

1 UNITED STATES DISTRICT COURT  
2 NORTHERN DISTRICT OF CALIFORNIA

3 GARY HEFLER, MARCELO MIZUKI, )  
4 GUY SOLOMONOV, UNION ASSET )  
5 MANAGEMENT HOLDING AG, and )  
6 CITY OF HIALEAH EMPLOYEES' )  
7 RETIREMENT SYSTEM, Individually and )  
8 on Behalf of All Others Similarly Situated, )

Case No. 3:16-cv-05479-JST

CLASS ACTION

9 Plaintiffs, )

10 vs. )

11 WELLS FARGO & COMPANY, JOHN G. )  
12 STUMPF, JOHN R. SHREWSBERRY, )  
13 CARRIE L. TOLSTEDT, TIMOTHY J. )  
14 SLOAN, DAVID M. CARROLL, DAVID )  
15 JULIAN, HOPE A. HARDISON, )  
16 MICHAEL J. LOUGHLIN, AVID )  
17 MODJTABAI, JAMES M. STROTHER, )  
18 JOHN D. BAKER II, JOHN S. CHEN, )  
19 LLOYD H. DEAN, ELIZABETH A. )  
20 DUKE, SUSAN E. ENGEL, ENRIQUE )  
21 HERNANDEZ JR., DONALD M. JAMES, )  
22 CYNTHIA H. MILLIGAN, FEDERICO F. )  
23 PEÑA, JAMES H. QUIGLEY, JUDITH M. )  
24 RUNSTAD, STEPHEN W. SANGER, )  
SUSAN G. SWENSON, and SUZANNE )  
M. VAUTRINOT, )

Defendants. )

~~PROPOSED~~ ORDER APPROVING DISTRIBUTION PLAN

17 Lead Plaintiff moved this Court for an order approving a distribution plan for the Net  
18 Settlement Fund in the above-captioned class action (the “Action”). Having reviewed and considered  
19 all the materials and arguments submitted in support of the motion, including Lead Plaintiff’s  
20 Motion for Approval of Distribution Plan and the Declaration of Alexander Villanova in Support of  
21 Lead Plaintiff’s Motion for Approval of Distribution Plan (the “Villanova Declaration”),

1 NOW, THEREFORE, IT IS HEREBY ORDERED that:

2 1. This Order incorporates by reference the definitions in the Stipulation and Agreement  
3 of Settlement dated July 30, 2018 (ECF No. 225-1) (the “Stipulation”), and the Villanova Declaration,  
4 and all terms used in this Order shall have the same meanings as defined in the Stipulation or in the  
5 Villanova Declaration.

6 2. This Court has jurisdiction over the subject matter of the Action and over all parties to  
7 the Action, including all Settlement Class Members.

8 3. Lead Plaintiff’s plan for distribution of the Net Settlement Fund to Authorized  
9 Claimants is **APPROVED**. Accordingly:

10 (a) The administrative recommendations of the Court-approved Claims  
11 Administrator, Epiq Class Action and Claims Solutions, Inc. (“Epiq”), to accept the Timely  
12 Eligible Claims stated in Exhibit E to the Villanova Declaration and the Late But Otherwise  
13 Eligible Claims stated in Exhibit F to the Villanova Declaration, are adopted;

14 (b) The Claims Administrator’s administrative recommendations to reject wholly  
15 ineligible Claims, as stated in Exhibit G to the Villanova Declaration, including the Disputed  
16 Claims discussed in paragraphs 27 to 31 of the Villanova Declaration and Exhibit D to the  
17 Villanova Declaration, are adopted;

18 (c) Epiq is directed to conduct an Initial Distribution of the Net Settlement Fund,  
19 after deducting all payments previously allowed and the payments approved by this Order,  
20 and after deducting the payment of any estimated taxes, the costs of preparing appropriate  
21 tax returns, and any escrow fees, while maintaining a 10% reserve from the Net Settlement  
22 Fund to address any tax liability and claims administration-related contingencies that may  
23 arise, as stated in paragraph 42(a) of the Villanova Declaration (the “Distribution”).

