

1 BERNSTEIN LITOWITZ BERGER
 & GROSSMANN LLP
 2 BLAIR A. NICHOLAS (Bar No. 178428)
 blairn@blbglaw.com
 3 BENJAMIN GALDSTON (Bar No. 211114)
 beng@blbglaw.com
 4 JON F. WORM (Bar No. 248260)
 jonw@blbglaw.com
 5 12481 High Bluff Drive, Suite 300
 San Diego, CA 92130
 6 Tel: (858) 793-0070
 Fax: (858) 793-0323

7 BERMAN DeVALERIO
 8 JOSEPH J. TABACCO, JR. (Bar No. 75484)
 jtabacco@bermandevalerio.com
 9 NICOLE LAVALLEE (Bar No. 165755)
 nlavallee@bermandevalerio.com
 10 DANIEL E. BARENBAUM (Bar No. 209261)
 dbarenbaum@bermandevalerio.com
 11 JULIE J. BAI (Bar No. 227047)
 jbai@bermandevalerio.com
 12 425 California Street, Suite 2100
 San Francisco, CA 94104-2205
 13 Tel: (415) 433-3200
 Fax: (415) 433-6382

14 *Attorneys for Co-Lead Plaintiffs*
 15 *General Retirement System of the City of Detroit*
 16 *and Massachusetts Laborers' Pension Fund*

17 UNITED STATES DISTRICT COURT

18 CENTRAL DISTRICT OF CALIFORNIA

19 IN RE INTERNATIONAL
 20 RECTIFIER CORPORATION
 21 SECURITIES LITIGATION

Case No. CV 07-02544-JFW (VBKx)

**ORDER PRELIMINARILY
 APPROVING
 SETTLEMENT AND
 PROVIDING FOR NOTICE**

Final Approval Hearing set on
February 8, 2010, at 1:30 p.m.

1 WHEREAS, Co-Lead Plaintiffs General Retirement System of the City of
2 Detroit and Massachusetts Laborers' Pension Fund ("Co-Lead Plaintiffs"), and
3 International Rectifier Corporation ("IR" or the "Company"); and Alexander
4 Lidow ("Alex Lidow"), Eric Lidow ("Eric Lidow") and Michael P. McGee
5 ("McGee") (collectively the "Individual Defendants") (collectively, with IR, the
6 "Defendants"), have applied to the Court pursuant to Rule 23(e) of the Federal
7 Rules of Civil Procedure for: (1) an order approving the settlement of the above-
8 captioned litigation (the "Consolidated Action") in accordance with the Stipulation
9 of Settlement, dated as of September 22, 2009 (the "Stipulation"), which, together
10 with the exhibits annexed thereto, sets forth the terms and conditions for a
11 proposed settlement of the Consolidated Action (the "Settlement"); (2) dismissal
12 of the Consolidated Action with prejudice as against all of the Released Parties,
13 upon the terms and conditions set forth therein; and (3) certification of the
14 Consolidated Action as a class action for settlement purposes only, with the Class
15 consisting of all persons or entities who purchased or acquired the publicly traded
16 IR Securities from July 31, 2003, through February 11, 2008, inclusive, and who
17 suffered damages as a result, excluding certain individuals and entities as set forth
18 in paragraph 3 below; and the Court having read and considered the Stipulation
19 and the exhibits annexed thereto;

20 NOW, THEREFORE, IT IS HEREBY ORDERED:

21 1. This order (the "Notice Order") hereby incorporates by reference the
22 definitions in the Stipulation, and all terms used herein shall have the same
23 meanings as set forth in the Stipulation. Any inconsistencies between the
24 Stipulation and the Notice of Pendency of Class Action and Proposed Settlement,
25 Final Approval Hearing, and Motion for Attorneys' Fees and Reimbursement of
26 Litigation Expenses ("Notice") will be controlled by the language of the
27 Stipulation.
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1 2. The Court hereby preliminarily approves the Settlement as being fair,
2 just, reasonable and adequate to the Class, pending a final hearing on the
3 Settlement.

4 3. Pending further order of the Court, all litigation activity, except that
5 contemplated herein, in the Stipulation, in the Notice of Pendency of Class Action
6 and Proposed Settlement, in the Final Judgment, and in the Notice, is hereby
7 stayed and all hearings, deadlines, and other proceedings in this action, except the
8 Final Approval Hearing, are hereby taken off calendar.

