

NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION

If you purchased or otherwise acquired Corinthian Colleges, Inc. (“Corinthian”) common stock between August 23, 2010 and April 14, 2015 (both dates inclusive) (the “Class Period”), you could be entitled to a payment from a class-action settlement.

A Federal Court authorized this Notice. It is not a solicitation from a lawyer.

- The Court will hold a **Settlement Hearing** on **October 31, 2016 at 9:30 a.m.** to decide whether to approve the Settlement. If approved by the Court, the Settlement will provide \$3,500,000, plus interest earned thereon (the “Settlement Amount”), to pay claims of investors who purchased or otherwise acquired Corinthian common stock during the Class Period.
- The Settlement represents an average recovery of \$0.0427 per share of Corinthian common stock for the 82 million estimated shares that Plaintiffs allege were damaged and declined in value as a result of Defendants’ alleged misconduct during the Class Period. This estimate solely reflects the average recovery per damaged share of Corinthian stock before deducting attorneys’ fees and expenses, the award to Lead Plaintiff, and the costs of claims administration and is not an estimate of the actual recovery you should expect.
- To claim your share of the Settlement, you must submit a valid Proof of Claim and Release form by **November 7, 2016**.
- Attorneys for Plaintiffs (“Lead Counsel”) intend to ask the Court to award them fees of up to 30% of the Settlement Amount and reimbursement of up to \$75,000 in litigation expenses. Lead Counsel have expended considerable time and effort in prosecuting this litigation on a contingent-fee basis and have advanced the expenses of the litigation in the expectation that if they were successful in obtaining a recovery for the Class, they would be paid from such recovery. Lead Counsel also intends to ask the Court to grant Lead Plaintiff an award not to exceed \$3,000. Lead Counsel estimates that, depending on the number of class members and the number of claims filed, claims administration may cost approximately \$375,000–\$450,000. Collectively, the attorneys’ fees and litigation expenses, the award to Lead Plaintiff, and the costs of claims administration are estimated to average \$0.0188 per damaged share of Corinthian common stock. If approved by the Court, these amounts will be paid from the Settlement Fund.
- The average recovery, after deducting attorneys’ fees and litigation expenses, the award to Lead Plaintiff, and the costs of claims administration (as set forth in the preceding paragraph), is approximately \$0.0239 per damaged share of Corinthian common stock. This estimate is based on the assumptions set forth in the preceding paragraph. Your actual recovery, if any, will depend on the aggregate losses of all Class Members, when you purchased and sold Corinthian common stock, and the total number of valid claims filed. See the Plan of Allocation on page 8 below for more details.
- The Settlement resolves the lawsuit concerning whether Defendants violated the federal securities laws by allegedly issuing materially false and misleading statements. The lawsuit is known as *Erickson v. Corinthian Colleges, Inc., et al.*, Case No. 2:13-cv-07466-GHK (PjWx) (the “Action”), and is pending in the United States District Court for the Central District of California. All Defendants in the Action deny the allegations in the lawsuit and deny any wrongdoing.
- Defendants and Plaintiffs disagree on liability and about how much money Plaintiffs could have recovered if they won at trial. Plaintiffs believe that, if they prevailed on all their claims and the Court accepted their theory of damages, they would have been able to collect a substantial amount of monies, before deductions for fees and expenses and assuming that the full amount of the judgment was collectable. Defendants believe that they have not engaged in any wrongdoing, committed any violation of law, or acted improperly in any way. They expressly have denied and continue to deny all charges of wrongdoing, fault or liability against them arising out of any of the conduct, statements, acts or omissions alleged, or that could have been alleged, in the Action.
- **Read this notice carefully.** Your legal rights will be affected whether you act or don’t act. If you don’t act, you may permanently forfeit your right to recover on any claim you might have.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

SUBMIT A CLAIM FORM	The only way to get a payment. Proof of Claim forms must be postmarked or received on or before November 7, 2016 .
EXCLUDE YOURSELF	Get no payment. This is the only option that allows you to ever be part of any other lawsuit against the Defendants or any other Released Parties about the legal claims in this case. Requests for Exclusion must be postmarked by September 16, 2016 .
OBJECT	Write to the Court about why you do not like the Settlement, the Plan of Allocation, the request for attorneys' fees and expenses, the request for an incentive award, or the costs of claims administration. You will still be a member of the Class. Objections must be filed with the Court and mailed to counsel by September 16, 2016 .
GO TO A HEARING	Ask to speak in Court about the fairness of the Settlement. Requests to speak must be filed with the Court and mailed to counsel by September 16, 2016 .
DO NOTHING	Get no payment. Give up your rights.

