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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

In re BRIDGEPOINT EDUCATION,
INC. SECURITIES LITIGATION

Case No.: 12cv01737 JM(JLB)

This Document Relates To:
ALL ACTIONS.

CLASS ACTION
ORDER PRELIMINARILY
APPROVING SETTLEMENT AND
PROVIDING FOR NOTICE

1 WHEREAS, an action is pending before this Court entitled *In re Bridgepoint*
2 *Education, Inc. Securities Litigation*, No. 3:12-cv-01737-JM-JLB (the “Action”);

3 WHEREAS, the parties having made application, pursuant to Federal Rule of Civil
4 Procedure 23(e), for an order preliminarily approving the Settlement of this Action, in
5 accordance with a Stipulation and Agreement of Settlement dated October 30, 2015 (the
6 “Stipulation”), which, together with the Exhibits annexed thereto, sets forth the terms and
7 conditions for a proposed Settlement of the Action and for dismissal of the Action with
8 prejudice upon the terms and conditions set forth therein; and the Court having read and
9 considered the Stipulation and the Exhibits annexed thereto; and

10 WHEREAS, unless otherwise defined, all terms used herein have the same meanings
11 as set forth in the Stipulation.

12 NOW, THEREFORE, IT IS HEREBY ORDERED:

13 1. The Court has reviewed the Stipulation and does hereby preliminarily approve
14 the Settlement set forth therein, subject to further consideration at the Settlement Hearing
15 described below.

16 2. A hearing (the “Settlement Hearing”) shall be held before this Court on
17 **April 25, 2016, at 10:00 a.m.** [a date that is at least 100 calendar days from the date of this
18 Order], at the United States District Court for the Southern District of California, 221 West
19 Broadway, Courtroom 5D, San Diego, California 92101, to determine whether the
20 proposed Settlement of the Action on the terms and conditions provided for in the
21 Stipulation is fair, reasonable, and adequate to the Class and should be approved by the
22 Court; whether a Judgment as provided in ¶1.14 of the Stipulation should be entered;
23 whether the proposed Plan of Allocation is fair, reasonable, and adequate and should be
24 approved; to determine the amount of fees and expenses that should be awarded to Lead
25 Counsel; and to determine the amount of expenses to be awarded to Lead Plaintiffs. The
26 Court may adjourn the Settlement Hearing without further notice to the Class Members.

27 3. The Court approves, as to form and content, the Notice of Pendency and
28 Proposed Settlement of Class Action (the “Notice”), the Proof of Claim and Release form

1 (the “Proof of Claim”), and Summary Notice annexed hereto as Exhibits A-1, A-2, and A-
2 3, respectively, and finds that the mailing and distribution of the Notice and publishing of
3 the Summary Notice substantially in the manner and form set forth in ¶¶4-6 of this Order
4 meet the requirements of Federal Rule of Civil Procedure 23, the Private Securities
5 Litigation Reform Act of 1995 and due process, and is the best notice practicable under the
6 circumstances and shall constitute due and sufficient notice to all Persons entitled thereto.

7 4. The firm of Gilardi & Co. LLC (“Claims Administrator”) is hereby appointed
8 to supervise and administer the notice procedure as well as the processing of claims as
9 more fully set forth below.

10 5. Not later than **December 29, 2015** (the “Notice Date”) [ten (10) business days
11 after the date of this order], the Claims Administrator shall commence mailing the Notice and
12 Proof of Claim, substantially in the forms annexed hereto, by First-Class Mail to all Class
13 Members who can be identified with reasonable effort, and to be posted on its website at
14 www.bridgpointsecuritieslitigation.com.

15 6. Not later than fourteen (14) calendar days after the Notice Date, the Claims
16 Administrator shall cause the Summary Notice to be published once in the national edition
17 of *Investor’s Business Daily* and once over a national newswire service.

18 7. At least seven (7) calendar days prior to the Settlement Hearing, Lead Counsel
19 shall serve on Defendants’ counsel and file with the Court proof, by affidavit or declaration,
20 of such mailing and publishing.

