IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

IN RE MUTUAL FUNDS INVESTMENT LITIGATION	) MDL-1586
	) Case No. 04-md-15863
Columbia sub-track	)

[~~PROPOSED~~] PRELIMINARY ORDER FOR NOTICE AND HEARING IN CONNECTION WITH SETTLEMENT PROCEEDINGS IN THE COLUMBIA SUB-TRACK

FREDERICK MOTZ, District Judge

WHEREAS:

A. (i) Lead Class Plaintiff Jackie Williams on her own behalf and on behalf of the Class, and (ii) Harold Beardsley, Brad Smith, Edward and Iris Segel, Virginia Wilcox, Pamela Yameen, Barbara Cordani, Mayer and Morris Sutton, George Slabe, as Custodian for Jo D. Slabe UGMA, Grace Nugent and David Armetta, (the "Lead Derivative Plaintiffs" and, together with the Lead Class Plaintiff, the "Lead Plaintiffs"), Dean Delaventura, Roger Kelso and Gary Vogeler on the one hand; and (iii) Columbia Management Group, Inc. (n/k/a Columbia Management Group, LLC), Columbia Management Advisors, Inc. (n/k/a Columbia Management Advisors, LLC), Columbia Wanger Asset Management, L.P., Columbia Funds Distributor, Inc. (n/k/a Columbia Management Distributors, Inc.), Columbia Funds Services, Inc. (n/k/a Columbia Management Services, Inc.), the Columbia Trusts and Registrants, the Columbia Mutual Funds, and the Columbia Settling Trustees, (collectively, the "Columbia Defendants") and Bank of America Corporation and its subsidiary Banc of America Securities LLC (collectively, "Bank of America"), on the other hand, have entered into a Stipulation and Agreement of Settlement with the Columbia Defendants and Defendant Bank of

America, dated and executed as of September 14, 2007 (the "Columbia Stipulation") providing for the settlement of the claims asserted against the Columbia Defendants and Bank of America (the "Columbia Settlement");

B. Lead Class Plaintiff and Bear, Stearns & Co. Inc., Bear, Stearns Securities Corp., and The Bear Stearns Companies Inc., currently known as J.P. Morgan Securities Inc., J.P. Morgan Clearing Corp. and The Bear Stearns Companies LLC, respectively (collectively, the "Bear Stearns Defendants"), have entered into a Columbia/Bear Stearns Severed Agreement and Stipulation of Settlement (the "Columbia/Bear Stearns Stipulation") providing for the settlement of claims against the Bear Stearns Defendants (the "Columbia/Bear Stearns Settlement");

C. Lead Plaintiffs and Canary Capital Partners, LLC; Canary Capital Partners, Ltd.; Canary Investment Management, LLC; and Edward Stern (collectively, the "Canary Defendants"), have entered into a Columbia/Canary Severed Agreement and Stipulation of Settlement (the "Columbia/Canary Stipulation") providing for the settlement of claims against the Bear Stearns Defendants (the "Columbia/Canary Settlement");

D. Lead Class Plaintiff and Daniel G. Calugar, Security Brokerage, Inc. (now known as Symphonic Alpha, LLC), DCIP, L.P., RCIP, L.P., the Security Brokerage, Inc. Profit Sharing Trust (now known as the Calugar Corporation Profit Sharing Trust) and any of their successors (collectively, the "Security Brokerage Parties"), have entered into a Columbia/Security Brokerage Severed Agreement and Stipulation of Settlement (the "Columbia/Security Brokerage Stipulation") providing for the settlement of claims against the Security Brokerage Parties (the "Columbia/Security Brokerage Settlement");

E. The Columbia Stipulation, the Columbia/Bear Stearns Stipulation, the Columbia/Canary Stipulation, and the Columbia/Security Brokerage Stipulation shall be known collectively as the "Stipulations" and the settlements set forth in the Stipulations shall be known collectively as the "Settlements." The Columbia Defendants, Bank of America, the Bear Stearns Defendants, the Canary Defendants, and the Security Brokerage Parties shall be known collectively as the "Settling Defendants"; and Plaintiffs and the Settling Defendants shall be known together as the "Settling Parties";

F. Lead Plaintiffs have moved, pursuant to Rules 23(e) and 23.1 of the Federal Rules of Civil Procedure, for an Order preliminarily approving the Settlements, and providing notice of the proposed Settlements; and