INQUIRIES

For further information regarding the Action or this Notice or to review the Second Amended Stipulation of Settlement dated April 4, 2016 (the "Stipulation"), please visit www.CorinthianSecuritiesLitigation.com or contact the Claims Administrator toll-free at 1-855-907-3149 or by email at questions@CorinthianSecuritiesLitigation.com. You may also contact Lead Counsel at Pomerantz LLP, 600 Third Ave., 20th Floor, New York, NY 10016, (212) 661-1100, <http://pomerantzlawfirm.com>. **Please do not contact the Court or Defendants regarding this Notice.**

BASIC INFORMATION

1. Why did I get this notice package?

You or someone in your family may have purchased or otherwise acquired Corinthian common stock between the Class Period, which is between August 23, 2010 and April 14, 2015, both dates inclusive.

The Court directed that this Notice be sent to Class Members because they have a right to know about the proposed Settlement of this class-action lawsuit and about all of their options before the Court decides whether to approve the Settlement. If the Court approves the Settlement and after objections and appeals—if any—are resolved, the Claims Administrator appointed by the Court will make the payments provided for in the Settlement.

2. What is this lawsuit about?

This case is known as *Erickson v. Corinthian Colleges, Inc., et al.*, Civil Action No. 2:13-cv-07466-GHK (PJWx) (the "Action"). The United States District Court for the Central District of California is in charge of the Action, and the case has been assigned to the Honorable George H. King. The individual representing the Class is the "Lead Plaintiff," and the company and individuals he sued and who have now settled are called the Defendants.

This Action brings claims against Corinthian Colleges, Inc. ("Corinthian" or the "Company") and three of Corinthian's former executives (the "Individual Defendants"): Jack P. Massimino, who served as Corinthian's Chairman and Chief Executive Officer; Kenneth S. Ord, who served as Corinthian's Chief Financial Officer, Chief Administrative Officer, and Executive Vice President; and Robert C. Owen, who served as Corinthian's Executive Vice President, Chief Accounting Officer, and CFO. Plaintiffs assert claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and Securities and Exchange Commission Rule 10b-5.

Corinthian was a for-profit, publicly-traded education company that operated approximately 100 campuses in the United States and Canada under the Everest, Wyotech, and Heald brands. The majority of Corinthian's revenue was generated from federal education funding under Title IV. Plaintiffs allege that Defendants made false and misleading statements about Corinthian's business operations and compliance with government regulations. Specifically, Plaintiffs allege that: (1) Defendants misrepresented Corinthian's job placement statistics; (2) Defendants manipulated Corinthian's federal student loan programs to comply with federal regulations; and (3) Defendants engaged in deceptive enrollment practices. Plaintiffs allege that the Individual Defendants were aware of these misrepresentations through their positions in the Company. Finally, Plaintiffs allege that a series of eight disclosures and events from May 2011 to October 2013 revealed misconduct at Corinthian to the market, causing shareholders' losses.

Defendants have denied and continue to deny that they engaged in any wrongdoing of any kind, that they violated or breached any law, regulation, or duty owed to Plaintiffs or to any Class Members, or that they have any liability as a result of the allegations in the Action. Defendants also have denied and continue to deny that Plaintiffs or Class Members suffered any damage as a result of the conduct alleged in the Action.

The parties also disagree about how much money Plaintiffs could have recovered if they won at trial. Plaintiffs estimate that, if they prevailed on each claim alleged in the complaint, the potential recovery would be \$60 million, which would result in an average of \$0.77 for each of the 77.7 million estimated damaged shares.¹ Defendants disagree with Plaintiffs' estimate and argue that, among other things, it is based upon an estimate of share-price inflation that improperly fails to disaggregate the effect on Corinthian's share price of factors unrelated to the alleged fraud and is premised in part on statistically insignificant share-price declines.

3. Why is this a class action?

In a class action, one or more people called plaintiffs sue on behalf of all people who have similar claims. All of the people with similar claims are referred to as a class or class members. One court resolves the issues for all class members, except for those who exclude themselves from the class.