9 **CLASS CERTIFICATION**

10 4. The Court hereby certifies, for settlement purposes only, pursuant to
11 Rules 23(a) and 23(b)(3) of the Federal Rules of Civil Procedure, a Class defined
12 as follows:

13 all persons or entities who purchased or acquired the publicly traded
14 securities of International Rectifier Corporation (“IR Securities”) from
15 July 31, 2003 through February 11, 2008, inclusive, and who suffered
16 damages as a result. Excluded from the Class are: (i) the Defendants;
17 (ii) members of the immediate family of each Individual Defendant;
18 (iii) any person who was an officer or director of the Company during
19 the Class Period; (iv) any firm, trust, corporation, officer or other
20 entity in which any Defendant has a controlling interest; and (v) the
21 legal representatives, agents, affiliates, heirs, successors-in-interest or
assigns of any such excluded party. Also excluded from the Class are
any persons who exclude themselves by filing a request for exclusion
in accordance with the requirements set forth in the Notice.

22 5. The Court finds, for the purposes of the Settlement only, that the
23 prerequisites for a class action under Rules 23(a) and (b)(3) of the Federal Rules of
24 Civil Procedure have been satisfied in that: (a) the number of Class Members is so
25 numerous that joinder of all members thereof is impracticable; (b) there are
26 questions of law and fact common to the Class; (c) the claims of the Co-Lead
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1 Plaintiffs are typical of the claims of the Class they seek to represent; (d) Co-Lead
2 Plaintiffs have fairly and adequately represented the interests of the Class; (e) the
3 questions of law and fact common to the members of the Class predominate over
4 any questions affecting only individual members of the Class; and (f) a class action
5 is superior to other available methods for the fair and efficient adjudication of the
6 controversy.

7 6. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, and for
8 the purposes of the Settlement only, Co-Lead Plaintiffs are appointed as the Class
9 Representatives and Bernstein Litowitz Berger & Grossmann LLP and Berman
10 DeValerio are appointed as Co-Lead Counsel for the Class.

11 7. The Court appoints the firm of The Garden City Group, Inc. (“Claims
12 Administrator”) to supervise and administer the notice procedure as well as the
13 processing of claims as more fully set forth below:

14 a. No later than ten (10) business days after entry of this
15 Preliminary Approval Order, the Claims Administrator shall cause a copy of the
16 Notice and the Proof of Claim Form (the “Claim Form”), annexed hereto
17 respectively as Exhibits A-1 and A-2, to be mailed by first-class mail, postage
18 prepaid, to all members of the Class at the address of each such person as set forth
19 in the records of IR, or its successor(s) or its transfer agent, or who are identified
20 by further reasonable efforts (“Notice Date”);

21 b. A summary notice (“Summary Notice”), annexed hereto as
22 Exhibit A-3, shall be published once in the national edition of *The Investor’s*
23 *Business Daily* no later than ten (10) business days after the Notice Date; and

24 c. The Notice, Summary Notice and Claim Form shall also be
25 placed on the Claims Administrator’s website, on or before the Notice Date.

26 8. The Court approves the form of Notice and Summary Notice
27 (together, the “Notices”) and Claim Form, and finds that the procedures established
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1 for publication, mailing and distribution of such Notices substantially in the
2 manner and form set forth in paragraph 6 of this Order meet the requirements of
3 Rule 23 of the Federal Rules of Civil Procedure, the Private Securities Litigation
4 Reform Act of 1995 (“PSLRA”), and due process, and constitute the best notice
5 practicable under the circumstances.

6 9. If it has not already done so, within three (3) business days of entry of
7 this Order, IR shall provide the Claims Administrator with shareholder information
8 to the extent available in the records of IR or its successor(s) or transfer agent,
9 providing the identity of all record holders of IR Securities, in electronic form. To
10 the extent available in IR’s or its successor’s or transfer agent’s records, this
11 information shall contain the names and addresses of all purchasers of IR
12 Securities during the Class Period, as reflected in IR’s or its successor’s or its
13 transfer agent’s records.

