND REPRESENTATIONS

A. Confidentiality. I agree to keep the amount of any and all distributions I receive from the Settlement Fund strictly confidential to the fullest extent permitted by law, except that I may disclose the same to my attorneys, tax advisors and immediate family members.

B. Pursuit of Released Claims. Except for the Litigation, and any administrative charges filed with respect to the claims asserted therein, I represent and warrant that I have not filed or caused to be filed any lawsuit or complaint with respect to any claim that I am releasing herein, and I promise never to file or prosecute a lawsuit or complaint based on such claims. I promise never to seek any damages, remedies, or other relief for myself personally (any right to which I hereby waive) by filing or prosecuting a charge with any administrative agency with respect to any such claim.

C. Ownership of Claims. I represent and warrant that I have not assigned or transferred any claim I am purporting to release.

D. Entire Agreement. This Agreement may not be modified in any manner, except by a writing signed by both me and an authorized Wells Fargo attorney. I acknowledge that Wells Fargo has made no representations or promises to me, and that I have not relied on any representations or promises, other than those in or referred to by this Agreement and the Settlement Agreement.

E. Successors and Assigns. This release binds my heirs, administrators, representatives, executors, successors, and assigns.

F. Interpretation. This Agreement shall be construed as a whole according to its fair meaning. Unless the context indicates otherwise, the term “or” shall be deemed to include the term “and” and the singular or plural number shall be deemed to include the other. This Agreement shall be governed by the statutes and common law of the District of Columbia (excluding any that mandate the use of another jurisdiction’s laws).

AGREED:

[SIGNATURE]

[PRINT NAME]

Date

Carter, et al., v Wells Fargo Advisors, LLC., et al.
Exhibit 3 to the Settlement Agreement - Notice

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

_____)	
Evelyn Carter, Michelle Phillips, and)		
Eileen Wasserman,)		
)		
On behalf of themselves and all others similarly)		
situated,)	NO. 1:09-CV-01752 (CKK)	
)	CLASS ACTION	
)		
Plaintiffs,)		
v.)		
)		
Wells Fargo Advisors, LLC, Wells Fargo & Co.,)		
Wachovia Securities, LLC, a wholly owned))		
subsidiary of Wells Fargo & Co., and Wachovia)		
Corporation,)		
)		
Defendants.)		

**NOTICE OF CLASS ACTION, PROPOSED SETTLEMENT AGREEMENT,
AND SETTLEMENT HEARING**

**IF YOU ARE A FEMALE FINANCIAL ADVISOR
EMPLOYED IN THE UNITED STATES BY:**

**(A) WACHOVIA SECURITIES, LLC, OR ITS SUCCESSOR WELLS FARGO
ADVISORS, LLC, AT ANY TIME BETWEEN MARCH 17, 2003 AND _____**

[THE DATE OF PRELIMINARY APPROVAL]; AND/OR

**(B) WELLS FARGO INVESTMENTS, LLC AT ANY TIME BETWEEN DECEMBER
31, 2008 AND _____ [DATE OF PRELIMINARY APPROVAL],**

A PROPOSED CLASS ACTION SETTLEMENT MAY AFFECT YOUR RIGHTS.

*A federal court has authorized this Notice.
This is not a solicitation from a lawyer.*

Please read this Notice carefully and fully. This Notice describes a proposed settlement and related matters, including the procedures for claiming a payment from a Settlement Fund to which you may be entitled.

This Notice is intended to inform you about the terms of a proposed settlement (the "Settlement") of a pending legal action and your rights in connection with this Settlement. This Notice describes the steps you must take to be eligible to receive Settlement Fund monies if this Settlement is finally approved by the Court. If you do not wish to be part of the class, this Notice details the steps you must take to be excluded from the class.

General Overview

- Three women (“Plaintiffs”), on behalf of themselves and all other current and former women Financial Advisors employed by Defendants, have sued Defendants for gender discrimination. After extensive discussions over more than three years, the Plaintiffs and Defendants have agreed on the terms of a Settlement.
- Defendants deny that they have done anything wrong, and the Court did not make a determination on that issue. However, Defendants have agreed to be bound by the terms of this Settlement.
- The Court has reviewed the Settlement and has given it preliminary approval. Before deciding whether to grant final approval to the Settlement, the Court wishes to inform you of the general terms of the Settlement, what actions you need to take to participate in the Settlement, and of your rights to opt-out of the monetary relief portion of the Settlement or to object to the Settlement, if you would like to do so.
- The Court has allowed the following class to assert claims for monetary relief:

All women who are or were employed in the United States as Financial Advisors by: (a) Wachovia Securities, LLC, or its successor Wells Fargo Advisors, LLC, at any time between March 17, 2003 and _____ [date of Preliminary Approval]; and/or (b) Wells Fargo Investments, LLC at any time between December 31, 2008 and _____ [date of Preliminary Approval]. Women who were employed as Financial Advisors by Prudential Securities Inc. or A.G. Edwards & Sons, Inc. are included only as of the effective date of the respective business consolidation or merger of these corporations with Wachovia Securities/Wachovia Corporation.

- If you fit the above definition, then you are a Class Member. This Notice will explain the terms of the Settlement to be presented to the Court for final approval.
- If, after reviewing those terms, you would like to participate in the Settlement by making a claim for money damages, then you must fill out the attached Claim Form.
- If you want to opt-out of the Class, in which case you will not receive any monetary relief through this Settlement, or if you want to object to the Settlement before the Court, this Notice describes the procedures to do so.
- If the Court grants final approval to the Settlement, the changes to be made to the Company’s policies and practices, known as “programmatic relief,” will apply to all women who are currently employed by Defendants as Financial Advisors, including Class Members who opt-out of the monetary relief portion of the Settlement. It is not possible to opt-out of the programmatic relief portion of the Settlement.