4. Why is there a settlement?

This Action has been litigated since June 2013. On May 4, 2015, Corinthian declared bankruptcy. This Action has not gone to trial, and the Court has not decided in favor of the Individual Defendants or of the Class. Instead, both sides agreed to the Settlement to avoid the distraction, costs, and risks of further litigation.

Lead Counsel believes that the Settlement provides the Class with a benefit now, instead of after years of further uncertain litigation, and is in the best interests of all Class Members in light of the real possibility that continued litigation could result in no recovery at all.

Defendants have denied and continue to deny each and all of the allegations made and claims brought by Plaintiffs, maintain that they have meritorious defenses, and contend that many of the factual allegations are materially inaccurate. Defendants have also denied and continue to deny, among other things, the allegations that Plaintiffs or the Class have suffered damages, that the price of Corinthian common stock was artificially inflated by reason of alleged false or misleading statements or otherwise, or that Plaintiffs or the Class were harmed by the conduct alleged. Nonetheless, Defendants have concluded that further litigation of this Action would be protracted and expensive and that the Action should be fully and finally settled under the terms and conditions of this Settlement.

The Settlement shall in no event be construed as, or deemed to be evidence of, an admission or concession by Defendants with respect to any claim of any fault or liability or wrongdoing or damage to the Class Members in this Action.

WHO IS IN THE SETTLEMENT

To see if you will get money from this Settlement, you first have to decide if you are a Class Member.

5. How do I know if I am part of the Settlement?

The Class includes all persons or entities that purchased or otherwise acquired Corinthian common stock during the period commencing August 23, 2010 through the market close on April 14, 2015, except those persons and entities that are excluded, as described below.

If one of your mutual funds own Corinthian common stock, that alone does not make you a Class Member. You are a Class Member only if you directly purchased or otherwise acquired Corinthian common stock during the Class Period. Contact your broker to see if you have made any of these purchases.

If you sold Corinthian common stock during the Class Period, that alone does not make you a Class Member. You are a Class Member only if you purchased or otherwise acquired Corinthian common stock during the Class Period.

¹ The Settlement covers persons who purchased or acquired Corinthian common stock between August 23, 2010 and April 14, 2015 (the "Class Period"). However, the Complaint was brought on behalf of persons who purchased or acquired Corinthian common stock between February 1, 2011 and October 11, 2013 (the "Complaint Class Period"). Therefore, the estimated number of shares that were damaged and declined in value as a result of Defendants' alleged misconduct during the Complaint Class Period (77.7 million, as used in this sentence) is less than the comparable number for the Class Period (82 million, as shown on page 1 of this Notice).

6. Are there exceptions to being included?

Yes. You are not a Class Member if you are a Defendant; a member of a Defendant's immediate family; a Defendant's legal representative, heir, predecessor, successor, or assign; a former director or officer of the Company during the Class Period; or any entity in which any Defendant has or had a controlling interest. Also, if you validly exclude yourself from the Class in accordance with the requirements set forth below, you are not a part of the Class.

7. What if I am still not sure if I am included?

If you are still not sure whether you are included, you can ask for free help. You can contact the Claims Administrator toll-free at 1-855-907-3149, or you can fill out and return the Proof of Claim form enclosed with this Notice package, to see if you qualify.

THE SETTLEMENT BENEFITS – WHAT YOU GET

8. What does the Settlement provide?

In exchange for the Settlement and the release of the Settled Claims (defined below) as well as dismissal of the Action, Defendants have agreed that a payment of \$3.5 million will be made on their behalf to be divided, after taxes, fees, and expenses, *pro rata* among all Class Members who send in a valid Proof of Claim form.

9. How much will my payment be?

Your share of the fund will depend on several factors, including the following: how many Class Members submit timely and valid Proof of Claim forms; the total Recognized Losses represented by the valid Proof of Claim forms that the Class Members send in; the number of shares of Corinthian common stock that you purchased or acquired during the Class Period; how much you paid for the shares; when you purchased; and if you sold your shares and for how much.

By following the instructions in the Plan of Allocation, you can calculate what is called your Recognized Loss. It is unlikely that you will get a payment for all of your Recognized Loss. After all Class Members have sent in their Proof of Claim forms, the payment you get will be a part of the Net Settlement Fund equal to your Recognized Loss divided by the total of everyone's Recognized Losses. See the Plan of Allocation on page 8 for more information.