21 8. Nominees who purchased Bridgepoint common stock for the beneficial
22 ownership of Class Members during the Class Period shall send the Notice and the Proof
23 of Claim to all such beneficial owners of Bridgepoint common stock within ten (10) days
24 after receipt thereof, or send a list of the names and addresses of such beneficial owners to
25 the Claims Administrator within ten (10) days of receipt thereof, in which event the Claims
26 Administrator shall promptly mail the Notice and Proof of Claim to such beneficial owners.
27 Lead Counsel shall, if requested, reimburse banks, brokerage houses or other nominees
28 solely for their reasonable out-of-pocket expenses incurred in providing notice to beneficial

1 owners who are Class Members out of the Settlement Fund, which expenses would not
2 have been incurred except for the sending of such notice, subject to further order of this
3 Court with respect to any dispute concerning such compensation.

4 9. All Class Members shall be bound by all determinations and judgments in the
5 Action concerning the Settlement, whether favorable or unfavorable to the Class.

6 10. Class Members who wish to participate in the Settlement shall complete and
7 submit Proofs of Claim in accordance with the instructions contained therein. Unless the
8 Court orders otherwise, all Proofs of Claim must be postmarked or submitted electronically
9 no later than one hundred-twenty (120) days from the Notice Date. Any Class Member
10 who does not timely submit a Proof of Claim within the time provided for, shall be barred
11 from sharing in the distribution of the proceeds of the Settlement Fund, unless otherwise
12 ordered by the Court. Notwithstanding the foregoing, Lead Counsel may, in their
13 discretion, accept late-submitted claims for processing by the Claims Administrator so long
14 as distribution of the Net Settlement Fund to Authorized Claimants is not materially
15 delayed thereby.

16 11. Any Class Member may enter an appearance in the Action, at their own
17 expense, individually or through counsel of their own choice. If they do not enter an
18 appearance, they will be represented by Lead Counsel.

19 12. Any Person falling within the definition of the Class may, upon request, be
20 excluded or “opt out” from the Class. Any such Person must submit to the Claims
21 Administrator a request for exclusion (“Request for Exclusion”), postmarked no later than
22 _____, 2016 [fifty (50) calendar days after the Notice Date]. A Request for
23 Exclusion must be signed and state: (a) the name, address, and telephone number of the
24 Person requesting exclusion; (b) the Person’s purchases and sales of Bridgepoint common
25 stock from May 3, 2011 through and including July 13, 2012, including the dates, the
26 number of shares of Bridgepoint common stock purchased or sold, and price paid or
27 received for each such purchase or sale; and (c) that the Person wishes to be excluded from
28 the Class. All Persons who submit valid and timely Requests for Exclusion in the manner

1 set forth in this paragraph shall have no rights under the Stipulation, shall not share in the
2 distribution of the Net Settlement Fund, and shall not be bound by the Stipulation or any
3 final judgment.

4 13. Lead Counsel shall cause to be provided to Defendants' counsel copies of all
5 Requests for Exclusion, and any written revocation of Requests for Exclusion, as
6 expeditiously as possible and in any event not less than fourteen (14) days prior to the
7 Settlement Hearing.

8 14. Any Class Member may appear and show cause why the proposed Settlement
9 of the Action should or should not be approved as fair, reasonable, and adequate, why a
10 judgment should or should not be entered thereon, why the Plan of Allocation should or
11 should not be approved, why attorneys' fees and expenses should or should not be awarded
12 to Plaintiffs' Counsel, or why the expenses of Lead Plaintiffs should or should not be
13 awarded; provided, however, that no Class Member or any other Person shall be heard or
14 entitled to contest such matters, unless that Person has delivered by hand or sent by First-
15 Class Mail written objections and copies of any papers and briefs such that they are
16 received, not simply postmarked, on or before _____, 2016 [fifty (50) calendar days
17 after the Notice Date], by Robbins Geller Rudman & Dowd LLP, Jonah H. Goldstein, 655
18 West Broadway, Suite 1900, San Diego, California 92101; and Wilson Sonsini Goodrich
19 & Rosati, Professional Corporation, Nina F. Locker, 650 Page Mill Road, Palo Alto,
20 California 94304, and filed said objections, papers, and briefs with the Clerk of the United
21 States District Court for the Southern District of California, 333 West Broadway, Suite
22 420, San Diego, California 92101, on or before _____, 2016 [fifty (50) calendar days
23 after the Notice Date]. Any Class Member who does not make his, her or its objection in
24 the manner provided shall be deemed to have waived such objection and shall forever be
25 foreclosed from making any objection to the fairness or adequacy of the proposed
26 Settlement as set forth in the Stipulation, to the Plan of Allocation, or to the award of
27 attorneys' fees and expenses to Plaintiffs' Counsel or expenses of Lead Plaintiffs, unless
28 otherwise ordered by the Court.