- The Court will hold a **Settlement Hearing** to consider whether the Settlement is fair, reasonable, and adequate, and to decide whether to give final approval to this Settlement. The hearing will be held at _____ on _____ in the courtroom of the Honorable Colleen Kollar-Kotelly at the United States District Court of the District of Columbia, Courtroom ____, U.S. Courthouse, 333 Constitution Avenue, N.W., Washington, DC 20001. The Court has the authority to change the date of the hearing. Information about any changes to the date of the hearing will be available at www.wachoviagenderdiscrimination.com. If the Settlement is granted final approval by the Court after the Settlement Hearing, the Court's judgment will be final and binding.

- You are not required to appear at the hearing. If you are a Class Member you will be represented by attorneys for the Class at no cost to you. If you wish to opt-out of the Class, you must submit a request to opt-out in writing, but you do not need to appear at the hearing. If you wish to object to the Settlement, you must submit a written objection. If you wish to object to the Settlement you may present your objection in writing, or you may, in addition to a written objection, appear and be heard by the Court, either by yourself or, at your own expense, with an attorney of your choice.
 - If you wish to remain a Class Member and have an opportunity to receive a payment from the Settlement Fund, you must return the attached Claim Form by _____ [90 days after preliminary approval order].
 - If you wish to opt-out and exclude yourself from the monetary relief, you must act before _____ [45 days after notice is mailed].
 - If you wish to object to the Settlement, either in writing or in person at the Settlement Hearing, you must act by _____ [45 days after notice is mailed.]

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT	
Submit a Claim Form	<p>This is the only way to be eligible to receive money from the Settlement Fund.</p> <p>You must submit a claim form by _____.</p>
Do Nothing	<p>Stay in this lawsuit. Receive no money from the Settlement Fund. Give up certain rights.</p> <p>By doing nothing, you will not receive any money from the Settlement Fund, and you give up any rights to pursue claims against Defendants separately about the gender discrimination claims covered by the Settlement.</p>
Ask to Be Excluded (Opt Out)	<p>Get out of this lawsuit (opt out). Receive no money from the Settlement Fund. Keep any rights you might have to pursue claims against Defendants separately.</p> <p>If you ask to be excluded, you will not be eligible to receive any money from the Settlement Fund, but you keep any rights you might have to pursue claims against Defendants separately about the same legal claims covered by this Settlement.</p> <p>You must submit your request to opt-out by _____.</p>
Object	<p>Write to the Court about why you don't think the settlement is overall fair to the class.</p> <p>You must submit your objection(s) by _____.</p>
Go to the Hearing	<p>Ask to speak in Court about the fairness of the settlement.</p> <p>You must submit your request to speak in Court by _____.</p>

- For additional information, you may visit www.findjustice.com or www.findjustice.com/sub/Wachovia.jsp
www.sprengerlang.com/cases _____.
www.wachoviagenderdiscrimination.com

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BASIC INFORMATION

1. Purpose of this Notice

The purpose of this Notice is to inform you about this litigation, the certification of a class (the “Class”), the terms of a proposed settlement (the “Settlement”), and your rights in connection with a hearing to be held before the Court on _____, to consider the fairness, reasonableness, and adequacy of the Settlement and related matters. This Notice also describes the steps to be taken by those who wish to be excluded from the Class and, for those who remain Class members, the steps necessary to seek a payment from the Settlement Fund in the event the Settlement is approved by the Court.

2. Background: About the Lawsuit

Named Plaintiffs Evelyn Carter, Michelle Phillips, and Eileen Wasserman retained Class Counsel to investigate claims of gender discrimination at Wachovia Securities.

These Named Plaintiffs each filed a charge of discrimination with the Equal Employment Opportunity Commission (“EEOC”), alleging, among other things, that Wachovia Securities discriminated against them and a class of similarly situated persons throughout the United States on the basis of their gender in several aspects of their employment. The first of the Plaintiffs’ administrative charges of gender discrimination was filed with the EEOC on March 17, 2005. The charges were first amended in February 2006 to allege a pattern or practice of discrimination.

After Named Plaintiffs began pursuing their charges of discrimination, Wachovia Corporation, which was the parent company of Wachovia Securities, underwent a series of mergers. As of October 1, 2007, Wachovia Corporation acquired A.G. Edwards. On December 31, 2008, Wells Fargo & Company purchased Wachovia Corporation, including Wachovia Securities.

On September 15, 2009, the Named Plaintiffs filed a Complaint in the Court on behalf of themselves as individuals and on behalf of a nationwide class of women employees against Wells Fargo, Inc. pursuant to Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000(e), *et seq.*, (“Title VII”), and under parallel state and local laws prohibiting gender discrimination. In this Action, the Named Plaintiffs, among other things, allege on behalf of themselves and members of the Class defined herein, that they are women who are or were employed with Wachovia Securities as Financial Advisors, that they have been and are afforded fewer business opportunities than comparable male Financial Advisors, and that they experienced gender discrimination in numerous aspects of their employment. They have further alleged, on behalf of themselves and members of the Class defined herein, that aspects of their employment in which they have experienced gender discrimination include, but are not limited to, career advancement, distribution of accounts, work assignments, partnerships and teams, compensation, and/or other terms and conditions of employment. In addition to these class claims, the Named Plaintiffs assert various individual, non-class claims, including some for retaliation and age discrimination, as set forth in the Complaint.

You can read all of the plaintiffs' claims in the Plaintiffs' Complaint, which can be found at <http://www.sprengerlang.com/cases/case-list/> or <http://www.findjustice.com/sub/Wachovia.jsp> or www.wachoviagenderdiscrimination.com

Defendants deny that they discriminated against women or that it otherwise did anything wrong. Defendants maintain that women were compensated on the same bases as were similarly situated men. Defendants also maintain that opportunities for movement from Financial Advisor into branch management positions were equally available to women and men, and that women were not denied equal terms and conditions of employment or terminated on the basis of their gender. Defendants maintain that they are equal opportunity employers and that their policies prohibit discrimination. By entering into the proposed Settlement, Defendants do not admit any wrongdoing.