G. The Court having read and considered the Stipulations; the proposed Short-Form Notice of Pendency and Proposed Settlements of Class and Derivative Actions and Settlement Hearing (the "Mail Notice"), the proposed Long-Form Notice of Pendency and Proposed Settlements of Class and Derivative Actions, Motion for Attorneys' Fees and Expenses, and Settlement Hearing (the "Long-Form Notice"), the proposed Publication Notice of Proposed Settlements (the "Summary Notice" or "Publication Notice"), the proposed Plan of Distribution, and the proposed forms of Order and Final Judgment and other Orders relating to the Settlements and Plan of Distribution, and finding that substantial and sufficient grounds exist for entering this Order, and after due deliberation;

IT IS HEREBY ORDERED:

1. For purposes of this Order, the Court adopts all defined terms as set forth in the Stipulations, except to the extent that such terms are otherwise defined herein.

JURISDICTION

2. This Court has jurisdiction over the subject matter of the Columbia sub-track in MDL-1586 and over all parties to the Columbia sub-track in MDL-1586, including all members of the Class, as defined below.

NO DETERMINATION OF LIABILITY OR WRONGDOING

3. This Court hereby decrees that none of the Stipulations, nor this Order, nor the fact of the Settlements, constitute an admission or concession by any of the Settling Defendants of any liability or wrongdoing whatsoever.

CERTIFICATION OF SETTLEMENT CLASS

4. For settlement purposes, Lead Class Plaintiff has proposed conditional certification of the following Class under Fed. R. Civ. P. 23(a) and (b)(3):

> "Class" means: all persons and entities who, during the period November 1, 1998 through February 25, 2004, inclusive, purchased and/or held shares in any of the Columbia Mutual Funds (as defined in the Stipulations). Excluded from the Class are: (i) any and all defendants named in any action that is part of the Columbia Subtrack of MDL-1586; (ii) for defendants who are natural persons, members of their immediate families (parents, spouses (current or former), siblings, and children), their heirs, successors or assigns, and any person acting on their behalf for purposes of collecting a payment under this Settlement; (iii) for defendants that are legal entities, their parents, subsidiaries, affiliates, successors or assigns; (iv) any entity in which any defendant has, or during the Class Period had, a controlling interest; and (v) all Columbia portfolio managers during the Class Period (defined as the person or persons with primary responsibility for the day-to-day management of the investment portfolio of a Columbia Mutual Fund during the Class Period). Also excluded from the Class are all persons and entities who exclude themselves from the Settlements by timely requesting exclusion in accordance with the requirements set forth in the Long-Form Notice of Pendency and Proposed Settlements of Class and Derivative Actions, Motions for Attorneys' Fees and Expenses, and Settlement Hearing (the "Long-Form Notice").

5. The Court hereby preliminarily FINDS and CONCLUDES that the Class set forth above appears to satisfy all of the requirements for certification under Rule 23(a) and Rule 23(b)(3). The Court preliminarily determines that the requirements of Rule 23(a) – numerosity, commonality, typicality, and adequacy – appear to be satisfied, the Class appears to satisfy the requirements for certification under Rule 23(b)(3) as questions of law or fact common to the Class appear to predominate over individualized issues, and a class action is superior to other available methods for the fair and efficient adjudication of the controversy. Accordingly, the Court preliminarily CERTIFIES the Class for purposes of these Settlements only, under Rules 23(a) and 23(b)(3).

6. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, and for the purposes of the Settlements only, Lead Class Plaintiff Jackie Williams is preliminarily certified as Class Representative and Lead Class Counsel, Milberg LLP, is certified as Class Counsel.

PRELIMINARY APPROVAL OF SETTLEMENT AGREEMENTS

7. The proposed Stipulations and the Settlements they embody, and the proposed Plan of Distribution described in the Long-Form Notice, are hereby PRELIMINARILY APPROVED. Final approval of the Settlements is subject to the hearing of any objections of members of the Class and current shareholders of the Columbia Mutual Funds to the proposed Settlements embodied in the Stipulations.

8. Pending the determination of the fairness of the Settlements, all further litigation of the Columbia sub-track in MDL-1586, as well as litigation of the claims asserted in *Vogeler v. Columbia Acorn Trust, et al.*, No. 03 L 1550 (in the Circuit Court,

Third Judicial Circuit, Madison County, Illinois), other than such proceedings as may be necessary to carry out the terms and conditions of the Settlements, is hereby STAYED.