14 10. No later than twenty-one (21) calendar days prior to the Final
15 Approval Hearing, Co-Lead Counsel shall cause to be filed with the Clerk of this
16 Court affidavits or declarations of the person or persons under whose general
17 direction the mailing of the Notice and the publication of the Summary Notice
18 shall have been made, showing that such mailing and publication have been made
19 in accordance with this Order.

20 11. Nominees who purchased or otherwise acquired IR Securities for
21 beneficial owners who are Class Members are directed to: (a) request within
22 fourteen (14) days of receipt of the Notice additional copies of the Notice and the
23 Claim Form from the Claims Administrator for such beneficial owners; or (b) send
24 a list of the names and addresses of such beneficial owners to the Claims
25 Administrator within fourteen (14) days after receipt of the Notice. If a nominee
26 elects to send the Notice to beneficial owners, such nominee is directed to mail the
27 Notice within fourteen (14) days of receipt of the additional copies of the Notice
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1 from the Claims Administrator, and upon such mailing, the nominee shall send a
2 statement to the Claims Administrator confirming that the mailing was made as
3 directed, and the nominee shall retain the list of names and addresses for use in
4 connection with any possible future notice to the Class. Upon full compliance with
5 this Notice Order, including the timely mailing of Notice to beneficial owners,
6 such nominees may seek reimbursement of their reasonable expenses actually
7 incurred in complying with this Notice Order by providing the Claims
8 Administrator with proper documentation supporting the expenses for which
9 reimbursement is sought and reflecting compliance with these instructions,
10 including timely mailing of the Notice, if the nominee elected or elects to do so.
11 Such properly documented expenses incurred by nominees in compliance with the
12 terms of this Notice Order shall be paid from the Settlement Fund.

13 **HEARING: RIGHT TO BE HEARD**

14 12. There shall be a hearing on **February 8, 2010, at 1:30 p.m.** (the
15 “Final Approval Hearing”) at which time the Court shall address the fairness,
16 reasonableness and adequacy of the Settlement, the fairness and reasonableness of
17 the Plan of Allocation, and Co-Lead Counsel’s application for attorneys’ fees and
18 reimbursement of Litigation Expenses. The Final Approval Hearing shall be held
19 before the Honorable John F. Walter at the United States District Court for the
20 Central District of California, 312 N. Spring Street, Courtroom 16, Los Angeles,
21 CA 90012-2095.

22 13. Papers in support of the Settlement, the Plan of Allocation, and Co-
23 Lead Counsel’s application for attorneys’ fees and reimbursement of Litigation
24 Expenses shall be filed no later than twenty-one (21) calendar days prior to the
25 Final Approval Hearing. Reply papers shall be filed no later than seven (7)
26 calendar days prior to the Final Approval Hearing.
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1 14. Any member of the Class may appear at the Final Approval Hearing
2 and show cause why the proposed Settlement embodied in the Stipulation should
3 or should not be approved as fair, reasonable and adequate, or why the Judgment
4 should or should not be entered thereon, and/or to present opposition to the Plan of
5 Allocation or to the application of Co-Lead Counsel for attorneys' fees and
6 reimbursement of Litigation Expenses. However, no Class Member or any other
7 person shall be heard or entitled to contest the approval of the terms and conditions
8 of the Settlement, or, if approved, the Judgment to be entered thereon approving
9 the same, or the terms of the Plan of Allocation or the application by Co-Lead
10 Counsel for an award of attorneys' fees and reimbursement of Litigation Expenses
11 unless that Class Member or person (i) has served written objections, by hand or
12 first-class mail including the basis therefor, as well as copies of any papers and/or
13 briefs in support of his, her or its position upon the following counsel for receipt no
14 later than fourteen (14) calendar days prior to the Final Approval Hearing:

15 **Co-Lead Counsel for the Class**

16 BERNSTEIN LITOWITZ BERGER
17 & GROSSMANN LLP
18 Blair A. Nicholas
19 Niki L. Mendoza
20 Benjamin Galdston
21 Jon F. Worm
22 12481 High Bluff Drive, Suite 300
23 San Diego, California 92130-3582

BERMAN DeVALERIO
Nicole Lavallee
Daniel Barenbaum
425 California Street, Suite 2100
San Francisco, CA 94104

24 **Counsel for Defendants**

25 SHEPPARD, MULLIN, RICHTER
26 & HAMPTON LLP
27 John P. Stigi III
28 333 South Hope Street, 48th Floor
Los Angeles, CA 90071