The Court has not made and will not make any determination regarding whether or not Defendants discriminated against women. This Notice should not be regarded as an expression of any opinion by the Court on the merits of any claims or defenses of the Parties. No trial has occurred. There has been no finding or determination by the Court that Wells Fargo or Wachovia has violated any law or obligation, or that, in the event that the Settlement does not become effective, a recovery could or could not be made by the Named Plaintiffs or other members of the Class. Because the Named Plaintiffs and Defendants together came to the Court to ask that the Court approve the Settlement that the two sides agreed to, the Court will simply examine the Settlement Agreement to determine whether or not it is fair, adequate and reasonable. The Court will not examine the merits of the underlying claims or defenses of the parties.

The Settlement resolves claims of gender discrimination in compensation, promotions to branch management positions, and terms and conditions of employment under Title VII of the Civil Right Act of 1964 or any state or local anti-discrimination law. The Settlement also resolves individual, non-class claims that the Named Plaintiffs made in the Complaint.

The Court has reviewed the Settlement and has preliminarily approved it as being fair, adequate and reasonable. Before deciding whether to give the Settlement final approval, the Court wishes to inform you of the general terms of the Settlement and of your right to comment on the Settlement, if you so desire, as well as your right to opt-out, i.e., be excluded, from participating in the monetary portion of the Settlement.

3. Class Definition—You are Part of the Class

You are a member of the **Class** affected by the Settlement if you fit within this definition:

All women who are or were employed in the United States as Financial Advisors by: (a) Wachovia Securities, LLC, or its successor Wells Fargo Advisors, LLC, at any time between March 17, 2003 and _____ [date of Preliminary Approval]; and/or (b) Wells Fargo Investments, LLC at any time between December 31, 2008 and _____ [date of Preliminary Approval]. Women who were employed as Financial Advisors by Prudential Securities Inc. or A.G. Edwards & Sons, Inc. are included only as of the effective date

of the respective business consolidation or merger of these corporations with Wachovia Securities/Wachovia Corporation.

If you received this Notice in a mailing addressed to you, then Defendants' records show that you are currently employed, or were previously employed, by Defendants as a Financial Advisor at some time between March 17, 2003 and _____ [date of Preliminary Approval]. Therefore, you are considered a Class Member. You have legal rights and options that you may exercise before the Court finally approves the Settlement.

Do I Have to Be Part of this Lawsuit?

You may exclude yourself from, or "opt-out" of, this lawsuit. If you do so, you will not be required to give up any legal rights that you would otherwise have to sue Wachovia/Wells Fargo individually, and you will not be permitted to share in the monetary portion of the Settlement Fund to be distributed to Class Members who do not opt-out. Information about how to opt-out is included below.

4. Summary of Settlement Terms

What Are the Terms of the Settlement?

The Settlement requires Defendants to establish a Settlement Fund and to implement changes to its policies and practices. The programmatic portions of the Settlement will last for four years.

The Settlement Fund

Under the Settlement, Defendants will pay \$32 million dollars (\$32,000,000) into a Settlement Fund. A portion of the Settlement Fund will be used to reimburse costs and expenses of the litigation, pay Class Counsel's fees as awarded by the Court, and pay for the administration of the settlement process. The remainder of the Settlement Fund will be distributed to the Named Plaintiffs and Class Members to compensate them for the asserted claims.

Programmatic Relief: What Have Defendants Agreed to Do Under the Settlement?

As described more fully in the Settlement Agreement, Defendants have agreed to continue, revise and enhance various policies and practices applicable to FAs. These revisions are intended to further attract women FAs and enhance their success.

Under the Settlement, Defendants have agreed to the following during the four-year term of the Agreement:

- A. Continue to implement revised Financial Advisor Book Reassignment (FABR) policies which govern the distribution of accounts of departing FAs, retiring FAs, and departing team members and record any exceptions to the use of FABR for account distributions. The FABR policies will be posted on the Company's intranet site;

- B. Implement policies and programs to handle account assignments in WBS and call-ins and walk-ins to PCG;
- C. Implement a method to adjust FABR ranking factors that measure performance from the previous twelve-month period to exclude Company-approved leaves of absences;
- D. Upon request, make available to FAs their individual ranking and, without identification of any particular FA by name, the actual distributions at the time a distribution is made;
- E. Track by gender up-front or signing bonuses offered to hired lateral FAs;
- F. Provide on an annual basis communications to employees regarding equal employment opportunity and anti-harassment policies;
- G. Provide diversity training to Field Management and train hiring managers to encourage a diverse pool of candidates for interviews;
- H. Post Field Management job opportunities on the internal job bank, excluding selection decisions made as part of a restructuring, consolidation, or reorganization, and encourage a diverse pool of applicants for the Branch Management Leadership Program;
- I. Assess Field Management's performance regarding diversity as a material component of the leadership factor or people factor, on which PCG and WBS Field Management is evaluated;
- J. Require that all new team arrangements be in writing and contain dissolution and dispute resolution provisions;
- K. Provide a seminar at least every other year about teams hosted by the Women's Initiative or by a program of comparable efficacy;
- L. Retain an external Settlement Monitor ("Monitor") to evaluate the Company's efforts to satisfy its obligations under the Settlement. The Company will provide the Monitor with various information, reports, and data during the term of the Agreement. The Monitor will also provide semi-annual reports to Class Counsel and the Company on the items monitored.
- M. Retain an Industrial Psychologist to provide advisory services and make state of the art and innovative recommendations designed to further attract, promote, retain, and increase the books of business of women FAs.
- N. Develop a system of internal data collection and monitoring to assist the Company in complying with the terms of the Agreement;

- O. Meet with Class Counsel at least once semi-annually regarding compliance with the Agreement.

5. Settlement Hearing

The Court will decide whether or not to give final approval to this Settlement after the **Settlement Hearing** to be held at _____, before the Honorable Colleen Kollar-Kotelly at the United States District Court of the District of Columbia, Courtroom _____, U.S. Courthouse, 333 Constitution Avenue, N.W., Washington, DC 20001. At this hearing, the Court will determine whether the proposed Settlement is fair, reasonable, and adequate and whether it should be approved. The Court will also consider whether the motion of the Plaintiffs' attorneys, or "Class Counsel," for an award of attorneys' fees and expenses should be approved, and whether, in accordance with the Settlement, an order and judgment should be entered bringing the litigation to a conclusion.