OTHER CASES ENJOINED

9. Pending final approval of the Settlements, the Court hereby preliminarily enjoins each Class Member, including any member who makes an irrevocable election to exclude himself, herself or itself from the Class, from commencing, prosecuting or maintaining in any court other than this Court any claim, action or other proceeding that challenges or seeks review of or relief from any order, judgment, act, decision or ruling of this Court in connection with the Settlements. The Court further enjoins any member of the Class who has not, by the deadline for opting out, made a timely, irrevocable election to exclude himself, herself or itself from the Class from commencing, prosecuting or maintaining, either directly, representatively or in any other capacity, any of the Released Claims as defined in any of the Stipulations.

APPROVAL OF THE FORM AND MANNER OF DISTRIBUTING NOTICE

10. The Settling Parties have submitted for this Court's approval the Mail Notice, the Long-Form Notice and the Publication Notice (collectively, the "Settlement Notices") and a Proof of Claim and Release (the "Proof of Claim"), each of which the Court has reviewed.

11. The Court finds and concludes as follows: the form and content of the Settlement Notices, and the method set forth herein of notifying the Class of the Settlements and their terms and conditions, meet the requirements of Rule 23 of the Federal Rules of Civil Procedure, Section 21D(a)(7) of the Securities Exchange Act of 1934, 15 U.S.C. § 78u-4(a)(7) as amended by the Private Securities Litigation Reform

Act of 1995, due process, and any other applicable law, constitute the best notice practicable under the circumstances, and shall constitute due and sufficient notice to all persons and entities entitled thereto. The Settlement Administrator shall cause notice of the proposed Settlements, the hearing on the proposed Settlements, the request for approval of the Plan of Distribution and the application of Lead Class Counsel and Lead Fund Derivative Counsel for an award of attorneys' fees and payment of expenses to be provided as follows:

(a) On or before **June 30, 2010**, a copy of the Mail Notice, substantially in the form annexed hereto as Exhibit 1, shall be mailed by first class mail, postage pre-paid to all identifiable Class Members at the address of each such person as set forth in the records of the Columbia Mutual Funds or their transfer agents;

(b) On or before **June 30, 2010**, copies of Long-Form Notice and the Proof of Claim, substantially in the forms annexed hereto as Exhibits 2 and 3, respectively, shall be posted on the settlement website established for this Subtrack, maintained by the Settlement Administrator, as approved by the Court below, at www._____.com, and shall be made available for mailing to members of the Class upon request; and

(c) On or before **July 14, 2010**, Lead Class Counsel shall cause a publication program to be undertaken, whereby (i) the Publication Notice, substantially in the form annexed hereto as Exhibit 4, shall be published once in the nationally circulated *People* magazine, once in *The Wall Street Journal*, once in *The New York Times*, and over the PR Newswire; and (ii) notice of the Settlements shall be posted on various web-

based media outlets, including, but not limited to, CNN.com, AOL.com, Hotmail.com, Facebook.com, Yahoo.com, The Wall Street Journal online, and through RSS Feed.

12. The form of the Settlement Notices fairly, plainly, accurately, and reasonably informs Class Members of : (1) appropriate information about the nature of the Columbia sub-track in MDL-1586, the Class, the identity of Lead Class Counsel and Lead Fund Derivative Counsel, and the essential terms of the Settlements, including the Plan of Distribution; (2) appropriate information about the application of Lead Class Counsel and Lead Fund Derivative Counsel for attorneys' fees and other payments that will be deducted from the MDL-1586 (Columbia sub-track) Settlement Payment Amount; (3) appropriate information about how to participate in the Settlements; (4) appropriate information about this Court's procedures for final approval of the Stipulations and Settlements, and about the right of current Columbia Mutual Fund shareholders and Class Members to appear through counsel if they desire; (5) appropriate information about how current Columbia Mutual Fund shareholders and Class Members may challenge the Settlements, and how Class Members may opt out of the Settlements, if they wish to do so; and (6) appropriate instructions about how to obtain additional information regarding the Columbia sub-track in MDL-1586 or the Settlements.

13. The Court FINDS and CONCLUDES that the proposed plan for notice of the Settlements will provide the best notice practicable, satisfies the notice requirements of Rule 23(e), and satisfies all other legal and due process requirements.

14. The Court also FINDS and CONCLUDES that the proposed plan of notice provides reasonable and adequate notice to current shareholders of the Columbia Mutual

Funds of the Settlement of the Derivative Action and satisfies the notice requirements of Rule 23.1(c) and due process.