HOW YOU GET A PAYMENT – SUBMITTING A CLAIM FORM

10. How can I get a payment?

To qualify for a payment, you must submit a Proof of Claim form. A Proof of Claim form is enclosed with this Notice or it may be downloaded at www.CorinthianSecuritiesLitigation.com. Read the instructions carefully, fill out the Proof of Claim form, include all the documents that the form asks for, sign it, and mail or e-mail it so that it is postmarked or received by **November 7, 2016**.

11. When would I get my payment?

The Court will hold a Settlement Hearing on October 31, 2016 at 9:30 a.m. to decide whether to approve the Settlement. If the Court approves the Settlement, there might be appeals afterwards. It is always uncertain whether these appeals can be resolved, and resolving them can take time, perhaps more than a year. It also takes time for all the Proofs of Claim to be processed. Please be patient.

12. What am I giving up to get a payment or to stay in the Class?

Unless you exclude yourself, you will remain a Class Member, and this means that, if the Settlement is approved, you will give up all "Settled Claims," including "Unknown Claims," against the "Released Parties" (as all of these terms are defined below):

- "Settled Claims" means and includes any and all claims, debts, demands, controversies, obligations, losses, rights or causes of action or liabilities of any kind or nature whatsoever (including, but not limited to, any claims for damages (whether compensatory, special, incidental, consequential, punitive, exemplary or otherwise), injunctive relief, declaratory relief, rescission or rescissionary damages, interest, attorneys' fees, expert or consulting fees, costs, expenses, or any other form of legal or equitable relief whatsoever), whether based on federal, state, local,

statutory or common law or any other law, rule or regulation, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, whether class or individual in nature, including both known claims and Unknown Claims and related to or based upon the purchase or other acquisition of Corinthian Colleges, Inc. securities from August 23, 2010 through April 14, 2015, and any claims, debts, demands, controversies, obligations, losses, rights or causes of action that Plaintiff, Class Members or any of them may have against the Released Parties or any of them which involve or relate in any way to the defense of the Action or the Settlement of the Action or Plaintiffs or Class Members' investment in Corinthian. However, claims to enforce the Settlement are not released.

- "Released Parties" means Corinthian Colleges, Inc., the Individual Defendants, and each of Corinthian Colleges, Inc.'s or an Individual Defendant's past or present directors, officers, employees, partners, principals, members, insurers, co-insurers, re-insurers, controlling shareholders, attorneys, advisors, accountants, auditors, personal or legal representatives, predecessors, successors, parents, subsidiaries, divisions, joint ventures, assigns, spouses, estates, executors, administrators, heirs, related or affiliated entities, any entity in which Corinthian Colleges, Inc. or an Individual Defendant has a controlling interest, any member of any Individual Defendant's immediate family, or any trust of which any Individual Defendant is the settlor or which is for the benefit of any member of an Individual Defendant's immediate family. All Released Parties (other than the Individual Defendants) are intended third-party beneficiaries of the Settlement.
- "Unknown Claims" means and includes any and all claims that Plaintiff or any Class Member does not know or suspect to exist in his, her or its favor at the time of the release of the Released Parties which, if known by him, her or it, might have affected his, her or its settlement with and release of the Released Parties, or might have affected his, her or its decision to object or not to object to this Settlement. Plaintiff, Class Members, and each of them may hereafter discover facts in addition to or different from those which he, she or it now knows or believes to be true with respect to the subject matter of the Settled Claims. Nevertheless, with respect to any and all Settled Claims, the Settling Parties stipulate and agree that, upon the Effective Date, the Settling Parties shall expressly waive and each of the Class Members shall be deemed to have, and by operation of the Judgment shall have, waived all provisions, rights and benefits of California Civil Code § 1542 and all provisions, rights and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable or equivalent to California Civil Code § 1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

The Settling Parties expressly acknowledge, and the Class Members shall be deemed to have, and by operation of the Judgment shall have acknowledged, that the waiver and release of Unknown Claims constituting Settled Claims was separately bargained for and a material element of the Settlement.

If you remain a member of the Class, all of the Court's orders will apply to you and legally bind you.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want a payment from this Settlement, and you want to keep the right to sue the Defendants and the other Released Parties on your own about the legal issues in this case, then you must take steps to remove yourself from the Settlement. This is called excluding yourself—sometimes referred to as "opting out."