The Court has the authority to change the date of the hearing. Information about any changes to the date of the hearing will be available at www.wachoviagenderdiscrimination.com.

Do I Have To Come To The Settlement Hearing?

You are not required to appear at the hearing. Attorneys representing the Class will appear at the hearing on behalf of all class members at no cost to you. However, if you would like to comment on or object to the Settlement, you may appear and be heard at the Settlement Hearing, either by yourself or, at your own expense, with an attorney of your choice. Information about how to comment or object to the Settlement is included below. If the Court gives final approval to this Settlement, the Court's judgment will be final and binding on all Class Members who have not opted out.

6. How to Proceed: Your Options

Below is a summary of the specific terms of the Settlement. After reviewing these terms, you have three options. You must decide whether you want to A) remain a class member with an opportunity to receive a payment from the Settlement Fund; B) opt-out and exclude yourself from a payment from the Settlement Fund; or C) object to the Settlement.

Option A: Submit a Claim Form for a Payment from the Settlement Fund

In order to be eligible to receive a share of the Settlement Fund, you must fill out the Claim Form attached to this Notice and return them to the Claims Administrator by no later than _____ [claim form deadline]. If you are a Class Member and you file a timely Claim Form, you may be eligible to obtain money from this Settlement. The Claim Form asks for information about your employment with Defendants, and the share of money that you will receive, if any, if the Settlement is finalized, will be determined partly based on your answers to the questions on this Claim Form. Additionally, once your Claim Form has been received, you will receive an Employment Verification Form which you must review for accuracy. If there are any corrections to be made to that Form, you must return a corrected version of that Form to the Claims Administrator.

Each Class Member, including a Named Plaintiff, who is eligible to receive a payment from the Settlement Fund will be required to sign a “release” before receiving the payment. This release will terminate any gender discrimination claims you have or could have brought against Defendants arising out of your employment, or termination of employment, with the Company through _____ [the date that Notice is mailed to the Class]. In the case of Named Plaintiffs, the Named Plaintiff Release will terminate any and all claims you have or could have brought against Defendants in addition to gender discrimination claims. If you are a Class Member but have already signed a document that releases claims against Defendants, it is possible that you may have lost your right to recover any money under the Settlement for the claims you released. Named Plaintiffs who release additional claims will be eligible for an enhanced monetary award.

Whether or not you submit a Claim Form, unless you opt out, all gender discrimination claims that you may have up through _____ [the date that Notice is mailed to the Class], arising out of your employment, or termination of employment, with Defendants, will be barred by this Settlement.

Option B: Do Nothing and Give Up Your Rights

If you take no action, you will remain a part of the Class. If you fail to submit a Claim Form or submit a request to opt-out of the Settlement, all gender discrimination claims that you may have up through _____ [the date that Notice is mailed to the Class], arising out of your employment, or termination of employment, with Defendants, will be barred by this Settlement.

Option C: Opt-Out: How Do I Exclude Myself from the Settlement?

You may request to opt-out, or be excluded, from this case. If you opt out, you will *not be eligible for any payment* as part of this Settlement. Any Class Member who wishes to opt out of the Settlement Class must mail a written, signed statement that she is opting out of the Settlement Class to *each* of the following addresses:

Cyrus Mehri, Esq.
Mehri & Skalet, PLLC
1250 Connecticut Avenue, NW, Suite 300
Washington, DC 20036

Steven M. Sprenger, Esq.
Sprenger + Lang, PLLC
1400 Eye Street, N.W., Suite 500
Washington, DC 20005

AND

Ken Turnbull, Esq.
Morgan, Lewis & Bockius LLP
101 Park Avenue
New York, NY 10178-0060

To be effective as a request for exclusion, the letter must be received by the above counsel on or before _____ [45 days after Notice is mailed], and must contain each of the following:

- (a) your name, social security number, current address and telephone number;
- (b) the name and number of this case (*Evelyn Carter, et al. v. Wells Fargo, et al.*, No. 1:09-CV-01752 CKK);
- (c) a statement that you wish to be excluded from the Class, including the following language, which must be contained in your request:

“I understand that, by this request to be excluded from the monetary settlement in this case, I am foregoing all monetary benefits from this Settlement and will receive no money from the Wachovia Securities Settlement Fund. I understand that I may bring a separate legal action seeking damages, but may receive nothing or less than what I would have received if I had filed a claim under the class monetary settlement procedure in this case. I also understand that I may not seek exclusion from the class for injunctive relief and that I am bound by the injunctive provisions of the settlement agreement.”

If you are a Class Member and do not opt-out, you will be considered part of the Class.

If you choose to opt-out, and submit the necessary information to do so, but later decide to re-join the Class, you may rescind your opt-out request. To be effective, such a rescission must be in writing and signed, and must be received on or before ____ [60 days from the date that the Notice is mailed to the class] by **any one** of the following:

Cyrus Mehri, Esq.
Mehri & Skalet, PLLC
1250 Connecticut Avenue, NW, Suite 300
Washington, DC 20036

Steven M. Sprenger, Esq.
Sprenger + Lang, PLLC
1400 Eye Street, N.W., Suite 500
Washington, DC 20005

OR

OR

Settlement Services, Inc.
P.O. Box 10030
Tallahassee, FL
32302-2030

Ken Turnbull, Esq.
Morgan, Lewis & Bockius LLP
101 Park Avenue
New York, NY 10178-0060

Please note that Class Members who submit timely and valid requests for exclusion will have no right to object to the Settlement in court and will no longer be represented by Class Counsel.