15. Accordingly, the Court hereby ORDERS as follows:

(a) The forms of the Mail Notice, Long-Form Notice, and Publication Notice are APPROVED.

(b) The manner of distributing the Settlement Notices is APPROVED.

(c) Promptly following the entry of this Order, the Settlement Administrator shall prepare final versions of the Mail Notice and Long-Form Notice incorporating the relevant dates and deadlines set forth in this Order.

(d) The Settlement Administrator shall provide counsel for the Settling Parties with a list of those shareholders entitled to receive notice pursuant to this Order who have not been located and the Settlement Administrator may engage third party vendors in order to locate those shareholders. The Settlement Administrator shall maintain a log of its activities undertaken in its efforts to locate such shareholders. The reasonable expenses of the Settlement Administrator shall be paid by Bank of America as described in the Columbia Stipulation.

(e) The Settlement Administrator shall take all other actions in furtherance of the Plan of Distribution as specified in the Stipulations.

16. To effectuate the provision of notice provided for herein, and the calculation of distributions of the Net Settlement Funds to the Class, and other actions required by this Order, the Court hereby approves the selection of Rust Consulting, Inc., to serve as the Administrator for the Settlement (the "Settlement Administrator").

17. The Settlement Administrator shall make reasonable efforts to identify all members of the Class, including beneficial owners whose shares in the Columbia Mutual Funds are held by banks, brokerage firms, or other nominees. The Columbia Defendants shall provide, at their expense, reasonably available information concerning names and last known addresses of members of the Class (including nominee and omnibus accounts, but not including the persons and entities who invested in Columbia Mutual Funds through those accounts, whose names and addresses are not available to the Columbia Defendants) to the Settlement Administrator.

18. The Columbia Defendants shall provide the Settlement Administrator such account information for the Columbia Mutual Funds as is reasonably necessary for the Settlement Administrator to determine the allocation of the Settlement Funds among Class Members. The Settlement Administrator shall take all reasonable measures to safeguard the confidentiality of any such information they obtain from the Columbia Defendants or from Class Members and shall not use or disclose any such information for any purpose other than distribution of the Settlement Funds and administration of the Settlements.

19. To further effectuate the provision of notice provided for herein, the Settlement Administrator shall establish a toll free telephone number and lease and maintain a post office box of adequate size for the return of Requests for Exclusion. All Settlement Notices shall designate said post office box as the return address for the purposes designated in the Settlement Notices. The Settlement Administrator shall be responsible for the receipt of all responses to the Settlement Notices and, until further order of the Court, shall preserve all entries of appearance, Requests for Exclusion, and

all other written communications from Class Members, nominees or any other person in response to the Settlement Notices.

20. On or before **September 14, 2010**, Lead Class Counsel shall cause to be filed with the Clerk of this Court affidavits or declarations of the person or persons under whose general direction the mailing of the Mail Notice and the posting of the Long-Form Notice and the Proof of Claim to the settlement website, and the mailing of the Long-Form Notice and the Proof of Claim to persons who so request shall have been made, showing that such mailing and posting was made in accordance with this Order.

21. All nominees receiving Mail Notice who hold or held Columbia Mutual Funds for beneficial owners are directed to, within fourteen (14) days of their receipt of the Mail Notice, either (a) supply the names and addresses of such beneficial owners to the Settlement Administrator, and the Settlement Administrator is ordered to send the Mail Notice promptly to such identified beneficial owners; or (b) request additional copies of the Mail Notice from the Settlement Administrator and within fourteen (14) days of receipt of the copies of the Mail Notice from the Settlement Administrator mail the Mail Notice to the beneficial owners. Nominee purchasers who elect to send the Mail Notice to their beneficial owners shall send a statement to the Settlement Administrator confirming that the mailing was made as directed. Additional copies of the Mail Notice shall be made available to any record holder requesting such for the purpose of distribution to beneficial owners, and such record holders shall be reimbursed, upon receipt by the Settlement Administrator of proper documentation, for the reasonable expense of sending the Mail Notice to beneficial owners.

PAYMENT OF SETTLEMENT FUNDS

22. The passage of title and ownership of the Settlement Funds to the respective Escrow Agents in accordance with the terms and obligations of the Stipulations is approved. No person that is not a Class Member, the Columbia Mutual Funds, or Plaintiffs' Counsel shall have any right to any portion of, or any rights in the distribution of, the Settlement Funds unless otherwise ordered by the Court or otherwise provided in the Stipulations.