13. How do I get out of the proposed Settlement?

To exclude yourself from the Class, you must send a letter by First-Class Mail stating that you "request exclusion from the Class in the *Corinthian Colleges, Inc. Securities Litigation*." Your letter must include the date(s), price(s), and number(s) of all purchases, other acquisitions, and sales of Corinthian common stock during the Class Period. In addition, you must include your name, address, telephone number, and your signature. You must submit your exclusion request so that it is **postmarked no later than September 16, 2016** to:

Corinthian Colleges, Inc. Securities Litigation
c/o Garden City Group, LLC
P.O. Box 10274
Dublin, OH 43017-5774

If you ask to be excluded, you will not get any payment, and you cannot object to the Settlement. You will not be legally bound by anything that happens in this lawsuit, and you may be able to sue the Defendants and the other Released Parties in the future.

14. If I do not exclude myself, can I sue the Defendants and the other Released Parties for the same thing later?

No. Unless you exclude yourself, you give up any rights to sue the Defendants and the other Released Parties for any and all Settled Claims. If you have a pending lawsuit against the Released Parties, speak to your lawyer in that case immediately. You must exclude yourself from this Action to continue your own lawsuit. Remember, the exclusion deadline is **September 16, 2016**.

15. If I exclude myself, can I get money from the proposed Settlement?

No. If you exclude yourself, you may not send in a Proof of Claim to ask for any money. But you may sue or be part of a different lawsuit against the Defendants and the other Released Parties.

THE LAWYERS REPRESENTING YOU

16. Do I have a lawyer in this case?

The Court ordered that the law firm of Pomerantz LLP represent the Class Members, including you. These lawyers are called Lead Counsel. If you want to be represented by your own lawyer, you may hire one at your own expense.

17. How will the lawyers be paid?

Lead Counsel will ask the Court for an award of attorneys' fees in an amount not greater than thirty percent (30%) of the Settlement Fund and for expenses and costs in an amount not to exceed \$75,000 in connection with the litigation, plus interest on such fees, costs, and expenses at the same rate earned by the Settlement Fund. Lead Counsel also intends to ask the Court to grant Lead Plaintiff an award not to exceed \$3,000 to compensate him for his service to the Class. Lead Counsel also estimates that, depending on the number of class members and the number of claims filed, claims administration may cost approximately \$375,000–\$450,000. Such sums as may be approved by the Court will be paid from the Settlement Fund.

OBJECTING TO THE SETTLEMENT

18. How do I tell the Court that I object to the proposed Settlement?

If you are a Class Member, you can object to any aspect of the proposed Settlement, including the proposed Plan of Allocation, Lead Counsel's application for an award of fees and expenses, Lead Plaintiff's application for an incentive award, and the costs of claims administration. To do so, you must send a signed letter saying that you object to the proposed Settlement in the *Corinthian Colleges, Inc. Securities Litigation*. Make sure you:

- include your name, address, telephone number, and signature;
- identify the date(s), price(s), and number(s) of shares of Corinthian common stock that you purchased or otherwise acquired during the Class Period;
- provide a detailed statement of your objections to any matters before the Court;
- indicate whether you intend to appear at the Settlement Hearing; and
- include any documents or writings you wish the Court to consider.

Your objection must be filed directly with the Court and mailed to Lead Counsel and Defendants' Counsel, at the addresses set forth below, **no later than September 16, 2016**:

LEAD COUNSEL	DEFENDANTS' COUNSEL
Jeremy A. Lieberman POMERANTZ LLP 600 Third Avenue 20th Floor New York, NY 10016	John W. Spiegel MUNGER TOLLES & OLSON LLP 355 South Grand Avenue 35th Floor Los Angeles, CA 90071

19. What is the difference between objecting and excluding myself?

Objecting is simply telling the Court that you do not like something about the proposed Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S SETTLEMENT HEARING

The Court will hold a hearing to decide whether to approve the proposed Settlement. You may attend, and you may ask to speak, but you do not have to.

20. When and where will the Court decide whether to approve the proposed Settlement?

The Court will hold a Settlement Hearing at **9:30 a.m.** on **October 31, 2016** at the Edward R. Roybal Federal Building and United States Courthouse, 255 E. Temple Street, Courtroom 650, Los Angeles, CA 90012, for the following: to determine whether the proposed Settlement of the Litigation on the terms and conditions provided for in the Stipulation is fair, reasonable, and adequate to the Class and should be approved by the Court; to determine whether a Judgment as provided in the Stipulation should be entered; to determine whether the proposed Plan of Allocation should be approved; to determine any amount of fees, costs, and expenses that should be awarded to Lead Counsel and Lead Plaintiff for their service to the Class; to hear any objections by Class Members to the Settlement, Stipulation, Plan of Allocation, costs of claims administration, or any award of fees and expenses to Lead Counsel or to Lead Plaintiff; and to consider such other matters as the Court may deem appropriate.