Option D: Object to the Settlement and/or Speak at the Hearing

The Court must assess the overall fairness and reasonableness of the Settlement to the Class. Class Members who have not opted out of the monetary relief portion of the Settlement may object to the Settlement. However, in order to speak at the hearing, or have your objection to the Settlement considered by the Court, you must submit a written objection to the Settlement prior to the Settlement Hearing. This statement must be signed, and must include the name

and number of this case (*Evelyn Carter, et al. v. Wells Fargo, et al.*, No. 1:09-CV-01752 (CKK)) and a detailed description of the basis for the objection. This statement must be received by the Court on or before ___ [45 days after Notice is mailed to the class] at:

Clerk of U.S. District Court
RE: *Evelyn Carter, et al. v. Wells Fargo, et. al.*, No. 1:09-CV-01752 CKK
333 Constitution Ave., N.W.
Washington, DC 20001

You need not appear at the Settlement Hearing for your written comments or objection to be considered by the Court, but you may appear if you so desire. If you plan to comment on or object to the Settlement in person at the Settlement Hearing, you must file a written notice of appearance identifying yourself and any attorney you may retain at your own expense with your objection, which, as noted above, must be signed, include a detailed description of the basis for the objection, and be received by the Court on or before ___ [45 days after Notice is mailed to the class] at the above address.

In order for your objection to be considered, copies must also be received by Lead Class Counsel and counsel for Defendants on or before ___ [45 days after Notice is mailed to the class] at:

Cyrus Mehri, Esq.
Mehri & Skalet, PLLC
1250 Connecticut Avenue, NW, Suite 300
Washington, DC 20036

Steven M. Sprenger, Esq.
Sprenger + Lang, PLLC
1400 Eye Street, N.W., Suite 500
Washington, DC 20005

AND

Ken Turnball, Esq.
Morgan, Lewis & Bockius LLP
101 Park Avenue
New York, NY 10178-0060

Please note that no one may appear at the Settlement Hearing for the purpose of objecting to the Settlement without first having filed and served her objection(s) in writing within the time period described above.

7. **How Will My Payment Be Calculated?**

Each Class Member, including each Named Plaintiff, who files a timely Claim Form will have their claim reviewed by a Claims Administrator appointed by the Court. Class Members who submit a Claim Form will be eligible to receive payments based on length of tenure (e.g. weeks worked) with Defendants as a Financial Advisor during the liability period, March 17, 2003 through _____ [date of Preliminary Approval]. Class Members may also receive additional credit if they provide information in their Claim Form regarding any alleged gender-based discrimination they experienced while working for Defendants, though Class Members are not required to provide such information and may participate in the settlement based solely upon length of service.

The Claims Administrator will allocate points to each Class Member submitting a Claim Form. Each claimant will receive points for each week worked as a Financial Advisor between March 17, 2003 and _____ [date of Preliminary Approval]. Claimants will also be eligible to receive additional points if they provide information on the Claim Form about any alleged gender-based discrimination they experienced during their employment. In awarding points regarding alleged gender-based discrimination experienced by Claimants, the Claims Administrator will consider whether Claimants made complaints about the alleged discrimination or sought the assistance of a psychological or medical professional. In addition, the Claims Administrator may award Claimants additional points if the Claimant contributed substantively to the litigation (for example, being a Named Plaintiff or participating in interviews with class counsel).

The Claims Administrator will make all determinations regarding the allocation of Claim Form points and the payment to each claimant based on a formula that will be approved by the Court. You will not have a right to challenge the allocation and distribution determined by the Claims Administrator.

The total amount of awards made to the Named Plaintiffs and the Claimants shall not exceed the net amount of the Settlement Fund after deduction for notice and administration costs, Class Counsel's attorney's fees and costs.

The Claims Administrator shall send a Notice of Award to each eligible Claimant disclosing her award payment, along with a Named Plaintiff Release or a Class Member Release, whichever is applicable. Within a reasonable time period after receipt of an executed Named Plaintiff Release from a Named Plaintiff or an executed Class Member Release from a Class Member, the Claims Administrator shall send the Named Plaintiff or Class Member her award payment. Any Named Plaintiff who does not execute and timely deliver an executed Named Plaintiff Release, and any Class Member who does not execute and timely deliver an executed Class Member Release to the Claims Administrator within six (6) months of the date the Notice of Award was mailed to her shall be ineligible for, and forever barred from receiving, monetary relief under this Settlement Agreement, even if said Named Plaintiff or Class Member has not opted out. Any undistributed funds that remain after six (6) months from the mailing of the Notice of Award due to uncashed checks shall be distributed to 501(c)(3) organizations which advance career opportunities for women, including career opportunities in the financial services industry, as jointly selected by Lead Class Counsel.

The Claims Administrator shall maintain the distribution plan and allocation list for a period of five (5) years. Defendants shall have access to individual allocation amounts only upon written notice to Class Counsel and a showing of good cause (*e.g.*, actual or threatened litigation by a Claimant). Any dispute as to whether good cause exists for such a requested disclosure shall be resolved through the Dispute Resolution process set forth in the Settlement Agreement.

The information provided on the Claim Form may be verified for accuracy against documents provided by Claimants.

Are There Tax Consequences For Any Money I Might Get?

Any award you receive from the Settlement Fund will have tax consequences for you. The Claims Administrator will be responsible for withholding, remitting and reporting each Claimant's share of payroll taxes from the Settlement Fund. Wells Fargo will be responsible to pay for the employer's share of taxes and costs, including FICA, FUTA, SUTA and Medicare. The Claims Administrator will withhold the employee's share of taxes and costs, including any applicable FICA, FUTA, SUTA and/or Medicare, from Claimants' awards and remit those amounts to the appropriate taxing authorities. Class Counsel are not tax advisors and cannot give you advice on any tax matters. Class Counsel urge you to consult your tax advisor for answers to any questions you may have about the tax implications of any potential award.