23. All funds held in the escrow accounts shall be deemed and considered to be *in custodia legis* and shall remain subject to the jurisdiction of the Court until such time as such funds shall be distributed pursuant to the Stipulations and/or further order of the Court.

24. As provided in the Stipulations, and subject to the limitations contained in the Stipulations, Lead Class Counsel may pay the Settlement Administrator the reasonable fees and costs associated with giving notice to the Class and the review of claims and administration of the Settlements out of the Settlement Funds without further order of the Court.

25. Plaintiffs' Counsel or their agents are authorized and directed to prepare any tax returns required to be filed for the Escrow Accounts and to cause any Taxes due and owing to be paid from the Escrow Accounts without further Order of the Court, and to otherwise perform all obligations with respect to Taxes and any reportings or filings in respect thereof as contemplated by the Stipulations without further order of the Court.

26. There shall be no distribution of any of the Settlement Amounts to any Class Member or to the Columbia Mutual Funds until after the Effective Date.

PROCEDURES FOR FINAL APPROVAL OF THE SETTLEMENT

27. **Final Settlement Hearing:** The Court hereby schedules a hearing (the "Final Settlement Hearing") at **October 21-22, 2010**, at **10:00 a.m.** for the following purposes:

(a) to finally determine whether the Columbia sub-track in MDL-1586 satisfies the applicable prerequisites for class action treatment under Rules 23(a) and (b) of the Federal Rules of Civil Procedure;

(b) to determine whether the proposed Settlements are fair, reasonable, and adequate, and should be approved by the Court;

(c) to determine whether the Judgments as provided under the Stipulations should be entered, dismissing the complaints filed in the Actions, on the merits and with prejudice, as against the Settling Defendants, and to determine whether the releases set forth in the Stipulations, should be provided;

(d) to determine whether the proposed Plan of Distribution for the proceeds of the Settlements is fair and reasonable, and should be approved by the Court;

(e) to consider the application of Lead Class Counsel and Lead Fund Derivative Counsel for an award of attorneys' fees and expenses; and

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

28. The Final Settlement Hearing shall be held at the United States District Court for the District of Maryland, Baltimore Division, 101 W. Lombard Street, Baltimore, Maryland 21201. The Court expressly reserves the right to adjourn or continue the Final Settlement Hearing without any further notice to the Class or to current

shareholders of the Columbia Mutual Funds, other than by an announcement of the adjournment at the scheduled time of the Final Settlement Hearing or at the scheduled time of any adjournment of the Final Settlement Hearing. The Court may consider modifications of any of the Settlements (with the consent of the relevant Settling Parties) without further notice to current shareholders of the Columbia Mutual Funds or to the Class.

29. None of the Defendants, nor any other Released Party, shall have any responsibility whatsoever for the Plan of Distribution nor for any application for attorneys' fees expenses submitted by Plaintiffs' Counsel, and such matters will be considered separately from the fairness, reasonableness and adequacy of the Settlements.

30. **Right to Request Exclusion from the Settlements:** Class Members may exclude themselves from, or opt out, of the Settlements. Class Members shall be bound by all determinations and judgments in the Columbia sub-track in MDL-1586, whether favorable or unfavorable, including all the releases contemplated thereby, unless such persons request exclusion from the Class in a timely and proper manner, as hereinafter provided. Any request for exclusion must be in the form of a written, signed statement (the "Request for Exclusion") mailed by first class mail postmarked to the Settlement Administrator at the address designated in the Long Notice such that it is received no later than **September 21, 2010** (the "Exclusion Deadline"). Such Request for Exclusion shall clearly indicate the name, address and telephone number of the person seeking exclusion, that the sender requests to be excluded from the Class for the Columbia sub-track in MDL-1586 – the Mutual Funds Securities Litigation, and must be signed by such person. Such persons requesting exclusion are also directed to state: the date(s), price(s),

and number(s) of shares of all purchases, acquisitions, sales and dispositions of Columbia Mutual Funds made by any such Class Member during the Class Period. The Request for Exclusion shall not be effective unless it provides the required information and is made within the time stated above, or the exclusion is otherwise accepted by the Court. The Settlement Administrator shall provide to all counsel, consistent with the terms of the Supplemental Agreements, and file with the Court all Request for Exclusions that are received and not rescinded. The Class will not include those individuals who file and serve a timely Request for Exclusion, and individuals who opt-out are not entitled to any monetary award under the Settlements.