1 Specifically, as stated in paragraph 42(a) of the Villanova Declaration: (1) Epiq will  
2 calculate award amounts for all Authorized Claimants as if the entire Net Settlement Fund  
3 were to be distributed now. In accordance with the Court-approved Plan of Allocation, Epiq  
4 will calculate each Authorized Claimant's *pro rata* share of the Net Settlement Fund as  
5 stated in subparagraph 42(a)(1) of the Villanova Declaration; (2) Epiq will, in accordance  
6 with the terms of the Court-approved Plan of Allocation, calculate the total amount each  
7 Authorized Claimant would recover in accordance with the calculations stated in  
8 subparagraph (c)(1) above and then it will eliminate from the distribution any Authorized  
9 Claimant whose total *pro rata* share of the Net Settlement Fund is less than \$10.00. These  
10 Claimants will not receive any payment from the Net Settlement Fund and will be so notified  
11 by Epiq; (3) After eliminating Claimants who would have received less than \$10.00, Epiq  
12 will calculate the *pro rata* shares of the Net Settlement Fund for Authorized Claimants who  
13 would have received \$10.00 or more (the "Distribution Amount"); (4) Authorized Claimants  
14 whose Distribution Amount calculates to less than \$100.00 under subparagraph (c)(3) above  
15 will be paid their full Distribution Amount in the Initial Distribution ("Claims Paid in Full").  
16 These Authorized Claimants will get no additional funds in subsequent distributions;  
17 (5) 90% of the remaining balance of the Net Settlement Fund will be distributed *pro rata* to  
18 Authorized Claimants whose Distribution Amount calculates to \$100.00 or more under  
19 subparagraph (c)(3) above. The remaining 10% of the Net Settlement Fund will be held in  
20 reserve (the "Reserve") to address any tax liability and claims administration-related  
21 contingencies that may arise. To the extent the Reserve is not depleted, the remainder will be  
22 distributed in the "Second Distribution" described in subparagraph (f) below;

23 (d) In order to encourage Authorized Claimants to cash their checks promptly, all

1 distribution checks will bear the following notation: “CASH PROMPTLY. VOID AND  
2 SUBJECT TO REDISTRIBUTION IF NOT CASHED BY [DATE 90 DAYS AFTER  
3 ISSUE DATE].” Lead Counsel and Epiq are authorized to take appropriate action to locate  
4 and contact Authorized Claimants who have not cashed their distribution checks within said  
5 time as detailed in paragraph 42(b) footnote 4 of the Villanova Declaration;

6 (e) Authorized Claimants who do not cash their Initial Distribution checks within  
7 the time allotted or on the conditions stated in paragraph 42(b) footnote 4 of the Villanova  
8 Declaration will irrevocably forfeit all recovery from the Settlement, and the funds allocated  
9 to all of these stale-dated checks will be available to be distributed to other Authorized  
10 Claimants in the second distribution. Similarly, Authorized Claimants who do not cash their  
11 second or subsequent distributions (should such distributions occur) within the time allotted  
12 or on the conditions stated in paragraph 42(b) footnote 4 of the Villanova Declaration will  
13 irrevocably forfeit any further recovery from the Net Settlement Fund;

14 (f) After Epiq has made reasonable and diligent efforts to have Authorized  
15 Claimants cash their Initial Distribution checks (provided in paragraph 42(b) footnote 4 of  
16 the Villanova Declaration), but not earlier than nine (9) months after the Initial Distribution,  
17 Epiq will, after consulting with Lead Counsel, conduct a second distribution (the “Second  
18 Distribution”), in which any amount remaining in the Net Settlement Fund after the Initial  
19 Distribution (including from the Reserve and the funds for all void stale-dated checks), after  
20 deducting Epiq’s fees and expenses incurred in administering the Settlement for which it has  
21 not yet been paid (including Epiq’s estimated costs of the Second Distribution), and after  
22 deducting the payment of any estimated taxes, the costs of preparing appropriate tax returns,  
23 and any escrow fees, will be distributed to all Authorized Claimants in the Initial

1 Distribution who cashed their Initial Distribution check and are entitled to receive at least  
2 \$10.00 from the Second Distribution based on their *pro rata* share of the remaining funds.  
3 Additional distributions, after deduction of costs and expenses as described above and  
4 subject to the same conditions, may occur thereafter in six-month intervals until Lead  
5 Counsel, in consultation with Epiq, determines that further distribution is not cost-effective;

6 (g) When Lead Counsel, in consultation with Epiq, determines that further  
7 distribution of the funds remaining in the Net Settlement Fund is not cost-effective, if  
8 sufficient funds remain to warrant the processing of Claims received after March 8, 2020,  
9 those Claims will be processed, and any otherwise valid Claims received after March 8,  
10 2020, as well as any earlier-received Claims for which an adjustment was received after  
11 March 8, 2020, and resulted in an increased Recognized Claim amount, will be paid in  
12 accordance with subparagraph (h) below. If any funds remain in the Net Settlement Fund  
13 after payment of these late or late-adjusted Claims, the remaining balance of the Net  
14 Settlement Fund, after payment of any unpaid fees or expenses incurred in administering the  
15 Net Settlement Fund and after the payment of any estimated taxes, the costs of preparing  
16 appropriate tax returns, and any escrow fees, will be contributed to the Investor Protection  
17 Trust;