8. The Lawyers Representing You And The Class

As a Class Member, you are represented in this litigation by Class Counsel, led by Cyrus Mehri of Mehri & Skalet and Steven M. Sprenger of Sprenger + Lang:

Mehri & Skalet, PLLC

1250 Connecticut Avenue NW, Suite 300
Washington, DC 20036
Phone: (202) 822-5100
Facsimile: (202) 822-4997

Sprenger + Lang, PLLC

1400 Eye Street, N.W., Suite 500
Washington, DC 20005
Phone: (202) 265-8010
Facsimile: (202) 332-6652

Moody & Warner, PC

4169 Montgomery Blvd. N.E.
Albuquerque, NM 87109
Phone: (505) 944-0033
Facsimile: (505) 944-0034

Unless you elect to exclude yourself from the Settlement, you will continue to be represented by Class Counsel in connection with implementation and monitoring of the Settlement throughout the four-year duration of the terms of the Settlement at no cost to you. Although it is not necessary, you may, if you wish to do so, retain your own attorney at your own expense.

How Will The Lawyers Be Paid?

In connection with the Settlement, the Court will award Class Counsel reasonable attorneys' fees and expenses out of the Settlement Fund. If you are a Class Member and receive a payment from the Settlement Fund, you will not owe any fees or expenses to the lawyers who have represented you as part of the Class. The attorneys' fees and expenses of Class Counsel, as awarded by the Court, will be paid only from the Settlement Fund and only if and after the Settlement has been approved by the Court.

As is routine in class action cases, Class Counsel has filed a motion for an award of attorneys' fees and expenses already incurred as well as the fees and expenses that will be incurred during the four-year term of the Settlement. In its motion Class Counsel has

requested that the Court award them attorneys' fees and expenses in the amount of 30% of the proposed \$32,000,000 million monetary settlement plus an annual payment during each of the four years of the term of the Settlement in the amount of \$320,000 in the first year and in the amount of \$200,000 for the next three years, plus interest, if any, accruing on those amounts, to cover future fees and expenses relating to monitoring and enforcing the Settlement.

Class Counsel have pursued these claims on behalf of Plaintiffs and the Class without receiving any compensation for their services or reimbursement of their out-of-pocket expenses. Class Counsel have undertaken substantial risks in pursuing this matter. They have done so with the understanding that, if they obtained a recovery for the class, their expenses would be reimbursed and they would receive fees from the fund recovered.

9. Getting More Information

If you have further questions or are still not sure whether you are included, you can get free help : www.wachoviagenderdiscrimination.com or www.findjustice.com/sub/Wachovia.jsp/ or www.sprengerlang.com/cases/ _____, or by calling or writing to Class Counsel in this case, at the following phone number or address:

Cyrus Mehri, Esq.
Mehri & Skalet, PLLC
1250 Connecticut Avenue, NW
Suite 300
Washington, DC 20036
(202) 822-5100
E-mail: info@findjustice.com

This Notice contains only a summary of the terms of the Settlement, the provisions of the releases and related matters. For further information, the Settlement Agreement (which includes the complete terms of the Settlement), the Claim Form, the Release, and numerous other documents connected with the Settlement are available for review and/or downloading on the web at either: www.wachoviagenderdiscrimination.com or www.findjustice.com/sub/Wachovia.jsp/ or www.sprengerlang.com/cases/ _____ or can be obtained in hard copy in the Office of the Clerk of the United States District Court, 333 Constitution Avenue, N.W., First Floor, Washington, DC 20001. Other orders that the Court may issue from time to time regarding the administration of the Consent Decree will also be on file with the Court and available on the web at either: www.wachoviagenderdiscrimination.com or www.findjustice.com/sub/Wachovia.jsp/ or www.sprengerlang.com/cases/ _____

PLEASE DO NOT CALL OR CONTACT THE COURT, THE OFFICE OF THE CLERK OF COURT, WACHOVIA SECURITIES OR WELLS FARGO WITH QUESTIONS REGARDING THIS NOTICE.

Dated: _____, 2010

The Honorable Colleen Kollar-Kotelly

United States District Court Judge
United States District Court for the
District of Columbia

Carter, et al., v Wells Fargo Advisors, LLC., et al.

Exhibit 4 to the Settlement Agreement – Proposed Administrative Order No. 1

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

<hr/>)	
Evelyn Carter, Michelle Phillips, and)	
Eileen Wasserman,)	
)	
On behalf of themselves and all others similarly)	
situated,)	NO. 1:09-CV-01752 (CKK)
)	CLASS ACTION
	Plaintiffs,)	
v.)	
)	
Wells Fargo Advisors, LLC, Wells Fargo & Co.,)	
Wachovia Securities, LLC, a wholly owned)	
subsidiary of Wells Fargo & Co., and Wachovia)	
Corporation,)	
)	
	Defendants.)	
<hr/>)	

PROPOSED ADMINISTRATIVE ORDER NO. 1

This Court has preliminarily approved a Settlement Agreement resolving the gender based discrimination claims in the above-captioned case (“the Litigation”). Under the terms of the Settlement Agreement, Defendants shall cause to be paid the sum of Thirty-two Million Dollars (\$32,000,000.00) into a Settlement Fund within 10 days after Preliminary Approval of the Settlement Agreement. Accordingly, this Administrative Order No. 1 is entered before the Court determines whether finally to approve the Settlement Agreement in order to specify the purposes, terms, funding, operation, and administration of the Settlement Fund, as delineated in the Settlement Agreement, to appoint the Trustees and Claims Administrator of the Settlement Fund (the “Settlement Administrators”), and to establish and define the Claims Administrator’s duties, authority, responsibilities and obligations. Any and all terms defined in the Settlement

Agreement and utilized within this Administrative Order No. 1 shall be given the meanings provided for within Section III. A. of the Settlement Agreement.

I. ESTABLISHMENT OF THE SETTLEMENT FUND.

A. Name, Status, and Trustees of the Settlement Fund.

1. **Name and Status as a Trust.** A common fund is hereby established pursuant to the terms of the Settlement Agreement, and shall be known as the Wachovia Securities Financial Advisor Gender Discrimination Settlement Fund (the “Settlement Fund”). The Settlement Fund shall be an irrevocable trust under the laws of the State of Florida.