31. Within five (5) business days after the Exclusion Deadline, the Settlement Administrator shall provide the Settling Defendants and Lead Class Counsel with a report which, at a minimum, will identify all persons purporting to opt out of the Class and will attach the Requests for Exclusion submitted by each. At or before the Final Settlement Hearing, the Settlement Administrator shall file all Requests for Exclusion with the Court.

32. **Deadline for Filing Objections to the Settlements.** Any Class Member, current shareholder of the Columbia Mutual Funds, or non-settling Defendant may appear at the Final Settlement Hearing to show cause why the proposed Settlements should or should not be approved as fair, reasonable and adequate; why a judgment should or should not be entered thereon; why the Plan of Distribution should or should not be approved as fair and reasonable; or why Lead Class Counsel and Lead Fund Derivative Counsel should or should not be awarded attorneys' fees and payment of expenses in the amounts sought by Lead Class Counsel and Lead Fund Derivative Counsel; *provided*,

however, that no Class Member, current shareholder of the Columbia Mutual Funds or non-settling Defendant shall be heard or entitled to contest the approval of the terms and conditions of the proposed Settlements, the Judgments and Orders to be entered approving the same, the proposed Plan of Distribution or the application of Lead Class Counsel and Lead Fund Derivative Counsel for an award of attorneys' fees and reimbursement of expenses unless, no later than **September 21, 2010** (the "Objection Deadline"), such Class Member, current shareholder of the Columbia Mutual Funds or non-settling Defendant has properly and timely served by hand or by first-class mail on counsel set forth below written objections and copies of any supporting papers and briefs (which must contain proof of all purchases, acquisitions, sales and dispositions of Columbia Mutual Funds made by any such objector during the Class Period):

Lead Class Counsel

Clifford Goodstein
MILBERG LLP
One Penn Plaza
New York, NY 10019-0165

and has filed by the Objection Deadline said objections, papers and briefs, showing due proof of such service upon all counsel identified above, with the Clerk of the United States District Court for the District of Maryland, Baltimore Division, 101 W. Lombard Street, Baltimore, Maryland 21201. Objections by a Class Member must include information or documents concerning his, her or its holdings of shares in the Columbia Mutual Funds during the Class Period or a statement attesting to the fact that he, she or it held, purchased, or otherwise acquired shares in one or more of the Columbia Mutual Funds during the Class Period. Objections to the Settlement of the Derivative Action must include information concerning the objector's current ownership of shares in one or

more of the Columbia Mutual Funds. Lead Class Counsel shall promptly forward any objections that they receive to Lead Fund Derivative Counsel and counsel for each of the following defendants: the Columbia Defendants and Bank of America, the Bear Stearns Defendants, the Canary Defendants, and the Security Brokerage Parties.

33. Attendance at the hearing is not necessary; however, persons wishing to be heard orally in opposition to the approval of the Settlements, the Plan of Distribution, and/or the request for attorneys' fees are required to indicate in their written objection their intention to appear at the hearing. Persons who intend to object to the Settlements, the Plan of Distribution, and/or the application of Lead Class Counsel and Lead Fund Derivative Counsel for an award of attorneys' fees and reimbursement of expenses and desire to present evidence at the Final Settlement Hearing must include in their written objections the identity of any witnesses they may call to testify and any exhibits they intend to introduce into evidence at the Final Settlement Hearing. Class Members may retain an attorney at their own expense to appear at the Settlement Hearing, but there is no need for Class Members to retain an attorney and Class Members can appear at the hearing without hiring an attorney. Class Members and current shareholders of the Columbia Mutual Funds do not need to appear at the hearing or take any other action to indicate their approval.

34. Any Class Member, current shareholder of the Columbia Mutual Funds or non-settling Defendant who does not object in the manner prescribed above shall be deemed to have waived such objection and shall be forever foreclosed from making any objection to the fairness, adequacy or reasonableness of the proposed Settlement as well as the Judgments and Orders to be entered approving the Settlements, the Plan of

Distribution, or the application of Lead Class Counsel and Lead Fund Derivative Counsel for an award of attorneys' fees and reimbursement of expenses or from otherwise being heard concerning these subjects in this or any other proceeding, except for good cause shown. Objections raised at the Final Settlement Hearing will be limited to those previously submitted in writing. In this context, granting the non-settling Defendant a right to object and appear at the Final Settlement Hearing is without waiver of the Settling Parties' rights to argue the non-settling Defendants' lack of standing to object and appear at the Final Settlement Hearing.