If there are objections, the Court will consider them. The Court will listen to people who have asked to speak at the hearing. The Court may also decide how much to pay to Lead Counsel. After the Settlement Hearing, the Court will decide whether to approve the Settlement.

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 Settlement Hearing without another notice being sent to Class Members. If you want to attend the hearing, you should check with Lead Counsel beforehand to be sure that the date and/or time has not changed.

21. Do I have to come to the hearing?

No. Lead Counsel will answer questions the Court may have. But you are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary. Class Members do not need to appear at the hearing or take any other action to indicate their approval.

22. May I speak at the hearing?

If you object to any aspect of the Settlement, you may request the Court's permission to speak at the Settlement Hearing. To do so, you must file a timely written objection (see question 18 above) and include a statement that you intend to appear at the *Corinthian Colleges, Inc. Securities Litigation* hearing. If you intend to present evidence at the hearing, your written objections must identify all witnesses you may call to testify as well as all exhibits you intend to introduce into evidence. You cannot speak at the hearing if you do not file a timely written objection. You also cannot speak at the hearing if you exclude yourself from the Class.

IF YOU DO NOTHING

23. What happens if I do nothing at all?

If you do nothing, you will get no money from this Settlement. But, unless you exclude yourself, you will not be able to start a lawsuit or be part of any other lawsuit against the Released Parties about the legal issues in this case, ever again.

GETTING MORE INFORMATION

24. Are there more details about the proposed Settlement?

This Notice summarizes the proposed Settlement. More details are in the Second Amended Stipulation of Settlement dated April 4, 2016 (the "Stipulation"). The Stipulation is the controlling document describing the proposed Settlement and its terms govern anything to the contrary in this Notice. You can get a copy of the Stipulation and obtain

answers to common questions regarding the proposed Settlement by visiting www.CorinthianSecuritiesLitigation.com or contact the Claims Administrator toll-free at 1-855-907-3149 or by email at questions@CorinthianSecuritiesLitigation.com. You may also contact Lead Counsel at Pomerantz LLP, 600 Third Ave., 20th Floor, New York, NY 10016, (212) 661-1100, <http://pomerantzlawfirm.com>. For a fee, all papers filed in this Action are also available at www.pacer.gov.

PLAN OF ALLOCATION OF NET SETTLEMENT FUND

The Settlement Amount of \$3.5 million and any interest earned thereon shall be the "Settlement Fund." The Settlement Fund, less all taxes, approved costs, fees, and expenses (the "Net Settlement Fund") will be distributed to Class Members who submit timely and valid Proof of Claim forms to the Claims Administrator ("Authorized Claimants").

The objective of the Plan of Allocation is to equitably distribute the Net Settlement Fund among Authorized Claimants based on their respective alleged economic losses as a result of the alleged fraud, as opposed to losses caused by market- or industry-wide factors or company-specific factors unrelated to the alleged fraud. The calculations made pursuant to the Plan of Allocation are generally based upon the measure of damages set forth in Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder by the Securities and Exchange Commission.

The Claims Administrator shall determine each Authorized Claimant's *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant's "Recognized Loss" calculated using the Court-approved Plan of Allocation. The Recognized Loss will be calculated for each share of Corinthian common stock purchased or otherwise acquired during the Class Period (*i.e.*, from August 23, 2010 through April 14, 2015, inclusive). The calculation of Recognized Loss will depend upon several factors, including when the shares of Corinthian common stock were purchased or otherwise acquired during the Class Period, and in what amounts, and whether those shares were sold, and if sold, when they were sold, and for what amounts.

The Recognized Loss formula (below) is not intended to estimate the amount a Class Member might have been able to recover after a trial nor to estimate the amount that will be paid to Authorized Claimants pursuant to the Settlement. The Recognized Loss formula is the basis upon which the Net Settlement Fund will be proportionately allocated to the Authorized Claimants. The Court may approve the Plan of Allocation, or modify it, without additional notice to the Class. Any order modifying the Plan will be posted on the settlement website at www.CorinthianSecuritiesLitigation.com.