2. **Settlement Fund Portions.** The Settlement Fund will consist of the following three portions:

a. **Claims Portion.** The Claims Portion shall be used to make distributions to or on behalf of eligible Claimants, including the Named Plaintiffs, and for the employee portion of any taxes due on such distributions. The Claims Portion shall be administered for the benefit of the eligible Claimant group and not for the benefit of individual eligible Claimants.

b. **Attorneys’ Fees & Monitoring Portion.** The Attorneys’ Fees & Monitoring portion shall be used to make distributions to Class Counsel as may be approved by the Court.

c. **Administrative Portion.** The Administrative Portion shall be used to make distributions to: (i) the Claims Administrator for time and out-of-pocket expenses associated with determining and distributing Claimant awards and reporting and paying taxes on such awards; and (ii) any third-party who provides a service necessary to the Settlement Fund’s compliance with any and all legal requirements including, but not limited to, tax, accounting or legal services.

3. Qualified Settlement Fund. The Settlement Fund, including all portions and income thereon, if any, shall be a single Qualified Settlement Fund within the meaning of Treas. Reg. Section 1.468B-1, et seq. The division of the Settlement Fund into portions is for accounting and bookkeeping purposes only. Defendants shall be deemed to have made an election under Section 468B of the Revenue Code to have the Settlement Fund treated as a “qualified settlement fund.” Defendants shall timely furnish a statement to the Trustees that complies with Treasury Regulation § 1.468B-3(e) and shall attach a copy of the statement to their federal income tax returns that are filed for the taxable year in which Defendants make the required payment(s) to the Settlement Fund. The parties shall cooperate to ensure such treatment and shall not take a position in any filing or before any tax authorities inconsistent with the treatment of the Settlement Fund as a Qualified Settlement Fund.

4. Appointment of Trustees. Co-lead Class Counsel shall serve as Trustees of the Settlement Fund and shall act as a fiduciary with respect to the handling, management and distribution of the Settlement Fund. The Claims Administrator, Thomas Warren of Settlement Services, Inc., also shall serve as a Trustee of the Settlement Fund with regard to payment of valid claims and reporting and paying taxes on such awards.

5. Other Settlement Fund Characteristics. The entire amount to be paid by Defendants to the Settlement Fund pursuant to the Settlement Agreement, and all income generated by that amount, if any, shall be *custodia legis* and immune from attachment, execution, assignment, hypothecation, transfer or similar process by any third-party or Claimant. Once the Settlement Fund vests, it is irrevocable during its term and Defendants have divested themselves of all right, title or interest, whether legal or equitable, in the Settlement Fund, if any; provided, however, in the event the Settlement Agreement is not approved by the Court or the Settlement

Agreement is terminated or fails to become effective in accordance with its terms (or, if following approval by this Court, such approval is reversed or modified), the Parties shall be restored to their respective positions in this Case as of the date hereof; the terms and provisions of the Settlement Agreement and this Administrative Order No. 1 shall be void and have no force and effect and shall not be used in this Case or in any proceeding for any purpose; the Settlement Fund and income earned thereon shall immediately be returned to the entity or entities that fund the Settlement Fund (after deducting costs of providing Notice to Class Members that have been already paid or incurred as of the date of termination); and any Judgment entered by the Court in accordance with the terms of the Settlement Agreement shall be treated as vacated, *nunc pro tunc*. The Settlement Administrator may make disbursements out of the Settlement Fund only in accordance with this Administrative Order No. 1 or any additional Administrative Orders issued by the Court.

6. Expiration of the Settlement Fund. The Settlement Fund shall not terminate until all payments are made (including payments to Claimants, Class Counsel and the Claims Administrator), and until its liability for any and all government fees, fines, taxes, charges, and excises of any kind, including income taxes, and any interest, penalties, additions or amounts are, in the Trustees' sole discretion, finally determined and all amounts have been paid by the Settlement Fund. Any balance remaining in the Settlement Fund at the time of its expiration, when all obligations are satisfied, shall, at the discretion of the Trustees, be distributed to one or more charitable organizations that qualify for charitable donations under section 501(c)(3) of the Internal Revenue Code. In no event shall any funds be paid to or revert to Defendants.

7. Alteration or Amendment of the Settlement Fund. The Trustees may apply to the Court to alter or amend this Order at any time provided, however, that no such amendment or modification shall in any way effect: (a) the purposes of the Settlement Fund; (b) the Court's jurisdiction over the Parties; (c) the powers, duties, and liabilities of the Trustees under this Administrative Order; (d) the total amount of money Defendants are to pay into the Settlement Fund; (e) the qualification of the Settlement Fund as a Qualified Settlement Fund under Section 468B of the Internal Revenue Code and regulations thereunder; or (f) any terms of the Settlement Agreement or any of its exhibits.

B. Purpose and Funding of the Settlement Fund.

1. Purpose of the Settlement Fund. The Settlement Fund is established exclusively for the purposes of: (a) making distributions from the Claims Portion to Eligible Claimants, including the Named Plaintiffs, pursuant to the claims process described in the Settlement Agreement, including the employee portion of any employment, withholding or income taxes due on such distributions; (b) making payments to Class Counsel pursuant to any orders from the Court; and[;] (c) making payments to the Claims Administrator to administer the claims process and to any third-parties that provide services directly to the Settlement Fund relating to the Fund's compliance with all legal requirements, including but not limited to, tax obligations. No distribution shall be made from the Settlement Fund and/or any Portion of the Settlement Fund until after the Court has given Final Approval to the Settlement Agreement.

2. Funding of the Settlement Fund. No later than ten (10) days after Preliminary Approval of the Settlement Agreement, Defendants shall cause to be paid to the Branch Banking & Trust Company ("BB&T" or "Depository Bank"), pursuant to transfer instructions to be provided by Lead Class Counsel, the sum of Thirty-two Million Dollars

(\$32,000,000.00 or \$32 million). The \$32 million will be placed in an account in the name of Wachovia Securities Financial Advisor Gender Discrimination Settlement Fund, a Qualified Settlement Fund organized and existing under the laws of the State of Florida. The Settlement Fund shall also consist of any and all income that accrues on the above-referenced deposit. The Trustees shall furnish a copy of this Order to the Depository Bank.