35. **Deadline for Submitting Motion Seeking Final Approval.** Plaintiffs shall submit their papers in support of final approval of the Settlements and the Plan of Distribution no later than **September 14, 2010**.

36. **Deadline for Petition for Attorneys' Fees.** Plaintiffs' Counsel shall file with this Court their application for an award of attorneys' fees and litigation expenses no later than **September 14, 2010**.

37. **Deadline for Replying to Objections.** Plaintiffs' Counsel may file with this Court papers replying to objections to final approval of the Settlements and the Plan of Allocation or to their application for an award of attorneys' fees and litigation expenses on or before **October 6, 2010**.

38. **Participation in the Settlements and Submission of Proofs of Claim**. Class Members who invested in Columbia Mutual Funds through direct Columbia retail accounts are not required to file a proof of claim.

39. Class Members whose shares were NOT directly held with Columbia Mutual Funds (that is, who invested in Columbia Funds through brokers or other intermediaries) must take the following actions and shall be subject to the following conditions in order to receive a distribution from the Net Settlement Funds:

(a) A properly executed Proof of Claim, substantially in the form attached hereto as Exhibit 3, must be submitted to the Settlement Administrator at the Post Office Box indicated in the Settlement Notices, postmarked no later than **December 8, 2010**. Such deadline may be further extended by Court Order. Each Proof of Claim shall be deemed to have been submitted when mailed (if properly addressed and mailed by first-class or overnight U.S. mail, postage prepaid) provided such Proof of Claim is actually received prior to the motion for an order of the Court approving distribution of the Net Settlement Funds. Any Proof of Claim submitted in any other manner shall be deemed to have been submitted when it was actually received at the address designated in the Settlement Notices.

(b) The Proof of Claim submitted by each Class Member must satisfy the following conditions: (i) it must be properly completed, signed and submitted in a timely manner in accordance with the provisions of the preceding subparagraph; (ii) it must be accompanied by adequate supporting documentation for the transactions reported therein, in the form of broker confirmation slips, broker account statements, an authorized statement from the broker containing the transactional information found in a broker confirmation slip, or such other documentation as is deemed adequate by Lead Class Counsel and Lead Fund Derivative Counsel; (iii) if the person executing the Proof of Claim is acting in a representative capacity, a certification of his current authority to

act on behalf of the Class Member must be included in the Proof of Claim; and (iv) the Proof of Claim must be complete and contain no material deletions or modifications of any of the printed matter contained therein and must be signed under penalty of perjury.

(c) As part of the Proof of Claim, each Class Member shall submit to the jurisdiction of the Court with respect to the claim submitted, and shall (subject to effectuation of the Settlements) release all Released Claims as provided in the Stipulations.

40. The Settlement Administrator shall administer the process of receiving, reviewing and approving or denying Proofs of Claim and claims based on the data received from the Columbia Defendants for Class Members who invested in Columbia Mutual Funds through direct Columbia retail accounts under Lead Class Counsel's supervision and subject to the jurisdiction of the Court. The administration of the proposed Settlements and the determination of all disputed questions of law and fact with respect to the validity of any Proof of Claim or right of any person or entity to participate in the distribution of any of the Net Settlement Funds shall be under the authority of this Court.

41. For purposes of determining the extent, if any, to which a Class Member shall be entitled to be treated as an "Authorized Claimant," the following conditions shall apply:

(a) Each Class Member whose shares were NOT directly held with Columbia Mutual Funds must submit a Proof of Claim, supported by such documents as are designated therein, including proof of the transactions or balances, as the case may

be, claimed and the losses incurred thereon, or such other documents or proof as the Settlement Administrator, in its discretion, may deem acceptable;

(b) All Proofs of Claim must be submitted by the date set forth above, unless such period is extended by Order of the Court. If a Class Member fails to submit a Proof of Claim by such date, he, she or its shall be forever barred from receiving any payment from the Net Settlement Funds (unless, by Order of the Court, late-filed Proofs of Claim are accepted), but he, she or it shall in all other respects be bound by all of the terms of the Stipulations and the Settlements, including the terms of the Judgment to be entered in the Actions, and the releases provided for therein, and will be barred from bringing any action asserting any of the Released Claims against the Columbia Defendants and Defendant Bank of America and their Released Parties, the Bear Stearns Released Parties, the Security Brokerage Released Parties, and the Canary Released Parties;