1 15. All funds held by the Escrow Agent shall be deemed and considered to be in
2 *custodia legis* of the Court, and shall remain subject to the jurisdiction of the Court, until
3 such time as such funds shall be distributed pursuant to the Stipulation and/or further
4 order(s) of the Court.

5 16. All opening briefs and supporting documents in support of the Settlement, the
6 Plan of Allocation, and any application by Plaintiffs' Counsel for attorneys' fees and
7 expenses or by Lead Plaintiffs for their expenses shall be filed and served by _____,
8 2016 [thirty-five (35) calendar days after the Notice Date]. Replies to any objections shall
9 be filed and served by _____, 2016 [sixty-five (65) calendar days after the Notice Date].

10 17. Neither the Released Persons nor Defendants' insurers shall have any
11 responsibility for the Plan of Allocation or any application for attorneys' fees or expenses
12 submitted by Plaintiffs' Counsel or Lead Plaintiffs, and such matters will be considered
13 separately from the fairness, reasonableness, and adequacy of the Settlement.

14 18. At or after the Settlement Hearing, the Court shall determine whether the Plan
15 of Allocation proposed by Lead Counsel, and any application for attorneys' fees or
16 payment of expenses shall be approved.

17 19. All reasonable expenses incurred in identifying and notifying Class Members,
18 as well as administering the Settlement Fund, shall be paid as set forth in the Stipulation.
19 In the event the Settlement is not approved by the Court, or otherwise fails to become
20 effective, neither Lead Plaintiffs nor Plaintiffs' Counsel shall have any obligation to repay
21 any amounts incurred and properly disbursed pursuant to ¶¶3.8 or 3.9 of the Stipulation.

22 20. Neither the Stipulation, nor any of its terms or provisions, nor any of the
23 negotiations or proceedings connected with it, shall be construed as an admission or
24 concession by the Defendants of the truth of any of the allegations in the Action, or of any
25 liability, fault, or wrongdoing of any kind, nor construed as, or deemed to be evidence of,
26 or an admission or concession that Lead Plaintiffs or any Class Members have suffered any
27 damages, harm, or loss.


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1 21. The Court reserves the right to adjourn the date of the Settlement Hearing
2 without further notice to the Class Members, and retains jurisdiction to consider all further
3 applications arising out of or connected with the proposed Settlement. The Court may
4 approve the Settlement, with such modifications as may be agreed to by the Settling Parties,
5 if appropriate, without further notice to the Class.

6 22. If the Stipulation and the Settlement set forth therein is not approved or
7 consummated or the Effective Date as provided in the Stipulation fails to occur for any
8 reason whatsoever, then this Order shall be rendered null and void to the extent provided
9 by and in accordance with the Stipulation, and in such event, all orders entered and releases
10 delivered in connection herewith shall be null and void to the extent provided by and in
11 accordance with the Stipulation and all proceedings had in connection therewith shall be
12 without prejudice to the rights of the Settling Parties *status quo ante*.

13 23. Pending final determination of whether the proposed Settlement should be
14 approved, neither the Lead Plaintiffs nor any Class Member, directly or indirectly,
15 representatively, or in any other capacity, shall commence or prosecute against any of the
16 Defendants, any action or proceeding in any court or tribunal asserting any of the Released
17 Claims.

18 IT IS SO ORDERED.
19 DATED: December 14, 2015



JEFFREY T. MILLER
United States District Judge