II. ADMINISTRATION OF THE SETTLEMENT FUND.

A. Payment to the Claims Administrator.

The Trustees shall pay the Claims Administrator and any other third-parties who provide necessary services to the Settlement Fund from the Administrative Portion of the Fund. The Trustees shall make such payment(s) within a reasonable period of time after receipt of any such invoice, but only after obtaining the consent of Lead Class Counsel.

B. Cooperation.

The Claims Administrator and Defendants shall provide to and exchange with each other such information as shall be reasonably necessary to file notices, reports and returns and to make timely determinations of withholding obligations.

III. THE TRUSTEES.

A. Powers & Duties of the Trustees.

1. Processing Claims. The Claims Administrator shall determine and distribute Claimant awards, including reporting and paying taxes on such awards. The entirety of the Claims Administrator's powers over the Settlement Fund is as expressly stated in the Settlement Agreement, this Administrative Order No. 1 or future orders of the Court.

2. Investment of the Settlement Fund. Pending payment of awards to the Eligible Claimants, Named Plaintiffs and Class Counsel, and others, Class Counsel shall invest

the Settlement Fund only in United States Treasury securities and/or securities or other obligations backed by the full faith and credit of the United States Treasury (collectively “U.S. or U.S.-backed securities”), or in repurchase agreements collateralized by U.S. or U.S.-backed securities. The Trustees shall invest any cash in the Settlement Fund in the foregoing investments as soon as practicable and may retain cash only in an amount reasonable to make distributions and contingent liabilities ripe for payment, and such minimal sums which cannot be reasonably invested to obtain higher yields. The Trustees may invest all such minimal sums of cash in money market accounts whether or not collateralized with U.S. or U.S.-backed securities.

3. Tax Reporting Obligations. The Claims Administrator shall determine and pay income taxes owing with respect to the income earned by the Settlement Fund. Additionally, the Claims Administrator shall ensure that the Settlement Fund files all applicable tax returns and reports with the appropriate taxing authorities with respect to the payment and withholding of employment and income taxes.

4. Reporting and Recordkeeping. The Trustees shall keep detailed and accurate accounts of all investments, receipts, disbursements and other transactions of the Settlement Fund and shall file a final accounting with the Court ninety (90) days before the termination of the Settlement Fund.

5. Inspection. The Trustees shall make available for reasonable inspection all accounts, books, and records relating to the Settlement Fund by such persons as the Court orders.

6. Disclosure Limitations. The Claims Administrator may establish protective conditions concerning the disclosure of information maintained by the Claims Administrator if publication of such information would violate any law, including rights to

privacy. Any person entitled to such information who is denied access to the Settlement Fund's records may submit a request to the Court for such information. However, the Claims Administrator shall supply such information to any Claimant as may be reasonably necessary to allow her to accurately determine her federal, state and local tax liabilities. Such information shall be supplied in the form and manner prescribed by relevant law.

B. Replacement of Claims Administrator and/or Trustees.

The Claims Administrator and/or Trustees may resign by providing sixty (60) days written notice to the Court, subject to Court approval. The Claims Administrator and/or Trustees may be removed by the Court at any time. In the event of removal or resignation of the Claims Administrator and/or Trustees, the Court shall appoint a successor. The successor Claims Administrator and/or Trustees shall have, without further act on the part of anyone, all the duties, powers, functions, immunities, and discretion granted to the original Claims Administrator and/or Trustees. All notices hereunder, including notices of resignation or removal of any Claims Administrator and/or Trustees, must be in writing and directed to the Court, the Class Counsel and Defendants.

IV. INDEMNIFICATION.

A. Liability and Indemnification of Trustees by the Settlement Fund.

Subject to compliance with the Settlement Agreement terms and orders of the Court, the Trustees shall be free from any and all liability to the Settlement Fund in connection with the administration of the Settlement Fund and the settlement of Claimants' claims from the Settlement Fund, except for any loss arising out of their gross negligence and/or willful misconduct. The Settlement Fund shall indemnify and hold harmless the Trustees as to any third-party claims against them arising from their status as Trustees for all expenses, including

attorneys' fees, judgments, fines, and amounts paid in settlement of any action, which amounts are ordinarily and reasonably paid by them in connection with such action, suit, or proceeding, but only if the Trustees acted in good faith and in a manner they reasonably believed to be in the best interest of the Settlement Fund and the Claimants.

B. Indemnifications by Claimants.

Each Named Plaintiff and Eligible Claimant who receives a payment from the Settlement Fund shall be fully and ultimately responsible for payment of any and all federal, state or local taxes (excluding the employer share of employment taxes and unemployment taxes and taxes actually withheld) resulting from or attributable to the payment received by such person. Each Named Plaintiff and Claimant shall indemnify and hold Defendants, Counsel for Defendants, Class Counsel, and the Depository Bank harmless from any tax liability, including penalties and interest, regardless of whether such tax liability is attributable to her own acts or omissions. Each Claimant and Named Plaintiff shall indemnify and hold the Claims Administrator harmless from any tax liability, including penalties and interest and costs of any proceedings, attributable to her own acts or omissions. In all cases in which the tax liability that arises is not attributable to any acts or omissions on the part of a Named Plaintiff or Eligible Claimant, the Named Plaintiff or Eligible Claimant shall indemnify and hold harmless the Claims Administrator from such tax liability, but not penalties and interest and not the costs of any proceedings related to such tax liability. The indemnities provided for in this paragraph shall apply only to the monetary distributions actually received by each Claimant.

v. RELATIONSHIP TO SETTLEMENT AGREEMENT.

If there is any conflict between the terms of this Order and the Settlement Agreement, the Settlement Agreement shall take precedence.

IT IS SO ORDERED.

Dated: December __, 2010

The Honorable Colleen Kollar-Kotelly
Judge, United States District Court
for the District of Columbia