(c) Each timely filed Proof of Claim shall be submitted to and reviewed by the Settlement Administrator, under the supervision of Lead Class Counsel;

(d) The Settlement Administrator shall determine in accordance with the Stipulations and the approved Plan of Allocation the extent, if any, to which each timely filed Proof of Claim shall be allowed, subject to review by the Court pursuant to subparagraph (f) below;

(e) Proofs of Claim that do not meet the submission requirements may be rejected. Prior to rejection of a timely filed Proof of Claim, the Settlement Administrator shall communicate with the claimant in writing to give the claimant the chance to remedy the curable deficiencies in such timely submitted Proof of Claim. The

Settlement Administrator shall notify, in a timely fashion and in writing, all claimants whose timely submitted Proofs of Claim they propose to reject in whole or in part, setting forth the reasons therefor, and shall indicate in such notice that the claimant whose Proof of Claim is to be rejected has the right to a review by the Court if the claimant so desires and complies with the requirements of subparagraph (f) below;

(f) If any claimant whose Proof of Claim has been rejected in whole or in part desires to contest such rejection, the claimant must, within twenty (20) days after the date of mailing of the notice required in subparagraph (e) above, serve upon the Settlement Administrator a notice and statement of reasons indicating the claimant's grounds for contesting the rejection, along with any supporting documentation, and requesting a review thereof by the Court. If a dispute concerning a Proof of Claim cannot be otherwise resolved, Lead Class Counsel shall thereafter present the request for review to the Court; and

(g) The administrative determinations of the Settlement Administrator accepting and rejecting Proofs of Claim shall be presented to the Court, on notice to Counsel for the Settling Defendants, for approval by the Court.

42. Each claimant shall be deemed to have submitted to the jurisdiction of the Court with respect to the claimant's Proof of Claim, and the Proof of Claim will be subject to investigation and discovery under the Federal Rules of Civil Procedure, provided that such investigation and discovery shall be limited to that claimant's status as a Class Member and the validity and amount of the claimant's Proof of Claim. No discovery shall be allowed on the merits of the Actions or the Settlements in connection with processing of the Proofs of Claim.

43. All persons and entities whose Proofs of Claim are not approved by the Court shall be barred from participating in distributions from the Net Settlement Funds, but otherwise shall be bound by all of the terms of this Stipulations and the Settlements to the extent applicable, including the terms of the Judgments to be entered in the Actions and the releases provided for therein, and will be barred from bringing any action asserting any of the Released Claims against the Columbia Defendants and Defendant Bank of America and their Released Parties, the Bear Stearns Released Parties, the Security Brokerage Released Parties, and the Canary Released Parties.

44. The entirety of the Net Settlement Funds shall be distributed to Authorized Claimants by the Settlement Administrator only after the Effective Date of each of the Settlements has occurred, and after: (i) all timely submitted Proofs of Claim have been processed, and all claimants whose timely submitted Proofs of Claim have been rejected or disallowed, in whole or in part, have been notified and provided the opportunity to be heard concerning such rejection or disallowance; (ii) all objections with respect to all rejected or disallowed timely submitted Proofs of Claim have been resolved by the Court, and all appeals therefrom have been resolved or the time therefor has expired; (iii) all matters with respect to attorneys' fees, costs, and disbursements have been resolved by the Court, all appeals therefrom have been resolved or the time therefor has expired; and (iv) all costs of administration have been paid.

EFFECT OF TERMINATION OF SETTLEMENT(S)

45. In the event any of the Settlements is properly terminated in accordance with the terms of the relevant Stipulation, that Stipulation, including any amendment(s) thereof, shall be null and void, of no further force or effect, and without prejudice to any

party to that Stipulation, and may not be introduced as evidence or referred to for any purpose in any actions or proceedings by any person or entity, and each party to that Stipulation shall be restored to his, her or its respective position as provided in that Stipulation and the parties to that Stipulation shall proceed as if that Stipulation had not been entered.

RETENTION OF JURISDICTION

46. The Court retains exclusive jurisdiction over the Columbia sub-track in MDL-1586 to consider all further matters arising out of or connected with the Settlements.

SO ORDERED:

Dated: Baltimore, Maryland
May 19, 2010

J. FREDERICK MOTZ
United States District Judge