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UNITED STATES DISTRICT COURT
DISTRICT OF ARIZONA

In re APOLLO GROUP, INC.
SECURITIES LITIGATION

) Lead Case No. CV 04-2147-PHX-JAT
)
) CLASS ACTION

This Document relates to:

ALL ACTIONS.

)
) **PRELIMINARY APPROVAL AND**
) **SCHEDULING ORDER IN**
) **CONNECTION WITH APPROVAL**
) **OF STIPULATION AND**
) **AGREEMENT RE FINAL**
) **APPROVAL ORDER AND**
) **JUDGMENT**

1 **WHEREAS**, on November 21, 2011, the parties to the above-entitled action (the
2 “Action”) entered into a Stipulation and Agreement re Final Approval Order And
3 Judgment (the “Stipulation”), which is subject to review under Rule 23 of the Federal
4 Rules of Civil Procedure and which, together with the exhibits thereto, sets forth the
5 proposed terms and conditions for the payment, on an aggregate dollar amount basis, of
6 the \$5.55 per share, plus interest, determined in the verdict entered on January 16, 2008
7 in the Action, and the ultimate processing of claims and distribution of proceeds to
8 authorized class member claimants, without further or prolonged litigation of and in
9 final resolution of all remaining or additional issues of contention; and

10 **WHEREAS**, Lead Plaintiff, The Policemen’s Annuity and Benefit Fund of
11 Chicago has moved, pursuant to Rule 23(e) of the Federal Rules of Civil Procedure, for
12 an Order preliminarily approving the Stipulation in accordance with its terms and
13 providing for notice to the Class; and

14 **WHEREAS**, the Court having read and considered the Stipulation and the
15 accompanying documents; and the parties to the Stipulation having consented to the
16 entry of this Order, and finding that substantial and sufficient grounds exist for entering
17 this Order;

18 **NOW, THEREFORE, IT IS HEREBY ORDERED** granting the motion (Doc.
19 729) as follows:

20 1. The Court, for purposes of this Order, adopts all defined terms set forth in
21 the Stipulation and any accompanying documents.

22 2. The Court does hereby preliminarily approve the Stipulation attached
23 hereto as Exhibit A, per the terms and conditions set forth therein, subject to further
24 consideration at the Final Approval Hearing described below.

25 3. A hearing (the “Final Approval Hearing”) pursuant to Rule 23(e) of the
26 Federal Rules of Civil Procedure is hereby scheduled to be held before the Court on
27 April 16, 2012, 10:00 a.m. to determine:

1 (a) whether the Stipulation is fair, reasonable, and adequate, and should be
2 approved by the Court;

3 (b) whether the Final Approval Order And Judgment as provided under the
4 Stipulation should be entered, satisfying the Judgment entered on April 6, 2011 herein,
5 with prejudice;

6 (c) whether the Releases enjoining or barring any action against the
7 Released Parties, Lead Plaintiff or Lead Counsel, as set forth in the Stipulation, should
8 be approved;

9 (d) whether the procedures set forth for calculation and distribution of the
10 proceeds obtained from the Defendants in establishing a common fund in the amount of
11 One-Hundred Forty-Five Million dollars (\$145,000,000.00) per the Stipulation are fair
12 and reasonable, and should be approved by the Court;

13 (e) whether Class Counsel's application for an award of attorneys' fees and
14 reimbursement of expenses should be approved; and

15 (f) any other matters as the Court may deem appropriate.

16 4. The Court reserves the right to adjourn the Final Approval Hearing, or any
17 rescheduling of, without any further notice to Class Members other than an
18 announcement at the Final Approval Hearing, and reserves the right to approve the
19 Stipulation with or without modification, and with or without further notice. The Court
20 further reserves the right to enter its Final Approval Order approving the Stipulation
21 regardless of whether it has approved the award of attorneys' fees and expenses.

22 5. Lead Counsel has the authority to enter into the Stipulation on behalf of
23 the Class and is authorized to act on behalf of the Members of the Class with respect to
24 all acts or consents required by or that may be given pursuant to the Stipulation, or such
25 other acts that are reasonably necessary to consummate the Stipulation.

26 6. The Court approves the form, substance and requirements of the Notice of
27 Judgment in Favor of the Class (the "Notice"), the Summary Notice, the Stipulation and

1 the Proof of Claim form, annexed hereto as Exhibits C, B, A, and D respectively. The
2 form and content of the Notice, and the method set forth hereinafter of notifying the
3 Class of the Stipulation and its terms and conditions, meet the requirements of Rule 23
4 of the Federal Rules of Civil Procedure, Section 21D(a)(7) of the Securities Exchange
5 Act of 1934, 15 U.S.C. § 78u-4(a)(7) as amended by the Private Securities Litigation
6 Reform Act of 1995, and due process, constitute the best notice practicable under the
7 circumstances, and shall constitute due and sufficient notice to all persons and entities
8 entitled thereto.

9 7. The Court reconfirms and approves the continued appointment of Heffler,
10 Radetich & Saitta, L.L.P. as the Claims Administrator. The Claims Administrator shall
11 cause the Notice and the Proof of Claim, substantially in the forms annexed hereto as
12 Exhibits C and D, to be mailed, by first class mail, postage prepaid, within twenty (20)
13 days of entry of this order (“Mail Date”), to all Class Members who can be identified
14 with reasonable effort, including all persons who were previously mailed the Notice of
15 Pendency of Class Action approved as of September 14, 2007, other than those persons
16 who previously requested exclusion from the Class. The Claims Administrator shall use
17 reasonable efforts to give notice to Authorized Claimants of the Class, such as brokerage
18 firms and other persons or entities who purchased Apollo securities during the Class
19 Period as record owners but not as beneficial owners. Nominee purchasers are directed,
20 within twenty (20) days of receipt of the Notice, (a) to provide the Claims Administrator
21 with lists of the names and addresses of the beneficial owners, if they have not already
22 done so pursuant to the September 14, 2007 Notice of Pendency of Class Action and the
23 Claims Administrator is ordered to send the Notice and Proof of Claim promptly to such
24 identified beneficial owners; or (b) to request additional copies of the Notice and Proof
25 of Claim from the Claims Administrator and within twenty (20) days of receipt of the
26 copies of the Notices and Proof of Claim forms from the Claims Administrator to mail
27 the Notice and Proof of Claim to the beneficial owners. Nominee purchasers who elect

1 to send the Notice and Proof of Claim to their beneficial owners shall send a statement to
2 the Claims Administrator confirming that the mailing was made as directed. Nominee
3 purchasers who previously provided the Claims Administrator with lists of the names
4 and addresses of the beneficial owners do not need to provide that information again.
5 Additional copies of the Notice shall be made available to any record holder requesting
6 such for the purpose of distribution to beneficial owners, and such record holders shall
7 be reimbursed from the Common Fund, upon receipt by the Claims Administrator of
8 proper documentation, for the reasonable expense of sending the Notices and Proofs of
9 Claim to beneficial owners. Lead Counsel shall, at or before the Final Approval
10 Hearing, file with the Court proof of mailing of the Notice and Proof of Claim. Lead
11 Counsel may pay from the Common Fund, prior to Final Approval, and without further
12 approval from Defendants or further order of the Court, all reasonable Notice and
13 Administration Costs actually incurred up to \$200,000.00. Such costs and expenses
14 shall include, without limitation, the actual costs of publication, printing and mailing the
15 Notice, reimbursements to nominee owners for forwarding the Notice to their beneficial
16 owners, the administrative expenses incurred and fees charged by the Claims
17 Administrator in connection with providing Notice and processing the submitted claims,
18 and the fees, if any, of the Escrow Agent.

19 8. The Court directs that Lead Counsel shall cause the Summary Notice,
20 attached hereto as Exhibit B, to be published in the *Investor's Business Daily* within ten
21 (10) days of the Mail Date. Lead Counsel shall, at or before the Final Approval Hearing,
22 file with the Court proof of publication of the Summary Notice.

23 9. In order to be entitled to participate in a distribution from the Net Common
24 Fund, in the event the Stipulation is approved and effected in accordance with its terms
25 and conditions set forth therein, each Class Member that held shares through September
26 21, 2004 that were purchased during the Class Period, from February 27, 2004 through
27

1 September 14, 2004, shall take the following actions and be subject to the following
2 conditions:

3 (a) A properly executed Proof of Claim must be submitted to the Claims
4 Administrator, at the Post Office Box indicated in the Notice, postmarked not later than
5 May 2, 2012. Such deadline may be further extended by Court Order. Each Proof of
6 Claim shall be deemed to have been submitted when postmarked (if properly addressed
7 and mailed by first class mail, postage prepaid) provided such Proof of Claim is actually
8 received prior to the motion for an order of the Court approving distribution of the Net
9 Common Fund. Any Proof of Claim submitted in any other manner shall be deemed to
10 have been submitted when it was actually received at the address designated in the
11 Notice.

12 (b) The Proof of Claim submitted by each Class Member must satisfy the
13 following conditions: (i) it must be properly completed, signed and submitted in a
14 timely manner in accordance with the provisions of the preceding subparagraph; (ii) it
15 must be accompanied by adequate supporting documentation as are specified in the
16 Proof of Claim and Release and as are reasonably available to the Authorized Claimant
17 for the transactions reported therein, in the form of broker confirmation slips, broker
18 account statements, an authorized statement from the broker containing the transactional
19 information found in a broker confirmation slip, or such other documentation as is
20 deemed adequate by Lead Counsel; (iii) if the person executing the Proof of Claim is
21 acting in a representative capacity, a certification of his current authority to act on behalf
22 of the Class Member must be included in the Proof of Claim; and (iv) the Proof of Claim
23 must be complete and contain no material deletions or modifications of any of the
24 printed matter contained therein and must be signed under penalty of perjury.

25 (c) As part of the Proof of Claim, each Class Member shall submit to the
26 jurisdiction of the Court with respect to the claim submitted, and shall (subject to
27

1 effectuation of the Stipulation) release all Released Claims as provided in the
2 Stipulation.

3 10. Class Members shall be bound by all determinations and judgments in this
4 Action, whether favorable or unfavorable, unless such person previously and timely
5 requested exclusion from the Class. The persons and entities who previously and timely
6 requested exclusion from the Class are not entitled to submit any Proof of Claim forms
7 and shall not be entitled to receive any payment out of the Net Common Fund as
8 described in the Stipulation and in the Notice.

9 11. Lead Counsel or their agents are authorized and directed to prepare any tax
10 returns required to be filed for the Common Fund Account and to cause any taxes due
11 and owing to be paid from the Common Fund Account without further Order of the
12 Court.

13 12. Lead Counsel shall submit their papers in support of Final Approval and in
14 support of any application for attorneys' fees and reimbursement of expenses by no later
15 than February 2, 2012, and reply papers, if any, to any objections shall be submitted by
16 March 19, 2012.

17 13. The Court will consider comments and/or objections to the Stipulation and
18 Agreement, or the award of attorneys' fees and reimbursement of expenses, only if such
19 comments or objections and any supporting papers are filed in writing with the Clerk of
20 the Court, United States District Court for the District of Arizona, 401 W. Washington
21 Street, SPC 51, Phoenix, AZ, 85003-2154, and copies of all such papers are served, on
22 or before February 23, 2012, upon each of the following: Stephen R. Basser, Barrack,
23 Rodos & Bacine, Suite 900, 600 West Broadway, San Diego, CA 92101 on behalf of the
24 Lead Plaintiff and the Class; and Daniel Tyukody, Goodwin Proctor LLP, 601 S.
25 Figueroa Street, Suite 4100, Los Angeles CA 90017 on behalf of the Defendants.
26 Attendance at the hearing is not necessary; however, persons wishing to be heard orally
27 in opposition to the approval of the Stipulation, and/or the request for attorneys' fees and

1 reimbursement of costs are required to indicate in their written objection their intention
2 to appear at the hearing. Persons who intend to object to the Stipulation, and/or Lead
3 Counsel's application for an award of attorneys' fees and expenses and desire to present
4 evidence at the Final Approval Hearing must include in their written objections the
5 identity of any witnesses they may call to testify and exhibits they intend to introduce
6 into evidence at the hearing. Class Members do not need to appear at the hearing or take
7 any other action to indicate their approval.

8 14. Any Class Member who does not timely object to the Stipulation and/or
9 Lead Counsel's application for an award of attorneys' fees and reimbursement of
10 expenses in the manner prescribed in the Notice shall be deemed to have waived such
11 objection and shall forever be foreclosed from making any objection to the fairness,
12 adequacy or reasonableness of the Stipulation or the application by Lead Counsel for an
13 award of attorneys' fees and reimbursement of expenses. All such Class Members shall
14 also be barred and enjoined from bringing or instituting, directly or indirectly, any claim,
15 suit or cause of action of any kind whatsoever against Lead Plaintiff or Lead Counsel, or
16 their officers, directors, agents, experts, consultants, partners or employees, concerning
17 or in connection with the Stipulation, or its fairness, adequacy or reasonableness.

18 15. Wells Fargo Bank is approved as Escrow Agent to hold the Common Fund
19 in accordance with the terms and obligations of the Stipulation. No person that is not a
20 Class Member or Lead Counsel shall have any right to any portion of, or any rights in
21 the distribution of, the Net Common Fund unless otherwise ordered by the Court or
22 otherwise provided in the Stipulation.

23 16. All funds held in the Common Fund Account shall be deemed and
24 considered to be *in custodia legis* and shall remain subject to the jurisdiction of the
25 Court until such time as such funds shall be distributed pursuant to the Stipulation and/or
26 further Order of the Court.
27

1 17. Pending final determination of whether the Stipulation should be
2 approved, the Lead Plaintiff and all other Class Members, and anyone who acts or
3 purports to act on their behalf, shall not institute, commence or prosecute any action
4 which asserts Released Claims against any Released Party or against Lead Plaintiff or
5 any counsel acting on behalf of the Class in this litigation.

6 18. As provided in the Stipulation, Lead Counsel may pay the Claims
7 Administrator the reasonable fees and costs associated with giving notice to the Class
8 and the review of claims upon and administration of the Common Fund without further
9 order of the Court.

10 19. If: (a) the Stipulation is terminated pursuant to § 6 of the Stipulation; the
11 Stipulation and this Preliminary Order shall be null and void, of no further force or
12 effect, and without prejudice to any party, and may not be introduced as evidence or
13 referred to in any actions or proceedings by any person or entity, and each party shall be
14 restored to his, her or its respective position as it existed immediately before execution
15 of the Stipulation, including all monies paid into the Common Fund by Defendants being
16 returned to Defendants, except for the payment out of the Common Fund of notice and
17 settlement administration expenses actually incurred and properly due and owing in
18 connection with the Stipulation.

19 20. The Court retains exclusive jurisdiction over the Action to consider
20 all further matters arising out of or connected with the Stipulation, including but not
21 limited to the administration of the Common Fund and the determination of all disputed
22 questions of law and fact with respect to the validity of any claim or right of any person
23 to participate in the distribution from the Common Fund.

24 Dated this 28th day of November, 2011.

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James A. Teilborg
United States District Judge

EXHIBIT A

1 BARRACK, RODOS & BACINE
LEONARD BARRACK
2 JEFFREY A. BARRACK
3 3300 Two Commerce Square
2001 Market Street
4 Philadelphia, PA 19103
Telephone: (215) 963-0600
5

6 BARRACK, RODOS & BACINE
STEPHEN R. BASSER
7 SAMUEL M. WARD
8 600 West Broadway, Suite 900
San Diego, CA 92101
9 Telephone: (619) 230-0800

10 Lead Counsel for the Class and Counsel for Lead Plaintiff, the Policemen's
11 Annuity and Benefit Fund of Chicago and the Class

12
13 UNITED STATES DISTRICT COURT
14 DISTRICT OF ARIZONA

15 In re APOLLO GROUP, INC.
SECURITIES LITIGATION

) Lead Case No. CV 04-2147-PHX-JAT

) CLASS ACTION

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18 _____
This Document relates to:

) STIPULATION AND AGREEMENT
) RE: FINAL APPROVAL ORDER AND
) JUDGMENT

19 ALL ACTIONS.
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PREAMBLE

Subject to the approval of the Court, this Stipulation and Agreement re: Final Approval Order and Judgment (“Stipulation” or “Agreement”) is entered into by and among the following litigants (“Parties”): (i) Lead Plaintiff, The Policemen’s Annuity and Benefit Fund of Chicago, on behalf of itself and the Class (as hereinafter defined), by and through duly authorized Class Counsel of record and (ii) Apollo Group, Inc. (“Apollo” or the “Company”), Todd S. Nelson (“Nelson”) and Kenda B. Gonzales (“Gonzales”), (collectively “Defendants”), by and through their duly authorized counsel of record.