SULLIVAN & CROMWELL LLP
Robert A. Sacks
1888 Century Park East
Los Angeles, CA 90067

1 LATHAM & WATKINS
2 Pamela S. Palmer
3 650 Town Center Drive, 20th Floor
4 Costa Mesa, CA 92626

GIBSON DUNN & CRUTCHER LLP
Joel A. Feuer
2029 Century Park East
Los Angeles, CA 90067

4 and (ii) filed said objections, papers and briefs with the Clerk of the United States
5 District Court for the Central District of California. Any objection must include:
6 (a) the full name, address, and phone number of the objecting Class Member; (b) a
7 list of all of the Class Member's Class Period transactions in IR Securities,
8 including brokerage confirmation receipts or other competent documentary
9 evidence of such transactions; (c) a written statement of all grounds for the
10 objection accompanied by any legal support for the objection; (d) copies of any
11 papers, briefs, or other documents upon which the objection is based; (e) a list of
12 all persons who will be called to testify in support of the objection; (f) a statement
13 of whether the objector intends to appear at the Final Approval Hearing; (g) a list
14 of other cases in which the objector or the objector's counsel have appeared either
15 as settlement objectors or as counsel for objectors in the preceding five years; and
16 (h) the objector's signature, even if represented by counsel. If the objector intends
17 to appear at the Final Approval Hearing through counsel, the objection must also
18 state the identity of all attorneys who will appear on his, her or its behalf at the
19 Final Approval Hearing. Any Class Member who does not make his, her or its
20 objection in the manner provided for herein shall be deemed to have waived such
21 objection and shall forever be foreclosed from making any objection to the fairness
22 or adequacy of the Settlement as incorporated in the Stipulation, to the Plan of
23 Allocation or to the application by Co-Lead Counsel for an award of attorneys'
24 fees and reimbursement of Litigation Expenses. The manner in which a notice of
25 objection should be prepared, filed and delivered shall be stated in the Notice.
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1 15. If approved, all Class Members will be bound by the proposed
2 Settlement provided for in the Stipulation, and by any judgment or determination
3 of the Court affecting Class Members, regardless of whether or not a Class
4 Member submits a Claim Form.

5 16. Any member of the Class may enter an appearance in the
6 Consolidated Action, at his, her or its own expense, individually or through
7 counsel of his, her or its own choice. If they do not enter an appearance, they will
8 be represented by Co-Lead Counsel.

9 17. The Court reserves the right to adjourn or continue the Final Approval
10 Hearing, or any adjournment or continuance thereof, without any further notice to
11 Class Members and to approve the Stipulation with modification and without
12 further notice to Class Members. The Court retains jurisdiction of this
13 Consolidated Action to consider all further applications arising out of or connected
14 with the proposed Settlement, and as otherwise warranted.

15 18. All Class Members shall be bound by all determinations and
16 judgments in the Consolidated Action concerning the Settlement, whether
17 favorable or unfavorable to the Class.

18 **CLAIMS PROCESS**

19 19. In order to be entitled to participate in the Settlement, a Class Member
20 must complete and submit a Claim Form in accordance with the instructions
21 contained therein. To be valid and accepted, Claim Forms submitted in connection
22 with this Settlement must be postmarked no later than one-hundred and twenty
23 (120) days after the Notice Date.

24 20. Any Class Member who does not timely submit a valid Claim Form
25 shall not be eligible to share in the Settlement Fund, unless otherwise ordered by
26 the Court, but nonetheless shall be barred and enjoined from asserting any of the
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1 Settled Claims and shall be bound by any judgment or determination of the Court
2 affecting the Class Members.

3 **REQUEST FOR EXCLUSION FROM THE CLASS**

4 21. Any requests for exclusion must be submitted for receipt no later than
5 fourteen (14) calendar days prior to the Final Approval Hearing. Any person who
6 wishes to be excluded from the Class must provide (a) the name, address and
7 telephone number of the person requesting exclusion; (b) the person's transactions
8 in IR Securities during the Class Period, including the dates, the number of IR
9 Securities purchased or acquired, the date of each purchase, acquisition or sale and
10 the price paid and/or received; and (c) a statement that the person wishes to be
11 excluded from the Class. The Claims Administrator (or other person designated to
12 receive exclusion requests) shall provide to Co-Lead Counsel and Defendants'
13 counsel copies of all requests for exclusion from the Class no later than eight (8)
14 business days prior to the Final Approval Hearing. All persons who submit valid
15 and timely requests for exclusion in the manner set forth in this paragraph shall
16 have no rights under the Stipulation, shall not share in the distribution of the Net
17 Settlement Fund, and shall not be bound by the Stipulation or any final judgment.