18 (h) No new Claims may be accepted after March 8, 2020, and no further  
19 adjustments to Claims received on or before March 8, 2020, that would result in an increased  
20 Recognized Claim amount may be made for any reason after March 8, 2020, subject to the  
21 following exception. If Claims are received or modified after March 8, 2020, that would  
22 have been eligible for payment or additional payment under the Plan of Allocation if timely  
23 received, then, at the time that Lead Counsel, in consultation with Epiq, determines a

1 distribution is not cost-effective as provided in subparagraph (g) above, and after payment of  
2 any unpaid fees or expenses incurred in connection with administering the Net Settlement  
3 Fund and after deducting the payment of any estimated taxes, the costs of preparing  
4 appropriate tax returns, and any escrow fees, these Claimants, at the discretion of Lead  
5 Counsel, may be paid their distribution amounts or additional distribution amounts on a *pro*  
6 *rata* basis that would bring them into parity with other Authorized Claimants who have  
7 cashed all their prior distribution checks to the extent possible;

8 (i) All persons involved in the review, verification, calculation, tabulation, or any  
9 other aspect of the processing of the Claims submitted, or who are otherwise involved in the  
10 administration or taxation of the Settlement Fund or the Net Settlement Fund, are hereby  
11 released and discharged from any and all claims arising out of that involvement, and all  
12 Settlement Class Members and other Claimants, whether or not they receive payment from  
13 the Net Settlement Fund, are hereby barred from making any further claims against the Net  
14 Settlement Fund, Lead Plaintiff, Lead Counsel, the Claims Administrator, the Escrow Agent  
15 or any other agent retained by Lead Plaintiff or Lead Counsel in connection with the  
16 administration or taxation of the Settlement Fund or the Net Settlement Fund, or any other  
17 person released under the Settlement beyond the amounts allocated to Authorized Claimants;

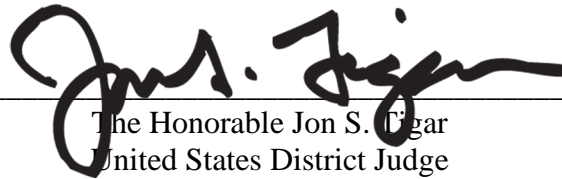
18 (j) All of Epiq's fees and expenses incurred in the administration of the  
19 Settlement and estimated to be incurred in connection with the Distribution of the Net  
20 Settlement Fund as stated in the invoices attached as Exhibit H to the Villanova Declaration  
21 are approved, and Lead Counsel is directed to pay the outstanding balance of \$4,504,385.70  
22 out of the Settlement Fund to Epiq; and  
23

1 (k) Unless otherwise ordered by the Court, Epiq may destroy the paper copies of  
2 the Claims and all supporting documentation one year after the Initial Distribution, and one  
3 year after all funds have been distributed, may destroy electronic copies of the same.

4 4. The individuals listed on Exhibit 1 hereto are excluded from the Settlement Class  
5 pursuant to their requests for exclusion.

6 5. This Court retains jurisdiction to consider any further applications concerning the  
7 administration of the Settlement and any other and further relief that this Court deems appropriate.

8 SO ORDERED this 3 day of August 2020.

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12 The Honorable Jon S. Figar  
13 United States District Judge  
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## Exhibit 1

Number	Name	City	State/ Province	Country
254	Joyce Chappell	Burlington	ON	CANADA
255	Ronald Chappell	Burlington	ON	CANADA
256	Terry Johnson	Medford	OK	USA
257	Sarah G. George	Charlotte	NC	USA
258	Judith Sloan	Brooklyn	NY	USA
259	Callan Jonas	Runge	TX	USA
260	Shelley R. Jones	West Grove	PA	USA
261	William Scott McKnight	Charlotte	NC	USA
262	Daryl J. Sharpe & Jared Willing Sharpe	Coaldale	PA	USA
263	Kevin Michael Clancy	Atlanta	GA	USA
264	Beatrice J. Dinkel	Calgary	AB	CANADA
265	Ann S. Wilson	Saint Charles	MO	USA
266	Dorothy Mowery Smith	Lancaster	PA	USA
267	Josefina T. Flores	Mission Viejo	CA	USA