The Stipulation is intended by the Parties to fully, finally and forever settle the above captioned action (“Action”) and establish a plan of claims allocation and administration to effect distribution of settlement funds to authorized members of the Class upon, and subject to, the terms and conditions set forth herein.

RECITALS

The Litigation and Verdict

Beginning on or about October 12, 2004, several class actions were commenced against Defendants asserting claims under sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (“Exchange Act”).

By order dated April 1, 2005, the United States District Court for the District of Arizona (“District Court”) consolidated the related class actions before it. Thereafter, on April 14, 2005, the Court appointed The Policemen’s Annuity and Benefit Fund of Chicago to serve as Lead Plaintiff, (“Lead Plaintiff”) and Barrack, Rodos & Bacine to serve as Lead Counsel for the putative shareholder class under and pursuant to 15 U.S.C. §78u-4 (a)(3)(B).

On May 16, 2005, Lead Plaintiff filed a Consolidated Amended Class Action Complaint (“Complaint”) against Defendants asserting claims under Sections 10(b) and 20(a) of the Securities and Exchange Act of 1934, on behalf of a class of investors who

1 purchased the common stock of Apollo between February 27, 2004 and September 14,
2 2004, inclusive (the "Class Period").

3 On June 15, 2005, Defendants filed a motion to dismiss Lead Plaintiff's
4 Complaint. Defendants' motion to dismiss was heard by the District Court on October
5 3, 2005, and denied by Order dated October 18, 2005, after which a Scheduling Order
6 was issued setting deadlines for discovery, class certification, pre-trial motions and a
7 trial date. By stipulation approved by the District Court on December 26, 2006, the
8 initial Scheduling Order was modified, while maintaining the previously set trial date of
9 November 14, 2007.

10 Upon stipulation of the parties dated August 24, 2007, and after an opportunity
11 for discovery by Defendants from Lead Plaintiff's investment manager, the District
12 Court granted class certification by Order dated August 28, 2007.

13 After the close of discovery, Apollo moved for summary judgment arguing, *inter*
14 *alia*, that the Defendants did not make any false or misleading statements or otherwise
15 deceive investors with respect to any of the challenged statements and that the alleged
16 conduct did not cause loss to Lead Plaintiff or the Class. On September 11, 2007, the
17 District Court denied Defendants' motion for summary judgment.

18 Trial commenced on November 14, 2007 and lasted 22 court days through early
19 January 2008. Both sides presented extensive documentary and testimonial evidence,
20 including expert testimony, in support of their respective positions regarding liability
21 and damages. After closing arguments were heard and instructions given by the District
22 Court, the jury commenced deliberations. The jury rendered a verdict in favor of Lead
23 Plaintiff and the Class on January 16, 2008 (the "Verdict"), with a finding of liability
24 against Defendants, and awarded damages on a per share basis in the full amount
25 requested by Lead Plaintiff of \$5.55 per share.

26 Judgment was initially entered on the Verdict in favor of Lead Plaintiff and the
27 Class on January 30, 2008, after which the parties provided the District Court with their

1 joint submission with respect to a plan of claims administration and procedure on
2 January 31, 2008. Subsequently, on February 13, 2008, Defendants filed a motion for
3 judgment as a matter of law under and pursuant to Federal Rules of Civil Procedure
4 50(B), a motion for a new trial and a motion for remittitur. On August 4, 2008, the
5 District Court granted Apollo's motion for judgment as a matter of law and vacated the
6 January 30, 2008 judgment ("August 4, 2008 Order"). Lead Plaintiff appealed from the
7 August 4, 2008 Order and, on June 23, 2010, the Ninth Circuit reversed the August 4,
8 2008 Order and ordered the District Court to reinstate the Verdict. On August 17, 2010,
9 the Ninth Circuit Court of Appeals denied Defendants' petition for rehearing and
10 rehearing *en banc*.

11 On November 15, 2010, Defendants filed a Petition for Writ of Certiorari to the
12 Supreme Court of the United States (the "Petition"). On February 4, 2011, Lead
13 Plaintiff filed its brief in opposition to the Petition. By Order dated March 7, 2011, the
14 Supreme Court of the United States denied the Petition.

15 On March 8, 2011, the Ninth Circuit Court of Appeals spread the mandate and
16 directed the re-entry of judgment consistent with the Verdict. On April 6, 2011, the
17 District Court re-entered the Judgment in the amount of \$5.55 for each share purchased
18 within the Class Period and held through September 21, 2004, subject to the limitation
19 of damages relating to reductions required by the provisions of the Private Securities
20 Litigation Reform Act of 1995 ("PSLRA") and any set-offs determined by the Court to
21 be legally required, plus interest (the "Judgment").

22 Subsequent to the spread of the mandate by the Ninth Circuit, Defendants raised
23 numerous issues with respect to the individual eligibility of class members to secure
24 recovery, the calculation and assessment of damages per claimant and the procedures
25 with respect to claims administration and processing for resolution by the District Court.
26 Defendants also maintained that they are entitled to conduct individual discovery and,
27 potentially, jury or bench trials, to rebut the presumption of reliance on the integrity of

1 the market price with respect to individual class members; that due process under the
2 Seventh Amendment of the United States Constitution affords them a right to individual
3 trials respecting individualized issues of reliance; that each class member's claims were
4 required to be reduced by "full netting" of profits and losses on the purchase and sale of
5 Apollo stock — including as to stock purchased before the Class Period; that the
6 statutory 90 day look-back provided by the PSLRA substantially reducing or eliminating
7 damages on certain class period purchases must be applied; and that Last-In-First-Out
8 ("LIFO") matching methodology for both netting profits and losses and calculating
9 damages per share is required to be implemented.

10 Depending on the resolution of the various disputed issues in the District Court
11 and on appeal, the claims process could be extended and the recovery and distribution of
12 damage payments postponed possibly for many years.

13 **Resolution of the Action**

14 After the parties filed memoranda and briefing providing the District Court with
15 their respective positions concerning post-judgment claims administration and
16 procedures, the Parties sought the assistance of a neutral third party in a good faith effort
17 to evaluate the likely amount of aggregate damages that would be claimed pursuant to
18 the Judgment, and in an effort to resolve by compromise and settlement all outstanding
19 issues and disputes between the Parties with respect to the damages under the Judgment,
20 including claims allocation, administration and procedures, without the need for further
21 protracted, expensive and contentious litigation.

22 To that end, the Parties met on July 20, 2011 and August 23, 2011 in New York,
23 New York with the Honorable Nicholas Politan, Judge (Ret.) of the United States
24 District Court for the District of New Jersey, a highly regarded and experienced former
25 jurist. In addition to conducting extensive telephonic discussions and two all day face-
26 to-face sessions with the Parties in New York City, Judge Politan reviewed substantial
27 material submitted by both sides. Judge Politan provided valuable input and advice with

1 respect to numerous issues and contentions. Through these discussions, the Parties
2 reached the compromise reflected in this Stipulation to settle and resolve the Action in
3 its entirety, including a fair, adequate and realistic aggregate amount of money in
4 payment of the per-share damages determined under the Judgment without the need for
5 continued, protracted litigation respecting claims allocation, administration and
6 procedures or potential challenges by Defendants as to the eligibility of individual class
7 members to assert any claim for recovery.

8 At all times Lead Plaintiff and Lead Counsel conducted an extensive and
9 exhaustive review of the various and respective issues and positions to be decided and
10 that could be potentially litigated post Judgment, and received input from experts and
11 consultants with respect to attempting to define and quantify the realistic potential
12 aggregate damages that could be recovered based on the Judgment. Lead Plaintiff and
13 Lead Counsel recognize and acknowledge the expense and length of continued
14 proceedings necessary to secure recovery under the Judgment, including the potential for
15 further litigation of issues of individual reliance raised by Defendants and the many
16 points of contention between the Parties with respect to the appropriate claims
17 administration process and procedure, through potential trials and appeals respecting
18 such various claims and issues. Lead Plaintiff and Lead Counsel have further taken into
19 account the uncertain outcome and risk with respect to the various open and outstanding
20 issues in this complex action, as well as risks occasioned by future litigation.

21 Based on a thorough evaluation, Lead Plaintiff and Lead Counsel have concluded
22 that the terms and conditions of this Stipulation are fair, reasonable and adequate with
23 respect to the Class, and in its best interest. Accordingly, Lead Plaintiff and Lead
24 Counsel have agreed to the resolution per the terms and provisions expressed herein, in
25 exchange for the payment by Apollo of an aggregate sum certain, and the final
26 resolution of all outstanding issues that persist in the Action. The Stipulation confers
27 substantial benefits on the members of the Class in that they shall (a) receive prompt

1 resolution of all outstanding issues and payment of a significant and certain aggregate
2 sum, and (b) avoid the attendant risks, uncertainty and extensive delays of further
3 prolonged litigation with respect to each or any of the outstanding issues.

4 **A. Vigorous Prosecution, Defense and Zealous Advocacy**

5 Lead Plaintiff and Defendants, via their respective counsel, engaged in extensive,
6 hard-fought litigation and zealous advocacy through trial, verdict and prolonged appeal,
7 even onto the Supreme Court of the United States. Prior to trial, the Parties engaged in
8 vigorous motion practice, including Lead Plaintiff's Motion for Class Certification, an
9 extensive Motion for Summary Judgment brought by Defendants, nearly 50 depositions,
10 document discovery exceeding one million pages and expert witness discovery,
11 including production of multiple expert reports. The trial of the action before a jury took
12 22 court days prior to the rendering of the Verdict on January 16, 2008.

13 **B. Agreed Upon Settlement Amount**

14 As a result of numerous and detailed face-to-face and telephonic discussions, the
15 Parties, with the assistance of their respective counsel and the Honorable Nicholas
16 Politan, have agreed on all substantive terms with respect to quantifying, for all Class
17 Members on an aggregate basis, the per share damages determined in the Judgment.
18 Pursuant to this Stipulation, and subject to the Court's approval, Apollo shall pay into a
19 common fund for allocation and distribution to the Class, and for payment of Class
20 Counsels' attorneys fees and reimbursement of costs and expenses, including costs of
21 administration and taxes, the gross amount of One Hundred Forty-Five Million Dollars
22 (\$145,000,000) as noted in Part 2 below. The discussions among the parties leading to
23 this Stipulation have, at all times, been arms-length, non-collusive and conducted by and
24 through an objective, third-party intermediary, the Honorable Nicholas Politan.

25 **C. Defendants' Denial Of Wrongdoing And Liability**

26 Notwithstanding the Judgment, Defendants have denied, and continue to deny,
27 having committed, aided or attempted to commit, any violations of law, regulation, or

1 duty, or having otherwise acted improperly. Defendants have asserted and continue to
2 assert that, at all relevant times, they acted in good faith and in a manner that was in fact,
3 and reasonably believed to be, in the best interests of Apollo and its shareholders.
4 Defendants, having asserted various positions and contentions with respect to post-
5 judgment litigation and claims procedures and administration, also enter into this
6 Stipulation solely to eliminate the expense, burden, and risks associated with further
7 litigation of the Action.

8 **TERMS OF AGREEMENT**

9 NOW, THEREFORE, it is hereby stipulated and agreed, by and among the
10 Parties to this Stipulation, through their respective attorneys, and subject to approval of
11 the District Court, that the Judgment shall be satisfied in accordance with, and subject to,
12 the following terms and conditions:

13 **1. Definitions**

14 As used in this Stipulation the following terms have the meanings specified below:

15 1.1. "Action" means the above-captioned consolidated class action.

16 1.2. "Apollo" means Apollo Group, Inc., which is the parent of its wholly
17 owned subsidiary, University of Phoenix.

18 1.3. "Approval Hearing" or "Final Approval Hearing" means the hearing
19 before the District Court to consider the adequacy, fairness and reasonableness of the
20 Stipulation, and whether any request for payment for attorneys' fees and reimbursement
21 of expenses, including costs of administration and taxes related to the common fund
22 should be approved.

23 1.4. "Authorized Claimant" means any eligible Class Member who files a valid
24 Proof of Claim, as hereinafter defined, in such form, in such manner, and within such
25 time limitations as are set forth in the Proof of Claim form, and who did not previously
26 opt out of the Class by the timely filing of a Request for Exclusion.
27

1 1.5. “Authorized Claimants’ Recovery” means the amount calculated in
2 paragraphs 9.1-9.4 hereto, reduced by any award of attorneys’ fees and expenses and
3 costs of administration.

4 1.6. “District Court” means the United States District Court for the District of
5 Arizona.

6 1.7. “Claims Administrator” means Heffler, Radetich and Saitta, LLP, an
7 independent firm retained by Class Counsel to process proofs of claims, conduct claims
8 administration and administer distribution to Authorized Claimants from the Net
9 Common Fund.

10 1.8. “Class” means the defined class certified by the Court, and as defined in
11 the Judgment consisting of:

12 All persons and entities who, during the period February 27, 2004 through
13 and including September 14, 2004 (“the Class Period”), purchased the
14 securities of the Apollo Group, Inc. on the open market, and held those
15 shares through September 21, 2004, excluding the defendants herein and
16 individuals who were, at any time during the period of February 27, 2004
17 through and including September 14, 2004, directors or officers of the
18 Apollo Group, Inc. and further excluding members of the immediate family
19 of said defendants, directors and officers, any entity in which any defendant
20 or aforementioned director and officer has a controlling interest, and the
21 legal affiliates, representatives, heirs, controlling persons, successors, and
22 predecessors in interest or assigns of any such excluded party and any
23 person or entity that previously opted out of the Class by timely giving a
24 Request for Exclusion.

25 1.9. “Class Member” means any person or entity included in the Class, except
26 for any person or entity that previously filed a valid and timely Request for Exclusion.
27

1 1.10. “Class Counsel” means the law firms of Barrack, Rodos & Bacine and
2 Bonnett, Fairbourn, Friedman and Balint.

3 1.11. “Class Representatives” or “Class Representative Plaintiff” means The
4 Policemen’s Annuity Benefit Fund of Chicago.

5 1.12. “Common Fund” means the Settlement Amount, plus any interest earned
6 thereon.

7 1.13. “Common Fund Account” means the account to be established at Wells
8 Fargo Bank and maintained for the purpose of holding the Settlement Amount. At all
9 times the Common Fund Account shall be held *in custodia legis*, subject to the approval
10 of the Court. The Common Fund Account shall be maintained by Barrack, Rodos &
11 Bacine with all payment instructions being provided to Defendants no later than ten (10)
12 business days prior to funding.

13 1.14. “Costs of Administration” means all claims process and costs and
14 expenses incurred by Class Counsel in the Action in connection with administering the
15 claims including, but not limited to, receiving, reviewing and processing Proofs of Claim
16 and arranging for payment of approved Proofs of Claim, and also includes the fees and
17 expenses of the Claims Administrator.

18 1.15. “Defendants” means Apollo Group, Inc., Todd S. Nelson and Kenda B.
19 Gonzales.

20 1.16. “Defendants’ Counsel” refers to the Defendants’ respective counsel, who
21 are also signatories to this Stipulation.

22 1.17. “Effective Date” means the date the District Court enters the Final
23 Approval Order And Judgment, (“Final Approval Order”), substantially in the form of
24 Exhibit 5 attached hereto, granting final approval to this Stipulation and such Final
25 Approval Order And Judgment has become Final, as defined in paragraph 1.21 below;
26
27

1 1.18. "Eligible Share" refers to those shares purchased by a Class Member
2 during the Class Period that are determined by the Claims Administrator to have been
3 held through September 21, 2004;

4 1.19. "Expenses" means expenses (but not Fees) incurred by Lead Plaintiff and
5 Class Counsel in the Action in connection with the prosecution of the Action.

6 1.20. "Fees" means the attorneys' fees awarded by the District Court to Class
7 Counsel pursuant to the Fee and Expense Application of Class Counsel in connection
8 with the prosecution of the Action.

9 1.21. "Final" means: (i) the date of final affirmance on any appeal of the Final
10 Approval Order; (ii) the date of the final dismissal of any appeal of the Final Approval
11 Order; or (iii) if no appeal is filed, the expiration date of the time for filing of a notice of
12 appeal of the Final Approval Order. Any proceeding, order, or any appeal pertaining
13 solely to an application for attorneys' fees, costs, or expenses shall not in any way delay
14 or preclude the Final Approval Order respecting the Stipulation from becoming final.

15 1.22. "Judgment" means the Order and Judgment of the District Court entered
16 on April 6, 2011.

17 1.23. "Lead Counsel" or "Plaintiff's Lead Counsel" means Barrack, Rodos and
18 Bacine (2001 Market Street, Suite 3300, Philadelphia, PA 19103 and 600 West
19 Broadway, Suite 900, San Diego, California 92101).

20 1.24. "Lead Plaintiff" or "Plaintiff" means The Policemen's Annuity and
21 Benefit Fund of Chicago.

22 1.25. "Net Common Fund" means the Common Fund, less (1) all class counsel
23 fees, (2) all costs and expenses reimbursed by order of Court to Class Counsel, and (3)
24 costs of Notice, costs of administration, and taxes.

25 1.26. "Notice" means the Notice of Stipulation and Agreement re Final
26 Approval Order And Judgment, substantially in the form attached hereto as Exhibit 3.

27 1.27. "Parties" means the Defendants, and the Lead Plaintiff, collectively.

1 1.28. "Person" or "Persons" refer to any individual, corporation, partnership
2 (whether general or limited), limited liability company, association, affiliate, joint stock
3 company, trust, estate, unincorporated association, government and any political
4 subdivision thereof, and any other type of legal or political entity.

5 1.29. "Preliminary Approval Order" means the order preliminarily approving the
6 Stipulation and the form of Notice, attached hereto as Exhibit 1.

7 1.30. "Related Persons" means: (1) members of the immediate family of each of
8 the Individual Defendants; (2) each of the Individual Defendants' heirs, executors,
9 estates, or administrators, and any entity in which an Individual Defendant and/or any
10 members (s) of his or her immediate family has or had a controlling interest, or any trust
11 of which an Individual Defendant is or was the settler or which is or was for the benefit
12 of any Individual Defendant and/or member(s) of his or her immediate family; (3) each
13 of the Individual Defendants' present and former attorneys, legal representatives, and
14 assigns; (4) all past and present directors, officers, agents, financial or other advisors,
15 consultants, accountants, auditors, insurers, co-insurers, co-insurers and re-insurers,
16 employees, affiliates, and predecessors, successors, parents, subsidiaries, divisions,
17 assigns, and attorneys of Apollo and its counsel; and (5) Apollo.

18 1.31. "Released Claims" means any and all claims, demands, losses, rights,
19 actions, causes of action, liabilities, obligations, duties, judgments, suits, costs, expenses,
20 matters and issues known or unknown, contingent or absolute, suspected or unsuspected,
21 disclosed or undisclosed, liquidated or unliquidated, matured or unmatured, accrued or
22 unaccrued, apparent or unapparent, or any kind or nature whatsoever for damages,
23 injunctive relief, or any other remedies, that have been asserted, could have been
24 asserted, or in the future could or might be asserted by any Class Member in the Action
25 or in any court, tribunal, forum or proceeding (including, but not limited to, any claims
26 arising under federal, state or foreign law, common law, statute, rule or regulation
27 relating to alleged fraud, breach of any duty, negligence, violation of the federal

1 securities law, or otherwise, and including all claims within the exclusive jurisdiction of
2 the federal courts) whether individual, class, direct, derivative, representative, legal,
3 equitable or any other type or in any other capacity, by or on behalf of Plaintiff or any
4 member of the Class, against the Released Persons (or any of them) that did arise or
5 could arise directly or indirectly from (i) the Verdict of January 16, 2008; (ii) the
6 Judgment of April 6, 2011; iii) the matters alleged in the Consolidated Class Action
7 Complaint filed in the action that asserts claims under the Exchange Act, all of which
8 are incorporated herein; and (iv) the statements, actions, or omissions during the Class
9 Period pertaining, relating to or arising from the February 5, 2004 Program Review
10 Report rendered by the Department of Education that was the subject of this Action.
11 Notwithstanding the foregoing, the term “Released Claims” does not include claims
12 regarding Apollo’s statutory or contractual obligations to provide indemnification or
13 advancements, or claims for recovery under any applicable insurance policies. Nor does
14 “Released Claims” include any direct shareholder claims against Apollo or any of its
15 officers or directors raised in the matter entitled *Teamsters Local 617 Pension and*
16 *Welfare Fund v. Apollo Group, et al.*, USDC Civ. No. 06-02674-PHX-RCB.

17 1.32. “Released Persons” means the Defendants and their respective Related
18 Persons.

19 1.33. “Reserved Claims” means any and all claims, of any kind or nature
20 whatsoever by any Defendant against any other Defendant and/or his, her, or its
21 respective Related Persons, including all such claims that now exist or that may arise in
22 the future, and any and all defenses and/or counterclaims to such claims that now exist
23 or that may arise in the future. By way of example and not limitation, “Reserved
24 Claims” include any and all claims that any Defendant has or may in the future have
25 against any other Defendant and/or his, her, or its Related Persons for insurance benefits,
26 indemnification, advancement of fees and expenses, recovery of fees and expenses
27 previously advanced, or for contribution arising from or related to the Action, any

1 matters alleged in the Action, the Verdict, Judgment, this Stipulation, or Apollo's
2 payment of the Settlement Amount hereunder; and (ii) any and all defenses and/or
3 counterclaims to any such claims, including but not limited to the Individual
4 Defendants' position that any claims against them by or on behalf of Apollo arising from
5 or related to the Action have been fully adjudicated and are barred by the July 12, 2010
6 final judgment of the Arizona Superior Court, Maricopa County, in the shareholder
7 derivative action entitled *Barnett v. Blair* (No. CV2006-051558), and any claim by the
8 Individual Defendants that they are protected against and/or entitled to indemnification
9 with respect to any and all claims arising from related to the Action based upon any
10 agreement, release, conduct, or for any other reason, all of which claims, rights, and
11 defenses are expressly preserved and shall not be affected by this Stipulation.

12 1.34. "Settlement Amount" means the sum of One Hundred And Forty-Five
13 Million Dollars (\$145,000,000.00), as provided by this Stipulation, that Apollo shall pay
14 or cause to be paid into the Common Fund Account as defined below.

15 **2. Aggregate Settlement Amount**

16 2.1. The aggregate sum of One Hundred Forty-Five Million Dollars
17 \$145,000,000.00 is being paid by Apollo to the Class, as set forth herein, to achieve
18 final resolution of the per share damages determined in the Judgment, and in resolution
19 of all outstanding issues in the Action, including claims allocation, administration and
20 procedure, and in exchange for the releases and discharges provided therein.

21 2.2. Within fifteen (15) business days from the Court's entry of the Preliminary
22 Approval Order, Apollo shall pay or cause to be paid into the Common Fund Account
23 maintained by Barrack, Rodos & Bacine, the Settlement Amount of One Hundred Forty
24 Five Million Dollars (\$145,000,000.00) to create the Common Fund, conditioned on the
25 pre-receipt of the identity of the Common Fund Account name, address, custodian, and
26 W-9 form. This Common Fund shall be invested solely in interest bearing obligations
27 backed by the United States Government, a money market account backed by such

1 obligations or an interest bearing account with an FDIC insured bank or banking
2 institution. Out of this Common Fund, prior to the Effective Date, no more than
3 \$200,000.00 may be utilized by Lead Counsel and/or the Administrator for payment of
4 costs of printing and disseminating the Notice and Administration.

5 **3. Releases**

6 3.1. Pursuant to the Final Approval Order And Judgment, upon the Effective
7 Date, Lead Plaintiff and Class Members, on behalf of themselves, their heirs, executors,
8 administrators, predecessors, successors, and assigns (“Releasing Persons”) shall (1)
9 have, and by operation of law shall be deemed to have, completely, fully, finally,
10 absolutely and forever discharged, dismissed with prejudice, released, and relinquished
11 any and all Released Claims against the Released Persons; and (ii) shall forever be
12 enjoined and barred from instituting or prosecuting any or all of the Released Claims
13 against the Released Persons.

14 3.2. Pursuant to the Final Approval Order And Judgment, upon the Effective
15 Date, any and all claims of any kind that any of the Defendants or the Released Persons
16 may have or could have asserted against Lead Plaintiff, or Class Counsel, their
17 consultants and advisors, their spouses, and members of the Class arising out of the
18 initiation, litigation, and resolution of the Action, except claims to enforce the
19 Stipulation, are hereby completely released and enjoined as to Lead Plaintiff, their
20 counsel, their consultants and advisors, their spouses, and all Class Members, including,
21 but not limited to, any and all claims alleging or asserting libel, slander, abuse or
22 process and malicious prosecution.

23 3.3. The Parties and their respective counsel acknowledge that the aggregate
24 damages arising from the Judgment cannot be assessed with exactitude, necessarily
25 depend on speculative assumptions respecting the amount of eligible shares and rate of
26 claims, and are uncertain. The Parties and their respective counsel acknowledge that
27 the amount of claims deemed entitled by the Claims Administrator to distribution from

1 the Net Common Fund may be higher or lower than the aggregate amount that would
2 have been distributed pursuant to the Judgment in the absence of this Stipulation.
3 Accordingly, the Final Approval Order And Judgment and entry thereof shall forever
4 bar all Class Members from asserting any claim against Lead Plaintiff or against Class
5 Counsel or Defendants' Counsel, with respect to, or arising from, the amount of
6 aggregate damages agreed upon pursuant to this Stipulation.

7 3.4. The Parties agree and acknowledge that, except as provided herein, no
8 costs, fees, or sanctions of any kind shall be imposed on behalf of one party to the
9 Action upon or against another party to this Action, or their counsel, that the Parties and
10 their respective counsel have complied with and shall be deemed to have complied with
11 Rule 11 of the Federal Rules of Civil Procedure and that all of the Parties' actions,
12 allegations and pleadings have been made, alleged or rendered in good faith.

13 3.5. Nothing in this Stipulation, the performance hereof, or the Final Approval
14 Order And Judgment hereon shall operate or shall be deemed to release, bar, waive, or
15 impair in any way the Reserved Claims or any defenses or counterclaims thereto.
16 Defendants and their respective Related Persons expressly reserve all of their rights
17 with respect to the Reserved Claims and all defenses and counterclaims thereto.
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1 **4. Procedure for Submission and Application for Approval of Stipulation**

2 Promptly after this Stipulation has been fully executed, Lead Plaintiff and
3 Defendants shall jointly submit this Stipulation, together with its Exhibits, to the
4 District Court and shall apply for entry of a Preliminary Approval Order, substantially
5 in the form attached hereto as Exhibit 1, approving the publication and distribution of
6 the Notice, which shall include the general terms of the Stipulation as set forth herein,
7 and the time, date, and location of the hearing to be held by the District Court to
8 consider final approval of the Stipulation and Agreement Re Final Approval Order And
9 Judgment. The parties, if permitted, may proceed on an *ex parte* basis.

10 **5. Final Approval Order And Judgment; Claims Allocation,**
11 **Administration and Procedure**

12 5.1. If this Stipulation is approved by the Court following a Final Approval
13 Hearing as fair, reasonable, adequate and in the best interests of Lead Plaintiff and the
14 Class, then Lead Plaintiff and Defendants shall jointly request that the Court enter a
15 Final Approval Order And Judgment, that among other things will address claims
16 allocation, administration and procedures substantially in the form of Exhibit 5 attached
17 hereto; provided, however, that Defendants take no position with respect to the claims
18 allocation, administration, and other procedures for disposition of the Settlement
19 Amount following the Effective Date.

20 5.2. The Final Approval Order And Judgment shall reconfirm the grant of final
21 certification to the Class, pursuant to Federal Rule of Civil Procedure 23, and as defined
22 by the Court, with the understanding that all persons or entities that elected to opt out of
23 the Class pursuant to the September 14, 2007 Notice of Pendency of Class Action, and
24 did so by the filing of a Request For Exclusion on or before October 29, 2007, are
25 thereby excluded from the Class and may not partake in or object to the Stipulation and
26 allocation and distribution from the Common Fund.

1 5.3. Defendants may request that the District Court vacate the Judgment on
2 grounds permitted by law or equity and substitute the Final Approval Order And
3 Judgment in its place, which if approved by the Court shall be effective as of the date of
4 the Judgment. Neither Lead Plaintiff nor Class Counsel shall take a position with
5 respect to any such request. The vacating of the Judgment by the District Court is not a
6 condition of the implementation or effectuation of the terms of this Stipulation, nor is it
7 a condition subsequent that is required to occur in order to effectuate the terms of this
8 Stipulation, nor shall this Stipulation be deemed null and void, or any funds returned to
9 Apollo, in the event any such motion or application to vacate the Judgment is denied, in
10 whole or in part.

11 **6. Termination Rights and Effect of Termination**

12 6.1. This Stipulation shall be null and void and of no force and effect, unless
13 otherwise agreed to by the Parties in writing with District Court approval, if:

14 a. the Stipulation does not receive Court approval for any reason, with
15 Court approval requiring each of the following:

16 i. dismissal with prejudice, of all claims against all Defendants
17 through the payment of \$145,000,000.00, as set forth in paragraphs 2.1-2.2, from which
18 Common Fund the Court shall award fees and reimburse costs and expenses to Class
19 Counsel, and order the reimbursement or payment of costs of Notice and claims
20 administration and taxes, pursuant to paragraphs 8.1, 8.3 and 12.1 below;

21 ii. the entry of a Final Approval Order And Judgment in
22 substantially the form attached hereto as Exhibit 5, approving the Stipulation, providing
23 for the dismissal with prejudice of the Action, approving the grant of a release by the
24 Lead Plaintiff and the Class to the Released Persons of the Released Claims, enjoining
25 all members of the Class who did not opt out of the Class on or before October 29, 2007,
26 from asserting any of the Released Claims against the Released Persons, approving the
27 release of any claims of Defendants against Lead Plaintiff, class counsel or members of

1 the class as noted in paragraph 3.2, and barring any claims or causes of action by or
2 against any Class Member, Class Counsel or Defendants' Counsel arising from the
3 Stipulation, or the assessment or estimate of an aggregate amount of damages, or any
4 agreement as to the amount of the same;

5 iii. such Final Approval Order And Judgment being finally
6 affirmed in whole on appeal or, if no appeal is taken, such Final Approval Order And
7 Judgment and consequent dismissal not being subject to appeal (or further appeal) by
8 lapse of time or otherwise;

9 b. any of the material conditions set forth herein, including funding of
10 the Common Fund, are not satisfied.

11 6.2. If the Effective Date cannot occur, or if any Party terminates the
12 Stipulation in accordance with the procedures set forth in paragraph 6.1 above, the
13 Parties shall be restored to their respective positions in the Action, as of the date this
14 Stipulation was executed, with return to the Defendants of the Common Fund, minus
15 that portion of the \$200,000.00 identified in paragraph 2.2 above that has been expended
16 by that time, and, except as otherwise expressly provided herein, the Parties shall
17 proceed in all respects as if this Stipulation and any related orders had not been entered.

18 **7. No Admission of Wrongdoing**

19 7.1. This Stipulation, whether or not approved by the District Court, any
20 proceedings taken pursuant to this Stipulation, and any materials created by, or received
21 from, another Party that were used in, obtained during, or respecting any discussion
22 regarding any resolution, including, but not limited to all negotiations, documents, and
23 statements in connection therewith, shall not be offered or received against any of the
24 Parties as evidence of, or construed as, or deemed to be evidence of (a) any liability,
25 negligence, fault, or wrongdoing of any of the Parties; (b) a presumption, concession, or
26 admission with respect to any liability, negligence, fault, or wrongdoing, or in any way
27 referred to for any other reason as against any of the Parties in any other civil, criminal,

1 or administrative action or proceeding, other than such proceedings as may be necessary
2 to effectuate the provisions of this Stipulation; (c) a presumption, concession, or
3 admission by any of the Defendants with respect to the truth of any fact alleged in the
4 Action, or the validity of any of the claims or the deficiency of any defense that was or
5 could have been asserted in the Action; (d) a presumption, concession, or admission by
6 the Lead Plaintiff of any infirmity in the claims asserted; or (e) a guarantee,
7 representation, admission, or concession that the consideration to be given hereunder
8 represents the total aggregate amount of claims which ultimately could be or would have
9 been made in satisfaction of the Judgment in the claims process after all issues were
10 litigated and finally adjudicated, absent the Parties' agreement.

11 7.2. Nothing herein, however, shall prevent any of the Parties from using this
12 Stipulation, or any document or instrument delivered hereunder (a) to effect or obtain
13 District Court approval of this Stipulation; (b) to enforce the terms of this Stipulation;
14 (c) for purposes of defending, on the grounds of res judicata, collateral estoppel, release,
15 judgment bar or reduction, or any other theory of claim preclusion or issue preclusion or
16 similar defense or counterclaim, any of the claims asserted in the Action or against any
17 of the Parties released pursuant to this Stipulation or barring any claims as provided in
18 this Stipulation; or (d) as otherwise required by law.

19 **8. Use Of The Common Fund**

20 8.1. The Common Fund shall be used to pay (a) taxes owed by the Common
21 Fund, (b) Costs of Administration, including fees of the Claims Administrator, and costs
22 of Notice; and (c) Class Counsel fees, costs and expenses awarded by the Court. The
23 balance remaining in the Common Fund (the "Net Common Fund"), shall be distributed
24 to Authorized Claimants in accordance with the procedure set forth in paragraph 9
25 below.

26 8.2. The Net Common Fund shall be distributed to the Authorized Claimants as
27 provided herein and pursuant to orders of the Court. All funds held in the Common

1 Fund Account shall be deemed to be in the custody of the Court and shall remain subject
2 to the jurisdiction of the Court until such time as the funds shall be distributed or
3 returned pursuant to the terms of this Stipulation and/or further order of the Court.

4 8.3. The parties agree that the Common Fund is intended to be a Qualified
5 Settlement Fund within the meaning of § 468B of the Internal Revenue Code of 1986, as
6 amended (the “Code”) and Treasury Regulation § 1.468B-1. Lead Counsel shall
7 designate the person or entity (other than one of the Defendants) to serve as the
8 “administrator” for tax purposes. Such administrator shall be responsible for making all
9 necessary or advisable elections to carry out the intent of this provision, including a
10 “relation-back election” and the Defendants shall, as necessary, join in such elections.
11 Lead Counsel shall be responsible for timely and properly preparing and filing all
12 informational and other tax returns required with respect to the Common Fund, and may
13 hire accountants or tax advisors to prepare tax returns for the Common Fund and to
14 otherwise assist with respect to the tax obligations of the Common Fund. Any fees or
15 expenses of such accountants or tax advisors shall be paid from the Common Fund
16 Account as a Cost of Administration. The Common Fund shall be solely responsible
17 for, and shall pay, all taxes (including any interest or penalties) arising with respect to
18 the income earned by the Common Fund, including any taxes or charges that may be
19 imposed on the Defendants with respect to any income earned by the Common Fund for
20 any period during which the Common Fund does not qualify as a “qualified fund” for
21 Federal or state income tax purposes and all other expenses and costs incurred in
22 connection with the implementation of this provision (including, without limitation,
23 expenses of attorneys and/or accountants incurred in connection with the preparation of
24 required tax filings and returns). The Defendants shall not have any liability or
25 responsibility for taxes or tax-related expenses of the Common Fund but agree to
26 reasonably cooperate with Class Counsel to provide information available to them that
27 may be needed for filing tax returns for the Common Fund.

1 8.4. The Claims Administrator, subject to the jurisdiction of the Court, shall
2 administer and calculate the claims submitted by eligible members of the Class and shall
3 oversee distribution of the Common Fund. It will be the Claims Administrator's task to
4 match purchases to sales and otherwise determine and calculate a proper award of
5 damages, including Pre-Judgment interest and Post-Judgment interest, as set forth in
6 paragraph 9 below.

7 8.5. Neither Defendants nor any other Released Party shall have any
8 participation in, or liability, obligation or responsibility whatsoever for, the
9 administration of the Common Fund, decisions of the Claims Administrator or Lead
10 Counsel with respect to accepting or rejecting any Claim Form or Claim for payment by
11 a Class Member, or disbursement of the Net Common Fund.

12 8.6. Except as otherwise provided herein, Lead Plaintiff and Class Counsel
13 shall have no responsibility whatsoever for the administration of the Common Fund and
14 consequent distribution, and shall have no liability whatsoever to any person, including,
15 but not limited to, the Class Members, in connection with any such administration. Lead
16 Counsel shall cause the Claims Administrator to mail the Notice and Proof of Claim to
17 those members of the Class at the address of each such person or entity as set forth in the
18 records of Apollo or its transfer agent(s), or who otherwise may be identified through
19 further reasonable effort. Lead Counsel will cause to be published the Summary Notice,
20 in substantially the form of Exhibit 2 hereto, pursuant to the terms of the Notice Order or
21 whatever other form or manner might be ordered by the Court.

22 8.7. Prior to the Effective Date, Lead Counsel may pay from the Common
23 Fund, without further approval from Defendants or further order of the Court, all
24 reasonable costs of Notice and Costs of Administration actually incurred, up to the
25 amount of \$200,000.00. Such costs and expenses shall include, without limitation, the
26 actual costs of publication, printing and mailing the Notice, reimbursements to nominee
27 owners for forwarding the Notice to their beneficial owners, the administrative expenses

1 incurred and fees charged by the Claims Administrator in connection with providing
2 Notice and processing the submitted claims, and the fees, if any, incurred in connection
3 with monitoring the Common Fund Account. Upon the Effective Date, Class Counsel
4 may pay from the Common Fund, without further approval from Defendants or the
5 Court, all further costs of Notice and Costs of Administration. In the event that the
6 Stipulation is terminated pursuant to its terms, all Costs of Administration and costs of
7 Notice reasonably paid or reasonably incurred up to \$200,000.00 shall not be returned or
8 repaid to Defendants.

9 **9. Calculation of Recoverable Damages Including Pre-Judgment Interest**
10 **And Post-Judgment Interest**

11 All Class Members who file a timely and valid Proof of Claim shall be entitled to
12 recover with respect to their eligible shares, calculated as follows:

13 9.1. For each share of Apollo common stock purchased from February 27,
14 2004 through September 14, 2004, and:

15 a. Sold on or prior to September 21, 2004, there will be no
16 Recognized Loss.

17 b. Held through September 21, 2004 and sold during the period
18 beginning September 22, 2004 and ending December 20, 2004 (*i.e.*, sold during the 90-
19 day look-back period established by the Private Securities Litigation Reform Act of
20 1995), the Recognized Loss shall be the lesser of (1) \$5.55 per share; or (2) the purchase
21 price per share minus the average closing price per share during the period of September
22 22, 2004 through the date of the sale of those shares.

23 c. Held through September 21, 2004 and retained at the close of
24 trading on December 20, 2004 (*i.e.*, retained at the end of the 90-day look-back period)
25 the Recognized Loss shall be the lesser of (1) \$5.55 per share; or (2) the purchase price
26 per share less the 90-day average closing price per share from September 22, 2004
27 through December 20, 2004 of \$73.96.

1 d. Pre-Judgment interest will be awarded to each Authorized Claimant
2 with a calculated Recognized Loss, calculated from the date of each purchase, at a rate
3 equal to the weekly average one year constant maturity Treasury yield for the calendar
4 week preceding the date of such purchase, compounded annually through April 6, 2011,
5 the date Judgment was entered.

6 e. Post-Judgment interest shall accrue on the principal and Pre-
7 Judgment interest from the date of the Judgment's entry until the Settlement Amount is
8 paid into the escrow account, at the rate established under 28 U.S.C. § 1961,
9 compounded annually.

10 9.2. For the purpose of determining which shares of Apollo Group, Inc.
11 common stock purchased during the Class Period were sold at any time during the Class
12 Period or were retained after the close of trading on September 21, 2004 or December
13 20, 2004, purchases and sales of Apollo common stock will be matched on a First-In-
14 First-Out ("FIFO") basis by matching the first shares sold against any opening position
15 of shares held as of the close of business on February 26, 2004 (prior to the start of the
16 Class Period) and then on a FIFO basis against any additional shares of Apollo Group,
17 Inc. common stock purchased during the Class Period on the assumption that the first
18 share purchased was the first share sold.

19 9.3. A purchase or sale of Apollo common stock shall be deemed to have
20 occurred on the "contract" or "trade" date as opposed to the "settlement" or "payment"
21 date.

22 9.4. A claimant will be eligible to receive a recovery only if the claimant has a
23 net Recognized Loss. Net profits from all shares of Apollo common stock both
24 purchased and sold during the Class Period will be subtracted against all market losses
25 calculated under paragraphs 9.1.b and 9.2.c above. However, the proceeds from sales of
26 stock which have been matched against stock held at the beginning of the Class Period
27 will not be used in the calculation of such net Recognized Loss.

1 9.5. The amount of an Authorized Claimant's recovery as calculated in
2 paragraphs 9.1-9.4 above will be reduced on a pro-rata basis by any amount awarded by
3 the Court to Class Counsel for attorneys' fees and the expenses of bringing and
4 prosecuting this Action and cost of Administration ("Authorized Claimants' Recovery").

5 9.6. To the extent there are sufficient funds in the Net Common Fund, the
6 Authorized Claimant will receive an amount equal to the Authorized Claimants'
7 Recovery as defined above. If, however, the amount of all Authorized Claimants'
8 Recovery is greater than the remainder of the Net Common Fund, then Authorized
9 Claimants will receive the percentage of the Net Common Fund that each Authorized
10 Claimants' Recovery bears to the total of all Authorized Claimants' Recovery. If the
11 amount of all Authorized Claimants' Recovery is less than the remainder of the Net
12 Common Fund, then Authorized Claimants will receive more than their Authorized
13 Claimants' Recovery in the same percentage that each Authorized Claimants' Recovery
14 bears to the total of all Authorized Claimants' Recovery.

15 9.7. Shares "transferred into," "delivered into" or "received into" a claimant's
16 account will *not* be considered as purchases of shares unless the claimant submits
17 documentation demonstrating that the original purchase of these shares occurred during
18 the Class Period. Also, shares purchased and subsequently "transferred out" or
19 "delivered out" of a claimant's account will not be considered part of a claimant's claim,
20 as the right to file for those shares belongs to the person receiving the shares.

21 9.8. The receipt or grant of a gift of Apollo common stock during the Class
22 Period will not be deemed to be a purchase of Apollo common stock during the Class
23 Period. However, the recipient of Apollo common stock as a gift or as a distribution
24 from an estate will be eligible to file a Proof of Claim to the extent the particular donor
25 or decedent was the actual purchaser of Apollo Group, Inc. common stock and would
26 have been eligible, based upon the circumstance of such purchase within the Class
27 Period; however, the donee and donor may not both claim with regard to the same

1 Apollo common stock; if both the donor and donee make such a claim, only the claim
2 filed by the donee will be honored.

3 **10. Procedure Re Issuance and Publication of Notice and Timeline Re**
4 **Claims Process**

5 10.1. The Claims Administrator shall mail the Notice and the Proof of Claim, in
6 substantially the form attached hereto as Exhibits 3 and 4, within twenty (20) days of
7 issuance of the order approving its form (“Mail Date”). The Claims Administrator shall
8 publish the Summary Notice, in substantially the form attached hereto as Exhibit 2, in
9 the *Investor’s Business Daily* within 10 days of the Mail Date. If requested by any
10 stockholder of record who holds shares on behalf of one or more beneficial holders, the
11 Claims Administrator shall promptly provide the stockholder with sufficient copies of
12 the Notice, Exhibit 3 and Claim Form, Exhibit 4, for the stockholder of record to send to
13 the beneficial holders on whose behalf the stockholder of record holds shares. All costs
14 associated with the issuance and publication of the Notice and Claims Administration
15 shall be paid from the Common Fund.

16 10.2. The following timeline and deadline shall apply with respect to the claims
17 process:

18 a. Class Members shall submit Proof of Claim forms no later than 135
19 days from the Mail Date. All Proof of Claim Forms must be submitted by that time as
20 specified in the Notice, unless extended by order of the Court.

21 b. The Administrator shall review the claims and provide notice of
22 any rejection or deficiency respecting the claims to the claimant within 60 days after the
23 deadline for submitting Proof of Claim Forms. Claimants must cure any deficiency
24 within 30 days from the date of the Administrator’s notice of deficiency. The
25 Administrator shall thereafter notify all those who filed a deficient claim and failed to
26 timely correct the deficiency that their claim is rejected. Claimants receiving a rejection
27 of their claim must object to that rejection within 30 days of their notice of rejection.

1 c. No later than 30 days from receipt of any objection, Lead Counsel
2 shall inform those claimants whose claims have been rejected and who have objected
3 thereto that they may request a hearing before the District Court regarding their
4 objection.

5 10.3. The Claims Administrator shall perform all necessary tax services from
6 date of receipt of funds from Defendants until final distribution of all funds.

7 10.4. The Claims Administrator shall prepare a final report to the Court on the
8 Claims Administration and distribution process.

9 **11. Procedure Re: Distribution of the Common Fund**

10 11.1. Upon or after the Effective Date, and consistent with the terms herein, the
11 Net Common Fund shall be distributed to Authorized Claimants based on their recovery
12 amount as calculated in Paragraph 9 above. In order to participate in such distribution of
13 the Net Common Fund:

14 a. Each person claiming to be an Authorized Claimant shall be
15 required to timely submit a separate signed Proof of Claim substantially in the form of
16 Exhibit 4 hereto, supported by proof of all purchases or sales of Apollo common stock.

17 b. Unless otherwise ordered by this Court, any member of the Class
18 (who did not previously opt-out of the Class by a timely Request for Exclusion on or
19 before October 29, 2007), who fails to timely submit a Proof of Claim within such
20 period as may be established by this Court shall be forever barred from receiving any
21 payments pursuant to this Stipulation, but in all other respects will be subject to and
22 bound by the provisions of this Stipulation.

23 11.2. Before the distribution of the Net Common Fund, Class Counsel shall
24 present for the approval of the Court a final accounting of the receipts to, and
25 disbursements from, the Common Fund and the proposed distribution of the Net
26 Common Fund to Authorized Claimants. No such distribution shall be made in the
27 absence of an order approving the accounting and the proposed distribution.

1 11.3. All proceedings with respect to the administration, processing, and
2 determination of claims of persons and entities claiming to be Authorized Claimants and
3 the determination of all controversies relating thereto, including disputed questions of
4 law and fact with respect to the validity of claims, shall be subject to the jurisdiction of
5 the Court.

6 11.4. No Authorized Claimant shall have any claim against the Lead Plaintiff or
7 Defendants, or any of their counsel, based on the distributions made substantially in
8 accordance with this Stipulation.

9 11.5. Payment from the Net Common Fund made pursuant to and in the manner
10 set forth above shall be deemed conclusive of compliance with this Stipulation as to all
11 Authorized Claimants. All members of the Class whose claims are not approved by the
12 Court shall be barred from participating in distributions from the Net Common Fund, but
13 otherwise shall be bound by all of the terms of this Stipulation, including the terms of
14 the Final Approval Order And Judgment to be entered in the Action and the releases
15 provided for herein, and will be barred from bringing any action against the Released
16 Persons concerning the Released Claims or against the Parties' or Their Counsel.

17 11.6. This is not a claims-made settlement. Upon the occurrence of the
18 Effective Date, neither Apollo nor any person or entity who or which paid any portion of
19 the Common Fund on its behalf shall have any right to the return of the Common Fund
20 or any portion thereof irrespective of the number of Claims filed, the collective amount
21 of losses of Authorized Claimants, the percentage of recovery of losses, or the amounts
22 to be paid to Authorized Claimants from the Net Common Fund. The Common Fund
23 will be distributed pursuant to paragraphs 8 and 9 above.

24 **12. Attorneys' Fees and Expenses, and Administration Expenses and**
25 **Costs**

26 12.1. Lead Counsel, on behalf of Plaintiff's Counsel, may apply to the Court for
27 an order awarding attorneys' fees of up to 33.33% of the Common Fund, including any

1 interest thereon, and also apply for reimbursement of costs and expenses, which are
2 expected to not exceed \$1,875,000.00. Any attorneys' fees and litigation expenses that
3 are awarded by the Court shall be paid to Lead Counsel, with the Court's approval,
4 immediately upon award, notwithstanding the existence of any timely filed objections
5 thereto, or potential for appeal therefrom, or collateral attack on the Stipulation or any
6 part thereof, subject to Lead Counsel's obligation to make appropriate refunds or
7 repayments to the Common Fund, plus accrued interest at the same net rate as is earned
8 by the Common Fund, if the Stipulation is terminated pursuant to the terms of this
9 Stipulation or if, as a result of any appeal or further proceedings on remand, or
10 successful collateral attack, the award of attorneys' fees and/or reimbursement of costs
11 and expenses is reduced or reversed. Lead Counsel shall make the appropriate refund or
12 repayment in full no later than five (5) business days after receiving from Defendants'
13 Counsel or from a court of appropriate jurisdiction notice of the termination of the
14 Stipulation or notice of any reduction of the award of attorneys' fees and/or
15 reimbursement of costs and expenses.

16 12.2. Defendants and their Related Parties shall have no responsibility for any
17 payment of attorney's fees and expenses to Plaintiff's Counsel.

18 12.3. Defendants will take no position on Class Counsel's fee and expense
19 request. Notwithstanding anything in this Stipulation to the contrary, or any order of the
20 Court making or approving the attorneys' fees or reimbursement of expenses, in no
21 event shall Apollo be obliged to pay any amount in excess of \$145,000,000.00 to satisfy
22 the Judgment, per this Stipulation, in connection with the Action. In no event and under
23 no circumstances shall any amount of the Common Fund, after calculating the Net
24 Common Fund, revert to Apollo for any reason.

25 12.4. The entire amount constituting or comprising the Net Common Fund after
26 fees and expenses are paid and all administration fees, costs and expense are tabulated
27 and paid, including taxes, shall be disbursed and distributed to Authorized Claimants

1 after calculating the amount of their Eligible Shares determined by the Claims
2 Administrator as provided herein, and said claimants may receive a per share recovery
3 exceeding the per share Verdict and Judgment and interest thereon.

4 12.5. Barrack, Rodos & Bacine, shall allocate the attorneys' fees and expenses,
5 to the extent awarded and approved by the Court, among Class Counsel in the Action in
6 a manner it believes, in good faith, reflects the contributions of such counsel to the
7 prosecution and settlement of the Action.

8 12.6. The Released Persons shall have no involvement in, responsibility for, and
9 no liability whatsoever, with respect to the fee allocation among Class Counsel for
10 Plaintiffs, or if any other person asserts some claim to any portion of the attorneys' fees
11 and expenses.

12 12.7. The award of attorneys' fees and expenses is not a condition of this
13 Stipulation becoming effective. Any Order or proceeding relating to the award or
14 disbursement of the attorneys' fees and expenses, or any appeal from any order relating
15 thereto or reversal or modification thereof, shall not operate to terminate or cancel this
16 Stipulation, or affect or delay the finality of the Final Approval Order And Judgment
17 approving the Stipulation or the Effective Date.

18 **13. Bankruptcy**

19 13.1. In the event any proceedings by or on behalf of Apollo, whether voluntary
20 or involuntary, are initiated under any chapter of the United States Bankruptcy Code,
21 including any act of receivership, asset seizure, or similar federal or state law action
22 ("Bankruptcy Proceedings"), the Parties agree to use their reasonable best efforts to
23 obtain all necessary orders, consents, releases and approvals for effectuation of this
24 Stipulation in a timely and expeditious manner. By way of example only, the Parties
25 agree to cooperate in making applications and motions to the bankruptcy court for relief
26 from any stay, approval of the Stipulation, authority to release funds, authority to release
27 claims and indemnify officers and directors, and authority for the Court to enter all

1 necessary orders and judgments, and any other actions reasonably necessary to
2 effectuate the terms of the Stipulation.

3 **14. Schedule Re Final Approval Motion and Hearing**

4 14.1. Lead Plaintiff via its Lead Counsel shall move for a Final Approval Order
5 And Judgment with respect to the Stipulation in the form attached hereto as Exhibit 5,
6 pursuant to the schedule and deadlines expressed therein or as otherwise directed by the
7 Court.

8 **15. Miscellaneous Provisions**

9 15.1. All of the Exhibits attached hereto are hereby incorporated by reference as
10 though fully set forth herein.

11 15.2. The Parties (a) acknowledge that it is their intent to consummate this
12 Stipulation; and (b) agree to act in good faith and cooperate to the extent reasonably
13 necessary to effectuate and implement all terms and conditions of this Stipulation and to
14 exercise their reasonable best efforts to accomplish the foregoing terms and conditions
15 of this Stipulation.

16 15.3. The Parties agree that this Stipulation was negotiated at arm's-length and
17 in good faith by the Parties, and that this Stipulation was reached voluntarily after
18 consultation with experienced legal counsel.

19 15.4. While the Defendants deny that the claims advanced in the Action are
20 meritorious, the Defendants do not and will not deny that, based upon the publicly
21 available information at the time, the Action was filed, maintained and prosecuted in
22 good faith and in accordance with applicable state and federal laws.

23 15.5. This Stipulation may not be modified nor amended, nor may any of its
24 provisions be waived, except by a writing signed by all Parties hereto or their
25 successors-in-interest.

26 15.6. The headings used herein are used for the purpose of convenience only and
27 are not meant to have legal effect.

1 15.7. This Stipulation and Exhibits attached hereto constitute the entire
2 agreement between the Parties and no representations, warranties, or inducements have
3 been made to any party concerning this Stipulation or its Exhibits other than the
4 representations, warranties, and covenants contained and memorialized in such
5 documents.

6 15.8. The construction, interpretation, operation, effect, and validity of this
7 Stipulation, and all documents necessary to effectuate it, shall be governed by the laws
8 of the State of Arizona, without regard to conflict of laws principles.

9 15.9. This Stipulation shall not be construed more strictly against one party than
10 another merely by virtue of the fact that it, or any part of it, may have been prepared by
11 counsel for one of the Parties, it being recognized that this Stipulation is the result of
12 arm's-length negotiations between the Parties and all parties have contributed
13 substantially and materially to the preparation of this Stipulation.

14 15.10. Except as otherwise expressly provided herein, this Stipulation shall be
15 binding upon and inure to the benefit of the Parties and their affiliates and their
16 respective agents, executors, heirs, successors, and assigns, subject to the conditions set
17 forth herein.

18 15.11. The District Court shall retain jurisdiction with respect to implementation
19 and enforcement of the terms of this Stipulation, and all Parties hereto submit to the
20 jurisdiction of the District Court for purposes of implementing and enforcing the
21 Stipulation.

22 15.12. All counsel and any other person executing this Stipulation and any of the
23 Exhibits hereto, or any related documents, warrant and represent that they have the full
24 authority to do so and that they have the authority to take appropriate action required or
25 permitted to be taken pursuant to this Stipulation to effectuate its terms.

26 15.13. All notices required to be furnished under this Stipulation shall be
27 furnished and agreed to by Class Counsel and the Defendants' Counsel.

1 15.14. This Stipulation may be executed in one or more counterparts, all of which
2 taken together shall constitute one agreement.

3 IN WITNESS WHEREOF, the Parties hereto have caused this Stipulation to be
4 executed by their duly authorized attorneys, dated as of November 21, 2011.

5
6 Dated: November 21, 2011

**BONNETT, FAIRBOURN,
FRIEDMAN & BALINT, P.C.**

7
8 By: _____
9 FRANCIS J. BALINT, JR.

10 WILLIAM G. FAIRBOURN (003399)
11 FRANCIS J. BALINT, JR. (007669)
12 KATHRYN HONECKER (020849)
13 2901 North Central Avenue, Suite 1000
14 Phoenix, AZ 85012
15 Tel. No. (602) 274-1100

Local Counsel for Lead Plaintiff

16 Dated: November 21, 2011

BARRACK, RODOS & BACINE

17
18
19 By: _____
20 STEPHEN R. BASSER

21 STEPHEN R. BASSER
22 SAMUEL M. WARD
23 One America Plaza
24 600 West Broadway, Suite 900
25 San Diego, CA 92101
26 Tel. No. (619) 230-0800

27
BARRACK, RODOS & BACINE
LEONARD BARRACK
JEFFREY A. BARRACK

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12 KATHRYN HONECKER (020849)
13 2901 North Central Avenue, Suite 1000
14 Phoenix, AZ 85012
15 Tel. No. (602) 274-1100

Local Counsel for Lead Plaintiff

16 Dated: November 21, 2011

BARRACK, RODOS & BACINE

17
18
19 By: _____

20 STEPHEN R. BASSER

21 STEPHEN R. BASSER
22 SAMUEL M. WARD
23 One America Plaza
24 600 West Broadway, Suite 900
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FRIEDMAN & BALINT, P.C.**

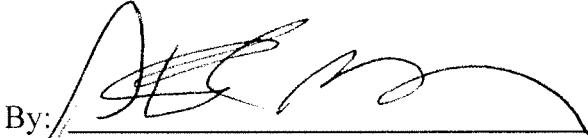
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12 KATHRYN HONECKER (020849)
13 2901 North Central Avenue, Suite 1000
14 Phoenix, AZ 85012
15 Tel. No. (602) 274-1100

Local Counsel for Lead Plaintiff

16
17 Dated: November 21, 2011

BARRACK, RODOS & BACINE

18
19 By:  _____
20 STEPHEN R. BASSER

21 STEPHEN R. BASSER
22 SAMUEL M. WARD
23 One America Plaza
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Two Commerce Square
2001 Market Street, Suite 3300
Philadelphia, PA 19103
Tel. No. (215) 963-0600

Lead Counsel for Lead Plaintiff

Dated: Nov. 21, 2011

GOODWIN PROCTOR

By: 
DANIEL J. TYUKODY

DANIEL J. TYUKODY
601 South Figueroa Street, 41st Floor
Los Angeles, CA 90017
Tel. (213) 426-2627

*Attorneys for Defendants Apollo Group, Inc., Todd
S. Nelson and Kenda B. Gonzales*

Dated: _____, 2011

OSBORN MALEDON

By: _____
DAVID ROSENBAUM

DAVID ROSENBAUM
The Phoenix Plaza
2929 North Central Avenue
Twenty-First Floor
Phoenix, AZ 85012-2793
Tel. (602) 640-9345

*Attorneys for Defendants Apollo Group, Inc., Todd
S. Nelson and Kenda B. Gonzales*

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Two Commerce Square
2001 Market Street, Suite 3300
Philadelphia, PA 19103
Tel. No. (215) 963-0600

Lead Counsel for Lead Plaintiff

Dated: _____, 2011

GOODWIN PROCTOR

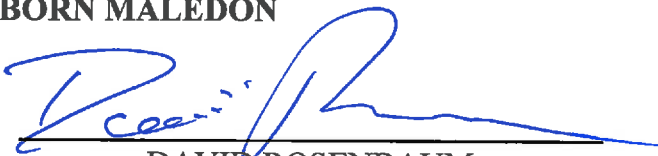
By: _____
DANIEL J. TYUKODY

DANIEL J. TYUKODY
601 South Figueroa Street, 41st Floor
Los Angeles, CA 90017
Tel. (213) 426-2627

*Attorneys for Defendants Apollo Group, Inc., Todd
S. Nelson and Kenda B. Gonzales*

Dated: November 21, 2011

OSBORN MALEDON

By: 
DAVID ROSENBAUM

DAVID ROSENBAUM
The Phoenix Plaza
2929 North Central Avenue
Twenty-First Floor
Phoenix, AZ 85012-2793
Tel. (602) 640-9345

*Attorneys for Defendants Apollo Group, Inc., Todd
S. Nelson and Kenda B. Gonzales*

1 Dated: , 2011

BEUS GILBERT PLLC

2
3 By: 

4 LEO R. BEUS

5 LEO R. BEUS
6 4800 North Scottsdale Road
7 Suite 6000
8 Scottsdale, AZ 85251
9 Tel. (480) 429-3000

Attorneys for Defendant Todd S. Nelson

10 Dated: , 2011

ORRICK HERRINGTON & SUCTLIFFE LLP

11
12 By: _____

13 MICHAEL C. TU

14 MARK E. BECK (*pro hac vice forthcoming*)
15 MICHAEL C. TU (*pro hac vice forthcoming*)
16 777 S. Figueroa Street, 32nd Floor
17 Los Angeles, CA 90017
18 Tel. (213) 629-2020

Attorneys for Defendant Kenda B. Gonzales

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Dated: , 2011 BEUS GILBERT PLLC

By: _____
LEO R. BEUS

LEO R. BEUS
4800 North Scottsdale Road
Suite 6000
Scottsdale, AZ 85251
Tel. (480) 429-3000

Attorneys for Defendant Todd S. Nelson

Dated: *Nov. 21*, 2011 ORRICK HERRINGTON & SUCTLIFFE LLP

By:  _____
MICHAEL C. TU

MARK E. BECK (*pro hac vice forthcoming*)
MICHAEL C. TU (*pro hac vice forthcoming*)
777 S. Figueroa Street, 32nd Floor
Los Angeles, CA 90017
Tel. (213) 629-2020

Attorneys for Defendant Kenda B. Gonzales

EXHIBIT B

**UNITED STATES DISTRICT COURT
DISTRICT OF ARIZONA**

In re APOLLO GROUP, INC.) Lead Case No. CV 04-2147-PHX-JAT
SECURITIES LITIGATION)
) CLASS ACTION
)
)
_____) Judge: James A. Teilborg

**SUMMARY NOTICE OF JUDGMENT IN FAVOR OF CLASS OF
PURCHASERS OF APOLLO GROUP, INC. SECURITIES AND RESULTING
STIPULATION AND AGREEMENT (“AGREEMENT”) REGARDING
RESOLUTION OF THE CASE; REQUEST FOR ATTORNEY FEES AND COSTS
AND FINAL APPROVAL HEARING**

**TO: ALL PERSONS WHO PURCHASED OR OTHERWISE ACQUIRED THE
SECURITIES OF APOLLO GROUP, INC (“APOLLO”), FROM
FEBRUARY 27, 2004 THROUGH SEPTEMBER 14, 2004, INCLUSIVE,
HELD THAT STOCK THROUGH SEPTEMBER 21, 2004, AND DID NOT
PREVIOUSLY OPT OUT OF THE CLASS (“CLASS MEMBERS”).**

YOU ARE HEREBY NOTIFIED of a Judgment in favor of Lead Plaintiff, the Policemen's Annuity and Pension Fund of Chicago and Class Members and the Agreement resolving this securities class action ("Action") and establishing a common fund of \$145 million for the satisfaction of the Judgment. The Court will hold a **Final Approval Hearing** at _____ .m. on _____, 2012, before Honorable James A. Teilborg at the United States District Court for the Central District of Arizona, 401 W. Washington Street, Courtroom 503, Phoenix, AZ 85003, to determine (1) whether the Agreement should be approved as fair, reasonable and adequate, (2) whether a final approval order and judgment dismissing the Action with prejudice should be entered by the Court; (3) whether the Plan of Allocation is fair, reasonable and adequate and therefore should be approved in connection with this Agreement, and (4) whether the application of Lead Counsel for attorneys’ fees and litigation expenses should be approved.

IF YOU ARE A CLASS MEMBER AS DESCRIBED ABOVE, YOUR RIGHTS WILL BE AFFECTED AND YOU MAY BE ENTITLED TO A SHARE IN THE SETTLEMENT FUND. If you have not yet received the full printed Notice of Judgment, you may obtain copies of these documents by contacting the Claims Administrator at:

Apollo Securities Litigation
c/o Heffler, Radetich & Saitta, LLP
P.O. Box 300
Philadelphia, PA 19105

888-665-1127

You can also download copies of these forms from the following website:
www.ApolloSecuritiesLitigation.com.

PLEASE DO NOT CONTACT THE COURT OR THE CLERK'S OFFICE REGARDING THIS NOTICE. Inquiries, other than requests for the Notice and Claim Form, may be made to Lead Counsel:

STEPHEN R. BASSER
SAMUEL M. WARD
BARRACK, RODOS & BACINE
600 West Broadway, Suite 900
San Diego, CA 92101
619-230-0800

To participate in the Agreement, you must submit a Proof of Claim no later than _____, 2012.

The deadline for requests for exclusion from this Class was October 29, 2007, as set forth in the Notice of Pendency of Class Action previously issued to Class members in September 2007. All members of the Class who did not timely and validly request exclusion from the Class will be bound by the Judgment entered in this action and are further bound by the terms of the Stipulation and Agreement Re: Final Approval Order and Judgment. All those who timely requested exclusion from the Class are no longer members of the Class and are not entitled to partake in any recovery from or object to this Settlement.

If you are a member of the Class and wish to object to the proposed agreement, plan of allocation, or application for attorneys' fees and expenses, your **objection must be filed with the Court and served** on all the following counsel on or before _____, 2012:

COURT	PLAINTIFFS' LEAD COUNSEL	DEFENDANTS' COUNSEL
Clerk of the Court United States District Court for the District of Arizona 401 W. Washington Street, Suite 130, SPC 1 Phoenix, AZ 85003-2118	Stephen R. Basser Samuel M. Ward BARRACK, RODOS & BACINE 600 West Broadway Suite 900 San Diego, CA 92101	Daniel Tyukody Goodwin Proctor, LLP 601 South Figueroa Street, 41st Floor Los Angeles, CA 90017

DATED: _____

By Order of the Clerk of the Court

United States District Court

For the District of Arizona

EXHIBIT C

UNITED STATES DISTRICT COURT
DISTRICT OF ARIZONA

In re APOLLO GROUP, INC.) Lead Case No. CV 04-2147-PHX-JAT
SECURITIES LITIGATION)
) CLASS ACTION
)
)
)
) Judge: James A. Teilborg

NOTICE OF JUDGMENT IN FAVOR OF CLASS OF PURCHASERS OF APOLLO GROUP, INC. SECURITIES AND RESULTING STIPULATION AND AGREEMENT (“AGREEMENT”) REGARDING RESOLUTION OF THE CASE; REQUEST FOR ATTORNEY FEES AND COSTS AND FINAL APPROVAL HEARING

TO: ALL PERSONS WHO PURCHASED OR OTHERWISE ACQUIRED THE SECURITIES OF APOLLO GROUP, INC (“APOLLO”), FROM FEBRUARY 27, 2004 THROUGH SEPTEMBER 14, 2004, INCLUSIVE, HELD THAT STOCK THROUGH SEPTEMBER 21, 2004, AND DID NOT PREVIOUSLY OPT OUT OF THE CLASS (“CLASS MEMBERS”).