The following proposed Plan of Allocation reflects the assumption that the price of Corinthian common stock was artificially inflated during the Class Period. The Plan was created with the assistance of a consulting damages expert who analyzed the movement of Corinthian's common stock after the alleged corrective disclosures.

The estimated alleged artificial inflation in the price of Corinthian common stock during the Class Period is reflected in Table 1 below. The computation of the estimated alleged artificial inflation in the price of Corinthian common stock during the Class Period is based on certain misrepresentations alleged by Plaintiffs and the price change of Corinthian common stock, net of market- and industry-wide factors, in reaction to subsequent public announcements that allegedly corrected the alleged misrepresentations.

Federal securities laws allow investors to recover for losses caused by disclosures which correct previous misleading statements or omissions. Thus, in order to have been damaged by the alleged violations of the federal securities laws, shares of Corinthian common stock purchased or otherwise acquired during the Class Period must have been held during a period of time in which its price declined due to the disclosure of information which corrected an allegedly misleading statement or omission. Lead Counsel have determined that such price declines occurred on the following dates: (i) June 26, 2012; (ii) January 31, 2013; (iii) June 11, 2013; (iv) July 23, 2013; (v) October 11, 2013; (vi) June 19, 2014; (vii) September 16, 2014; (viii) November 20, 2014; and (ix) April 15, 2015. Accordingly, if Corinthian common stock was sold before June 26, 2012 (the earliest corrective disclosure date), the Recognized Loss for those shares is \$0.00, and any loss suffered is not compensable under the federal securities laws. Similarly, if Corinthian common stock was purchased and then sold between dates of corrective disclosures, the Recognized Loss for those shares is \$0.00, and any loss suffered is not compensable under the federal securities laws.²

The computation of the estimated alleged artificial inflation in the price of Corinthian stock during the Class Period also takes into account Lead Counsel's assessment of the differential litigation risk associated with the price declines after

² The "90-day look back" provision of the Private Securities Litigation Reform Act of 1995 ("PSLRA") has a *de minimis* impact on the calculation of Recognized Loss and is therefore not incorporated into the Plan of Allocation.

October 11, 2013. The operative complaint in this matter³ defines the class period as February 1, 2011 through October 11, 2013, inclusive. It does not assert claims relating to the price declines after October 11, 2013, and such claims have not been litigated. Accordingly, the price-inflation figures in Table 1 reflect the assumption that only 10% of the price declines on June 19, 2014, September 16, 2014, November 20, 2014, and April 15, 2015 were due to the disclosure of information correcting an alleged misrepresentation.

Table 1		
From	To	Per-Share Price Inflation⁴
August 23, 2010	June 25, 2012	\$1.2547
June 26, 2012	January 30, 2013	\$0.8840
January 31, 2013	June 10, 2013	\$0.6477
June 11, 2013	July 22, 2013	\$0.3775
July 23, 2013	October 10, 2013	\$0.1871
October 11, 2013	June 18, 2014	\$0.0613
June 19, 2014	September 15, 2014	\$0.0048
September 16, 2014	November 19, 2014	\$0.0011
November 20, 2014	April 14, 2015	\$0.0001
April 15, 2015	Thereafter	\$0.0000

Calculation of Recognized Loss for Corinthian Common Stock Purchases

An Authorized Claimant's Recognized Loss per share of Corinthian common stock purchased or acquired during the Class Period will be calculated as follows:⁵

- i. For each share of Corinthian common stock purchased/acquired during the Class Period and subsequently sold during the Class Period, the Recognized Loss shall be calculated as the amount of per-share price inflation on the date of purchase or acquisition as appears in Table 1 above, *minus* the amount of per-share price inflation on the date of sale or disposition as appears in Table 1 above. If this calculation results in a negative number, then the Recognized Loss shall be \$0.
- ii. For each share of Corinthian common stock purchased/acquired during the Class Period and still held as the close of trading on April 14, 2015 (i.e., the last day of the Class Period), the Recognized Loss shall be the amount of per-share price inflation on the date of purchase or acquisition as appears in Table 1 above.