18 22. Released Parties shall have no responsibility or liability whatsoever
19 with respect to the Plan of Allocation or Co-Lead Counsel's application for an
20 award of attorneys' fees and reimbursement of Litigation Expenses. The Plan of
21 Allocation and Co-Lead Counsel's application for an award of attorneys' fees and
22 reimbursement of Litigation Expenses will be considered separately from the
23 fairness, reasonableness and adequacy of the Settlement. At or after the Final
24 Approval Hearing, the Court will determine whether Co-Lead Counsel's proposed
25 Plan of Allocation should be approved, and the amount of attorneys' fees and
26 Litigation Expenses to be awarded to Co-Lead Counsel. Any appeal from any
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1 orders relating to the Plan of Allocation or Co-Lead Counsel's application for an
2 award of attorneys' fees and Litigation Expenses, or reversal or modification
3 thereof, shall not operate to terminate or cancel the Settlement, or affect or delay
4 the finality of the Judgment approving the Settlement and the settlement of the
5 Consolidated Action set forth therein.

6 23. Only Class Members and Co-Lead Counsel shall have any right to any
7 portion of, or any rights in the distribution of, the Settlement Fund unless otherwise
8 ordered by the Court or otherwise provided in the Stipulation.

9 24. All funds held by the Escrow Agent shall be deemed and considered
10 to be *in custodia legis* and shall remain subject to the jurisdiction of the Court until
11 such time as such funds shall be distributed pursuant to the Stipulation and/or
12 further order of the Court.

13 25. As set forth in the Stipulation, immediately after payment of the
14 Settlement Fund to the Escrow Agent, and without further order of the Court, Lead
15 Counsel may direct payment from the Escrow Account for the actual costs incurred
16 in connection with providing notice to the Class, locating Class Members,
17 soliciting claims, assisting with the filing of claims, administering and distributing
18 the Settlement Fund to Authorized Claimants, processing Proof of Claim Forms,
19 and paying taxes, escrow fees and costs, if any. In the event the Court does not
20 approve the Settlement, or it otherwise fails to become effective, neither Co-Lead
21 Plaintiffs nor Co-Lead Counsel shall have any obligation to repay any amounts
22 actually and properly incurred or disbursed for such purposes.

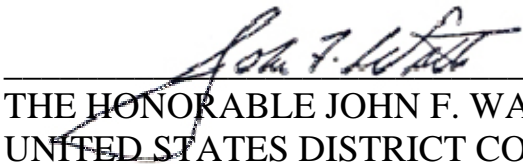
23 26. Neither the Stipulation, nor any of its terms or provisions, nor any of
24 the negotiations or proceedings connected with it, nor any act performed nor
25 document executed pursuant to or in furtherance of it (a) is or may be deemed to be
26 or may be used as an admission of, or evidence of, the validity of any Settled
27 Claim, or of any wrongdoing, fault, or liability of the Settling Parties or the
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1 Released Parties; or (b) is or may be deemed to be or may be used as an admission
2 of, or evidence of, any wrongdoing, fault, or liability of any of the Settling Parties
3 or the Released Parties in any civil, criminal or administrative proceeding in any
4 court, administrative agency or other tribunal.

5 27. Unless otherwise provided in the Stipulation, there shall be no
6 distribution of any of the Net Settlement Fund to any Class Member until a plan of
7 allocation is finally approved and is affirmed on appeal or *certiorari* or is no longer
8 subject to review by appeal or *certiorari* and the time for any petition for
9 rehearing, appeal, or review, whether by *certiorari* or otherwise, has expired.

10 IT IS SO ORDERED.

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12 DATED: September 25, 2009

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15 THE HONORABLE JOHN F. WALTER
16 UNITED STATES DISTRICT COURT JUDGE
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