PLEASE READ THIS NOTICE CAREFULLY. THIS NOTICE RELATES TO A JUDGMENT IN FAVOR OF LEAD PLAINTIFF, THE POLICEMEN’S ANNUITY AND BENEFIT FUND OF CHICAGO AND THE CLASS AND AN AGREEMENT (“AGREEMENT”) RESOLVING THIS SECURITIES CLASS ACTION (“ACTION”).

IF YOU ARE A CLASS MEMBER THIS NOTICE CONTAINS IMPORTANT INFORMATION ABOUT YOUR RIGHT TO RECOVER MONEY PURSUANT TO THE AGREEMENT BETWEEN THE PARTIES.

A federal court authorized this notice. This is not a solicitation from a lawyer.

- Resolution of the Action will create a One Hundred Forty Five Million Dollar (\$145,000,000.00) Common Fund for the benefit of Class Members who purchased shares of Apollo securities from February 27, 2004 through September 14, 2004 and held those shares through September 21, 2004.
- The Agreement fully and finally resolves all outstanding issues in the Action against Defendants Apollo Group, Inc., Todd S. Nelson and Kenda B. Gonzales (“Defendants”) on April 6, 2011, which arose from a January 16, 2008, jury verdict in favor Lead Plaintiff and the Class (“Verdict”).

- Your legal rights are affected whether you act or do not act. Read this Notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS RESPECTING THE AGREEMENT:	
SUBMIT A CLAIM FORM BY _____, 2012	The only way to get a payment.
OBJECT BY _____, 2012	Write to the Court about why you object to the terms of the Agreement.
GO TO A HEARING ON _____, 2012 AT 10:00 AM	Ask to speak in Court about the Agreement.
DO NOTHING	Get no payment. Give up rights, but still be bound by the Agreement.

- Your rights and options —**and the deadlines to exercise them**— are explained in this Notice.
- The Court in charge of this case has not yet approved the Agreement resolving the Action.
- Payments will be made if the Court approves the Agreement and after appeals, if any, are resolved. This may take several months. Please be patient.

SUMMARY OF THE NOTICE

Description of the Action

The Action began in October 2004. On January 16, 2008, after more than four weeks of trial, the jury returned the Jury Verdict in favor of the Plaintiff Class identified above and against Defendants.

On April 6, 2011, Judgment was entered against the Defendants consistent with the Verdict, awarding damages of \$5.55 for each share purchased within the Class Period and held through September 21, 2004, subject to the limitation of damages relating to reductions required by the provisions of the Private Securities Litigation Reform Act of 1995 (“PSLRA”) and any set-offs determined by the Court to be legally required, plus interest (the “Judgment”). As explained below, the Action has been proceeding since entry of Judgment with many issues remaining unresolved and still being contested.

Establishment of Common Fund for Recovery

Pursuant to the terms of the Agreement, the Common Fund, consisting of One Hundred Forty-Five Million Dollars (\$145,000,000.00) in cash and any accumulated interest thereon, has been established. The Common Fund will be used to pay Class Members amounts based on the Judgment referred to above, minus the amount of

attorneys' fees and costs awarded by the Court on a *pro rata* basis (the "Net Common Fund") as calculated below.

Each Class Member who timely submits a valid Proof of Claim ("Authorized Claimant") will receive that portion of the Net Common Fund determined by comparing the Authorized Claimant's Recognized Loss on the Class Member's eligible shares with the total Recognized Loss suffered by all Class Members who submit valid Proofs of Claim ("Authorized Claimants"). The approximate per share recovery is dependent upon the number of eligible shares for which valid claims are timely submitted; when during the Class Period an Authorized Claimant purchased shares of Apollo common stock; the purchase price paid; any sales of Apollo common stock during the Class Period; the number of shares purchased during the Class Period that were held continuously through September 21, 2004; the number of shares sold during the Class Period and when they were sold; whether each such share is impacted by the 90-day look-back provision of the PSLRA, thus reducing or eliminating any recovery and the amount received. Those factors may affect whether an Authorized Claimant receives the amount of \$5.55 plus interest per share (minus attorneys' fees and costs per share) or some greater or lesser amount.

To the extent there are sufficient funds in the Net Common Fund, Authorized Claimants will receive an amount equal to the "Authorized Claimant's Recovery" as defined in the Method of Calculation of Claimant Class Members' Recognized Losses and Recovery ("Method of Calculation") on page __ below, to which Class Members are referred. If, however, the total amount of all Authorized Claimant's Recovery is greater than the Net Common Fund, then each Authorized Claimant will receive the percentage of the Net Common Fund that each Authorized Claimant's Recovery bears to the total of all Authorized Claimants' Recovery, and thus the Recovery will be less than the Judgment minus attorneys' fees and costs. If the total amount of all Authorized Claimants' Recovery is less than the remainder of the Net Common Fund, then Authorized Claimants will receive more than their Authorized Claimant's Recovery in the same percentage that each Authorized Claimant's Recovery bears to the total of all Authorized Claimants' Recovery, and thus the recovery may be greater than the Judgment minus attorneys' fees and costs.

Statement of Attorneys' Fees and Costs Sought

Lead Counsel will be seeking an award of attorneys' fees to Class Counsel not to exceed 33.33% of the Common Fund, and for reimbursement of all expenses and costs incurred in connection with the Action since October 2004, not to exceed \$1,875,000.00. The requested fees and expenses should not exceed an average of approximately \$1.92 of the \$5.55 per share referred to above.

Lead Counsel, Barrack, Rodos & Bacine, along with Class Counsel, have expended considerable time and effort in the prosecution of this Action on a contingent

fee basis and have advanced the expenses of the Action in the expectation that, if they were successful in obtaining a recovery for the Class, they would be paid from such recovery. In this type of lawsuit, courts frequently award counsel a percentage of the common fund recovery as their attorneys' fees. Lead Counsel will make an additional request for future expenses incurred in connection with administration of the Agreement.

Further Information

Further information regarding the Action and this Notice may be obtained by contacting Lead Counsel: Stephen R. Bassor or Samuel M. Ward, Barrack, Rodos & Bacine, Suite 900, 600 West Broadway, San Diego, CA 92101, telephone: (619) 230-0800 or Jeffrey A. Barrack, Barrack, Rodos & Bacine, Suite 3300, 2001 Market Street, Philadelphia, PA 19103, telephone: (215) 963-0600.

Reasons for the Agreement

Lead Plaintiff's principal reason for entering into the Agreement was to secure the expeditious and efficient distribution of the recovery to the Class and to eliminate further and prolonged delays caused by continued litigation between the Parties. This Action has been pending for seven years and the Verdict was entered almost four years ago. Lead Plaintiff supports the Agreement because it secures an amount certain now, as the Common Fund. Lead Plaintiff also believes that the Agreement will fairly, reasonably and adequately assure a recovery consistent with the Judgment to Class Members who submit valid claims, without the risk of prolonged and potentially successful challenges raised by Defendants to claims administration, which could result in a significant reduction in the amount distributed to the Class. Lead Plaintiff believes that the benefits achieved by this Agreement outweigh the risk of further and prolonged litigation with respect to individualized issues of reliance, likely appeals from any rulings with respect to the adjudication of that issue, possibly years into the future, and the risk of no recovery or a greatly diminished recovery for many Class Members.

Lead Plaintiff acknowledges that, absent the Agreement, there was a risk that under the unique facts and circumstances of this Action, it might not prevail on behalf of the Class as to all, or possibly any, of the post-judgment issues Defendants raised. Therefore, in the absence of the Agreement, Class Members might ultimately be determined to have a collective Recognized Loss that is substantially reduced and/or any distribution to them of their recovery might be delayed for several years as a consequence of the continuing litigation and any appeals therefrom.

While Defendants continue to deny all allegations of wrongdoing or liability whatsoever, they believe that the Agreement will eliminate the expense, risk, and uncertain outcome of the issues still being litigated and to bring finality to the Action so that Apollo can focus its resources on its business without the continued distraction of the Action.

Basic Information

1. Why did I get this notice package?

You or someone in your family may have purchased or otherwise acquired Apollo securities during the period from February 27, 2004 through and including September 14, 2004.

The Court directed that this Notice be sent to Class Members because they have a right to know about the proposed Agreement and the effect the Agreement will have on their rights, before the Court decides whether to approve the Agreement. If the Court approves the Agreement, and after objections and appeals, if any, are resolved, the Claims Administrator appointed by the Court will make the payments that the Agreement allows.

This notice explains the Action, the Agreement, the Class Members' legal rights, what benefits are available to Class Members, and how Class Members can claim those benefits.

2. What is this lawsuit about?

Beginning on or about October 12, 2004, several class actions were commenced in the United States District Court for the District of Arizona (the "District Court") before the Honorable James A. Teilborg. The class actions asserted claims against Defendants under sections 10(b) and 20(a) of the Securities Exchange Act of 1934 ("Exchange Act").

By order dated April 1, 2005, the District Court consolidated the related class actions before it. On April 14, 2005, the District Court appointed the Policeman's Annuity and Benefit Fund of Chicago to serve as Lead Plaintiff, and Barrack, Rodos & Bacine to serve as Lead Counsel for the putative shareholder class under and pursuant to 15 U.S.C. §78u-4 (a)(3)(B).

On June 15, 2005, Defendants filed a motion to dismiss Lead Plaintiff's Complaint. The District Court heard arguments on Defendants' motion to dismiss on October 3, 2005, and denied the motion by Order dated October 18, 2005. Thereafter, the parties engaged in an extensive discovery program including, among other things, the production and review of approximately one million pages of documents and the taking of approximately fifty depositions.

Upon stipulation of the parties dated August 24, 2007, and after an opportunity for discovery by Defendants from Lead Plaintiff's investment manager, the District Court

granted class certification and by Order dated August 28, 2007, required Lead Plaintiff to notify the Class regarding the pendency of the Action. On September 14, 2007, Lead Plaintiff disseminated a Notice of Pendency of Class Action to Class Members. That Notice informed Class Members of the existence of the Action and gave all Class Members the opportunity to exclude themselves from the Action. If you excluded yourself from the Action, you are no longer a Class Member and will not participate in the recovery.

After the close of discovery, Defendants moved for summary judgment arguing, among other things, that the Defendants did not make any false or misleading statements or otherwise deceive investors with respect to any of the challenged statements and that the alleged conduct did not cause loss to Lead Plaintiff or the Class (loss causation). On September 11, 2007, the District Court denied Defendants' motion for summary judgment.

Trial commenced on November 14, 2007 and lasted 22 court days through early January 2008. Both sides presented extensive documentary and testimonial evidence, including expert testimony, in support of their respective positions regarding liability and damages. On January 16, 2008, after closing arguments were heard and instructions given by the District Court, the jury issued its Verdict in favor of Lead Plaintiff and the Class, and awarded damages on a per share basis in the amount of \$5.55 per share.

The District Court initially entered judgment on the Verdict in favor of Lead Plaintiff and the Class on January 30, 2008. On February 13, 2008, Defendants filed a motion for judgment as a matter of law under and pursuant to Federal Rules of Civil Procedure Rule 50(B), a motion for a new trial and a motion for *remititur*. On August 4, 2008, the District Court granted Apollo's motion for judgment as a matter of law and vacated the January 30, 2008 judgment ("August 4, 2008 Order"). Lead Plaintiff appealed from the August 4, 2008 Order and, on March 3, 2010, the Ninth Circuit Court of Appeals reversed the August 4, 2008 Order and ordered the District Court to reinstate the Verdict.

On November 15, 2010, Defendants filed a Petition for Writ of Certiorari to the Supreme Court of the United States ("Petition"), which Lead Plaintiff opposed. By Order dated March 7, 2011, the Supreme Court of the United States denied the Petition. On March 9, 2011, the Ninth Circuit Court of Appeals directed the re-entry of judgment consistent with the Jury Verdict. On April 6, 2011, the District Court re-entered the Judgment with respect to all shares purchased by Class Members between February 27, 2004 through September 14, 2004, inclusive, and that were held through September 21, 2004.

After the District Court re-entered the Judgment, Defendants raised numerous issues and challenges related to the eligibility of individual class members to secure

recovery; the calculation and assessment of damages per claimant; and the procedures with respect to claims administration and processing.

On May 6, 2011, Defendants sought the District Court's permission to include as part of the claims process the opportunity to take discovery from Class Members, including discovery related to challenging whether particular Class Members and particular categories of Class Members were entitled to claim that they relied upon the integrity of the market price when purchasing Apollo securities during the Class Period. If permitted, Defendants' challenges could have resulted in a multitude of individual trials before a judge or jury with respect to whether or not a particular Class Member claimant could claim such reliance and could be permitted to take part in the Judgment, a process that could have taken several years including the potential for prolonged appeals.

Beyond the controversy on an individual Class Member inquiry as to who could be an eligible claimant, several other issues remained in contention between the Parties which, if approved by the Court, will be resolved by virtue of the Agreement, including the appropriate method of calculating a Class Member's Recognized Loss. Defendants asserted several positions which, if accepted by the Court, would reduce — possibly greatly — the amount of each Class Member's Recognized Loss.

All of these requests by the Defendants were a matter of contention between the Parties at the time of this Agreement. If the Court permitted the Defendants to engage in such requested discovery and litigation, in whole or in part, both those individual claimants whom Defendants challenged, and those whom Defendants did not challenge, would be at risk of considerable delays with respect to recovering money based on the Judgment, along with a risk of substantial diminution of their recoveries. This potential for significant further litigation and a consequential extended delay in the obtaining recovery has been avoided as a result of the Agreement.

3.....
Why is there an Agreement?

This case has been in litigation since October 12, 2004. Despite the Judgment entered April 6, 2011 – almost seven years after the institution of the Action – and following a prolonged period of appeal to the United States Circuit Court of Appeals for the Ninth Circuit and the filing by the Defendants of a Petition for Certiorari in the United States Supreme Court, as noted above, there were still a number of outstanding issues requiring resolution by the Court that could significantly affect Class Members' abilities to recover under the Judgment and in what amounts.

After the parties filed memoranda and briefing providing the District Court with their respective positions concerning post-judgment claims administration and procedures and any “second-phase” litigation, individual class member discovery and/or trial as to the issue of reliance, as outlined and requested by Defendants, the Parties sought the

assistance of a neutral third party in a good faith effort to evaluate the likely amount of aggregate damages that would be claimed pursuant to the Judgment, and resolve all outstanding issues and disputes with respect to the Judgment, including claims allocation, administration and procedures, without the need for further protracted, expensive and contentious litigation.

The parties met with the Honorable Nicholas Politan, Judge (Ret.) of the United States District Court for the District of New Jersey. In addition to conducting extensive telephonic discussions and two all day face-to-face sessions with the Parties in New York City, Judge Politan reviewed substantial material submitted by both sides. Judge Politan provided valuable input and advice with respect to numerous issues and contentions. The Parties reached resolution and agreement as to all outstanding issues in dispute, including a fair, adequate and realistic aggregate amount of money to be paid by Apollo without the need for continued, protracted litigation.

Accordingly, Lead Plaintiff and Lead Counsel have agreed to the resolution per the terms and provisions expressed in the Agreement, in exchange for the payment by Apollo of an aggregate sum certain to achieve final resolution of all outstanding issues that persist in the Action. The Agreement confers substantial benefits to the Class Members in that they should receive a much more immediate payment of a significant and certain aggregate sum, and avoid the risk, uncertainty and extensive delays of further prolonged litigation with respect to each or any of the outstanding issues. Pursuant to the Agreement Apollo has agreed to pay the total aggregate sum of One Hundred Forty-Five Million Dollars (\$145,000,000.00) (the "Settlement Amount") into a Common Fund Account. Defendants shall immediately abandon or withdraw any and all current challenges to potential Class Member claims for recovery of damages, and shall permit the Court-appointed Claims Administrator, Heffler, Radetich & Saitta, LLC to engage in all necessary claims administration, allocation and procedures without further delay, contest or dispute by Defendants.

Who Is Included In The Agreement

To see if you will get money from this Agreement, you must first determine if you are a Class Member.

4. How do I know if I am part of the Agreement ?

Subject to the exceptions set forth below in question 5, everyone who fits this description is a Class Member and is covered by the Agreement:

All persons (and entities) who purchased the securities of Apollo, from February 27, 2004 through and including September 14, 2004 and held all or any of those shares through September 21, 2004.

5.....
Are there exceptions to being included?

Excluded from the Class are the Defendants, any entity in which Defendants or any excluded person has or had a controlling ownership interest, the officers and directors of Apollo, members of any such excluded person's immediate families, and the legal affiliates, representatives, heirs, controlling persons, successors, and predecessors in interest or assigns of any such excluded party.

Also excluded from the recovery afforded to the Class by this Agreement are all those who previously excluded themselves from the Class pursuant to the Notice of Pendency of Class Action by timely filing a Request for Exclusion by October 29, 2007.

If one of your mutual funds purchased shares of Apollo common stock during the Class Period, that alone does not make you a Class Member. You are a Class Member only if you **directly** purchased shares of Apollo securities during the Class Period. Check your investment records or contact your broker to see if you purchased Apollo securities during the Class Period.

If you **sold** Apollo securities during the Class Period, that alone does not make you a Class Member. You are a Class Member only if you **purchased** shares during the Class Period and held through September 21, 2004.

The Agreement's Benefits—What You Get

6.....
What does the Agreement provide?

Under the Agreement, Defendants have agreed to pay One Hundred Forty-Five Million Dollars (\$145,000,000.00) into a Common Fund to be distributed, after deduction of fees and expenses, among all Class Members who timely send in a valid Proof of Claim form showing a Recognized Claim as determined by the Claims Administrator.

7.....
How much will my recovery be?

Your share of the Net Common Fund will depend on your Recognized Claim and Recognized Loss and the total Recognized Claims and total Recognized Losses as calculated by the Claims Administrator in accordance with the procedures set forth on pages ___ below.

How You Get A Recovery—Timely Submitting A Proof Of Claim Form

8. How can I get a recovery?

To qualify for a payment, you must timely submit a completed Proof of Claim form. A Proof of Claim form is included with this Notice. You may also get a Proof of Claim form on the Internet at www.ApolloSecuritiesLitigation.com. Read the instructions carefully, fill out the Proof of Claim form, sign it, and mail it and the documentation required on the form to the following address, postmarked no later than _____, 2012.

WARNING: THERE ARE COMPANIES THAT WRITE OR CALL CLASS MEMBERS AND OFFER THEIR SERVICES IN FILING CLAIM FORMS OR PROVIDING OTHER INFORMATION ABOUT POTENTIAL RECOVERY OF MONIES IN CLASS ACTIONS IN EXCHANGE FOR A PORTION OF ANY SETTLEMENT FUNDS THAT THE CLASS MEMBER MAY ULTIMATELY RECOVER. YOU DO NOT NEED TO USE ONE OF THOSE COMPANIES TO ASSIST YOU OR HELP YOU IN FILING A CLAIM. IF YOU HAVE ANY QUESTIONS ABOUT FILLING OUT YOUR CLAIM FORM, YOU MAY CONTACT THE CLAIMS ADMINISTRATOR AT: WWW.APOLLOSECURITIESLITIGATION.COM OR 888-665-1127. THE CLAIMS ADMINISTRATOR WILL ANSWER YOUR QUESTIONS FREE OF CHARGE.

9. When would I get my payment?

The Court will hold a hearing on _____, **2012 at 10:00 a.m.**, to decide whether to approve the Agreement. If the Court approves the Agreement, the Court's decision may be appealed. It is always uncertain how long before such appeals can be resolved. Resolving appeals can take time, perhaps more than a year. It also takes time for all the Proofs of Claim to be processed. Please be patient.

10. What Rights am I giving up in the Agreement?

When the Agreement becomes effective, you will release all "Released Claims" against the "Released Parties" (as defined on pages __ of the accompanying Proof of Claim Form). In addition to releasing the Released Claims against the Released Parties, when the Agreement becomes effective, you will also be barred and enjoined from asserting any claim of any kind relating to the fairness, adequacy and reasonableness of the amount paid by Apollo and against Class Counsel or Lead Plaintiff and their agents,

employees, officers, directors and trustees with respect to or arising from the Action or the Agreement.

NO FURTHER EXCLUSION FROM THE CLASS

11. Can I exclude myself from the Class?

You cannot exclude yourself from the Class if you did not previously and timely submit a Request for Exclusion opting out of the Class by October 29, 2007. If you timely and validly requested exclusion from the Class: (a) you are excluded from the Class; (b) you will not share in the proceeds of the Common Fund achieved by the Agreement described herein; (c) you will not be bound by any Judgment entered in the Action; (d) you will not be able to object to the Agreement because it does not affect you because you have excluded yourself from the Class and as a result you will have no right to be heard at the hearing; and (e) you will not be precluded, by reason of your decision have excluded yourself from the Class, from otherwise prosecuting an individual claim, if timely, against the Defendants based on the matters complained of in the Action.

THE LAWYERS REPRESENTING THE CLASS

12. Do I have a lawyer in this case?

The Court appointed the law firm of Barrack, Rodos & Bacine as Lead Counsel to represent Lead Plaintiff and the Class. These lawyers are called Plaintiffs' Lead Counsel. You will not be separately charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

13. How will the lawyers be paid?

Plaintiffs' Lead Counsel will ask the Court to award attorneys' fees from the Common Fund in an amount not to exceed 33.33% of the Common Fund Amount, and for reimbursement of their expenses not to exceed \$1,875,000.00, plus interest on such fees and expenses at the same rate as earned by the Common Fund. Plaintiffs' Lead Counsel and Class Counsel, without further notice to the Class, will subsequently apply to the Court for payment from the Common Fund any additional fees and expenses incurred by the Claims Administrator in connection with disseminating this Notice, administering the recovery and distributing the Net Common Fund to Class Members.

OBJECTING TO THE AGREEMENT

You can tell the Court that you oppose the Agreement or some part of it.

**14.
How do I tell the Court that I do not like the proposed Agreement?**

If you are a Class Member who has not previously opted out of the Class, you can object to the Agreement or any of its terms, the proposed calculation of claims and/ or the application by Plaintiffs’ Lead Counsel for an award of fees and expenses. You may write to the Court setting out your objection. The Court will consider your views if you file a proper objection within the deadline identified, and according to the following procedures. **YOU SHOULD STILL TIMELY SERVE A PROOF OF CLAIM FORM AS REQUIRED PER THE AGREEMENT EVEN IF YOU HAVE OR INTEND TO ASSERT YOUR OBJECTION.**

To object, you must send a signed letter or other document stating that you object to the proposed Agreement and/or request for counsel fees and expenses in *In re Apollo Group, Inc. Securities Litigation*, Lead Case No. CV-04-2147-PHX-JAT, to the addresses below. You **must** include the following information in your letter or other document: your name, address, telephone number, and your signature, the date(s), price(s), and number(s) of shares of all purchases and sales of Apollo securities you made during the Class Period, and the reasons why you object to the Agreement or to the request for counsel fees and expenses. Your **objection must be filed with the Court and served on all the following counsel on or before _____, 2012:**

COURT	PLAINTIFFS’ LEAD COUNSEL	DEFENDANTS’ COUNSEL
Clerk of the Court United States District Court for the District of Arizona 401 W. Washington Street, Suite 130, SPC 1 Phoenix, AZ 85003- 2118	Stephen R. Basser Samuel M. Ward BARRACK, RODOS & BACINE 600 West Broadway Suite 900 San Diego, CA 92101	Daniel Tyukody Goodwin Proctor, LLP 601 South Figueroa Street, 41st Floor Los Angeles, CA 90017

THE COURT'S FINAL APPROVAL HEARING

15.
When and where will the Court decide whether to approve the proposed Agreement?

The Court will hold a **Final Approval Hearing** at _____ .m. on _____, **2012**, before Honorable James A. Teilborg at the United States District Court for the Central District of Arizona, 401 W. Washington Street, Courtroom 503, Phoenix, AZ 85003. At this hearing the Court will consider whether the Agreement is fair, reasonable and adequate, including whether the proposed calculation of claims for the proceeds of the Common Fund achieved by the Agreement is appropriate and the application of Plaintiff's Lead Counsel for attorneys' fees and reimbursement of expenses. The Court will also consider any written objections filed in accordance with the instructions at question 14. The Court also may listen to people who have properly indicated an intention to speak at the hearing; but decisions regarding the conduct of the hearing will be made by the Court. See question 17 below for more information about speaking at the hearing. At or after the hearing, the Court will decide whether to approve the Agreement and how much to award to Plaintiff's Lead Counsel and Class Counsel for their fees and expenses. We do not know how long these decisions will take.

You should be aware that the Court may change the date and time of the Final Approval Hearing. Thus, if you want to come to the hearing, you should check with Plaintiff's Lead Counsel before coming to be sure that the date and/or time has not changed.

16.
Do I have to come to the hearing?

No. Class Members are not required to appear at the hearing or take any other action to indicate their approval. Plaintiffs' Lead Counsel will answer questions the Court may have. Class Members are welcome to attend the hearing, **at their own expense**. If you send an objection, you are not required to come to Court to talk about it. The Court will consider all timely filed objections. You may also pay your own lawyer to attend, but it is not required.

17.
May I speak at the hearing?

If you object to the Agreement, you may ask the Court for permission to speak at the Final Approval Hearing. To do so, you must include with your objection (see question 14 above) a statement stating that it includes your "Notice of Intention to

Appear in *In re Apollo Group, Inc., Securities Litigation*, Lead Case No. CV-04-2147-PHX-JAT.” Persons who intend to object to the Agreement, the calculation of claims, and/or Lead Counsel’s application for an award of attorneys’ fees and expenses and who wish to present evidence at the Final Approval Hearing must include in their written objections the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the Final Approval Hearing. **You cannot speak at the hearing if you have not timely provided written notice of your intention to speak at the Final Approval Hearing.** You may not present testimony or documentary evidence at the Final Approval Hearing if you have not followed the procedures outlined in the preceding paragraph.

IF YOU DO NOTHING

18.
What happens if I do nothing at all?

If you do nothing, you will receive no money from this Agreement. To share in the Common Fund, you must submit a Proof of Claim Form which is included herein (*see* question 8). The Final Approval Order approving the Agreement will dismiss the Action and resolve all Class Members’ Released Claims as against all Released Parties and will bar or enjoin you from asserting any claims or actions against Lead Plaintiff or Plaintiffs’ Class Counsel as more fully noted in part 10, above at page _____. Whether or not they submit a Proof of Claim form, all Class Members, unless they previously opted out of the Class (*see* question 5) will be barred from starting a lawsuit, continuing with a lawsuit, or being part of any other lawsuit against the Defendants and the other Released Parties about the Released Claims in this case, ever again.

GETTING MORE INFORMATION

19.
Are there more details about the proposed Agreement?

This notice summarizes the proposed Agreement. More details are in the Agreement dated November 21, 2011. You can get a copy of the Agreement by writing to Leslie Molder, Barrack, Rodos & Bacine, Suite 3300, 2001 Market Street, Philadelphia, PA 19103.

You also can call the Claims Administrator at Heffler, Radetich & Saitta LLP, 888-665-1127 or go to www.ApolloSecuritiesLitigation.com, where you will find a Proof of Claim form, plus other information to help you determine whether you are a Class Member and whether you are eligible for a payment.

For even more detailed information concerning the matters involved in this Action, you can refer to the pleadings, to the Agreement, to the Orders entered by the

Court and to the other papers filed in the Action, which may be inspected at the Office of the Clerk of the United States District Court for the District of Arizona, Suite 130, 401 West Washington Street, SPC 1, Phoenix, AZ 85003, during regular business hours.

The operative complaint, the Verdict and Special Verdict Form, other relevant pleadings and this Notice and Claim Form may also be viewed at www.ApolloSecuritiesLitigation.com.

Inquiries regarding the Action should be addressed as follows:

BARRACK, RODOS & BACINE
STEPHEN R. BASSER
SAMUEL M. WARD
600 West Broadway, Suite 900
San Diego, CA 92101

Please do not contact Judge Teilborg directly.

METHOD OF CALCULATION OF CLAIMANT CLASS MEMBERS' RECOGNIZED LOSSES AND RECOVERY

Pursuant to the Agreement, a Common Fund consisting of One Hundred Forty-Five Million Dollars (\$145,000,000.00) plus interest earned thereon ("Common Fund Amount"), has been established. The Common Fund, less all taxes, approved costs, fees and expenses (the "Net Common Fund") shall be distributed to Class Members who submit acceptable Proofs of Claim ("Authorized Claimants").

An Authorized Claimant's Recognized Claim shall be determined as follows:

All Class Members who file a timely and valid Proof of Claim shall be entitled to recover damages with respect to their eligible shares pursuant to the Agreement, and the Private Securities Litigation Reform Act as follows:

1. For each share of Apollo common stock purchased from February 27, 2004 through September 14, 2004, and:

a. Sold on or prior to September 21, 2004, there will be no Recognized Loss.

b. Held through September 21, 2004 and sold during the period beginning September 22, 2004 and ending December 20, 2004 (*i.e.*, sold during the 90-day look-back period established by the PSLRA), the Recognized Loss shall be the lesser of (1) \$5.55 per share; or (2) the purchase price per share minus the average closing price per share during the period of September 22, 2004 through the date of the sale of those shares.

c. Held through September 21, 2004 and retained at the close of trading on December 20, 2004 (*i.e.*, retained at the end of the 90-day look-back period) the Recognized Loss shall be the lesser of (1) \$5.55 per share; or (2) the purchase price per share less the 90-day average closing price per share from September 22, 2004 through December 20, 2004 of \$73.96.

d. Pre-Judgment interest will be added to each Authorized Claimant with a calculated Recognized Loss, calculated from the date of each purchase, at a rate equal to the weekly average one year constant maturity Treasury yield for the calendar week preceding the date of such purchase, compounded annually through April 6, 2011, the date Judgment was entered.

e. Post-Judgment interest shall accrue on the principal and Pre-Judgment interest from the date of the Judgment's entry until the Settlement Amount is paid into an escrow account (pursuant to the Agreement) at the rate established under 28 U.S.C. § 1961, compounded annually.

2. For the purpose of determining which shares of Apollo Group, Inc. purchased during the Class Period were sold at any time during the Class Period or were retained after the close of trading on September 21, 2004 or December 20, 2004, purchases and sales will be matched on a First-In-First-Out ("FIFO") basis by matching the first shares sold against any opening position of shares held as of the close of business on February 26, 2004 (prior to the start of the Class Period) and then on a FIFO basis against any additional shares of Apollo purchased during the Class Period on the assumption that the first share purchased was the first share sold.

3. A purchase or sale of Apollo common stock shall be deemed to have occurred on the "contract" or "trade" date as opposed to the "settlement" or "payment" date.

4. A claimant will be eligible to receive a recovery only if the claimant has a net Recognized Loss. Net profits from all shares of Apollo common stock purchased and sold during the Class Period will be subtracted against all market losses calculated pursuant to paragraphs 1 and 2 above. However, any profits from sales of Apollo stock during the Class Period which have been matched against stock held at the beginning of the Class Period will not be used to reduce a Claimant's Recognized Loss. The amount of an Authorized Claimant's recovery as calculated above will be reduced on a pro-rata basis by any amount awarded by the Court to Class Counsel for attorneys' fees and the expenses of bringing and prosecuting this Action and costs of Administration ("Authorized Claimants' Recovery").

5. To the extent there are sufficient funds in the Net Common Fund, the Authorized Claimant will receive an amount equal to the Authorized Claimants'

Recovery as defined above. If, however, the amount of all Authorized Claimants' Recovery is greater than the remainder of the Net Common Fund, then Authorized Claimants will receive the percentage of the Net Common Fund that each Authorized Claimants' Recovery bears to the total of all Authorized Claimants' Recovery. If the amount of all Authorized Claimants' Recovery is less than the remainder of the Net Common Fund, then Authorized Claimants will receive more than their Authorized Claimants' Recovery in the same percentage that each Authorized Claimants' Recovery bears to the total of all Authorized Claimants' Recovery.

6. Shares "transferred into," "delivered into" or "received into" a claimant's account will *not* be considered as purchases of shares unless the claimant submits documentation demonstrating that the original purchase of these shares occurred during the Class Period. Also, shares purchased and subsequently "transferred out" or "delivered out" of a claimant's account will not be considered part of a claimant's claim, as the right to file for those shares belongs to the person receiving the shares.

7. The receipt or grant of a gift of Apollo common stock during the Class Period will not be deemed to be a purchase of Apollo common stock during the Class Period. However, the recipient of Apollo common stock as a gift or as a distribution from an estate will be eligible to file a Proof of Claim to the extent the particular donor or decedent was the actual purchaser of Apollo common stock and would have been eligible, based upon the circumstance of such purchase within the Class Period; however, the donee and donor may not both claim with regard to the same Apollo common stock; if both the donor and donee make such a claim, only the claim filed by the donee will be honored.

8. Class Members who do not file acceptable Proofs of Claim will not share in the Net Common Fund proceeds. Class Members who do not file an acceptable Proof of Claim will nevertheless be bound by the Judgment and the Agreement.

9. Distributions will be made to Authorized Claimants after all claims have been processed and after the Court has finally approved the Agreement. If any funds remain in the Net Common Fund by reason of un-cashed distributions or otherwise, then, after the Claims Administrator has made reasonable and diligent efforts to have Class Members who are entitled to participate in the distribution of the Common Fund cash their distributions, any balance remaining in the Common Fund one (1) year after the initial distribution of such funds shall be re-distributed to Class Members who have cashed their initial distributions and who would receive at least \$10.00 from such re-distribution, after payment of any unpaid costs or fees incurred in administering the Common Fund for such re-distribution. [If after six months after such re-distribution any funds shall remain in the Common Fund, then such balance shall be contributed to not-for-profit charitable organizations.]

CLASS MEMBERS DO NOT HAVE TO PERFORM ANY OF THE CALCULATIONS DESCRIBED ABOVE. THESE CALCULATIONS WILL BE PERFORMED BY THE CLAIMS ADMINISTRATOR BASED ON THE PURCHASE AND SALE TRANSACTION INFORMATION PROVIDED BY CLASS MEMBERS ON THE PROOF OF CLAIM FORM ENCLOSED.

TO RECOVER UNDER THE AGREEMENT, YOU MUST SUBMIT, OR THERE MUST BE SUBMITTED ON YOUR BEHALF, A VALID PROOF OF CLAIM FORM WITH APPROPRIATE DOCUMENTATION NO LATER THAN _____, 2012, TO THE ADDRESS SET FORTH IN THE ENCLOSED PROOF OF CLAIM FORM.

SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

Banks, brokerage firms, institutions and other persons who are nominees who purchased the common stock of Apollo (APOL, CUSIP 037604105) for the beneficial interest of other persons on any day from February 27, 2004 through and including September 14, 2004, inclusive, are requested, to the extent they did not provide such information pursuant to the September 14, 2007 Notice of Pendency of Class Action, within ten (10) days of receipt of this Notice: (1) to provide Administrator with the names and addresses of such beneficial owners or, (2) to forward copies of this Notice and the Proof of Claim form to each such beneficial purchaser and provide counsel for Lead Plaintiff with written confirmation that the Notice has been so forwarded. Administrator, via an Administration Fund established after entry of the judgment against Defendants, will pay your reasonable costs and expenses of complying with this provision upon submission of appropriate documentation. Additional copies of the Notice may be obtained from counsel for Lead Plaintiff or the Administrator for forwarding to such beneficial owners. All such correspondence should be addressed as follows:

Apollo Securities Litigation
c/o Heffler, Radetich & Saitta, LLP
P.O. Box 300
Philadelphia, PA 19105

DATED: _____

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT IN
AND FOR THE DISTRICT OF ARIZONA

EXHIBIT D

**UNITED STATES DISTRICT COURT
DISTRICT OF ARIZONA**

In re APOLLO GROUP, INC.
SECURITIES LITIGATION

) Lead Case No. CV 04-2147-PHX-JAT

)

) CLASS ACTION

)

)

) Judge: James A. Teilborg

PROOF OF CLAIM

GENERAL INSTRUCTIONS

1. To recover as a member of the Class based on the Stipulation and Agreement Re Final Approval Order And Judgment (“Stipulation” or “Agreement”) preliminarily approved by Order of the District Court dated _____, 2011 in the action entitled *In re Apollo Group, Inc. Securities Litigation* (the “Action”) you must complete and, on page _ hereof, sign this Proof of Claim. If you fail to submit a properly addressed (as set forth in Paragraph 3 below) Proof of Claim, your claim may be rejected and you may be precluded from any damages recovery pursuant to the Stipulation arising from the Verdict of January 16, 2008 and Judgment of April 6, 2011, entered in the Litigation against the Defendants Apollo Group, Inc. (“Apollo”), Todd S. Nelson and Kenda B. Gonzales.

2. THE MANNER OF CALCULATING THE CLAIMS OF CLASS MEMBERS IS EXPLAINED IN DETAIL IN THE NOTICE ACCOMPANYING THIS PROOF OF CLAIM. CLASS MEMBERS DO NOT HAVE TO PERFORM ANY INDIVIDUAL DAMAGES CALCULATIONS. ALL CALCULATIONS WILL BE PERFORMED BY THE CLAIMS ADMINISTRATOR BASED ON THE PURCHASE AND SALE TRANSACTION INFORMATION PROVIDED BY CLASS MEMBERS ON THE PROOF OF CLAIM FORM.

3. Your Proof of Claim must be verified by the Claims Administrator and approved by the Court before you can share in the proceeds derived from the Defendants pursuant to the Stipulation in the Action.

4. **YOU MUST MAIL YOUR COMPLETED AND SIGNED PROOF OF CLAIM POSTMARKED ON OR BEFORE _____, 2012, ADDRESSED AS FOLLOWS:**

Apollo Securities Litigation
c/o Heffler, Radetich & Saitta, LLP
P.O. Box 300
Philadelphia, PA 19105-0300

5. If you are a member of the Class and you did not timely request exclusion, pursuant to the September 14, 2007 Notice of Pendency of Class Action, you shall be bound by the terms of the Agreement upon issuance of a Final Approval Order by the Court entered in the Litigation whether or not you submit a Proof of Claim.

6. If you did **NOT** purchase shares of Apollo common stock during the period from February 27, 2004 through September 14, 2004 and hold those shares through September 21, 2004, **DO NOT** submit a Proof of Claim.

CLAIMANT IDENTIFICATION

1. If you purchased Apollo common stock and held the certificate(s) in your name, you are the beneficial purchaser as well as the record purchaser. If, however, you purchased Apollo common stock and the certificate(s) were registered in the name of a third party, such as a nominee or brokerage firm, you are the beneficial purchaser and the third party is the record purchaser.

2. Use Part I of this form (entitled "Claimant Identification") to identify each purchaser of record, if different from the beneficial purchaser, of Apollo common stock which forms the basis of this claim.

3. All joint purchasers must sign this claim. Executors, administrators, guardians, conservators and trustees must complete and sign this claim on behalf of persons represented by them and their authority must accompany this claim and their titles or capacities must be stated. The social security (or taxpayer identification) number and telephone number of the beneficial owner may be used in verifying the claim. Failure to provide the foregoing information could delay verification of your claim or result in rejection of the claim.

CLAIM FORM

1. Use Part II of this form (entitled “Schedule of Transactions in Apollo Common Stock”) to supply all required details of your transaction(s) in Apollo common stock. If you need more space or additional schedules, attach separate sheets giving all of the required information in substantially the same format. Sign and print or type your name on each additional sheet.

2. On the schedules, provide all of the requested information with respect to all of your purchases and all of your sales of Apollo common stock which took place at any time between the dates indicated on the claim form, whether such transactions resulted in a profit or a loss. Failure to report all such transactions may result in the rejection of your claim.

3. List each transaction separately and in chronological order, by trade date, beginning with the earliest. You must accurately provide the month, day and year of each transaction you list.

4. Brokerage commissions and transfer taxes paid by you in connection with your purchase and sale of Apollo common stock should be included in computing the “total purchase price” and deducted from the “total sales price.”

5. BROKERS’ CONFIRMATIONS, MONTHLY STATEMENTS OR OTHER DOCUMENTATION OF ALL OF YOUR TRANSACTIONS IN, AND OWNERSHIP OF, APOLLO COMMON STOCK MUST BE ATTACHED TO YOUR CLAIM. FAILURE TO PROVIDE THIS DOCUMENTATION COULD DELAY VERIFICATION OF YOUR CLAIM AND RESULT IN REJECTION OF YOUR CLAIM.

6. IF YOU HAVE ANY QUESTIONS CONCERNING ANY PART OF THE CLAIM FORM YOU SHOULD CONTACT COUNSEL FOR THE PLAINTIFF:

BARRACK, RODOS & BACINE
LESLIE MOLDER
3300 Two Commerce Square
2001 Market Street
Philadelphia, PA 19103

or

ApolloLeadCounsel@Barrack.com

**UNITED STATES DISTRICT COURT
DISTRICT OF ARIZONA**

In re Apollo Securities Litigation

Lead Case No. CV-04-2147-PHX-JAT

PROOF OF CLAIM

Please Type or Print

MUST BE POSTMARKED NO LATER THAN:

_____, 2012

PART I: CLAIMANT IDENTIFICATION

Beneficial Owner's Name (First, Middle, Last)

Filer's Name (if different than Beneficial Owner)

Filer's Capacity (e.g., Counsel, Custodian, Third-Party Filer)

Mailing Address

City State Zip Code

Foreign Province Foreign Country

Social Security Number or Taxpayer Identification Number _____ Individual

Corporation/Other

Filer Tax ID (If Appropriate)

Account Number

_____ (work)
Area Code Telephone Number

_____ (home)
Area Code Telephone Number

___ Check here if your preferred method of communication with the Claims Administrator is via E-mail.

Email Address

Name of Purchaser of Record (if different from Beneficial Owner listed above)

In re Apollo Securities Litigation
Lead Case No. CV 04-2147-PHX-JAT

PART II: SCHEDULE OF TRANSACTIONS IN APOLLO COMMON STOCK

A) NUMBER OF SHARES OF APOLLO COMMON STOCK HELD AT THE CLOSE OF TRADING ON FEBRUARY 26, 2004: _____

B) PURCHASES FROM FEBRUARY 27, 2004 THROUGH DECEMBER 20, 2004, INCLUSIVE, OF APOLLO COMMON STOCK

TRADE DATE MONTH/DAY/YEAR	NUMBER OF SHARES PURCHASED	PRICE PER SHARE	TOTAL PURCHASE PRICE
1. _____	1. _____	1. _____	1. _____
2. _____	2. _____	2. _____	2. _____
3. _____	3. _____	3. _____	3. _____

C) SALES FROM FEBRUARY 27, 2004 THROUGH DECEMBER 20, 2004, INCLUSIVE, OF APOLLO COMMON STOCK

TRADE DATE MONTH/DAY/YEAR	NUMBER OF SHARES SOLD	PRICE PER SHARE	TOTAL SALE PRICE
1. _____	1. _____	1. _____	1. _____
2. _____	2. _____	2. _____	2. _____
3. _____	3. _____	3. _____	3. _____

D) NUMBER OF SHARES OF APOLLO COMMON STOCK HELD AT THE CLOSE OF TRADING ON DECEMBER 20, 2004: _____

If you require additional space, attach extra schedules in the same format as above. Sign and print your name on each additional page.

(Type or print your name here)

(Sign your name here)

Date

SUBMISSION TO JURISDICTION OF COURT AND ACKNOWLEDGMENTS

I submit this Proof of Claim under the Order of the Court. I also submit to the jurisdiction of the United States District Court for the District of Arizona with respect to my claim as a Class Member. I further acknowledge that I am bound by and subject to the terms of the Final Approval Order And Judgment and the Plan of Claims Allocation, Administration and Procedures entered in the Action. I agree to furnish additional information to counsel for Lead Plaintiff or the Claims Administrator to support this claim if required to do so. I have not submitted any other claim covering the same purchases or sales of Apollo common stock during the Class Period and know of no other person having done so on my behalf.

I acknowledge that, upon the Effective Date, I will hereby release any and all claims, demands, losses, rights, actions, causes of action, liabilities, obligations, duties, judgments, suits, costs, expenses, matters and issues known or unknown, contingent or absolute, suspected or unsuspected, disclosed or undisclosed, liquidated or unliquidated, matured or unmatured, accrued or unaccrued, apparent or unapparent, or any kind or nature whatsoever for damages, injunctive relief, or any other remedies, that have been asserted, could have been asserted, or in the future could or might be asserted by any Class Member in the Action or in any court, tribunal, forum or proceeding (including, but not limited to, any claims arising under federal, state or foreign law, common law, statute, rule or regulation relating to alleged fraud, breach of any duty, negligence, violation of the federal securities law, or otherwise, and including all claims within the exclusive jurisdiction of the federal courts) whether individual, class, direct, derivative, representative, legal, equitable or any other type or in any other capacity, by or on behalf of Plaintiff or any member of the Class, against the Defendants (or any of them) that did arise or could arise directly or indirectly from (i) the Verdict of January 16, 2008 and Judgment of April 6, 2011; (ii) the Consolidated Class Action Complaint filed in the action that asserts claims under the Exchange Act, all of which are incorporated herein; and (iii) the statements or omissions during the Class Period pertaining, relating to or arising from the February 5, 2004 Program Review Report rendered by the Department of

Education that was the subject of this Litigation. Notwithstanding the foregoing, the term “Released Claims” does not include claims regarding Apollo’s statutory or contractual obligations to provide indemnification or advancements, or claims for recovery under any applicable insurance policies. Nor does “Released Claims” include any direct shareholder claims against Apollo or any of its officers or directors raised in the matter entitled *Teamsters Local 617 Pension & Welfare Fund v. Apollo Group, et al*, USDC Civil No. 06-02674-PHX-RCB.

I hereby warrant and represent that I have not assigned or transferred or purported to assign or transfer, voluntarily or involuntarily, any claim covered by this Claim Form or any portion thereof.

I declare under penalty of perjury under the laws of the United States of America that the foregoing information supplied by the undersigned is true and correct and that this Proof of Claim and Release was executed this ___ day of _____, 20__ in

_____.

(City, State)

(Sign your name here)

(Type or Print your name here)

(Capacity of persons signing, e.g., Beneficial Purchaser, Executor or Administrator)

SUBSTITUTE FORM W-9

Request for Taxpayer Identification Number (TIN) and Certification

NAME: _____

Check appropriate box:

Individual/Sole Proprietor Pension Plan Corporation-Executor
 Partnership Trust IRA Other

Enter taxpayer identification number, TIN on appropriate line. For individuals, this is your social security number ("SSN"). For sole proprietors, you must show your individual name, but you may also enter your business or "doing business as" name. You may enter either your SSN or your employer identification number ("EIN"). For other entities, it is your EIN.

____-____-____ or ____-____-____
Social Security Number Employer Identification Number

NOTE: If you require instructions for Completing Substitute Form W-9, please make a written request to us at Claims Administrator, Apollo Securities Litigation, Heffler, Radetich & Saitta, LLP, P.O. Box 300, Philadelphia, PA 19105-0300. Please note that your accountant should also be able to provide you with these instructions.

CERTIFICATION

UNDER THE PENALTIES OF PERJURY UNDER THE LAWS OF THE UNITED STATES, I (WE) CERTIFY THAT ALL OF THE INFORMATION PROVIDED ON THIS FORM IS TRUE, CORRECT AND COMPLETE.

I (We) certify that I am (we are) **NOT** subject to backup withholding under the provisions of Section 3406 (a)(1)(c) of the Internal Revenue Code because: (a) I am (We are) exempt from backup withholding, or (b) I (We) have not been notified by the I.R.S. that I am (we are) subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the I.R.S. has notified me (us) that I am (we are) no longer subject to backup withholding.

NOTE: If you have been notified by the I.R.S. that you are subject to backup withholding,

please strike out the language that you are not subject to backup withholding in the certification above.

Executed this _____ day of _____, in _____,

_____,
(City) (State / Country)

(Sign your name here) Date

(Type or print your name here) _____

(Joint Claimant Sign your name here) Date
(All Joint Claimants must sign)

(Type or print Joint Claimant's name here) _____

Capacity of persons signing (e.g., Beneficial Owner, Executor, Administrator
or Corporate Title)

Reminder Checklist:

1. Please sign the above declaration and the Substitute Form W-9.
2. Remember to attach supporting documentation and maintain a copy of all documentation submitted.
3. Do not send original or copies of stock certificates.
4. If you move, please send us your new address.
5. If you desire an acknowledgment of receipt of your claim form, please send it Certified Mail, Return Receipt Requested.

**ACCURATE CLAIMS PROCESSING TAKES
A SIGNIFICANT AMOUNT OF TIME.
THANK YOU FOR YOUR PATIENCE.**