ADDITIONAL PLAN OF ALLOCATION PROVISIONS

For purposes of calculating your Recognized Loss, the date of purchase, acquisition or sale is the "contract" or "trade" date and not the "settlement" or "payment" date. The receipt or grant by gift, inheritance, or operation of law of shares of Corinthian common stock during the Class Period shall not be deemed a purchase, acquisition, or sale of those shares of Corinthian common stock for the calculation of an Authorized Claimant's Recognized Loss, nor shall such receipt or grant be deemed an assignment of any claim relating to the purchase/acquisition of such shares of Corinthian common stock during the Class Period unless (a) the donor or decedent purchased or otherwise acquired such Corinthian common stock during the Class Period; (b) no Claim Form was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to such Corinthian common stock; and (c) it is specifically so provided in the instrument of gift or assignment.

In the event that a claimant has more than one purchase/acquisition or sale of Corinthian common stock during the Class Period, all purchases/acquisitions and sales shall be matched using a First In, First Out ("FIFO") method of accounting. Under the FIFO method, sales will be matched first against the claimant's opening holdings of Corinthian

³ The First Amended Class Action Complaint for Violation of the Federal Securities Laws, dated December 3, 2013 (the "Complaint").

⁴ If the price inflation reflected in Table 1 exceeds the purchase price paid for shares of Corinthian common stock, then the price inflation shall be equal to the purchase price paid for such shares of Corinthian common stock, excluding all fees, taxes and commissions.

⁵ Any transactions in Corinthian common stock executed outside of regular trading hours for the U.S. financial markets shall be deemed to have occurred during the previous regular trading session.

common stock on the first day of the Class Period, if any, and then will be matched against purchases/acquisitions in chronological order, beginning with the earliest purchase/acquisition made during the Class Period.

The date of covering a "short sale" is deemed to be the date of purchase or acquisition of Corinthian common stock. The date of a "short sale" is deemed to be the date of sale of Corinthian common stock. In accordance with the Plan of Allocation, however, the Recognized Loss on "short sales" is zero. In the event that an Authorized Claimant has an opening short position in Corinthian common stock, the earliest Class Period purchases or acquisitions shall be matched against such opening short position, and not be entitled to a recovery, until that short position is fully covered.

Corinthian common stock is the only security eligible for recovery under the Plan of Allocation. Corinthian option contracts with Corinthian common stock as the underlying security are not securities eligible to participate in the Settlement. With respect to Corinthian common stock purchased or sold through the exercise of an option, the purchase/sale date of the Corinthian common stock is the exercise date of the option and the purchase/sale price is the exercise price of the option.

Payment pursuant to the Plan of Allocation approved by the Court shall be conclusive against all Authorized Claimants. No person shall have any claim against Lead Plaintiff, Lead Counsel, Defendants, Defendants' Counsel, the Released Parties, the Claims Administrator or any other agent designated by Lead Counsel based on the distributions made substantially in accordance with the Stipulation and the Settlement contained therein, the Plan of Allocation, or further orders of the Court. Each Claimant shall be deemed to have submitted to the jurisdiction of the Court with respect to the Claimant's Proof of Claim form. All persons involved in the review, verification, calculation, tabulation, or any other aspect of the processing of the claims submitted in connection with the Settlement, or otherwise involved in the administration or taxation of the Settlement Fund or the Net Settlement Fund shall be released and discharged from any and all claims arising out of such involvement, and all Class Members, whether or not they are to receive payment from the Net Settlement Fund, will be barred from making any further claim against the Net Settlement Fund beyond the amount allocated to them as provided in any distribution orders entered by the Court.

SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

If you purchased Corinthian common stock during the Class Period (CUSIPs: 218868107) for the beneficial interest of an individual or organization other than yourself, the Court has directed that, WITHIN TEN (10) DAYS OF YOUR RECEIPT OF THIS NOTICE, you either (a) provide to the Claims Administrator the name and last known address of each person or organization for whom or which you purchased such securities during such time period or (b) request additional copies of this Notice and the Proof of Claim form, which will be provided to you free of charge, and within ten (10) days mail the Notice and Proof of Claim form directly to the beneficial owners of the securities referred to herein. If you choose to follow alternative procedure (b), upon such mailing, you must send a statement to the Claims Administrator confirming that the mailing was made as directed and retain the names and addresses for any future mailings to Class Members. You are entitled to reimbursement from the Settlement Fund of your reasonable expenses actually incurred in connection with the foregoing, including reimbursement of postage expense and the cost of ascertaining the names and addresses of beneficial owners. Your reasonable expenses will be paid upon request and submission of appropriate supporting documentation. All communications concerning the foregoing should be addressed to the Claims Administrator:

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Dated: July 18, 2016

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA