

EXECUTION COPY

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLORADO  
Judge John L. Kane**

Civil Action No. **09-cv-1186-JLK-KMT**

**IN RE: CORE BOND FUND**

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**STIPULATION AND AGREEMENT OF SETTLEMENT**

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This Stipulation and Agreement of Settlement (the “Stipulation”), dated as of May 19, 2011, is made and entered into by and among Dr. C. Phillip Pattison (“Lead Plaintiff”), on behalf of himself and the Class, and OppenheimerFunds, Inc. (“OFI”), OppenheimerFunds Distributor, Inc. (“OFDI”) and Oppenheimer Integrity Funds (“OIF”) (collectively, “Oppenheimer”), John V. Murphy and Brian W. Wixted (together with Oppenheimer, the “Oppenheimer Defendants”), William L. Armstrong, Robert G. Avis, George C. Bowen, Edward L. Cameron, Jon S. Fossel, Sam Freedman, Beverly L. Hamilton, Robert J. Malone and F. William Marshall, Jr. (collectively, the “Trustee Defendants”) (the Oppenheimer Defendants and the Trustee Defendants are collectively referred to as “Defendants”) by and through their undersigned counsel.

**WHEREAS:**

a. Beginning on May 22, 2009, a series of proposed class actions were filed in the United States District Court for the District of Colorado (the “District Court” or “Court”) alleging violations of the Securities Act of 1933 (the “1933 Act”) in connection with alleged misstatements in the registration statements and prospectuses of Oppenheimer Core Bond Fund, a series of OIF (the “Core Bond Fund”);

b. On September 25, 2009, Judge John L. Kane appointed Dr. C. Phillip Pattison to serve as Lead Plaintiff and approved Lead Plaintiff's retention of Labaton Sucharow LLP as Lead Counsel and of The Shuman Law Firm as Liaison Counsel;

c. On October 13, 2009, Lead Plaintiff filed a Consolidated Class Action Complaint (the "Complaint") asserting claims under Sections 11, 12(a)(2), and 15 of the 1933 Act (15 U.S.C. §§ 77k, 77l, and 77o) on behalf of all persons who bought shares of the Core Bond Fund during the period from April 30, 2007 through December 31, 2008 (the "Action");

d. On December 3, 2009, the Oppenheimer Defendants and the Trustee Defendants each filed a motion to dismiss the Complaint; on January 19, 2010 Lead Plaintiff filed an opposition to the motions to dismiss; and, on February 17, 2010 the Oppenheimer Defendants and the Trustee Defendants each filed their replies to the opposition;

e. On July 19 and July 20, 2010, Lead Plaintiff and Defendants met with Judge Layn R. Phillips (ret.) ("Judge Phillips") for a lengthy confidential mediation process in the Action and in a related action, *In re Oppenheimer Champion Fund Securities Class Actions*, Civil Action No. 09-cv-386-JLK-KMT (consolidated with 09-cv-525-JLK-KMT) (the "Champion Fund Action"), also pending before Judge Kane in the United States District Court for the District of Colorado. The initial mediation process was not successful. Following the initial mediation process, Defendants produced thousands of documents subject to the confidentiality provisions of the mediation process, which Lead Counsel promptly reviewed and analyzed;

f. On November 9, 2010, following another lengthy confidential mediation process before Judge Phillips, Lead Plaintiff and Defendants entered into a Memorandum of Understanding (the "MOU") setting forth the material terms of proposed settlements in the Action and in the Champion Fund Action;

g. After entering into the MOU, Defendants produced thousands of additional documents subject to the confidentiality provisions of the mediation process, which Lead Counsel promptly reviewed and analyzed;

h. Lead Plaintiff, Lead Counsel and Liaison Counsel believe that the Settlement described in this Stipulation confers substantial benefits on the Class and is in the best interests of the Class.

**NOW, THEREFORE**, without any admission or concession whatsoever by Lead Plaintiff of any lack of merit to the claims alleged in the Action, and without any admission or concession whatsoever by Defendants of any liability or wrongdoing or lack of merit in their defenses, and in consideration of the covenants, agreements, and releases set forth herein and for other good and valuable consideration, it is hereby agreed by and among the Lead Plaintiff (individually and on behalf of the Class) and Defendants that, subject to the approval of the Court pursuant to Rule 23 of the Federal Rules of Civil Procedure, the Action be forever resolved, settled, compromised, and dismissed with prejudice on the following terms and conditions:

### **CERTAIN DEFINITIONS**

1. Capitalized terms not defined elsewhere in this Stipulation shall have the following meanings:

(a) “Actions” means the Action and the Champion Fund Action.

(b) “Authorized Claimant” means a Class Member (i) with a valid claim, whose name, address, and account information is provided by the Oppenheimer Defendants, a broker-dealer, or other intermediary to the Claims Administrator, or (ii) who submits a timely

and valid Proof of Claim, which includes proof of the Class Member's loss as specified in the Proof of Claim, to the Claims Administrator.

(c) "Claims Administrator" means the firm of Epiq Class Action & Claims Solutions, Inc., designated by Lead Counsel subject to the approval of the District Court, that shall administer the Settlement.

(d) "Class" or "Class Members" means all persons and entities who purchased or otherwise acquired shares of the Core Bond Fund during the Class Period and who were damaged thereby. Excluded from the Class are Defendants; Oppenheimer's Officers and Directors; members of Defendants' immediate families; Defendants' legal representatives, heirs, successors, or assigns; any entity in which Defendants have or had a controlling interest; any mutual fund or account managed by OFI or its affiliates (including without limitation "funds of funds") that owned shares of Core Bond Fund; and any 529 College Savings Plan. Also excluded from the Class are any proposed Class Members who properly exclude themselves by filing a valid and timely request for exclusion in accordance with the requirements set forth in the Notice.

(e) "Class Period" means the period from April 30, 2007 through December 31, 2008, inclusive.

(f) "Defendants' Counsel" means Dechert LLP, K&L Gates LLP, Perkins Coie LLP, and Davis, Graham & Stubbs LLP.

(g) "Distribution Order" means an order of the District Court that approves the Claims Administrator's administrative determinations concerning the acceptance and rejection of claims to the Settlement; that approves the reasonable remaining costs of providing Notice and administering the Settlement, including reasonable fees and expenses of the Claims

Administrator and reasonable attorneys' fees and expenses not previously applied for; and that determines that the Effective Date has occurred and directs payment of the Net Settlement Fund to Authorized Claimants.

(h) "Effective Date of Settlement" or "Effective Date" means the date upon which the Settlement in the Action shall become effective and final, as set forth in paragraph 23 below.

(i) "Escrow Account" means the separate interest-bearing escrow account(s) at a federally insured banking institution designated by Lead Counsel into which the Settlement Amount is to be deposited for the benefit of the Class in this Action. Except as set forth elsewhere in this Stipulation, the Escrow Account shall be controlled solely by Lead Counsel.

(j) "Escrow Agent" means Citibank, N.A.

(k) "Fee and Expense Application" means an application to be filed by Lead Counsel for attorneys' fees and reimbursement of expenses as defined in paragraph 17(a).

(l) "Final Judgment" means a judgment entered by the District Court, substantially in the form of Exhibit B attached hereto.

(m) "Gross Settlement Fund" means the sum of the Settlement Amount and all interest earned on the Settlement Amount.

(n) "Lead Counsel" means Labaton Sucharow LLP and Hagens Berman Sobol Shapiro LLP, Lead Counsel for Lead Plaintiff and the Class.

(o) "Net Settlement Fund" means the balance of the Gross Settlement Fund available to be distributed to Authorized Claimants after subtracting the dollar amounts paid or owing in connection with the Settlement as set forth in this Stipulation.

(p) “Notice” means the “Notice of Pendency and Proposed Settlement of Class Action for Identified Purchasers” and the “Notice of Pendency and Proposed Settlement of Class Action for Un-Identified Purchasers,” substantially in the forms of Exhibits 1 and 2, respectively, to Exhibit A attached hereto, which are to be sent to the Class, subject to the approval of the Court.

(q) “Parties” means Lead Plaintiff, on behalf of himself and the Class, and Defendants in the Action.

(r) “Plan of Allocation” means the “Distribution Plan” of the Net Settlement Fund as set forth in the Notice or such other plan of allocation as the District Court approves.

(s) “Preliminary Approval Order” means the proposed order preliminarily approving the Settlement and directing notice to the Class of the pendency of the Action and of the Settlement, to be entered by the District Court, substantially in the form of Exhibit A attached hereto.

(t) “Proof of Claim” means the Proof of Claim form, substantially in the form of Exhibit 3 to Exhibit A attached hereto.

(u) “Publication Notice” means the Summary Notice of Pendency and Proposed Settlement of Class Action, substantially in the form of Exhibit 5 to Exhibit A attached hereto.

(v) “Recognized Claim” means the amount of an Authorized Claimant’s loss that is determined by the Claims Administrator to be compensable under the Plan of Allocation.

(w) “Record of Fund Transactions” means the letter, substantially in the form of Exhibit 4 to Exhibit A attached hereto, to be sent to Class Members for whom Defendants,

broker-dealers, or other intermediaries have provided name, address and Class Period account transaction information.

(x) “Released Claim(s)” means all claims, demands, rights, actions, suits, or causes of action of every nature and description, whether known or unknown (including Unknown Claims, as defined herein), whether the claims arise under federal, state, statutory, regulatory, common, foreign or other law, whether foreseen or unforeseen, and whether asserted individually, directly, representatively, derivatively, or in any other capacity, that the Releasing Plaintiff Parties: (1) asserted in the Complaint or the Action as against the Released Defendant Parties; (2) have asserted, could have asserted, or could assert in the future, in any forum against the Released Defendant Parties that are based upon, arise out of, or relate in any way to the facts, matters, transactions, allegations, claims, losses, damages, disclosures, filings, or statements set forth in the Complaint or at issue in the Action; or (3) have asserted, could have asserted, or could assert in the future relating to the prosecution, defense, or settlement of the Action as against the Released Defendant Parties. Released Claim(s) does not include: (1) claims to enforce the Settlement or (2) the rights of the Core Bond Fund in any derivative claim filed or asserted against the Released Defendant Parties prior to the date of this Stipulation.

(y) “Released Defendant Parties” means (1) any and all of the Defendants and/or their current or former attorneys, auditors, officers, directors, employees, partners, subsidiaries, affiliates, related companies, parents, insurers, heirs, executors, representatives, predecessors, successors, assigns, trustees, or other individual or entity in which any Defendant has a controlling interest; and (2) broker-dealers or financial advisers of any Class Member. For the avoidance of doubt, OIF and the Core Bond Fund are included in the definition of Released Defendant Parties.

(z) “Released Defendants’ Claim(s)” means any and all claims and causes of action of every nature and description, including known and unknown claims (including Unknown Claims as defined herein), whether arising under federal, state, statutory, regulatory, or common, or foreign or other law, that the Defendants asserted or could have asserted against the Released Plaintiff Parties, which arise out of or relate in any way to the institution, prosecution, or settlement of the Action (other than claims to enforce the Settlement).

(aa) “Released Parties” means the Released Defendant Parties and the Released Plaintiff Parties collectively.

(bb) “Released Plaintiff Parties” means any and all of the Lead Plaintiff, Class Members, Lead Counsel, and their respective partners, employees, attorneys, heirs, executors, administrators, trustees, successors, predecessors, and assigns.

(cc) “Releasing Plaintiff Parties” means: (i) Lead Plaintiff; (ii) all Class Members; (iii) the Lead Plaintiff’s and each Class Member’s present or past heirs, executors, administrators, successors, assigns, and predecessors; and (iv) any person or entity who claims by, through, or on behalf of the Lead Plaintiff or any Class Member.

(dd) “Repayment Obligation” means the obligation, pursuant to paragraphs 3, 17, and 23(e) below, to return the dollar amount distributed from the Gross Settlement Fund before the Effective Date for Lead Counsel’s attorneys’ fees and expense reimbursement, plus interest on those amounts equal to what would have been earned had the amounts remained in the Gross Settlement Fund.

(ee) “Settlement” means the settlement contemplated by this Stipulation.

(ff) “Settlement Amount” means \$ 47,500,000 in United States currency.

(gg) “Unknown Claims” means (i) any and all Released Claims that any of the Releasing Plaintiff Parties does not know or suspect to exist in his, her, or its favor at the time of the release of the Released Defendant Parties which, if known by him, her or it might have affected his, her, or its settlement with and release of the Released Defendant Parties, or might have affected his, her, or its decision(s) with respect to the Settlement (including the decision not to object or exclude himself, herself, or itself from the Settlement), and (ii) any Released Defendants’ Claims that any Defendant does not know to exist in his, her, or its favor at the time of the release of the Released Plaintiff Parties, which, if known by him, her or it might have affected his, her, or its settlement with and release of the Released Plaintiff Parties, or might have affected his, her, or its decision(s) with respect to the Settlement. Moreover, with respect to any and all Released Claims and any and all Released Defendants’ Claims, upon the Effective Date, the Releasing Plaintiff Parties and Defendants, respectively, shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and expressly waived any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law, that 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 Releasing Plaintiff Parties, or any one of them, may hereafter discover facts other than or different than those which he, she or it knows or believes to be true, but each of the Releasing Plaintiff Parties hereby expressly waives and fully, finally, and forever settles and releases, upon the Effective Date, any known or unknown, suspected or unsuspected, contingent or non-contingent Released Claim. Likewise, the Defendants, or any one of them, may hereafter

discover facts other than or different than those which he, she or it knows or believes to be true, but each of the Defendants hereby expressly waives and fully, finally, and forever settles and releases, upon the Effective Date, any known or unknown, suspected or unsuspected, contingent or non-contingent Released Defendants' Claim. The Parties acknowledge that the inclusion of "Unknown Claims" in the definition of Released Claims and Released Defendants' Claims was separately bargained for and was a key element of the Settlement.

### **SCOPE AND EFFECT OF SETTLEMENT**

2. The obligations incurred pursuant to this Stipulation shall be in full and final disposition of the Action and any and all Released Claims as against all Released Defendant Parties and any and all Released Defendants' Claims as against all Released Plaintiff Parties.

(a) Upon the Effective Date of the Settlement, and without any further action, Lead Plaintiff shall dismiss the Action with prejudice and on the merits, without an assessment of costs against any party.

(b) Upon the Effective Date, and without any further action, the Releasing Plaintiff Parties, for good and valuable consideration the adequacy of which is hereby acknowledged, shall fully, finally, and forever release, relinquish, and discharge any and all Released Claims against each and every one of the Released Defendant Parties, and shall forever be barred and enjoined, without the necessity of any of the Released Defendant Parties posting a bond, from commencing, instituting, prosecuting, or maintaining any of the Released Claims. Upon the Effective Date, and without any further action, the Lead Plaintiff further agrees not to knowingly and voluntarily assist in any way any third party in commencing or prosecuting any suit against the Released Defendant Parties relating to any Released Claim, including any derivative suit not otherwise released. Except as otherwise set forth herein, this Stipulation shall

not affect whatever rights the Releasing Plaintiff Parties or any of them may have to participate in or benefit from, where appropriate, any relief or other recovery as part of a settlement or judgment in any action on behalf of Class Members.

(c) Upon the Effective Date of the Settlement, and without any further action, Defendants, on behalf of themselves, and their heirs, executors, trustees, administrators, predecessors, successors, and assigns, for good and valuable consideration the receipt and adequacy of which is hereby acknowledged, shall fully, finally, and forever release, relinquish, and discharge any and all Released Defendants' Claims against each and every one of the Released Plaintiff Parties, and shall forever be barred and enjoined, without the necessity of any of the Released Plaintiff Parties posting a bond, from commencing, instituting, prosecuting, or maintaining any of the Released Defendants' Claims against any of the Released Plaintiff Parties.

### **THE SETTLEMENT CONSIDERATION**

3. (a) Defendants shall pay or cause to be paid the Settlement Amount into the Escrow Account within ten (10) business days of the entry of the Preliminary Approval Order in the Action. All Parties understand and agree that any obligation of the Trustee Defendants hereunder will be satisfied by insurers or other Defendants and that no portion of the Settlement Amount is to be paid personally by the Trustee Defendants.

(b) No Defendant shall have any obligation to make any monetary contribution in Settlement of this Action, other than the payment of the Settlement Amount as described in paragraph 3(a). In this Action, the Gross Settlement Fund shall be used only for the following purposes: (i) to compensate the Class pursuant to the Plan of Allocation approved by the District Court; (ii) to pay all reasonable and necessary costs of Notice to the Class and of administration of the Settlement, as approved and ordered by the District Court, as well as any

and all taxes due to state or governmental authorities as a result of the establishment or distribution of the Gross Settlement Fund; (iii) to reimburse Lead Counsel for reasonable costs and expenses paid in connection with this litigation, as approved by the District Court; and (iv) to pay reasonable and necessary attorneys' fees, as approved by the District Court and subject to paragraphs 17 and 23(e).

(c) No money may be paid out of the Gross Settlement Fund before the Effective Date of the Settlement, except as follows: (i) reasonable costs of Notice and administration may be paid out of the Gross Settlement Fund, in accordance with orders of the District Court, up to the limit set forth in paragraph 12; (ii) Taxes may be paid out of the Gross Settlement Fund, as they come due and owing; and (iii) Lead Counsel's attorneys' fees and expense reimbursement, as more fully set forth in paragraph 17 below, may be paid out of the Gross Settlement Fund after the hearing on final approval, and as awarded by the District Court, *provided, however*, that in the event that the Effective Date does not occur, Lead Counsel shall repay to the Gross Settlement Fund the amount of the Repayment Obligation, and the Gross Settlement Fund, less only disbursements actually made or incurred for the costs of Notice, administration, and Taxes, shall be paid to Defendants.

#### **TAX TREATMENT AND ADMINISTRATION**

4. The Escrow Agent shall maintain the Settlement Amount in one or more Escrow Accounts. The Escrow Agent shall invest the Settlement Amount in instruments backed by the full faith and credit of the United States Government or fully insured by the United States Government or an agency thereof, or money market funds invested solely in such investments, and shall reinvest any income from these instruments and the proceeds of these instruments as they mature in similar instruments at their current market value.

5. All funds held in the Escrow Account shall be deemed and considered to be in *custodia legis* of the District Court, and shall remain subject to the exclusive jurisdiction of the District Court, until such time as such funds shall be distributed pursuant to this Stipulation and/or further order(s) of the District Court.

6. Other than the payment of the Settlement Amount as set forth in paragraph 3(a), neither the Released Defendant Parties nor Defendants' Counsel shall have any liability or responsibility for the Escrow Account or the payment of any Taxes.

7. After the Settlement Amount has been paid into the Escrow Account in accordance with paragraph 3 above, the Parties agree to treat the Escrow Account as a "qualified settlement fund" within the meaning of Treas. Reg. § 1.468B-1. In addition, Lead Counsel shall timely make, or cause to be made, such elections as necessary or advisable to carry out the provisions of this paragraph, including the "relation-back election" (as defined in Treas. Reg. § 1.468B-1) back to the earliest permitted date. Such election shall be made in compliance with the procedures and requirements contained in such regulations. It shall be the responsibility of Lead Counsel to timely and properly prepare and deliver, or cause to be prepared and delivered, the necessary documentation for signature by all necessary parties, and thereafter take all such actions as may be necessary or appropriate to cause the appropriate filing to occur.

8. For the purposes of Section 468B of the Internal Revenue Code of 1986, as amended, and Treas. Reg. § 1.468B promulgated thereunder, the "administrator" shall be Lead Counsel or its successor, which shall timely and properly file, or cause to be filed, all informational and other tax returns necessary or advisable with respect to the interest earned on the funds deposited in the Escrow Account (including without limitation the returns described in Treas. Reg. § 1.468B-2(k)). Such returns (as well as the election described above) shall be

consistent with this subparagraph and in all events shall reflect that all taxes (including any estimated taxes, interest, or penalties) on the income earned on the funds deposited in the Escrow Account shall be paid out of such funds as provided in paragraph 9 hereof.

9. Taxes on the income of the Settlement Amount and expenses and costs incurred in connection with the taxation of the Settlement Amount (including, without limitation, interest, penalties, and the expenses of tax attorneys and accountants) (collectively "Taxes") shall be paid solely out of the Escrow Account. In all events, the Released Defendant Parties and Defendants' Counsel shall have no liability or responsibility whatsoever for the Taxes or the filing of any tax returns or other documents with the Internal Revenue Service or any other state or local taxing authority. In the event any Taxes are owed by any of the Released Defendant Parties on any interest earned on the funds on deposit in the Escrow Account, such amounts shall also be paid out of the Escrow Account. Any Taxes or tax expenses owed on any interest earned on the Settlement Amount prior to its transfer to the Escrow Account shall be the sole responsibility of Defendants.

10. Taxes shall be treated as, and considered to be, a cost of administration of the Settlement and shall be timely paid, or caused to be paid, by Lead Counsel out of the Escrow Account without prior order from the District Court, and Lead Counsel shall be obligated (notwithstanding anything herein to the contrary) to withhold from distribution to Authorized Claimants any funds necessary to pay such amounts (as well as any amounts that may be required to be withheld under Treas. Reg. § 1.468B-2(1)(2)). The Parties agree to cooperate with the Escrow Agent, each other, and their tax attorneys and accountants to the extent reasonably necessary to carry out the provisions of this paragraph.

**PROVISION OF NOTICE; ADMINISTRATION EXPENSES**

11. Except as otherwise provided herein, all notice and administration costs, including without limitation the fees and expenses of the Claims Administrator in the administration and distribution of the Gross Settlement Fund, shall be paid out of the Gross Settlement Fund.

12. (a) At no cost to the Gross Settlement Fund, the Oppenheimer Defendants will provide to the Claims Administrator the names, addresses, and Class Period account transaction data, in electronic searchable form, for individual Class Members to the extent that the Oppenheimer Defendants possess the information. To the extent that certain Class Members held Core Bond Fund shares at broker-dealers or other intermediaries and, as a result, the Oppenheimer Defendants do not possess the names, addresses and Class Period account transaction data for these Class Members, the Oppenheimer Defendants will provide to the Claims Administrator the names and addresses of such broker-dealers or other intermediaries along with their aggregate account data at no cost to the Gross Settlement Fund. After the Claims Administrator has notified the broker-dealers or other intermediaries of the Settlement, the Oppenheimer Defendants shall also contact such broker-dealers and intermediaries to advise them of the Settlement and of their obligations under the Court's Preliminary Approval Order, and to request that they provide names, addresses and transactional data to the Claims Administrator. The Defendants are not obligated to bear any costs associated with obtaining Class Members' names, addresses, or Class Period account transactions data from broker-dealers or other intermediaries.

(b) Within ten (10) business days after execution of this Stipulation, Lead Plaintiff will apply for entry of the Preliminary Approval Order which, among other things, approves, as reasonable, distribution from the Gross Settlement Fund prior to the Effective Date of up to \$350,000 to pay the actual, reasonable costs of providing notice in the Action and

administering the Gross Settlement Fund, and approves distribution from the Gross Settlement Fund for future payment of all Taxes pursuant to paragraph 9 that become due and owing. This advancement of notice and administration costs, to the extent already expended or incurred for that purpose, shall not be subject to repayment if the Settlement does not become effective. Upon the occurrence of the Effective Date, Lead Plaintiff may file additional motions for approval of additional amounts from the Gross Settlement Fund for payment of reasonable costs of providing Notice and administering the Gross Settlement Fund.

(c) Except as provided in paragraph 12(a) above, Defendants will not have any responsibility for, involvement in, or liability for the payment of any monies from the Gross Settlement Fund in connection with the administration of the Settlement.

(d) After the Effective Date, Lead Counsel will apply to the District Court, after giving notice to Defendants' Counsel, for the Distribution Order.

#### **ALLOCATION OF SETTLEMENT AMOUNT TO AUTHORIZED CLAIMANTS**

13. The allocation of the Net Settlement Fund among the Class Members in this Action shall be subject to a Plan of Allocation to be proposed by Lead Counsel and approved by the District Court. The Claims Administrator shall determine each Authorized Claimant's *pro rata* share of the portion of the cash in the Net Settlement Fund based upon each Authorized Claimant's Recognized Claim.

14. The Plan of Allocation proposed in the Notice is not a necessary term of the Stipulation or this Settlement and is to be considered by the District Court separately from its determination of the fairness, reasonableness, and adequacy of the Settlement as set forth in the Stipulation. Approval of the Plan of Allocation proposed in the Notice is not a condition of this Stipulation or this Settlement. Any Plan of Allocation is a matter separate and apart from the

Stipulation, and any order or proceeding relating to the Plan of Allocation shall not affect the validity or finality of the Settlement or the Final Judgment or any other orders entered pursuant to the Stipulation.

15. Defendants will not have any responsibility for, involvement in, or liability for allocation of the Net Settlement Fund or with the Plan of Allocation, and will take no position with respect to Lead Counsel's proposed Plan of Allocation.

16. Each Authorized Claimant shall be allocated a *pro rata* share of the cash in the Net Settlement Fund based on the Authorized Claimant's Recognized Claim compared to the total Recognized Claims of all Authorized Claimants. This is not a claims-made settlement, *i.e.*, the Settlement Amount will not increase or decrease by reason of the aggregate amount or value of claims filed by Class Members. If all the conditions of the Stipulation are satisfied and the Effective Date occurs, none of the Settlement Fund will be returned to Defendants or their respective insurers. Defendants will have no involvement in reviewing or challenging Class Members' claims.

#### **ATTORNEYS' FEES AND EXPENSES**

17. (a) Lead Counsel, on behalf of all plaintiffs' counsel in the Action, will apply to the District Court for an award from the Gross Settlement Fund of (i) attorneys' fees not to exceed twenty-five percent (25%) of the Settlement Amount, plus any interest on such amount at the same rate and for the same periods as earned by the Settlement Amount; and (ii) reimbursement of out-of-pocket expenses incurred in prosecuting the Action, plus any interest on such amount at the same rate and for the same periods as earned by the Settlement Amount ("Fee and Expense Application"). Defendants shall take no position with respect to the Fee and Expense Application. Any attorneys' fees and expenses awarded by the District Court shall be

paid from the Gross Settlement Fund to Lead Counsel within ten (10) calendar days of entry of Final Judgment by the District Court and the order awarding such attorneys' fees and expenses in the Action, notwithstanding the existence of any timely filed objections thereto, or potential for appeal therefrom, or collateral attack on the Settlement or any part thereof. The Fee and Expense Application shall be considered separately from the Settlement and any decision by the District Court concerning attorneys' fees, allocation, or expenses shall not affect the validity or finality of the Settlement.

(b) Lead Counsel and each plaintiffs' counsel is obligated to refund to the Gross Settlement Fund the amount received by each in attorneys' fees and expenses plus accrued interest at the rate earned by the Settlement Amount, if and when, as a result of any appeal or further proceeding on remand, or successful collateral attack, the attorneys' fee or expense award is reduced or reversed, if the attorneys' fees or expense award does not become final, if the Settlement itself is voided by any party as provided herein, or if the Settlement is later reversed or modified by any court.

#### **ADMINISTRATION OF THE SETTLEMENT**

18. The Claims Administrator shall administer the Settlement under Lead Counsel's supervision and subject to the exclusive jurisdiction of the District Court. Defendants shall have no role in or responsibility (including without limitation monetary responsibility) for administering the Settlement; no role in or responsibility for reviewing or challenging the claims submitted; and no liability whatsoever to any person or entity including, but not limited to, Lead Plaintiff, other Class Members, any other plaintiffs, any Class Member's counsel, or Lead Counsel in connection with the administration of the Settlement. Without limiting the foregoing, the Defendants shall not be liable to any person with regard to any disclosure to the Claims

Administrator of personal or potentially private account information, including without limitation the names, addresses, and account transaction data for individual Class Members, the accuracy of such information, or the identity of the Class Members.

19. The administration of the Settlement is defined as the allocation and distribution of the Net Settlement Fund and may include the investment of such funds; the determination, calculation, processing, or payment of claims; the review and approval or rejection of Proofs of Claim; processing the Plan of Allocation; and the determination, payment, or withholding of Taxes or any loss incurred in connection therewith; and no person or entity, including but not limited to, the Class Members, Lead Plaintiff and Lead Counsel, shall have any claims against Defendants in connection therewith.

(a) Lead Counsel shall be responsible for supervising the administration of the Settlement and disbursement of the Net Settlement Fund by the Claims Administrator. Lead Counsel shall have the right, but not the obligation, to waive what it deems to be technical defects in any Proof of Claim, Record of Fund Transaction or dispute form in the interest of achieving substantial justice.

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

(i) For each Class Member for whom Defendants provide name, address and Class Period account transaction information, or for whom broker-dealers or other intermediaries provide name, address and Class Period account transaction information, the Claims Administrator shall send to the Class Member a completed Record of Fund Transactions listing the Core Bond Fund shares the Class Member acquired and sold between April 30, 2007 and January 1, 2009, along with any dividends or distributions earned and dividends or

distributions reinvested during this period. These Class Members will be considered Authorized Claimants if their claim calculates to a Recognized Claim under the Plan of Allocation approved by the Court, without their taking any action. Class Members who believe the Record of Fund Transactions completed by the Claims Administrator is incorrect or incomplete will be directed to return a dispute form to the Claims Administrator by the date specified in the Record of Fund Transactions. Within thirty (30) calendar days of receiving the dispute form, the Claims Administrator shall respond.

(ii) Each Class Member for whom the Claims Administrator does not receive account transaction data shall be required to submit a Proof of Claim supported by such documents as are designated therein, including proof of the Class Member's loss or such other documents or proof as Lead Counsel, in its discretion, may deem acceptable.

(iii) All required Proofs of Claim must be submitted to the Claims Administrator by the date specified in the Notice unless such period is extended by order of the District Court. Any Class Member who is required to submit a Proof of Claim but fails to submit a Proof of Claim to the Claims Administrator by the specified date shall be forever barred from receiving any payment pursuant to this Stipulation (unless a later submitted Proof of Claim by such Class Member is approved by order of the District Court), but shall in all other respects be bound by all of the terms of this Stipulation and the Settlement, including the terms of the Final Judgment entered in the Action and the releases provided for herein, and will be barred from bringing any action against any of the Released Defendant Parties concerning the Released Claims. Provided that it is actually received no later than thirty (30) calendar days after the final date for submission of Proofs of Claim, a Proof of Claim shall be deemed to have been submitted when posted, if received with a postmark on the envelope and if mailed first-class postage

prepaid and addressed in accordance with the instructions provided in the Proof of Claim. In all other cases, the Proof of Claim shall be deemed to have been submitted when actually received by the Claims Administrator.

(iv) Each Proof of Claim and dispute form shall be submitted to and reviewed by the Claims Administrator, under the supervision of Lead Counsel, who shall determine the amount of Recognized Claims in accordance with this Stipulation and the Plan of Allocation and the extent, if any, to which each claim shall be allowed, subject to review by the District Court pursuant to subparagraph (vi) below. Except as needed to fulfill its obligations under paragraph 19(b)(i), the Claims Administrator shall keep confidential the Class Member and other shareholder information provided to it in connection with the administration of the Settlement.

(v) The Claims Administrator may reject any and all Proofs of Claim or dispute forms that do not meet the filing requirements. Prior to rejection of a Proof of Claim or dispute form, the Claims Administrator shall communicate with the claimant in order to afford such claimant the opportunity to remedy any curable deficiencies in the Proof of Claim or dispute form submitted. The Claims Administrator, under supervision of Lead Counsel, shall notify, in a timely fashion and in writing, all claimants whose Proofs of Claim or dispute forms they propose to reject in whole or in part, setting forth the reasons therefor, and shall indicate in such notice that the claimant whose claim or dispute is to be rejected has the right to a review by the District Court if the claimant so desires and complies with the requirements of subparagraph (vi) below.

(vi) If any claimant whose Proof of Claim or dispute form has been rejected in whole or in part desires to contest such rejection, the claimant must, within twenty

(20) calendar days after the date of mailing of the notice required in subparagraphs (i) or (v) above, serve upon the Claims Administrator a notice and statement of reasons indicating the claimant's grounds for contesting the rejection, along with any supporting documentation, and requesting a review thereof by the District Court. If a dispute concerning a Proof of Claim or dispute form cannot be otherwise resolved, Lead Counsel shall thereafter present the request for review to the District Court for a final determination.

(vii) The administrative determinations of the Claims Administrator accepting and rejecting Proofs of Claim or dispute forms shall be presented to the District Court, after giving notice to Defendants' Counsel, for approval by the District Court in the Distribution Order.

(c) Each claimant shall be deemed to have submitted to the jurisdiction of the District Court with respect to the claimant's claim, and the claim will be subject to investigation and discovery under the Federal Rules of Civil Procedure, provided that such investigation and discovery shall be limited to that claimant's status as a Class Member and the validity and amount of the claimant's claim. No discovery shall be allowed on the merits of the Action or the Settlement in connection with processing of claims.

(d) Payment pursuant to this Stipulation shall be deemed final and conclusive against all Authorized Claimants. All Class Members whose claims are not approved by the District Court or who were required to submit a claim but fail to do so shall be barred from participating in distributions from the Net Settlement Fund, but otherwise shall be bound by all of the terms of this Stipulation and the Settlement, including the terms of the Final Judgment to be entered in the Action and the releases provided for herein, and shall be barred from bringing any Released Claims against any of the Released Defendant Parties.

(e) All proceedings with respect to the administration, processing, and determination of claims described in this Stipulation, and the determination of all controversies relating thereto, including disputed questions of law and fact with respect to the validity of claims, shall be subject to the exclusive jurisdiction of the District Court.

(f) The Net Settlement Fund shall be distributed to Authorized Claimants by the Claims Administrator only after the Effective Date and after: (i) all claims have been processed, and all claimants whose claims have been rejected or disallowed, in whole or in part, have been notified and provided the opportunity to present their objections to the Claims Administrator; (ii) all objections with respect to all rejected or disallowed claims have been resolved by the District Court, and all appeals therefrom have been resolved or the time to appeal has expired; (iii) all matters with respect to attorneys' fees, costs, and disbursements have been resolved by the District Court, all appeals therefrom have been resolved or the time to appeal has expired, and (iv) all Notice and administrative expenses and Taxes have been paid.

(g) No Class Member or agent thereof shall have any claim against Defendants, Defendants' Counsel, Lead Counsel, Lead Plaintiff, the Claims Administrator or any other entity designated by Lead Counsel based on distributions made substantially in accordance with this Stipulation and the settlement contained herein, or further order(s) of the District Court.

#### **PRELIMINARY APPROVAL OF SETTLEMENT**

20. Concurrently with their application for preliminary District Court approval of the Settlement contemplated by this Stipulation and promptly after execution of this Stipulation, Lead Counsel and Defendants' Counsel shall jointly apply to the District Court for entry of a Preliminary Approval Order, substantially in the form of Exhibit A attached hereto. The Preliminary Order will, *inter alia*, certify the class for settlement purposes only, preliminarily

approve the Settlement, set the date for the Settlement Hearing and prescribe the method for giving notice of the Settlement to the Class.

21. The Parties will contemporaneously apply for preliminary settlement approval in this Action and in the Champion Fund Action. The Settlement of this Action is conditioned upon Preliminary Approval of both the settlement of this Action and the settlement of the Champion Fund Action.

### **FINAL JUDGMENT**

22. If the Settlement contemplated by this Stipulation is approved by the Court, Lead Plaintiff and Defendants shall request that the Court enter the Final Judgment, substantially in the form of Exhibit B attached hereto.

### **EFFECTIVE DATE OF SETTLEMENT, WAIVER OR TERMINATION**

23. (a) The Effective Date of Settlement shall be the date when all the following shall have occurred:

(i) the District Court has entered the Preliminary Approval Order in the Action;

(ii) the Settlement Amount has been deposited into the Escrow Account as described in paragraph 3;

(iii) the District Court has finally certified the Class and approved the Settlement in the Action as fair, reasonable, and adequate;

(iv) the District Court has entered the Final Judgment in the Action and the Final Judgment in the Action has been upheld through the resolution of all appeals and writs of certiorari, and through the expiration of all time to appeal and file writs of certiorari, except that the Effective Date shall not be delayed by any modification of or appeal from those parts of

the Final Judgment in the Action that pertain to: (i) the Plan of Allocation; or (ii) any award or allocation of attorneys' fees or expenses; and

(v) the District Court has preliminarily approved the settlement reached between the parties in the Champion Fund Action, including that such settlement is fair, reasonable, and adequate, has entered final judgment in the Champion Fund Action, and the final judgment in the Champion Fund Action has been upheld through the resolution of all appeals and writs of certiorari, and through the expiration of all time to appeal and file writs of certiorari.

(b) The Parties to the Stipulation shall have the right to terminate the Settlement and the Stipulation by providing written notice of their election to do so to all other Parties to the Stipulation within thirty (30) calendar days of (i) the District Court's decision not to enter the Preliminary Approval Order; (ii) the District Court's refusal to approve this Stipulation in whole or in any material part; (iii) the District Court's decision not to enter the Final Judgment in whole or in any material respect; (iv) the date upon which the Final Judgment is modified or reversed in any material respect by the United States Court of Appeals or the United States Supreme Court; or (v) the failure of any or all of the events described in paragraph 23(a)(v).

(c) Pursuant to the procedure set forth in the Notice, potential Class Members have the right and ability to exclude themselves from the Class as set forth in the Preliminary Order. Lead Counsel, in conjunction with the Claims Administrator, shall cause copies of requests for exclusion from the Class to be provided to Defendants' Counsel as they are received. No later than ten (10) calendar days after the final date for mailing requests for exclusion, Lead Counsel shall provide Defendants' Counsel with a complete and final list of all known Class Members who have excluded themselves from the Settlement and with all other known

information sufficient for Defendants to determine the number of persons who have requested exclusion and the value of any excluded claims.

(d) Simultaneously herewith, Lead Counsel and Defendants' Counsel are executing a confidential letter agreement (the "Letter Agreement") that sets forth the conditions and timetable under which Oppenheimer may terminate the Settlement in the event that Class Members who suffered a given amount of alleged losses during the Class Period timely and validly request exclusion from the Class. Unless otherwise directed by the Court, or in the event of a dispute relating to the Letter Agreement, the Letter Agreement will not be filed with the Court. In the event that Oppenheimer terminates the Settlement pursuant to the Letter Agreement, this Stipulation shall become null and void and of no further force and effect, except that the provisions of paragraphs 23(e) and 24 shall apply. Notwithstanding the foregoing, this Stipulation shall not become null and void as a result of the election by Oppenheimer to terminate the Settlement pursuant to the Letter Agreement unless all conditions set forth in the Letter Agreement have been satisfied.

(e) If the Effective Date does not occur, or if the Settlement is terminated or modified in any material respect or fails to become effective for any reason, then:

(i) the class certification order shall be vacated and shall not be used as evidence in any further class certification proceedings;

(ii) the Parties to the Stipulation shall be deemed to have reverted to their respective status in the Action as of the date and time immediately prior to the execution of this Stipulation and, except as otherwise expressly provided, the Parties shall proceed in all respects as if this Stipulation and any related orders had not been entered;

(iii) within thirty (30) calendar days from Lead Counsel's receipt of notice from Defendants' Counsel of termination, modification in any material respect, or failure of the Effective Date to occur, Lead Counsel shall honor its Repayment Obligation by returning to the Gross Settlement Fund the total dollar amount distributed from the Gross Settlement Fund before the Effective Date for Lead Counsel's attorneys' fees and expense reimbursement, plus interest equal to what would have been earned had such amount remained in the Gross Settlement Fund; and

(iv) within thirty-five (35) calendar days from Lead Counsel's receipt of notice from Defendants' Counsel of termination, modification in any material respect, or failure of the Effective Date to occur, the Gross Settlement Fund, including amounts repaid or that should have been repaid pursuant to the Repayment Obligation, shall be returned to Defendants, less only any Notice and administration costs actually incurred and paid or owing out of the Settlement Fund pursuant to an Order of the District Court obtained in accordance with paragraphs 12 and 20 herein, and any Taxes paid or owing in accordance with paragraph 9 herein.

**NO ADMISSION OF WRONGDOING OR LACK OF MERIT**

24. (a) Defendants deny and continue to deny that they have committed any act or omission giving rise to any liability in this Action, and state that they are entering into the Settlement to eliminate the burden, expense, uncertainty and risk of further litigation. This Settlement is therefore without admission of fault or liability on the part of any Defendant.

(b) Lead Plaintiff believes that the claims asserted in the Action have merit and that the evidence developed to date supports the claims asserted, and states that he is entering into the Settlement to eliminate the burden, expense, uncertainty, and risk of further

litigation. This Settlement is therefore without admission of any lack of merit of the Action or the validity of any defense on the part of Lead Plaintiff.

(c) The terms of this Stipulation (whether the Stipulation becomes final or not), the negotiations leading up to this Stipulation, the fact of the Settlement, and the proceedings taken pursuant to the Settlement, shall not: (1) be construed as an admission of liability or an admission of any claim or defense on the part of any party, in any respect; (2) form the basis for any claim of estoppel by any third party against any of the Released Defendant Parties; or (3) be admissible in any action, suit, proceeding, or investigation as evidence, or as an admission, of any wrongdoing or liability whatsoever by any of the Released Defendant Parties or as evidence of the truth of any of the claims or allegations contained in any complaint filed in the Action. Neither this Stipulation, nor any of its terms and provisions, nor any of the negotiations or proceedings connected with it, nor any action taken to carry out this Stipulation by any of the Parties shall be referred to, offered into evidence, or received in evidence in any pending or future civil, criminal or administrative action or proceeding, except in a proceeding to enforce this Stipulation, to enforce any insurance rights, to defend against the assertion of Released Claims (including to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction), or by Lead Counsel to demonstrate its adequacy to serve as class counsel pursuant to Federal Rule of Civil Procedure 23(g) (or its state law analogs), or as otherwise required by law.

#### **MISCELLANEOUS PROVISIONS**

25. (a) All of the exhibits attached hereto are hereby incorporated by reference as though fully set forth herein.

(b) The Parties to the Stipulation intend and agree that the Settlement is a final and complete resolution of all disputes asserted or which could be asserted by Lead Plaintiff and Class Members who have not timely excluded themselves from the Class against the Released Defendant Parties with respect to the Released Claims, and that all Class Members who have not timely excluded themselves from the Class shall look solely to the Net Settlement Fund for settlement and satisfaction of all such claims against Defendants. Nothing herein shall be deemed to release or otherwise bar or impair the Released Defendant Parties' claims against any or all of their insurers.

(c) The Final Judgment shall include a bar order that, upon the Effective Date would, to the maximum extent allowed by law, bar claims for contribution, indemnification, or the like, however styled, against the Released Defendant Parties by any person or entity, whether arising under state, federal, or common law, based upon, arising out of, relating to, or in connection with the Released Claims. The Final Judgment shall also include a judgment reduction provision whereby, in the event any Class Member seeks to recover damages or any other form of monetary relief ("Damages") from any person or entity based upon claims that arise out of, or relate in any way to, the Released Claims, the Class Member shall give such person or entity the benefit of judgment reduction or offset equal to the greater of: (1) the amount of recovery obtained by the Class Member in connection with the Settlement; or (2) the amount of any of the Released Defendant Parties' equitable share of the Damages. The judgment reduction provision shall provide further that, in the event that any Class Member obtains a judgment against any person or entity based upon claims that arise out of, or relate in any way to, the Released Claims, the Class Member agrees to reduce such judgment, up to the full extent thereof, so as to extinguish any claim such person or entity has successfully litigated

against any Released Defendant Party for contribution, indemnification or the like, however styled.

(d) Lead Plaintiff and Defendants agree not to assert in this Action that the litigation was brought or defended in bad faith or without a reasonable basis, and agree not to assert any claim of any violation of Rule 11 of the Federal Rules of Civil Procedure relating to the prosecution or defense of the Action. The Parties to the Stipulation agree that the amount paid and the other terms of the Settlement were negotiated at arms' length in good faith by the Parties to the Stipulation with the assistance of experienced and independent mediators, and reflect a Settlement that was reached voluntarily after consultation with experienced legal counsel.

(e) Unless otherwise specified in the Stipulation, and subject to the District Court's continuing jurisdiction relating to the Settlement of the Action, the parties agree to mediate before Judge Phillips any dispute that arises between the Parties relating to the terms of the Settlement or documentation thereof.

(f) Until a motion for a Preliminary Approval Order is filed with the District Court, the Parties shall maintain this Stipulation and the Settlement in confidence, except for the disclosure to defendants' insurers and auditors, allocation counsel and consultants assisting with the allocation, the District Court, Judge Phillips, or as required by law or otherwise consented to by the Parties.

(g) This Stipulation may not be modified or amended, nor may any of its provisions be waived, except by a writing signed by all Parties to the Stipulation or their successors-in-interest.

(h) The headings herein are used for the purpose of convenience only and are not meant to have legal effect.

(i) The administration and consummation of the Settlement as embodied in this Stipulation shall be under the authority of the District Court and the District Court shall retain exclusive, continuing jurisdiction for the purpose of enforcing the terms of the Stipulation.

(j) The Parties to the Stipulation hereby irrevocably submit to the continuing and exclusive jurisdiction of the District Court for any suit, action, proceeding, or dispute arising out of or relating to this Settlement as embodied in the Stipulation or its applicability (except as provided in paragraph 25(e)), and agree that they will not oppose the designation of such suit, action, proceeding, or dispute as a related case to this Action.

(k) The waiver by one Party to the Stipulation of any term or condition of this Stipulation shall not be deemed a waiver of any other Party to the Stipulation. Nor shall the waiver by one Party to the Stipulation of any term or condition of the Stipulation be deemed a waiver of a prior or subsequent term or condition of the Stipulation.

(l) This Stipulation and its exhibits, together with the Letter Agreement, constitute the entire agreement between the Lead Plaintiff (individually and on behalf of the Class) and Defendants concerning the Settlement of the Action, and no representations, warranties, payments, or inducements have been made by any Defendant to Lead Plaintiff, or by Lead Plaintiff to any Defendant concerning the subject matter hereof, other than those contained and memorialized in the Stipulation, its exhibits, and the Letter Agreement.

(m) The Stipulation may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument, provided that counsel for the Parties to the Stipulation shall exchange among themselves original

signed counterparts. Electronically transmitted signatures are valid signatures as of the date thereof.

(n) The Stipulation shall be binding upon, and inure to the benefit of, the successors and assigns of the Parties to the Stipulation.

(o) All agreements made and orders entered during the course of this Action relating to the confidentiality of documents and information shall survive this Stipulation in accordance with their terms.

(p) The construction, interpretation, operation, effect, and validity of the Stipulation, and all documents necessary to effectuate it, shall be governed by the internal laws of the State of Colorado without regard to conflicts of laws, except to the extent that federal law requires that federal law govern. Lead Plaintiff (on behalf of himself and the Class) and Defendants understand and agree that any disputes arising out of the Stipulation shall be governed and construed by and in accordance with the laws of the State of Colorado, without reference to choice of law principles.

(q) The Stipulation shall not be construed more strictly against one Party to the Stipulation than another merely by virtue of the fact that it, or any part of it, may have been prepared by counsel for one of the Parties, it being recognized that the Stipulation is the result of arms' length negotiations between the Parties to the Stipulation, and all Parties to the Stipulation have contributed substantially and materially to the preparation of the Stipulation.

(r) Any and all counsel and Parties to the Stipulation who execute the Stipulation and any of the exhibits hereto, or any related Settlement documents, represent that they have the full authority to do so, and that they have the authority to take appropriate action required or permitted to be taken pursuant to the Stipulation to effectuate its terms.

(s) Lead Counsel and Defendants' Counsel agree to recommend approval of the Stipulation by the District Court and to undertake their best efforts and cooperate fully with one another in seeking District Court approval of the Preliminary Approval Order, the Stipulation, and the Settlement, and to promptly agree upon and execute all such other documentation as may be reasonably required to obtain final approval by the District Court of the Settlement and the entry of the Final Judgment. Lead Counsel and Defendants' Counsel agree to take all reasonable actions necessary to effectuate the performance of, and uphold the validity and enforceability of, this Stipulation.

(t) The Parties agree to cooperate to take such steps as may be reasonably appropriate to resolve the derivative actions, *Turpin v. Murphy et al.*, Civil Action No. 1:09-cv-02627-JLK and *Bohus v. Manioudakis et al.*, Civil Action No. 1:10-cv-01473-JLK, relating to Oppenheimer.

(u) The Parties agree that Oppenheimer will make the first disclosure of this proposed settlement and will provide reasonable advance notice to the other Parties of any such disclosure. The Parties further agree that Oppenheimer will have a reasonable opportunity for prior review and comment on any disclosure relating to the settlement to be made thereafter by Lead Plaintiff, the Class, Lead Counsel, Liaison Counsel or any plaintiffs' counsel in the Action.

IN WITNESS WHEREOF, the Parties have, through their respective counsel, executed this Stipulation as of the date first above written.

**LABATON SUCHAROW LLP**

By: Jonathan M. Plasse  
Jonathan M. Plasse  
140 Broadway  
New York, New York 10005  
Telephone: (212) 907-0700

*Lead Counsel for Plaintiff*

**DECHERT LLP**

By: William K. Dodds  
William K. Dodds  
1095 Avenue of the Americas  
New York, NY 10036  
Telephone: (212) 698-3500

*Attorneys for Defendants OppenheimerFunds, Inc., OppenheimerFunds Distributor, Inc., John V. Murphy, and Brian W. Wixted*

**K&L GATES**

By: Peter G. Rush  
Peter G. Rush  
70 West Madison Street, Suite 3100  
Chicago, IL 60602  
Telephone: (312) 372-1121

*Attorneys for William L. Armstrong, Robert G. Avis, George C. Bowen, Edward L. Cameron, Jon S. Fossel, Sam Freedman, Beverly L. Hamilton, Robert J. Malone, and F. William Marshall, Jr. and the Oppenheimer Integrity Funds*

**HAGENS BERMAN SOBOL SHAPIRO LLP**

By: Sean Matt  
Sean Matt  
1301 Fifth Avenue, Suite 2900  
Seattle, Washington 98101  
Telephone: (206) 623-7292

*Additional Counsel for Plaintiff*

**PERKINS COIE LLP**

By: Stephanie E. Dunn  
Stephanie E. Dunn  
1899 Wynkoop Street, Suite 700  
Denver, CO 80202-1043  
Telephone: (303) 291 -2300

*Attorneys for Defendants OppenheimerFunds, Inc., OppenheimerFunds Distributor, Inc., John V. Murphy, and Brian W. Wixted*

**DAVIS, GRAHAM & STUBBS LLP**

By: Dale R. Harris  
Dale R. Harris  
1550 Seventeenth Street, Suite 500  
Denver, Colorado 80202  
Telephone: (303) 892-9400

*Attorneys for William L. Armstrong, Robert G. Avis, George C. Bowen, Edward L. Cameron, Jon S. Fossel, Sam Freedman, Beverly L. Hamilton, Robert J. Malone, and F. William Marshall, Jr. and the Oppenheimer Integrity Funds*

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By: \_\_\_\_\_  
Jonathan M. Plasse  
140 Broadway  
New York, New York 10005  
Telephone: (212) 907-0700

*Lead Counsel for Plaintiff*

**DECHERT LLP**

By: \_\_\_\_\_  
William K. Dodds  
1095 Avenue of the Americas  
New York, NY 10036  
Telephone: (212) 698-3500


*Attorneys for Defendants OppenheimerFunds, Inc., OppenheimerFunds Distributor, Inc., John V. Murphy, and Brian W. Wixted*

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By: \_\_\_\_\_  
Peter G. Rush  
70 West Madison Street, Suite 3100  
Chicago, IL 60602  
Telephone: (312) 372-1121

*Attorneys for William L. Armstrong, Robert G. Avis, George C. Bowen, Edward L. Cameron, Jon S. Fossel, Sam Freedman, Beverly L. Hamilton, Robert J. Malone, and F. William Marshall, Jr. and the Oppenheimer Integrity Funds*

**HAGENS BERMAN SOBOL SHAPIRO LLP**

By:  \_\_\_\_\_  
Sean Matt  
1301 Fifth Avenue, Suite 2900  
Seattle, Washington 98101  
Telephone: (206) 623-7292

*Additional Counsel for Plaintiff*

**PERKINS COIE LLP**

By: \_\_\_\_\_  
Stephanie E. Dunn  
1899 Wynkoop Street, Suite 700  
Denver, CO 80202-1043  
Telephone: (303) 291 -2300

*Attorneys for Defendants OppenheimerFunds, Inc., OppenheimerFunds Distributor, Inc., John V. Murphy, and Brian W. Wixted*

**DAVIS, GRAHAM & STUBBS LLP**

By: \_\_\_\_\_  
Dale R. Harris  
1550 Seventeenth Street, Suite 500  
Denver, Colorado 80202  
Telephone: (303) 892-9400

*Attorneys for William L. Armstrong, Robert G. Avis, George C. Bowen, Edward L. Cameron, Jon S. Fossel, Sam Freedman, Beverly L. Hamilton, Robert J. Malone, and F. William Marshall, Jr. and the Oppenheimer Integrity Funds*

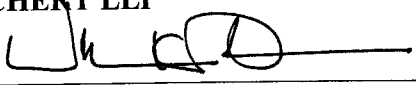
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Jonathan M. Plasse  
140 Broadway  
New York, New York 10005  
Telephone: (212) 907-0700

*Lead Counsel for Plaintiff*

**DECHERT LLP**

By:  \_\_\_\_\_  
William K. Dodds  
1095 Avenue of the Americas  
New York, NY 10036  
Telephone: (212) 698-3500

*Attorneys for Defendants OppenheimerFunds, Inc., OppenheimerFunds Distributor, Inc., John V. Murphy, and Brian W. Wixted*

**K&L GATES**

By: \_\_\_\_\_  
Peter G. Rush  
70 West Madison Street, Suite 3100  
Chicago, IL 60602  
Telephone: (312) 372-1121

*Attorneys for William L. Armstrong, Robert G. Avis, George C. Bowen, Edward L. Cameron, Jon S. Fossel, Sam Freedman, Beverly L. Hamilton, Robert J. Malone, and F. William Marshall, Jr. and the Oppenheimer Integrity Funds*

**HAGENS BERMAN SOBOL SHAPIRO LLP**

By: \_\_\_\_\_  
Sean Matt  
1301 Fifth Avenue, Suite 2900  
Seattle, Washington 98101  
Telephone: (206) 623-7292

*Additional Counsel for Plaintiff*

**PERKINS COIE LLP**

By: \_\_\_\_\_  
Stephanie E. Dunn  
1899 Wynkoop Street, Suite 700  
Denver, CO 80202-1043  
Telephone: (303) 291 -2300

*Attorneys for Defendants OppenheimerFunds, Inc., OppenheimerFunds Distributor, Inc., John V. Murphy, and Brian W. Wixted*

**DAVIS, GRAHAM & STUBBS LLP**

By: \_\_\_\_\_  
Dale R. Harris  
1550 Seventeenth Street, Suite 500  
Denver, Colorado 80202  
Telephone: (303) 892-9400

*Attorneys for William L. Armstrong, Robert G. Avis, George C. Bowen, Edward L. Cameron, Jon S. Fossel, Sam Freedman, Beverly L. Hamilton, Robert J. Malone, and F. William Marshall, Jr. and the Oppenheimer Integrity Funds*

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By: \_\_\_\_\_  
Jonathan M. Plasse  
140 Broadway  
New York, New York 10005  
Telephone: (212) 907-0700

*Lead Counsel for Plaintiff*

**DECHERT LLP**

By: \_\_\_\_\_  
William K. Dodds  
1095 Avenue of the Americas  
New York, NY 10036  
Telephone: (212) 698-3500

*Attorneys for Defendants OppenheimerFunds, Inc., OppenheimerFunds Distributor, Inc., John V. Murphy, and Brian W. Wixted*

**K&L GATES**

By: \_\_\_\_\_  
Peter G. Rush  
70 West Madison Street, Suite 3100  
Chicago, IL 60602  
Telephone: (312) 372-1121

*Attorneys for William L. Armstrong, Robert G. Avis, George C. Bowen, Edward L. Cameron, Jon S. Fossel, Sam Freedman, Beverly L. Hamilton, Robert J. Malone, and F. William Marshall, Jr. and the Oppenheimer Integrity Funds*

**HAGENS BERMAN SOBOL SHAPIRO LLP**

By: \_\_\_\_\_  
Sean Matt  
1301 Fifth Avenue, Suite 2900  
Seattle, Washington 98101  
Telephone: (206) 623-7292

*Additional Counsel for Plaintiff*

**PERKINS COIE LLP**

By: Stephanie Dunn  
Stephanie E. Dunn  
~~1899 Wynkoop Street, Suite 700~~ 1900 16th St., #1400  
Denver, CO 80202-1043 5255  
Telephone: (303) 291 -2300

*Attorneys for Defendants OppenheimerFunds, Inc., OppenheimerFunds Distributor, Inc., John V. Murphy, and Brian W. Wixted*

**DAVIS, GRAHAM & STUBBS LLP**

By: \_\_\_\_\_  
Dale R. Harris  
1550 Seventeenth Street, Suite 500  
Denver, Colorado 80202  
Telephone: (303) 892-9400

*Attorneys for William L. Armstrong, Robert G. Avis, George C. Bowen, Edward L. Cameron, Jon S. Fossel, Sam Freedman, Beverly L. Hamilton, Robert J. Malone, and F. William Marshall, Jr. and the Oppenheimer Integrity Funds*

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Jonathan M. Plasse  
140 Broadway  
New York, New York 10005  
Telephone: (212) 907-0700

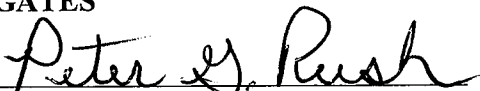
*Lead Counsel for Plaintiff*

**DECHERT LLP**

By: \_\_\_\_\_  
William K. Dodds  
1095 Avenue of the Americas  
New York, NY 10036  
Telephone: (212) 698-3500

*Attorneys for Defendants OppenheimerFunds, Inc., OppenheimerFunds Distributor, Inc., John V. Murphy, and Brian W. Wixted*

**K&L GATES**

By:   
Peter G. Rush  
70 West Madison Street, Suite 3100  
Chicago, IL 60602  
Telephone: (312) 372-1121

*Attorneys for William L. Armstrong, Robert G. Avis, George C. Bowen, Edward L. Cameron, Jon S. Fossel, Sam Freedman, Beverly L. Hamilton, Robert J. Malone, and F. William Marshall, Jr. and the Oppenheimer Integrity Funds*

**HAGENS BERMAN SOBOL SHAPIRO LLP**

By: \_\_\_\_\_  
Sean Matt  
1301 Fifth Avenue, Suite 2900  
Seattle, Washington 98101  
Telephone: (206) 623-7292

*Additional Counsel for Plaintiff*

**PERKINS COIE LLP**

By: \_\_\_\_\_  
Stephanie E. Dunn  
1899 Wynkoop Street, Suite 700  
Denver, CO 80202-1043  
Telephone: (303) 291 -2300

*Attorneys for Defendants OppenheimerFunds, Inc., OppenheimerFunds Distributor, Inc., John V. Murphy, and Brian W. Wixted*

**DAVIS, GRAHAM & STUBBS LLP**

By: \_\_\_\_\_  
Dale R. Harris  
1550 Seventeenth Street, Suite 500  
Denver, Colorado 80202  
Telephone: (303) 892-9400

*Attorneys for William L. Armstrong, Robert G. Avis, George C. Bowen, Edward L. Cameron, Jon S. Fossel, Sam Freedman, Beverly L. Hamilton, Robert J. Malone, and F. William Marshall, Jr. and the Oppenheimer Integrity Funds*

IN WITNESS WHEREOF, the Parties have, through their respective counsel, executed this Stipulation as of the date first above written.

**LABATON SUCHAROW LLP**

By: \_\_\_\_\_  
Jonathan M. Plasse  
140 Broadway  
New York, New York 10005  
Telephone: (212) 907-0700

*Lead Counsel for Plaintiff*

**DECHERT LLP**

By: \_\_\_\_\_  
William K. Dodds  
1095 Avenue of the Americas  
New York, NY 10036  
Telephone: (212) 698-3500

*Attorneys for Defendants OppenheimerFunds, Inc., OppenheimerFunds Distributor, Inc., John V. Murphy, and Brian W. Wixted*

**K&L GATES**

By: \_\_\_\_\_  
Peter G. Rush  
70 West Madison Street, Suite 3100  
Chicago, IL 60602  
Telephone: (312) 372-1121

*Attorneys for William L. Armstrong, Robert G. Avis, George C. Bowen, Edward L. Cameron, Jon S. Fossel, Sam Freedman, Beverly L. Hamilton, Robert J. Malone, and F. William Marshall, Jr. and the Oppenheimer Integrity Funds*

**HAGENS BERMAN SOBOL SHAPIRO LLP**

By: \_\_\_\_\_  
Sean Matt  
1301 Fifth Avenue, Suite 2900  
Seattle, Washington 98101  
Telephone: (206) 623-7292

*Additional Counsel for Plaintiff*

**PERKINS COIE LLP**

By: \_\_\_\_\_  
Stephanie E. Dunn  
1899 Wynkoop Street, Suite 700  
Denver, CO 80202-1043  
Telephone: (303) 291 -2300

*Attorneys for Defendants OppenheimerFunds, Inc., OppenheimerFunds Distributor, Inc., John V. Murphy, and Brian W. Wixted*

**DAVIS, GRAHAM & STUBBS LLP**

By: Dale R. Harris by prk  
Dale R. Harris  
1550 Seventeenth Street, Suite 500  
Denver, Colorado 80202  
Telephone: (303) 892-9400

*Attorneys for William L. Armstrong, Robert G. Avis, George C. Bowen, Edward L. Cameron, Jon S. Fossel, Sam Freedman, Beverly L. Hamilton, Robert J. Malone, and F. William Marshall, Jr. and the Oppenheimer Integrity Funds*

# Core Ex A Prelim Order

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLORADO  
Judge John L. Kane**

Civil Action No. **09-cv-1186-JLK-KMT**

**IN RE: CORE BOND FUND**

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**[PROPOSED] ORDER PRELIMINARILY APPROVING SETTLEMENT  
AND PROVIDING FOR NOTICE**

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WHEREAS, a consolidated class action is pending before the Court entitled *In re Core Bond Fund*, No. 09-cv-1186-JLK-KMT (the “Action”);

WHEREAS, the Court has received the unopposed motion for preliminary approval of the Stipulation and Agreement of Settlement dated May \_\_\_\_, 2011 (the “Stipulation”), that has been entered into by the Lead Plaintiff and Defendants, and the Court has reviewed the Stipulation and its attached Exhibits;

WHEREAS, Lead Plaintiff having made an unopposed motion for preliminary approval of the settlement, pursuant to Federal Rule of Civil Procedure 23(e) (“Federal Rule 23”), for an order preliminarily approving the settlement of this Action, in accordance with the Stipulation which, together with the Exhibits annexed thereto sets forth the terms and conditions for a proposed settlement of the Action and for dismissal of the Action with prejudice upon the terms and conditions set forth therein; and the Court having read and considered the Stipulation and the Exhibits annexed thereto (the “Settlement”); and

WHEREAS all defined terms contained herein shall have the same meanings as set forth in the Stipulation;

NOW, THEREFORE, IT IS HEREBY ORDERED:

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

2. A hearing (the “Settlement Hearing”) shall be held before this Court on September 30, 2011, at \_\_\_\_ a.m/p.m., at the Alfred A. Arraj United States Courthouse, 901 19th Street, Denver, Colorado 80294, Courtroom A802, to determine whether: the proposed Settlement of the Action 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; whether a judgment as provided in ¶ 22 of the Stipulation should be entered; whether the proposed plan of distribution for the proceeds of the Settlement (“Plan of Distribution”) should be approved; and to determine the amount of fees and expenses that should be awarded to Class Counsel and Lead Plaintiff.

3. Pursuant to Federal Rule 23, the Court certifies the following Class:

All persons and entities who purchased or otherwise acquired shares of the Core Bond Fund during the Class Period and who were damaged thereby. Excluded from the Class are Defendants; Oppenheimer’s Officers and Directors; members of Defendants’ immediate families; Defendants’ legal representatives, heirs, successors, or assigns; any entity in which Defendants have or had a controlling interest; any mutual fund or account managed by OFI or its affiliates (including without limitation “funds of funds”) that owned shares of Core Bond Fund; and any 529 College Savings Plan. Also excluded from the Class are any proposed Class Members who properly exclude themselves by filing a valid and timely request for exclusion in accordance with the requirements set forth in the Notice (“the Class”).

“Class Period” means the period from April 30, 2007 through December 31, 2008, inclusive.

4. The Court finds that certification of the Class meets the requirements of Federal Rule 23 as follows:

a. There are at least tens of thousands of Members of the Class and likely more, and the Class is of sufficient size and geographical dispersion that joinder of all Class Members is impracticable, thus satisfying Federal Rule 23(a)(1).

b. There are questions of law and fact common to the Class, thus satisfying Federal Rule 23(a)(2). Among the questions of law and fact common to the Class are: whether the Securities Act of 1933 was violated by Defendants' acts as alleged; whether statements made by Defendants to the investing public in the Core Bond Fund Registration Statements and Prospectuses misrepresented or omitted material facts; and whether the Members of the Class have sustained damages and, if so, what is the proper measure thereof.

c. Lead Plaintiff's claims for violations of Sections 11, 12(a)(2) and 15 of the Securities Act of 1933 are typical of the claims of the Class, thus satisfying Federal Rule 23(a)(3).

d. Lead Plaintiff Dr. C. Phillip Pattison, and his counsel, Labaton Sucharow LLP and Hagens Berman Sobol Shapiro LLP, will fairly and adequately protect the interests of the Class, thus satisfying Federal Rule 23(a)(4).

e. The questions of law and fact common to the Class predominate over any questions affecting only individual members, thus satisfying Federal Rule 23(b)(3).

f. A class action is superior to other available methods for the fair and efficient adjudication of the controversy, thus satisfying Federal Rule 23(b)(3).

5. Class Members are provided an opportunity to be excluded from the Class. The deadline to request exclusion is August 31, 2011.

6. Lead Plaintiff Dr. C. Phillip Pattison is appointed representative of the Class.

7. Labaton Sucharow LLP and Hagens Berman Sobol Shapiro LLP are appointed Class Counsel. The Shuman Law Firm is appointed Liaison Counsel.

8. The Court approves, as to form and content, the “Notice of Pendency and Proposed Settlement of Class Action for Identified Purchasers” and the “Notice of Pendency and Proposed Settlement of Class Action for Un-Identified Purchasers” (collectively, the “Notice”), and Publication Notice for publication, in substantially the forms annexed as Exhibits 1, 2, and 5 hereto, and finds that the mailing and distribution of the Notice and publishing of the Publication Notice, as set forth herein, meet the requirements of Federal Rule 23, due process, and Section 27 of the Securities Act of 1933, 15 U.S.C. §77z-1(a)(7), as amended by the Private Securities Litigation Reform Act of 1995 (the “PSLRA”), and constitutes the best notice practicable under the circumstances and shall constitute due and sufficient notice to all persons and entities entitled thereto.

9. The Court hereby appoints Epiq Class Action & Claims Solutions, Inc. (“Claims Administrator”) to supervise and execute the notice program as well as the administration of the Settlement, as more fully set forth below and as set forth in the Stipulation:

a. Not later than July 15, 2011 (the “Notice Date”), the Claims Administrator shall cause a copy of the Notice, substantially in the forms annexed hereto, to be mailed by first class mail, postage prepaid, to all Class Members who can be identified with reasonable effort. The Oppenheimer Defendants, to the extent they have not already done so, shall within ten (10) calendar days of entry of this Order, provide to the Claims Administrator, at no cost to Lead Plaintiff, Lead Counsel, the Class or the Claims Administrator, a list, in electronic searchable form, of the names, addresses, and Class Period account transaction data for individual Class Members to the extent that the

Oppenheimer Defendants possess the information. To the extent that certain Class Members held Core Bond Fund shares at broker-dealers or other intermediaries (“Broker-Dealer Intermediaries”) and, as a result, the Oppenheimer Defendants do not possess the names, addresses and Class Period account transaction data for these Class Members, the Oppenheimer Defendants shall within two (2) calendar days of entry of this Order provide to the Claims Administrator the names and addresses of such broker-dealers or other intermediaries along with their aggregate account data at no cost and in electronic searchable form. After the Claims Administrator has notified the broker-dealers or other intermediaries of the Settlement, the Oppenheimer Defendants shall also contact such broker-dealers and intermediaries to advise them of the Settlement and of their obligations under this Order, and to request that they provide names, addresses and transactional data to the Claims Administrator. The Defendants are not obligated to bear any costs associated with obtaining Class Members’ names, addresses, or Class Period account transactions data from broker-dealers or other intermediaries.

b. Not later than July 29, 2011, the Claims Administrator shall cause the Publication Notice to be published once in *Investor’s Business Daily* and transmitted over PRNewswire.

c. Together with the mailed Notice, the Claims Administrator shall send, for those Class Members for whom the Claims Administrator has obtained transaction data, a Record of Fund Transactions from April 30, 2007 through December 31, 2008, substantially in the form annexed as Exhibit 4 hereto. For those Class Members for whom the Claims Administrator has been unable to obtain transaction data (or has only incomplete transaction data), the Claims Administrator shall send a Proof of Claim form

(“Proof of Claim”), substantially in the form annexed as Exhibit 3 hereto, with the Notice.

d. Not later than July 29, 2011, Class Counsel shall file with the Court papers in support of their request for an award of attorneys’ fees and expenses.

e. Not later than July 29, 2011, Class Counsel shall file with the Court papers in support of approval of the Settlement and Plan of Distribution, including a declaration of proof of mailing and publishing notice. Reply papers, if any, shall be filed by Class Counsel no later than September 15, 2011.

f. Class Members who were sent Proofs of Claim must return completed forms to the Claims Administrator no later than October 30, 2011 in order to be eligible to participate in any Settlement distributions. Class Members who were sent a Record of Fund Transactions and wish to challenge the information therein must contest the Claims Administrator’s determinations by the deadline set by the Claims Administrator.

10. Within five (5) business days of this Order, the Claims Administrator is directed to send a notification to all Broker-Dealer Intermediaries identified in the intermediary account data provided by Oppenheimer requesting that, for each account that held Oppenheimer Core Bond Fund shares at any time from April 30, 2007 through December 31, 2008, the Broker-Dealer Intermediary shall provide the name(s), address(es) of each account-holder and all Core Bond Fund transaction data in each account. The notification shall inform the Broker-Dealer Intermediaries that, if it is not feasible to provide the Core Bond Fund transaction data for each account by July 1, 2011, the Broker-Dealer Intermediaries still must provide name and address information by that date so that that Proofs of Claim may be sent to account-holders who held Core Bond Fund shares in accounts with that Broker-Dealer Intermediary. The Court hereby

orders such Broker-Dealer Intermediaries to promptly provide all information requested by the Claims Administrator in order for the intermediary account-holders to benefit from the proposed Settlement.

11. Class Members shall be bound by all orders, determinations and judgments in this Action, whether favorable or unfavorable, unless such Persons request exclusion from the Class in a timely and proper manner, as hereinafter provided. A Class Member wishing to make such an exclusion request shall mail the written request to the address designated in the Notice for such exclusions, such that it is postmarked no later than August 31, 2011. Such request for exclusion must state the name, address, and telephone number of the person or entity seeking exclusion, that the person “requests exclusion from the Class in *In re Core Bond Fund*, Case No. 09-cv-1186-JLK-KMT,” and must be signed and dated by such person. Such persons requesting exclusion are also directed to state: (i) the name of the broker at which such person or entity held Core Bond Fund shares, if any; (ii) the date, number and share price of each Core Bond Fund share purchase and sale made during the period from April 30, 2007 through December 31, 2008, inclusive, and the dollar amount of dividends earned thereon, through December 31, 2008 or the date of sale of such shares, if earlier; and (iii) the number of Core Bond Fund shares held on April 29, 2007. The request for exclusion shall not be effective unless it provides all of the required information and is made within the time stated above, or the exclusion is otherwise accepted by the Court.

12. Class Members timely and validly requesting exclusion from the Class as set forth in Paragraph 11 shall not be eligible to receive any payment out of the Net Settlement Fund as described in the Stipulation and Notice, unless otherwise ordered by the Court.

13. Any Member of the Class may appear at the Settlement Hearing and show cause, if he, she or it has any reason why the proposed Settlement of the Action should or should not be approved as fair, reasonable and adequate, why a judgment should or should not be entered thereon, why the Plan of Distribution should or should not be approved, or why attorneys' fees and expenses should or should not be awarded to Class Counsel or Lead Plaintiff; provided, however, that no Class Member or any other person shall be heard or entitled to contest the approval of the terms and conditions of the proposed Settlement, or, if approved, the judgment to be entered thereon approving the same, or the order approving the Plan of Distribution, or the attorneys' fees and expenses to be awarded to Class Counsel or Lead Plaintiff, unless that person or entity has delivered by hand or sent by mail to the parties below a written objection complying with the requirements set forth in the Notice, and copies of any papers and briefs, such that they are postmarked on or before August 31, 2011 and filed with the Court:

Clerk of the Court  
Alfred A. Arraj United States Courthouse  
Room A105  
901 19th Street  
Denver, Colorado 80294-3589

Jonathan M. Plasse  
Labaton Sucharow LLP  
140 Broadway  
New York, New York 10005

Peter G. Rush  
K&L Gates LLP  
70 West Madison Street, Suite 3100  
Chicago, IL 60602

William K. Dodds  
Dechert LLP  
1095 Avenue of the Americas  
New York, NY 10036

Any Member of the Class who does not make his, her or its objection in the manner provided herein and in the Notice shall be deemed to have waived such objection and shall forever be foreclosed from making any objection to the fairness or adequacy of the proposed Settlement as

set forth in the Stipulation, to the Plan of Distribution, or to the award of attorneys' fees and expenses to Class Counsel or Lead Plaintiff, unless otherwise ordered by the Court.

14. Attendance at the hearing is not necessary; however, persons wishing to be heard orally in opposition to the approval of the Settlement, the Plan of Distribution, and/or the application for an award of attorneys' fees and other expenses to Class Counsel or Lead Plaintiff are required to indicate in their written objection their intention to appear at the hearing, as set forth in the Notice. Persons who intend to object to the Settlement, the Plan of Distribution, and/or the application for an award of attorneys' fees and expenses to Class Counsel or Lead Plaintiff and desire to present evidence at the Settlement 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 Settlement Hearing, and comply with the requirements in the Notice. Class Members do not need to appear at the hearing or take any other action to indicate their approval.

15. The passage of title and ownership of the Settlement Fund to the Escrow Agent in accordance with the terms and obligations of the Stipulation is approved. No person who is not a Class Member or Lead Counsel shall have any right to any portion of, or to any distribution of, the Net Settlement Fund unless otherwise ordered by the Court or otherwise provided in the Stipulation.

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

17. The administration of the proposed Settlement and the determination of all disputed questions of law and fact with respect to the validity of any claim or right of any person or entity to participate in the distribution of the Settlement Fund shall be under the authority of this Court.

18. The Defendants shall not have any responsibility for or liability with respect to the Plan of Distribution or any application for attorneys' fees or reimbursement of expenses submitted by Class Counsel or Lead Plaintiff, and such matters will be considered separately from the fairness, reasonableness and adequacy of the Settlement.

19. At or after the Settlement Hearing, the Court shall determine whether the Settlement and any application for attorneys' fees or reimbursement of expenses by Class Counsel or Lead Plaintiff shall be approved.

20. All reasonable expenses incurred in identifying and notifying Class Members, as well as administering the Settlement, including the payment of Taxes, shall be paid as set forth in the Stipulation. In the event the Settlement is not approved by the Court, or otherwise fails to become effective, neither the Lead Plaintiff nor Class Counsel shall have any obligation to repay any amounts actually and properly disbursed from the Gross Settlement Fund.

21. This Preliminary Approval Order, the Stipulation and its terms, the negotiations leading up to the Stipulation, the Settlement, and the proceedings taken pursuant to the Settlement, shall not: (1) be construed as an admission of liability or an admission of any claim or defense on the part of any party, in any respect; (2) form the basis for any claim of estoppel by any third party against any of the Released Defendant Parties; or (3) be admissible in any action, suit, proceeding, or investigation as evidence, or as an admission, of any wrongdoing or liability whatsoever by any of the Released Defendant Parties or as evidence of the truth of any of the

claims or allegations contained in any complaint filed in the Action, or deemed to be evidence of or an admission or concession that Lead Plaintiff or any Class Members have suffered any damages, harm or loss. Neither this Preliminary Approval Order, nor the Stipulation, nor any of their terms and provisions, nor any of the negotiations or proceedings connected with them, nor any action taken to carry out this Preliminary Approval Order or the Stipulation by any of the Parties shall be referred to, offered into evidence, or received in evidence in any pending or future civil, criminal or administrative action or proceeding, except in a proceeding to enforce this Preliminary Approval Order or the Stipulation, or to enforce any insurance rights, to defend against the assertion of Released Claims (including to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction), or by Lead Counsel to demonstrate its adequacy to serve as class counsel pursuant to Federal Rule of Civil Procedure 23(g) (or its state law analogs), or as otherwise required by law.

22. Pending final determination of whether the Settlement should be approved, Lead Plaintiff, all Class Members, and each of them, and anyone who acts or purports to act on their behalf, shall not institute, commence, prosecute or assist, without legal compulsion, in the prosecution of any action which asserts a Released Claim against any of the Released Defendant Parties.

23. In the event that the Settlement does not become effective in accordance with the terms of the Stipulation or the Effective Date does not occur, or in the event that the Gross Settlement Fund, or any portion thereof, is returned to the Defendants, then this Order shall be rendered null and void to the extent provided by and in accordance with the Stipulation and shall be vacated and, in such event, all orders entered and releases delivered in connection herewith shall be null and void to the extent provided by and in accordance with the Stipulation.

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

DATED: \_\_\_\_\_

\_\_\_\_\_  
THE HONORABLE JOHN L. KANE  
UNITED STATES DISTRICT JUDGE

## Core Ex A-1 Notice

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLORADO

Civil Action No. 09-cv-1186-JLK-KMT

IN RE: CORE BOND FUND

NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION FOR IDENTIFIED PURCHASERS

***YOU HAVE BEEN IDENTIFIED AS HAVING PURCHASED OR OTHERWISE ACQUIRED SHARES OF THE OPPENHEIMER CORE BOND FUND, A SERIES OF OPPENHEIMER INTEGRITY FUNDS (THE "CORE BOND FUND"), DURING THE PERIOD FROM APRIL 30, 2007 THROUGH DECEMBER 31, 2008, INCLUSIVE. YOU COULD RECEIVE A PAYMENT FROM A CLASS ACTION SETTLEMENT.***

A federal court authorized this Notice. This is not a solicitation from a lawyer. Your legal rights will be affected whether or not you act. Please read this Notice carefully.

**Securities and Time Period:** Core Bond Fund shares purchased or acquired during the period from April 30, 2007 through December 31, 2008, inclusive.

**Settlement Fund:** \$47,500,000 in cash. Your recovery will depend on the amount of shares purchased or acquired (including shares acquired through the reinvestment of dividends) and the timing of those purchases or acquisitions, and any sales. Depending on the number of shares of Class Members (defined below) that participate in the settlement and when those shares were acquired and sold, the estimated average recovery will be approximately \$0.46 per share using a damages analysis under Section 11 of the Securities Act of 1933 ("Securities Act") and \$0.47 per share using a damages analysis under Section 12 of the Securities Act—assuming that all eligible shares participate in the settlement.

The enclosed Record of Fund Transactions from April 30, 2007 to [ ] lists the Core Bond Fund shares you acquired and sold between April 30, 2007 and December 31, 2008 and estimates your Recognized Losses, pursuant to the proposed method for calculating your share of the settlement (see page \_\_\_ below). The settlement does not provide for payments regarding Core Bond Fund shares you acquired after December 31, 2008, but your sales of Core Bond Fund shares, if any, after December 31, 2008 are part of the method for calculating losses. If you believe the Record of Fund Transactions is incorrect or incomplete, please contact the Claims Administrator as described below.

**Reasons for Settlement:** The core of Lead Plaintiff's case is that the registration statements and prospectuses issued by the Core Bond Fund during the period between April 30, 2007 and December 31, 2008 ("Disclosure Documents") allegedly represented the Core Bond Fund as a "broadly diversified portfolio" that was designed to "seek total return and reduce share price volatility" and was focused "mainly on U.S. government securities and investment-grade debt securities." Lead Plaintiff alleges that the Disclosure Documents misrepresented the riskiness of investments in the Core Bond Fund when they acquired positions in leveraged derivative investments, such as credit default swaps, total return swaps and mortgage-backed securities. As strongly as Lead Plaintiff and Lead Counsel believed in their case, there were significant risks of pursuing this case to trial. For instance, Defendants: (i) denied having any liability to Lead Plaintiff or to the members of the Class (defined below) and argued that language in the Disclosure Documents put Class Members on notice of the risks associated with the Core Bond Fund's investments in derivatives and mortgage-backed securities; (ii) argued that the financial crisis was unprecedented and caught even the most sophisticated financial firms by surprise, thus any undisclosed risks were unforeseeable, no misrepresentations were made, and no statements, acts, or omissions by Defendants were the cause of any harm to Lead Plaintiff or Class Members; and (iii) disputed the amount of alleged damages and would use their own experts at trial to argue that the alleged damages were not related to the misrepresentations alleged in the case.

It is impossible to predict how a jury might resolve this case. Settlement avoids the uncertainty of a jury trial, the costs and risks associated with continued litigation, including the danger of no recovery, and provides a substantial benefit to the Class now.

**If the Case Had Not Settled:** The settlement must be compared to the risk of no recovery after contested motions, trial and likely appeals. While Lead Counsel was prepared to go to trial and was confident about the claims, a trial is a risky proposition and Lead Plaintiff might not have prevailed. The claims in this case involve numerous complex legal and factual issues that would require extensive expert testimony. Even if Defendants' liability was proven at trial, the two sides do not agree about, among other things: (1) the amount of alleged damages, if any, that could be recovered at trial; (2) the other causes, if any, of the losses to the Core Bond Fund during the relevant period; (3) the proper measure of alleged damages; and (4) the extent that various facts alleged by Lead Plaintiff influenced the net asset value of the Core Bond Fund during the relevant period.

**Attorneys' Fees and Expenses:** Lead Counsel have not received any payment for their work investigating the facts, conducting this case and negotiating the settlement on behalf of Lead Plaintiff and the Class. Court-appointed Lead Counsel will ask the Court for attorneys' fees of up to 18.5 percent of the Settlement Fund, which will include accrued interest, in addition to reimbursement of counsel's litigation expenses in an amount not to exceed \$650,000, plus interest. In addition, Lead Plaintiff has incurred lost wages and expenses directly related to the representation of the Class for which he may seek reimbursement not to exceed \$50,000. If the Court approves these fee and expense applications in full, the average amount of fees and expenses per allegedly damaged share of the Core Bond Fund will be approximately \$0.007 per share. This amount will vary depending on the number of eligible claims submitted.

**YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:**

- REQUEST EXCLUSION BY AUGUST 31, 2011** You may ask to be excluded from the Class. If you exclude yourself from the Class, you will get no payment. This is the only option that allows you to participate in or continue with another lawsuit, including an arbitration, against the Defendants or Released Defendant Parties relating to the legal claims in this case ("Released Claims"), see the full Release at page \_\_\_ below.
- OBJECT BY AUGUST 31, 2011** You may write to the Court if you do not like this settlement, the Plan of Allocation, or Lead Counsel's request for attorneys' fees and expenses.
- GO TO THE SETTLEMENT HEARING ON SEPTEMBER 30, 2011** You may ask to speak in Court about the fairness of the settlement, the proposed Plan of Allocation, or Lead Counsel's request for attorneys' fees and reimbursement of expenses.
- DO NOTHING** You may choose to do nothing and receive a check if the settlement is approved.

- Your legal rights are affected whether you act or don't act. Read this Notice carefully.
- These rights and options – **and the deadlines to exercise them** – are explained in this Notice.
- The Court in charge of this case must decide whether to approve the settlement. Payments will be made if the Court approves the settlement and, if there are any appeals, after appeals are resolved. Please be patient.

**More Information:**

For more information please refer to the settlement website at [www.OppenheimerCoreSettlement.com](http://www.OppenheimerCoreSettlement.com) or contact the Claims Administrator or Lead Counsel at:

Claims Administrator:	Lead Counsel:
<i>Oppenheimer Core Bond Securities Litigation</i>	Jonathan M. Plasse Labaton Sucharow LLP

Claims Administrator  
P.O. Box 2838  
Portland, OR 97208-2838  
1-877-845-3575  
info@oppenheimercoresettlement.com

140 Broadway  
New York, New York 10005  
www.labaton.com  
settlementquestions@labaton.com  
1-888-219-6877

Sean R. Matt  
Hagens Berman Sobol Shapiro LLP  
1918 Eighth Avenue, Suite 3300  
Seattle, WA 98101  
1-206-268-9327

## BASIC INFORMATION

### 1. Why Did I Receive This Notice?

You or someone in your family may have acquired Oppenheimer Core Bond Fund shares during the period from April 30, 2007 through December 31, 2008, inclusive, through purchase of such shares or a dividend reinvestment in the Core Bond Fund.

The Court has certified a class in this case for purposes of the settlement. You received this Notice package by order of the Court, because you have a right to know about the class action and a proposed settlement of the lawsuit, and about all of your options, before the Court decides whether to approve the settlement. If the Court approves it, and after any objections or appeals are resolved, the Claims Administrator appointed by the Court will make the payments that the settlement allows.

This package explains the case, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the United States District Court for the District of Colorado, and the case is known as *In re: Core Bond Fund*, Case No. 09-cv-1186-JLK-KMT. The person who sued, Dr. C. Phillip Pattison, is called the Lead Plaintiff, and the companies and individuals he sued--OppenheimerFunds, Inc. ("OFI"), OppenheimerFunds Distributor, Inc., Oppenheimer Integrity Funds ("OIF"), John V. Murphy, Brian W. Wixted, William L. Armstrong, Robert G. Avis, George C. Bowen, Edward L. Cameron, Jon S. Fossel, Sam Freedman, Beverly L. Hamilton, Robert J. Malone and F. William Marshall, Jr. -- are called the Defendants.

### 2. What Is This Case About?

This case was brought as a class action alleging that the Disclosure Documents made false and misleading statements and omissions regarding the investment profile and objectives of the Fund. Lead Plaintiff alleges that Defendants violated federal law in registering, marketing and selling the Core Bond Fund as a "broadly diversified portfolio" that was designed to "seek total return and reduce share price volatility" and was focused "mainly on U.S. government securities and investment-grade debt securities." Lead Plaintiff alleges that the Core Bond Fund was not "broadly diversified" and designed to "reduce share volatility" and focused "mainly on U.S. government securities and investment-grade debt securities" because it was overly concentrated in highly leveraged, illiquid, off-balance sheet derivatives such as credit default swaps, total return swaps and mortgage-backed securities, making the Core Bond Fund much riskier than represented. Lead Plaintiff alleges that eventually the true risks presented by the assets held by the Core Bond Fund were revealed, resulting in losses to Core Bond Fund investors. Defendants deny that they did anything wrong and argue that any and all risks associated with the Core Bond Fund's investments were fully and fairly disclosed, that any undisclosed risks were unforeseeable, that all of the alleged damages were the result of an unprecedented financial crisis, and that Lead Plaintiff and the Class members cannot recover any alleged damages from Defendants.

### **3. Why Is This a Class Action?**

In a class action, one or more people called class representatives (in this case the Court-appointed Lead Plaintiff, Dr. C. Phillip Pattison) sue on behalf of people who have similar claims. All these people are called the Class or Class Members. One court resolves the issues for all Class Members, except for those who exclude themselves from the Class. Judge John L. Kane of the District of Colorado, in Denver, Colorado, is in charge of this class action. The Court determined, for purposes of settlement only, that everyone who fits the following description is a member of the Class:

All persons and entities who purchased or otherwise acquired shares of the Core Bond Fund during the period from April 30, 2007 through December 31, 2008, inclusive, and who were damaged thereby. Excluded from the Class are Defendants; Oppenheimer's Officers and Directors; members of Defendants' immediate families; Defendants' legal representatives, heirs, successors, or assigns; any entity in which Defendants have or had a controlling interest; any mutual fund or account managed by OFI or its affiliates (including without limitation "funds of funds") that owned shares of Core Bond Fund; and any 529 College Savings Plan. Also excluded from the Class are any proposed Class Members who properly exclude themselves by filing a valid and timely request for exclusion in accordance with the requirements set forth in this Notice.

### **4. Why Is There a Settlement?**

The Court did not decide in favor of Lead Plaintiff or Defendants. Instead, both sides agreed to a settlement. The Lead Plaintiff and their attorneys think the settlement is best for all Class Members.

Defendants claim that the Disclosure Documents fully disclosed any and all risks presented by all of the Core Bond Fund's investments, including the derivatives challenged by Lead Plaintiff. Further, Defendants claim that any risks that were not disclosed in the Disclosure Documents were unforeseeable and that only an unprecedented economic crisis that few people in the country foresaw caused the loss in the Core Bond Fund's share value.

Lead Counsel engaged in three separate mediation sessions, with a former federal judge as mediator. The mediations and Lead Counsel's experiences indicated that there were substantial risks to Lead Plaintiff continuing the case through trial and that a settlement was in the best interests of all Class Members. The case was settled in conjunction with a related action involving the Oppenheimer Champion Income Fund for a joint settlement amount of \$100 million. That sum was allocated between the two cases by the mediator after considering positions advanced by independent counsel representing, respectively, the Class here and a class of Champion Income Fund shareholders. The mediator's decision provided that \$47,500,000 would be allocated to the Core Bond Fund Class.

### **WHO IS IN THE SETTLEMENT**

To see if you will receive money from this settlement, you first have to determine if you are a Class Member.

### **5. How Do I Know if I Am Part of the Settlement?**

The Class includes all persons and entities who purchased or acquired shares of the Core Bond Fund during the period from April 30, 2007 through December 31, 2008, inclusive, and who were damaged thereby.

### **6. What Are The Exceptions to Being Included?**

Excluded from the Class are Defendants; Oppenheimer's Officers and Directors; members of Defendants' immediate families; Defendants' legal representatives, heirs, successors, or assigns; any entity in which Defendants have or had a controlling interest; any mutual fund or account managed by OFI or its affiliates (including without limitation "funds of funds") that owned shares of Core Bond Fund; and any 529 College Savings Plan. Also excluded from the Class are any proposed Class Members who properly exclude themselves by filing a valid and timely request for exclusion in accordance with the requirements set forth in this Notice.

If you sold Core Bond Fund shares between April 30, 2007 through December 31, 2008, that does not make you a Class Member. You are a Class Member only if you purchased or acquired Core Bond Fund shares between April 30, 2007 through December 31, 2008 (including acquisitions through dividend reinvestments) and were damaged thereby.

**7. I'm 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 at the toll free number: 1-877-845-3575 or via email at [info@oppenheimercoresettlement.com](mailto:info@oppenheimercoresettlement.com) or visit [www.OppenheimerCoreSettlement.com](http://www.OppenheimerCoreSettlement.com) for more information.

**REQUESTING EXCLUSION**

**8. How Do I Request to Be Excluded From the Class?**

If you are a member of the Class but you do not want a payment from this settlement, but you want to keep the right to sue or continue to sue the Released Defendant Parties (defined below) on your own about issues that relate to the Lead Plaintiff's allegations in this case, see the Released Claims (defined below), then you must take steps to get out of the Class. This is called excluding yourself and is sometimes referred to as "opting out" of the Class.

You may choose to exclude yourself from this class action at this time. In order to properly exclude yourself, your written exclusion must be postmarked no later than August 31, 2011. If you request exclusion, you will **NOT** receive any benefits under the proposed settlement. You cannot object to the settlement if you exclude yourself.

In order to be valid, your request for exclusion must: (i) set forth the name, address, and telephone number of the person or entity requesting exclusion; (ii) state that the person or entity "requests exclusion from the Class in In re: Core Bond Fund, Case No. 09-cv-1186-JLK-KMT"; (iii) be signed and dated by such person or entity; (iv) state the name of the broker at which such person or entity held Core Bond Fund shares, if any; (v) state the date, number and share price of each Core Bond Fund share purchase and sale made during the period from April 30, 2007 through December 31, 2008, inclusive, and the dollar amount of dividends earned thereon, through December 31, 2008 or the date of sale of such shares, if earlier; (vi) state the number of Core Bond Fund shares that the person or entity held on April 29, 2007, and (vii) be postmarked no later than August 31, 2011. Requests for exclusion must be mailed to the following address:

*Oppenheimer Core Bond Securities Litigation*  
Exclusions  
c/o Claims Administrator  
P.O. Box 2838  
Portland, OR 97208-2838

Please keep a copy of everything you send by mail, in case it is lost or destroyed during shipping.

You cannot exclude yourself on the phone or by e-mail. Do not request exclusion if you wish to participate in this lawsuit as a Class Member. If you exclude yourself from this lawsuit, you will not be affected by any decisions in this case, and you will not be entitled to share in the settlement. If you have brought or intend to bring your own arbitration or lawsuit against any of the Released Defendant Parties (described below), you should speak to a lawyer **immediately**. You must exclude yourself from *this* Class to continue your own lawsuit or arbitration.

If you do not request exclusion from this Class, you will be considered a Member of the Class, will be bound by the terms of the proposed settlement and you **will not** be able to pursue your own individual legal action based upon the claims that are being released in the settlement (described below).

**THE SETTLEMENT BENEFITS – WHAT YOU GET**

**9. What Does the Settlement Provide?**

Defendants have agreed to pay \$47,500,000 million in cash. The balance of this fund after payment of Court-approved attorneys' fees and expenses and the costs of settlement administration, including the costs of printing and mailing this Notice (the "Net Settlement Fund") will be divided among all eligible Class Members.

**10. How Much Will My Payment Be?**

Your share of the Net Settlement Fund will depend on the number of Class Members, how many Core Bond Fund shares Class Members acquired during the relevant period, and when you acquired and sold Core Bond Fund shares. The enclosed Record of Fund Transactions from April 30, 2007 through December 31, 2008 lists the Core Bond Fund

shares you acquired and sold between April 30, 2007 and December 31, 2008. If you believe the Record of Fund Transactions is incorrect or incomplete, you must contact the Claims Administrator as described below in Question 11.

It is anticipated that the Net Settlement Fund available for distribution will be less than the total losses or damages alleged to be suffered by Class Members. As a result, the Net Settlement Fund will be distributed *pro rata* to Class Members, based upon their "Recognized Losses" as that term is described below, whose payment from the Net Settlement Fund equals or exceeds \$10.00. The Claims Administrator will determine each Authorized Claimant's *pro rata* share of the Net Settlement Fund. The Distribution Plan is not intended to estimate the amount a Class Member might have been able to recover after a trial, nor is it intended to estimate the amount that will be paid to Authorized Claimants. The Plan is the basis upon which the Net Settlement Fund will be proportionately divided among all the Authorized Claimants. The Court will be asked to approve the Claims Administrator's determinations before the Net Settlement Fund is distributed to Authorized Claimants. The Court may approve the Distribution Plan with or without modifications agreed to among the Settling Parties, or another plan, without further notice to the Class.

### DISTRIBUTION PLAN

Your share of the Net Settlement Fund will be calculated as the greater of your Section 11 Recognized Loss (subparagraph A, below) or Section 12 Recognized Loss (subparagraph B, below). This is called the "Distribution Plan."

The date of purchase or sale is the "contract" or "trade" date as distinguished from the "settlement" date.

For Class Members who held shares at the beginning of the Class Period or who made multiple purchases or sales during the Class Period, the first-in, first-out ("FIFO") method will be applied to such holdings, purchases and sales for purposes of calculating the Recognized Loss. Under the FIFO method, sales of shares during the Class Period will be matched, in chronological order, first against shares held at the beginning of the Class Period. The remaining sales of shares during the Class Period will then be matched, in chronological order, against shares acquired during the Class Period.

A Class Member will be eligible to receive a distribution from the Net Settlement Fund only if he or she has a net loss, after all profits from transactions in Core Bond Fund shares during the Class Period are subtracted from all losses.

A. Section 11 Recognized Loss. Pursuant to Section 11 of the Securities Act, 15 U.S.C. § 77k, for shares purchased between April 30, 2007 and December 31, 2008, and

- (1) sold prior to December 31, 2008, a Class Member's Recognized Loss will be the lesser of (a) the Net Asset Value ("NAV") of the shares on the date of purchase minus the NAV on the date of sale; or (b) the NAV of the shares on the date of purchase minus \$6.12 (the NAV on December 31, 2008).
- (2) held as of the close of trading on December 31, 2008, a Class Member's Recognized Loss will be the NAV on the date of purchase minus \$6.12 (the NAV on December 31, 2008).
- (3) disposed of after December 31, 2008, a Class Member's Recognized Loss is calculated in the same way as for shares retained as of December 31, 2008.

B. Section 12 Recognized Loss. Pursuant to Section 12 of the Securities Act, 15 U.S.C. § 77l, for shares purchased between April 30, 2007 and December 31, 2008, and:

- (1) sold prior to December 31, 2008, a Class Member's Recognized Loss will be (a) the NAV on the date of purchase; (b) plus interest that could have been earned from the date of purchase through the date of sale at a rate equal to the weekly average/one year constant maturity Treasury yield, as published by the Board of Governors of the Federal Reserve System for the calendar week preceding the date of such purchase compounded annually ("Interest"); (c) less any dividends received from the date of purchase through the date of sale on those shares; and (d) less the NAV on the date of sale.
- (2) held as of December 31, 2008, a Class Member's Recognized Loss will be (a) the NAV on the date of purchase; (b) plus interest that could have been earned from the date of purchase through December 31,

2008; (c) less any dividends received through December 31, 2008 on shares purchased between April 30, 2007 and December 31, 2008; and (d) less the NAV on December 31, 2008, which was \$6.12.

(3) disposed of after December 31, 2008, the Recognized Loss is calculated in the same way as for shares retained as of December 31, 2008.

If shares were sold prior to December 31, 2008, the Recognized Loss is calculated as the difference between: (i) the NAV on the date of purchase; and (ii) the NAV on the date of sale, plus interest through the date of sale, less any income received from the date of purchase through the date of sale.

For any shares disposed of after December 31, 2008 the amounts are calculated the same way as for those shares retained as of that date.

## HOW YOU OBTAIN A PAYMENT

### 11. How Will I Obtain a Payment?

To qualify for payment, you must be a member of the Class. You do not need to submit a claim or a request for payment, because your transactions that may qualify for a share of the settlement have been obtained from Oppenheimer's transaction records. A list of those transactions, your Record of Fund Transactions, is enclosed with this Notice. If you believe the listed transactions are inaccurate, you **must** notify the Claims Administrator by the deadline stated in the Record of Fund Transactions. You may contact the Claims Administrator at 1-877-845-3575, by email at [info@oppenheimercoreresettlement.com](mailto:info@oppenheimercoreresettlement.com), or visit the website at [www.OppenheimerCoreSettlement.com](http://www.OppenheimerCoreSettlement.com). If you do nothing, your claim will be calculated based on the listed transactions.

### 12. When Will I Receive My Payment?

The Court will hold a hearing on September 30, 2011 to decide whether to approve the settlement. If Judge Kane approves the settlement, there may be appeals. It is always uncertain whether these appeals can be resolved, and resolving them can take time, perhaps several years. Please be patient. If the Court approves the Settlement, your check will be mailed to you – **YOU DO NOT NEED TO FILE A CLAIM FORM.**

## THE LAWYERS REPRESENTING YOU

### 13. Do I Have a Lawyer in This Case?

The Court appointed Labaton Sucharow LLP and Hagens Berman Sobol Shapiro LLP to represent you and other Class Members. These lawyers are called Lead Counsel. You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

### 14. How Will the Lawyers Be Paid?

Lead Counsel will ask the Court for attorneys' fees of 18.5% of the Settlement Fund, which will include any accrued interest, and for reimbursement of litigation expenses advanced on behalf of Lead Plaintiff and the Class that will not exceed \$650,000, plus accrued interest. Such sums as may be approved by the Court will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or expenses.

The attorneys' fees and expenses requested will be the only payment to Lead Counsel for their efforts in achieving this settlement and for their risk in undertaking this representation on a wholly contingent basis. To date, Lead Counsel have not been paid for their services in conducting this case on behalf of the Lead Plaintiff and the Class, nor for their substantial litigation expenses. The fee requested will compensate Lead Counsel for their work in achieving the Settlement Fund and is well within the range of fees awarded to class counsel under similar circumstances in other cases of this type. The Court may award less than this amount. Lead Counsel will file papers in support of their fee request on or before July 29, 2011 and post copies of such papers on the firms' websites ([www.labaton.com](http://www.labaton.com) and [www.hbsslaw.com](http://www.hbsslaw.com)).

**RELEASE OF SETTLEMENT**

**15. Release**

Your settlement check will have a release enclosed with it. A release means you cannot continue with or bring a lawsuit or action of any kind, including an arbitration, against the Released Defendant Parties (defined below) about issues that relate to the Lead Plaintiff's allegations in this case (see the Released Claims, defined below). The language of the release is attached to this Notice (see page \_\_\_ below). Please read this release carefully because it affects your legal rights.

**OBJECTING TO THE SETTLEMENT**

You can tell the Court that you do not agree with the settlement or some part of it.

**16. How Do I Tell the Court that I Do Not Like the Settlement?**

If you are a Class Member, you can object to the settlement if you do not like any part of it, including the Distribution Plan and the request for attorneys' fees and expenses. You must timely state the reasons why you think the Court should not approve the settlement or anything related to it. The Court will consider your views. To object, you must send a letter saying that you object to the settlement in "In re: Core Bond Fund, Case No. 09-cv-1186-JLK-KMT." You must include your name, address, telephone number, your signature, the number of Core Bond Fund shares purchased and sold during the period from April 30, 2007 through December 31, 2008, inclusive, the reasons you object, and all supporting papers. Any objection must be postmarked no later than August 31, 2011 and mailed to:

*Court:*  
Clerk of the Court  
Alfred A. Arraj United States Courthouse  
Room A105  
901 19th Street  
Denver, Colorado 80294-3589

*Counsel for Lead Plaintiff:*

Jonathan M. Plasse  
Labaton Sucharow LLP  
140 Broadway  
New York, NY 10005

*Counsel for Defendants:*

William K. Dodds  
Dechert LLP  
1095 Avenue of the Americas  
New York, NY 10036-6797

Peter G. Rush  
K&L Gates, LLP  
70 W. Madison Street  
Chicago, IL 60602-4207

You can object **only if** you are a member of the Class. You cannot object if you are requesting to be excluded.

**THE COURT'S FAIRNESS HEARING**

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

**17. When and Where Will the Court Decide Whether to Approve the Settlement?**

The Court will hold a settlement hearing at \_\_\_\_\_ on September 30, 2011 at the Alfred A. Arraj United States Courthouse, 901 19th Street, Denver, Colorado. At this hearing, the Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. Judge John Kane will listen to people who have asked to speak at the hearing. The Court will also consider how much to pay to Lead Counsel. The Court may decide these issues at the hearing or take them under consideration. We do not know how long these decisions will take.

You should also be aware that the Court may change the date and time for the hearing without giving another notice to Class Members. If you want to attend, you should check the date and time with Lead Counsel.

**18. Do I Have to Come to the Hearing?**

No. Lead Counsel will answer any questions Judge Kane 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. If you want to be represented by your own lawyer at the hearing, you may hire one at your own expense.

**19. May I Speak at the Hearing?**

You may ask the Court for permission to speak at the settlement hearing. To do so, you must send a letter saying that it is your "intention to appear in *In re: Core Bond Fund*, Case No. 09-cv-1186-JLK-KMT." You must include your name, address, telephone number, your signature, and the number of Core Bond Fund shares purchased and sold during the period from April 30, 2007 through December 31, 2008, inclusive. If you intend to present evidence at the hearing, you must identify any witness you may call to testify and any exhibits you intend to introduce at the hearing in your notice. Your notice of intention to appear must be postmarked no later than August 31, 2011 and be sent to the Clerk of the Court, Lead Counsel, and Defendants' counsel, at the three addresses listed in question 16. You cannot speak at the hearing if you have excluded yourself from the Class.

**IF YOU DO NOTHING**

**20. What Happens if I Do Nothing at All?**

If you do nothing, you remain a member of the Class. If certain conditions that are listed in the publicly-filed Stipulation and Agreement of Settlement (the "Stipulation") between Lead Plaintiff and Defendants are met and the Settlement becomes effective, the Claims Administrator will calculate your share of the settlement and send you a check of that amount if you are eligible. You will not be able to bring a lawsuit or action of any kind, including arbitration, continue with a lawsuit of any kind, including arbitration, or be part of any other lawsuit or arbitration against the Released Defendant Parties about the Released Claims, which are described in the Stipulation and in this Notice at page \_\_\_\_ (below).

**GETTING MORE INFORMATION**

**21. Are There More Details About the Settlement?**

This Notice summarizes the proposed settlement. More details are in the May \_\_, 2011, Stipulation and Agreement of Settlement. You can obtain a copy of the Stipulation by downloading a copy from these websites: [www.OppenheimerCoreSettlement.com](http://www.OppenheimerCoreSettlement.com), [www.labaton.com](http://www.labaton.com), [www.hbsslaw.com](http://www.hbsslaw.com) or by writing to Jonathan Plasse, c/o Labaton Sucharow LLP, 140 Broadway, New York, NY 10005.

**22. How Do I Get More Information?**

You can contact the Claims Administrator by phone at 1-877-845-3575, by email at [info@oppenheimercoresettlement.com](mailto:info@oppenheimercoresettlement.com), or visit the website at [www.OppenheimerCoreSettlement.com](http://www.OppenheimerCoreSettlement.com).

***PLEASE DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE***

Date: Denver, Colorado  
May \_\_, 2011

BY ORDER OF THE  
UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLORADO

**RELEASE TO ACCOMPANY CHECK**

You have received the enclosed check from the Claims Administrator in *In re: Core Bond Fund*, Case No. 09-cv-1186-JLK-KMT (District of Colorado) (the "Class Action"), because you have been identified as a member of the Class certified for the purposes of settlement only by the United States District Court for the District of Colorado. By cashing the enclosed check, you provide an additional release to all "Released Defendant Parties" from all "Released Claims." This Release is an "additional release" because the \_\_\_\_\_, 2011 Judgment in *In re: Core Bond Fund* entered by the Court independently orders that you have released the Released Claims against the Released Defendant Parties.

"Released Claim(s)" means all claims, demands, rights, actions, suits, or causes of action of every nature and description, whether known or unknown (including Unknown Claims, as defined herein), whether the claims arise under federal, state, statutory, regulatory, common, foreign or other law, whether foreseen or unforeseen, and whether asserted individually, directly, representatively, derivatively, or in any other capacity, that the Releasing Plaintiff Parties: (1) asserted in the Complaint or the Action as against the Released Defendant Parties; (2) have asserted, could have asserted, or could assert in the future, in any forum against the Released Defendant Parties that are based upon, arise out of, or relate in any way to the facts, matters, transactions, allegations, claims, losses, damages, disclosures, filings, or statements set forth in the Complaint or at issue in the Action; or (3) have asserted, could have asserted, or could assert in the future relating to the prosecution, defense, or settlement of the Action as against the Released Defendant Parties. Released Claim(s) does not include: (1) claims to enforce the Settlement or (2) the rights of the Core Bond Fund in any derivative claim filed or asserted against the Released Defendant Parties prior to the date of this Stipulation.

"Released Defendant Parties" means (1) any and all of the Defendants and/or their current or former attorneys, auditors, officers, directors, employees, partners, subsidiaries, affiliates, related companies, parents, insurers, heirs, executors, representatives, predecessors, successors, assigns, trustees, or other individual or entity in which any Defendant has a controlling interest; and (2) broker-dealers or financial advisers of any Class Member. For the avoidance of doubt, OIF and the Core Bond Fund are included in the definition Released Defendant Parties.

"Released Plaintiff Parties" means any and all of the Lead Plaintiff, Class Members, Lead Counsel, and their respective partners, employees, attorneys, heirs, executors, administrators, trustees, successors, predecessors, and assigns.

"Releasing Plaintiff Parties" means: (i) Lead Plaintiff; (ii) all Class Members; (iii) the Lead Plaintiff's and each Class Member's present or past heirs, executors, administrators, successors, assigns, and predecessors; and (iv) any person or entity who claims by, through, or on behalf of the Lead Plaintiff or any Class Member.

"Unknown Claims" means (i) any and all Released Claims that any of the Releasing Plaintiff Parties does not know or suspect to exist in his, her, or its favor at the time of the release of the Released Defendant Parties which, if known by him, her or it might have affected his, her, or its settlement with and release of the Released Defendant Parties, or might have affected his, her, or its decision(s) with respect to the Settlement (including the decision not to object or exclude himself, herself, or itself from the Settlement), and (ii) any Released Defendants' Claims that any Defendant does not know to exist in his, her, or its favor at the time of the release of the Released Plaintiff Parties, which, if known by him, her or it might have affected his, her, or its settlement with and release of the Released Plaintiff Parties, or might have affected his, her, or its decision(s) with respect to the Settlement. Moreover, with respect to any and all Released Claims and any and all Released Defendants' Claims, upon the Effective Date, the Releasing Plaintiff Parties and Defendants, respectively, shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and expressly waived any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law, that 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 Releasing Plaintiff Parties, or any one of them, may hereafter discover facts other than or different than those which he, she or it knows or believes to be true, but each of the Releasing Plaintiff Parties hereby expressly waives and fully, finally, and forever settles and releases, upon the Effective Date, any known or unknown, suspected or unsuspected, contingent or non-contingent Released Claim. Likewise, the Defendants, or any one of them, may hereafter discover facts other than or different than those which he, she or it knows or believes to be true, but each of the Defendants hereby expressly waives and fully, finally, and forever settles and releases, upon the Effective Date, any known or unknown, suspected or unsuspected, contingent or non-contingent Released Defendants' Claim. The Parties acknowledge that the inclusion of "Unknown Claims" in the definition of Released Claims and Released Defendants' Claims was separately bargained for and was a key element of the Settlement.

## Core Ex A-2 Notice

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLORADO

Civil Action No. 09-cv-1186-JLK-KMT

IN RE: CORE BOND FUND

NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION FOR UN-IDENTIFIED PURCHASERS

***YOU MAY HAVE PURCHASED OR OTHERWISE ACQUIRED SHARES OF THE OPPENHEIMER CORE BOND FUND, A SERIES OF OPPENHEIMER INTEGRITY FUNDS (THE "CORE BOND FUND"), DURING THE PERIOD FROM APRIL 30, 2007 THROUGH DECEMBER 31, 2008, INCLUSIVE. YOU COULD RECEIVE A PAYMENT FROM A CLASS ACTION SETTLEMENT.***

A federal court authorized this Notice. This is not a solicitation from a lawyer. Your legal rights will be affected whether or not you act. Please read this Notice carefully.

**Securities and Time Period:** Core Bond Fund shares purchased or acquired during the period from April 30, 2007 through December 31, 2008, inclusive.

**Settlement Fund:** \$47,500,000 in cash. Your recovery will depend on the amount of shares purchased or acquired (including shares acquired through the reinvestment of dividends) and the timing of those purchases or acquisitions, and any sales. Depending on the number of shares of Class Members (defined below) that participate in the settlement and when those shares were acquired and sold, the estimated average recovery will be approximately \$0.46 per share using a damages analysis under Section 11 of the Securities Act of 1933 ("Securities Act") and \$0.47 per share using a damages analysis under Section 12 of the Securities Act—assuming that all eligible shares participate in the settlement.

In order to participate, you are required to complete and return the enclosed Proof of Claim form ("Proof of Claim"), listing your Core Bond Fund share purchases, sales, dividend income, and dividend reinvestments between April 30, 2007 and December 31, 2008 and supply supporting documentation. The settlement does not provide for payments regarding Core Bond Fund shares you acquired after December 31, 2008, but your sales of Core Bond Fund shares, if any, after December 31, 2008 are part of the proposed method for calculating your share of the settlement (see page \_\_\_ below).

**Reasons for Settlement:** The core of Lead Plaintiff's case is that the registration statements and prospectuses issued by the Core Bond Fund during the period between April 30, 2007 and December 31, 2008 ("Disclosure Documents") allegedly represented the Core Bond Fund as a "broadly diversified portfolio" that was designed to "seek total return and reduce share price volatility" and was focused "mainly on U.S. government securities and investment-grade debt securities." Lead Plaintiff alleges that the Disclosure Documents misrepresented the riskiness of investments in the Core Bond Fund when they acquired positions in leveraged derivative investments, such as credit default swaps, total return swaps and mortgage-backed securities. As strongly as Lead Plaintiff and Lead Counsel believed in their case, there were significant risks of pursuing this case to trial. For instance, Defendants: (i) denied having any liability to Lead Plaintiff or to the members of the Class (defined below) and argued that language in the Disclosure Documents put Class Members on notice of the risks associated with the Core Bond Fund's investments in derivatives and mortgage-backed securities; (ii) argued that the financial crisis was unprecedented and caught even the most sophisticated financial firms by surprise, thus any undisclosed risks were unforeseeable, no misrepresentations were made, and no statements, acts, or omissions by Defendants were the cause of any harm to Lead Plaintiff or Class Members; and (iii) disputed the amount of alleged damages and would use their own experts at trial to argue that the alleged damages were not related to the misrepresentations alleged in the case.

It is impossible to predict how a jury might resolve this case. Settlement avoids the uncertainty of a jury trial, the costs and risks associated with continued litigation, including the danger of no recovery, and provides a substantial benefit to the Class now.

**If the Case Had Not Settled:** The settlement must be compared to the risk of no recovery after contested motions, trial and likely appeals. While Lead Counsel was prepared to go to trial and was confident about the claims, a trial is a risky proposition and Lead Plaintiff might not have prevailed. The claims in this case involve numerous complex legal and factual issues that would require extensive expert testimony. Even if Defendants' liability was proven at trial, the two sides do not agree about, among other things: (1) the amount of alleged damages, if any, that could be recovered at trial; (2) the other causes, if any, of the losses to the Core Bond Fund during the relevant period; (3) the proper measure of alleged damages; and (4) the extent that various facts alleged by Lead Plaintiff influenced the net asset value of the Core Bond Fund during the relevant period.

**Attorneys' Fees and Expenses:** Lead Counsel have not received any payment for their work investigating the facts, conducting this case and negotiating the settlement on behalf of Lead Plaintiff and the Class. Court-appointed Lead Counsel will ask the Court for attorneys' fees of up to 18.5 percent of the Settlement Fund, which will include accrued interest, in addition to reimbursement of counsel's litigation expenses in an amount not to exceed \$650,000, plus interest. In addition, Lead Plaintiff has incurred lost wages and expenses directly related to the representation of the Class for which he may seek reimbursement not to exceed \$50,000. If the Court approves these fee and expense applications in full, the average amount of fees and expenses per allegedly damaged share of the Core Bond Fund will be approximately \$0.007 per share. This amount will vary depending on the number of eligible claims submitted.

**YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:**

<b>REQUEST EXCLUSION BY AUGUST 31, 2011</b>	You may ask to be excluded from the Class. If you exclude yourself from the Class, you will get no payment. This is the only option that allows you to participate in or continue with another lawsuit, including an arbitration, against the Defendants or Released Defendant Parties relating to the legal claims in this case ("Released Claims"), see the full Release at page ___ below.
<b>OBJECT BY AUGUST 31, 2011</b>	You may write to the Court if you do not like this settlement, the Plan of Allocation, or Lead Counsel's request for attorneys' fees and expenses.
<b>GO TO THE SETTLEMENT HEARING ON SEPTEMBER 30, 2011</b>	You may ask to speak in Court about the fairness of the settlement, the proposed Plan of Allocation, or Lead Counsel's request for attorneys' fees and reimbursement of expenses.
<b>RETURN PROOF OF CLAIM FORM BY OCTOBER 30, 2011</b>	In order to be eligible to participate in the recovery, you must complete and return a Proof of Claim and supporting documents.
<b>DO NOTHING</b>	Receive nothing and lose ability to pursue the Released Claims against the Released Defendant Parties. See Question 20.

- Your legal rights are affected whether you act or don't act. Read this Notice carefully.
- These rights and options – **and the deadlines to exercise them** – are explained in this Notice.
- The Court in charge of this case must decide whether to approve the settlement. Payments will be made if the Court approves the settlement and, if there are any appeals, after appeals are resolved. Please be patient.

**More Information:**

For more information please refer to the settlement website at [www.OppenheimerCoreSettlement.com](http://www.OppenheimerCoreSettlement.com) or contact the Claims Administrator or Lead Counsel at:

Claims Administrator:  <i>Oppenheimer Core Bond Securities</i>	Lead Counsel:  Jonathan M. Plasse
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*Litigation*  
Claims Administrator  
P.O. Box 2838  
Portland, OR 97208-2838  
1-877-845-3575  
info@oppenheimercoresettlement.com

Labaton Sucharow LLP  
140 Broadway  
New York, New York 10005  
www.labaton.com  
settlementquestions@labaton.com  
1-888-219-6877

Sean R. Matt  
Hagens Berman Sobol Shapiro LLP  
1918 Eighth Avenue, Suite 3300  
Seattle, WA 98101  
1-206-268-9327

## **BASIC INFORMATION**

### **1. Why Did I Receive This Notice?**

You or someone in your family may have acquired Oppenheimer Core Bond Fund shares during the period from April 30, 2007 through December 31, 2008, inclusive, through purchase of such shares or a dividend reinvestment in the Core Bond Fund.

The Court has certified a class in this case for purposes of the settlement. You received this Notice package by order of the Court, because you have a right to know about the class action and a proposed settlement of the lawsuit, and about all of your options, before the Court decides whether to approve the settlement. If the Court approves it, and after any objections or appeals are resolved, the Claims Administrator appointed by the Court will make the payments that the settlement allows.

This package explains the case, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the United States District Court for the District of Colorado, and the case is known as *In re: Core Bond Fund*, Case No. 09-cv-1186-JLK-KMT. The person who sued, Dr. C. Phillip Pattison, is called the Lead Plaintiff, and the companies and individuals he sued--OppenheimerFunds, Inc. ("OFI"), OppenheimerFunds Distributor, Inc., Oppenheimer Integrity Funds ("OIF"), John V. Murphy, Brian W. Wixted, William L. Armstrong, Robert G. Avis, George C. Bowen, Edward L. Cameron, Jon S. Fossel, Sam Freedman, Beverly L. Hamilton, Robert J. Malone and F. William Marshall, Jr. -- are called the Defendants.

### **2. What Is This Case About?**

This case was brought as a class action alleging that the Disclosure Documents made false and misleading statements and omissions regarding the investment profile and objectives of the Fund. Lead Plaintiff alleges that Defendants violated federal law in registering, marketing and selling the Core Bond Fund as a "broadly diversified portfolio" that was designed to "seek total return and reduce share price volatility" and was focused "mainly on U.S. government securities and investment-grade debt securities." Lead Plaintiff alleges that the Core Bond Fund was not "broadly diversified" and designed to "reduce share volatility" and focused "mainly on U.S. government securities and investment-grade debt securities" because it was overly concentrated in highly leveraged, illiquid, off-balance sheet derivatives such as credit default swaps, total return swaps and mortgage-backed securities, making the Core Bond Fund much riskier than represented. Lead Plaintiff alleges that eventually the true risks presented by the assets held by the Core Bond Fund were revealed, resulting in losses to Core Bond Fund investors. Defendants deny that they did anything wrong and argue that any and all risks associated with the Core Bond Fund's investments were fully and fairly disclosed, that any undisclosed risks were unforeseeable, that all of the alleged damages were the result of an unprecedented financial crisis, and that Lead Plaintiff and the Class members cannot recover alleged damages from Defendants.

### **3. Why Is This a Class Action?**

In a class action, one or more people called class representatives (in this case the Court-appointed Lead Plaintiff, Dr. C. Phillip Pattison) sue on behalf of people who have similar claims. All these people are called the Class or Class Members. One court resolves the issues for all Class Members, except for those who exclude themselves from the Class. Judge John L. Kane of the District of Colorado, in Denver, Colorado, is in charge of this class action. The Court determined, for purposes of settlement only, that everyone who fits the following description is a member of the Class:

All persons and entities who purchased or otherwise acquired shares of the Core Bond Fund during the period from April 30, 2007 through December 31, 2008, inclusive, and who were damaged thereby. Excluded from the Class are Defendants; Oppenheimer's Officers and Directors; members of Defendants' immediate families; Defendants' legal representatives, heirs, successors, or assigns; any entity in which Defendants have or had a controlling interest; any mutual fund or account managed by OFI or its affiliates (including without limitation "funds of funds") that owned shares of Core Bond Fund; and any 529 College Savings Plan. Also excluded from the Class are any proposed Class Members who properly exclude themselves by filing a valid and timely request for exclusion in accordance with the requirements set forth in this Notice.

### **4. Why Is There a Settlement?**

The Court did not decide in favor of Lead Plaintiff or Defendants. Instead, both sides agreed to a settlement. The Lead Plaintiff and their attorneys think the settlement is best for all Class Members.

Defendants claim that the Disclosure Documents fully disclosed any and all risks presented by all of the Core Bond Fund's investments, including the derivatives challenged by Lead Plaintiff. Further, Defendants claim that any risks that were not disclosed were unforeseeable and that only an unprecedented economic crisis that few people in the country foresaw caused the loss in the Core Bond Fund's share value.

Lead Counsel engaged in three separate mediation sessions, with a former federal judge as mediator. The mediations and Lead Counsel's experiences indicated that there were substantial risks to Lead Plaintiff continuing the case through trial and that a settlement was in the best interests of all Class Members. The case was settled in conjunction with a related action involving the Oppenheimer Champion Income Fund for a joint settlement amount of \$100 million. That sum was allocated between the two cases by the mediator after considering positions advanced by independent counsel representing, respectively, the Class here and a class of Champion Income Fund shareholders. The mediator's decision provided that \$47,500,000 would be allocated to the Core Bond Fund Class.

### **WHO IS IN THE SETTLEMENT**

To see if you will receive money from this settlement, you first have to determine if you are a Class Member.

### **5. How Do I Know if I Am Part of the Settlement?**

The Class includes all persons and entities who purchased or acquired shares of the Core Bond Fund during the period from April 30, 2007 through December 31, 2008, inclusive, and who were damaged thereby.

### **6. What Are The Exceptions to Being Included?**

Excluded from the Class are Defendants; Oppenheimer's Officers and Directors; members of Defendants' immediate families; Defendants' legal representatives, heirs, successors, or assigns; any entity in which Defendants have or had a controlling interest; any mutual fund or account managed by OFI or its affiliates (including without limitation "funds of funds") that owned shares of Core Bond Fund; and any 529 College Savings Plan. Also excluded from the Class are any proposed Class Members who properly exclude themselves by filing a valid and timely request for exclusion in accordance with the requirements set forth in this Notice.

If you sold Core Bond Fund shares between April 30, 2007 through December 31, 2008, that does not make you a Class Member. You are a Class Member only if you purchased or acquired Core Bond Fund shares between April 30, 2007 through December 31, 2008 (including acquisitions through dividend reinvestments) and were damaged thereby.

## 7. I'm 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 at the toll free number: 1-877-845-3575 or via email at [info@oppenheimercoresettlement.com](mailto:info@oppenheimercoresettlement.com) or visit [www.OppenheimerCoreSettlement.com](http://www.OppenheimerCoreSettlement.com) for more information.

## REQUESTING EXCLUSION

### 8. How Do I Request to Be Excluded From the Class?

If you are a member of the Class but you do not want a payment from this settlement, but you want to keep the right to sue or continue to sue the Released Defendant Parties (defined below) on your own about issues that relate to the Lead Plaintiff's allegations in this case, see the Released Claims (defined below), then you must take steps to get out of the Class. This is called excluding yourself and is sometimes referred to as "opting out" of the Class.

You may choose to exclude yourself from this class action at this time. In order to properly exclude yourself, your written exclusion must be postmarked no later than August 31, 2011. If you request exclusion, you will **NOT** receive any benefits under the proposed settlement. You cannot object to the settlement if you exclude yourself.

In order to be valid, your request for exclusion must: (i) set forth the name, address, and telephone number of the person or entity requesting exclusion; (ii) state that the person or entity "requests exclusion from the Class in *In re: Core Bond Fund*, Case No. 09-cv-1186-JLK-KMT"; (iii) be signed and dated by such person or entity; (iv) state the name of the broker at which such person or entity held Core Bond Fund shares, if any; (v) state the date, number and share price of each Core Bond Fund share purchase and sale made during the period from April 30, 2007 through December 31, 2008, inclusive, and the dollar amount of dividends earned thereon, through December 31, 2008 or the date of sale of such shares, if earlier; (vi) state the number of Core Bond Fund shares that the person or entity held on April 29, 2007, and (vii) be postmarked no later than August 31, 2011. Requests for exclusion must be mailed to the following address:

*Oppenheimer Core Bond Securities Litigation*  
Exclusions  
c/o Claims Administrator  
P.O. Box 2838  
Portland, OR 97208-2838

Please keep a copy of everything you send by mail, in case it is lost or destroyed during shipping.

You cannot exclude yourself on the phone or by e-mail. Do not request exclusion if you wish to participate in this lawsuit as a Class Member. If you exclude yourself from this lawsuit, you will not be affected by any decisions in this case, and you will not be entitled to share in the settlement. If you have brought or intend to bring your own arbitration or lawsuit against any of the Released Defendant Parties (described below), you should speak to a lawyer **immediately**. You must exclude yourself from *this* Class to continue your own lawsuit or arbitration.

If you do not request exclusion from this Class, you will be considered a Member of the Class, will be bound by the terms of the proposed settlement and you will **not** be able to pursue your own individual legal action based upon the claims that are being released in the settlement (described below).

## THE SETTLEMENT BENEFITS – WHAT YOU GET

### 9. What Does the Settlement Provide?

Defendants have agreed to pay \$47,500,000 million in cash. The balance of this fund after payment of Court-approved attorneys' fees and expenses and the costs of settlement administration, including the costs of printing and mailing this Notice (the "Net Settlement Fund") will be divided among all eligible Class Members.

### 10. How Much Will My Payment Be?

Your share of the Net Settlement Fund will depend on the number of Class Members, how many Core Bond Fund shares Class Members acquired during the relevant period, when you acquired and sold Core Bond Fund shares, and whether you submit a valid Proof of Claim and supporting documentation showing eligible Core Bond Fund purchases and other Core Bond Fund transaction activity from April 30, 2007 through December 31, 2008 (discussed below in Question 11.

It is anticipated that the Net Settlement Fund available for distribution will be less than the total losses or damages alleged to be suffered by Class Members. As a result, the Net Settlement Fund will be distributed *pro rata* to Class Members, based upon their "Recognized Losses" as that term is described below, whose payment from the Net Settlement Fund equals or exceeds \$10.00. The Claims Administrator will determine each Authorized Claimant's *pro rata* share of the Net Settlement Fund. The Distribution Plan is not intended to estimate the amount a Class Member might have been able to recover after a trial, nor is it intended to estimate the amount that will be paid to Authorized Claimants. The Plan is the basis upon which the Net Settlement Fund will be proportionately divided among all the Authorized Claimants. The Court will be asked to approve the Claims Administrator's determinations before the Net Settlement Fund is distributed to Authorized Claimants. The Court may approve the Distribution Plan with or without modifications agreed to among the Settling Parties, or another plan, without further notice to the Class.

#### DISTRIBUTION PLAN

If you submit a valid Proof of Claim and supporting documentation, your share of the Net Settlement Fund will be calculated as the greater of your Section 11 Recognized Loss (subparagraph A, below) or Section 12 Recognized Loss (subparagraph B, below). This is called the "Distribution Plan."

The date of purchase or sale is the "contract" or "trade" date as distinguished from the "settlement" date.

For Class Members who held shares at the beginning of the Class Period or who made multiple purchases or sales during the Class Period, the first-in, first-out ("FIFO") method will be applied to such holdings, purchases and sales for purposes of calculating the Recognized Loss. Under the FIFO method, sales of shares during the Class Period will be matched, in chronological order, first against shares held at the beginning of the Class Period. The remaining sales of shares during the Class Period will then be matched, in chronological order, against shares acquired during the Class Period.

A Class Member will be eligible to receive a distribution from the Net Settlement Fund only if he or she has a net loss, after all profits from transactions in Core Bond Fund shares during the Class Period are subtracted from all losses.

A. Section 11 Recognized Loss. Pursuant to Section 11 of the Securities Act, 15 U.S.C. § 77k, for shares purchased between April 30, 2007 and December 31, 2008, and

- (1) sold prior to December 31, 2008, a Class Member's Recognized Loss will be the lesser of (a) the Net Asset Value ("NAV") of the shares on the date of purchase minus the NAV on the date of sale; or (b) the NAV of the shares on the date of purchase minus \$6.12 (the NAV on December 31, 2008).
- (2) held as of the close of trading on December 31, 2008, a Class Member's Recognized Loss will be the NAV on the date of purchase minus \$6.12 (the NAV on December 31, 2008).
- (3) disposed of after December 31, 2008, a Class Member's Recognized Loss is calculated in the same way as for shares retained as of December 31, 2008.

B. Section 12 Recognized Loss. Pursuant to Section 12 of the Securities Act, 15 U.S.C. § 77l, for shares purchased between April 30, 2007 and December 31, 2008, and:

- (1) sold prior to December 31, 2008, a Class Member's Recognized Loss will be (a) the NAV on the date of purchase; (b) plus interest that could have been earned from the date of purchase through the date of sale at a rate equal to the weekly average/one year constant maturity Treasury yield, as published by the Board of Governors of the Federal Reserve System for the calendar week preceding the date of such purchase compounded annually ("Interest"); (c) less any dividends received from the date of purchase through the date of sale on those shares; and (d) less the NAV on the date of sale.
- (2) held as of December 31, 2008, a Class Member's Recognized Loss will be (a) the NAV on the date of purchase; (b) plus Interest that could have been earned from the date of purchase through December 31, 2008; (c) less any dividends received through December 31, 2008 on shares purchased between April 30, 2007 and December 31, 2008; and (d) less the NAV on December 31, 2008, which was \$6.12.
- (3) disposed of after December 31, 2008, the Recognized Loss is calculated in the same way as for shares retained as of December 31, 2008.

If shares were sold prior to December 31, 2008, the Recognized Loss is calculated as the difference between: (i) the NAV on the date of purchase; and (ii) the NAV on the date of sale, plus interest through the date of sale, less any income received from the date of purchase through the date of sale.

For any shares disposed of after December 31, 2008 the amounts are calculated the same way as for those shares retained as of that date.

### **HOW YOU OBTAIN A PAYMENT**

#### **11. How Will I Obtain a Payment?**

To qualify for payment, you must be a member of the Class. You must submit a valid Proof of Claim listing your Core Bond Fund share purchases, sales, dividend income, and dividend reinvestments between April 30, 2007 and December 31, 2008. You must also supply supporting documentation. Acceptable supporting documentation will show all of your Core Bond Fund transaction history, such as account statements or trade confirmations from your broker. A Proof of Claim is included with this notice. If you have any questions about how to complete the Proof of Claim, you may contact the Claims Administrator at 1-877-845-3575, by email at [info@oppenheimercoresettlement.com](mailto:info@oppenheimercoresettlement.com), or visit the website at [www.OppenheimerCoreSettlement.com](http://www.OppenheimerCoreSettlement.com).

#### **12. When Will I Receive My Payment?**

The Court will hold a hearing on September 30, 2011 to decide whether to approve the settlement. If Judge Kane approves the settlement, there may be appeals. It is always uncertain whether these appeals can be resolved, and resolving them can take time, perhaps several years. Please be patient.

### **THE LAWYERS REPRESENTING YOU**

#### **13. Do I Have a Lawyer in This Case?**

The Court appointed Labaton Sucharow LLP and Hagens Berman Sobol Shapiro LLP to represent you and other Class Members. These lawyers are called Lead Counsel. You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

#### **14. How Will the Lawyers Be Paid?**

Lead Counsel will ask the Court for attorneys' fees of 18.5% of the Settlement Fund, which will include any accrued interest, and for reimbursement of litigation expenses advanced on behalf of Lead Plaintiff and the Class that will not exceed \$650,000, plus accrued interest. Such sums as may be approved by the Court will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or expenses.

The attorneys' fees and expenses requested will be the only payment to Lead Counsel for their efforts in achieving this settlement and for their risk in undertaking this representation on a wholly contingent basis. To date, Lead Counsel have not been paid for their services in conducting this case on behalf of the Lead Plaintiff and the Class, nor for their substantial litigation expenses. The fee requested will compensate Lead Counsel for their work in achieving the Settlement Fund and is well within the range of fees awarded to class counsel under similar circumstances in other cases of this type. The Court may award less than this amount. Lead Counsel will file papers in support of their fee request on or before July 29, 2011 and post copies of such papers on the firms' websites ([www.labaton.com](http://www.labaton.com) and [www.hbsslaw.com](http://www.hbsslaw.com)).

### **RELEASE OF SETTLEMENT**

#### **15. Release**

Your settlement check will have a release enclosed with it. A release means you cannot continue with or bring a lawsuit or action of any kind, including an arbitration, against the Released Defendant Parties (defined below) about issues that relate to the Lead Plaintiff's allegations in this case (see the Released Claims, defined below). The language of the release is attached to this Notice (see page \_\_\_ below). Please read this release carefully because it affects your legal rights.

### **OBJECTING TO THE SETTLEMENT**

You can tell the Court that you do not agree with the settlement or some part of it.

**16. How Do I Tell the Court that I Do Not Like the Settlement?**

If you are a Class Member, you can object to the settlement if you do not like any part of it, including the Distribution Plan and the request for attorneys' fees and expenses. You must timely state the reasons why you think the Court should not approve the settlement or anything related to it. The Court will consider your views. To object, you must send a letter saying that you object to the settlement in "In re: Core Bond Fund, Case No. 09-cv-1186-JLK-KMT." You must include your name, address, telephone number, your signature, the number of Core Bond Fund shares purchased and sold during the period from April 30, 2007 through December 31, 2008, inclusive, the reasons you object, and all supporting papers. Any objection must be postmarked no later than August 31, 2011 and mailed to:

*Court:*  
Clerk of the Court  
Alfred A. Arraj United States Courthouse  
Room A105  
901 19th Street  
Denver, Colorado 80294-3589

*Counsel for Lead Plaintiff:*

Jonathan M. Plasse  
Labaton Sucharow LLP  
140 Broadway  
New York, NY 10005

*Counsel for Defendants:*

William K. Dodds  
Dechert LLP  
1095 Avenue of the Americas  
New York, NY 10036-6797

Peter G. Rush  
K&L Gates, LLP  
70 W. Madison Street  
Chicago, IL 60602-4207

You can object **only if** you are a member of the Class. You cannot object if you are requesting to be excluded.

**THE COURT'S FAIRNESS HEARING**

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

**17. When and Where Will the Court Decide Whether to Approve the Settlement?**

The Court will hold a settlement hearing at \_\_\_\_\_ on September 30, 2011 at the Alfred A. Arraj United States Courthouse, 901 19th Street, Denver, Colorado. At this hearing, the Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. Judge John Kane will listen to people who have asked to speak at the hearing. The Court will also consider how much to pay to Lead Counsel. The Court may decide these issues at the hearing or take them under consideration. We do not know how long these decisions will take.

You should also be aware that the Court may change the date and time for the hearing without giving another notice to Class Members. If you want to attend, you should check the date and time with Lead Counsel.

**18. Do I Have to Come to the Hearing?**

No. Lead Counsel will answer any questions Judge Kane 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. If you want to be represented by your own lawyer at the hearing, you may hire one at your own expense.

**19. May I Speak at the Hearing?**

You may ask the Court for permission to speak at the settlement hearing. To do so, you must send a letter saying that it is your "intention to appear in *In re: Core Bond Fund.*, Case No. 09-cv-1186-JLK-KMT." You must include your name, address, telephone number, your signature, and the number of Core Bond Fund shares purchased and sold during the period from April 30, 2007 through December 31, 2008, inclusive. If you intend to present evidence at the hearing, you must identify any witness you may call to testify and any exhibits you intend to introduce at the hearing in your notice. Your notice of intention to appear must be postmarked no later than August 31, 2011 and be sent to the Clerk of the Court, Lead Counsel, and Defendants' counsel, at the three addresses listed in question 16. You cannot speak at the hearing if you have excluded yourself from the Class.

**IF YOU DO NOTHING**

**20. What Happens if I Do Nothing at All?**

If you do nothing, you remain a member of the Class, but you will recover no money. If certain conditions that are listed in the publicly-filed Stipulation and Agreement of Settlement (the "Stipulation") between Lead Plaintiff and Defendants are met and the Settlement becomes effective, you will not be able to bring a lawsuit or action of any kind, including arbitration, continue with a lawsuit of any kind, including arbitration, or be part of any other lawsuit or arbitration against the Released Defendant Parties about the Released Claims, which are described in the Stipulation and in this Notice at page \_\_\_ (below). In order to be eligible to receive a payment from the Settlement, you must complete and return the enclosed Proof of Claim as explained above.

**GETTING MORE INFORMATION**

**21. Are There More Details About the Settlement?**

This Notice summarizes the proposed settlement. More details are in the May \_\_, 2011, Stipulation and Agreement of Settlement. You can obtain a copy of the Stipulation by downloading a copy from these websites: [www.OppenheimerCoreSettlement.com](http://www.OppenheimerCoreSettlement.com), [www.labaton.com](http://www.labaton.com), [www.hbsslaw.com](http://www.hbsslaw.com) or by writing to Jonathan Plasse, c/o Labaton Sucharow LLP, 140 Broadway, New York, NY 10005.

**22. How Do I Get More Information?**

You can contact the Claims Administrator by phone at 1-877-845-3575, by email at [info@oppenheimercoresettlement.com](mailto:info@oppenheimercoresettlement.com), or visit the website at [www.OppenheimerCoreSettlement.com](http://www.OppenheimerCoreSettlement.com).

***PLEASE DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE***

Date: Denver, Colorado  
May \_\_, 2011

BY ORDER OF THE  
UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLORADO

**RELEASE TO ACCOMPANY CHECK**

You have received the enclosed check from the Claims Administrator in *In re: Core Bond Fund*, Case No. 09-cv-1186-JLK-KMT (District of Colorado) (the "Class Action"), because you have been identified as a member of the Class certified for the purposes of settlement only by the United States District Court for the District of Colorado. By cashing the enclosed check, you provide an additional release to all "Released Defendant Parties" from all "Released Claims." This Release is an "additional release" because the \_\_\_\_\_, 2011 Judgment in *In re: Core Bond Fund* entered by the Court independently orders that you have released the Released Claims against the Released Defendant Parties.

"Released Claim(s)" means all claims, demands, rights, actions, suits, or causes of action of every nature and description, whether known or unknown (including Unknown Claims, as defined herein), whether the claims arise under federal, state, statutory, regulatory, common, foreign or other law, whether foreseen or unforeseen, and whether asserted individually, directly, representatively, derivatively, or in any other capacity, that the Releasing Plaintiff Parties: (1) asserted in the Complaint or the Action as against the Released Defendant Parties; (2) have asserted, could have asserted, or could assert in the future, in any forum against the Released Defendant Parties that are based upon, arise out of, or relate in any way to the facts, matters, transactions, allegations, claims, losses, damages, disclosures, filings, or statements set forth in the Complaint or at issue in the Action; or (3) have asserted, could have asserted, or could assert in the future relating to the prosecution, defense, or settlement of the Action as against the Released Defendant Parties. Released Claim(s) does not include: (1) claims to enforce the Settlement or (2) the rights of the Core Bond Fund in any derivative claim filed or asserted against the Released Defendant Parties prior to the date of this Stipulation.

"Released Defendant Parties" means (1) any and all of the Defendants and/or their current or former attorneys, auditors, officers, directors, employees, partners, subsidiaries, affiliates, related companies, parents, insurers, heirs, executors, representatives, predecessors, successors, assigns, trustees, or other individual or entity in which any Defendant has a controlling interest; and (2) broker-dealers or financial advisers of any Class Member. For the avoidance of doubt, OIF and the Core Bond Fund are included in the definition Released Defendant Parties.

"Released Plaintiff Parties" means any and all of the Lead Plaintiff, Class Members, Lead Counsel, and their respective partners, employees, attorneys, heirs, executors, administrators, trustees, successors, predecessors, and assigns.

"Releasing Plaintiff Parties" means: (i) Lead Plaintiff; (ii) all Class Members; (iii) the Lead Plaintiff's and each Class Member's present or past heirs, executors, administrators, successors, assigns, and predecessors; and (iv) any person or entity who claims by, through, or on behalf of the Lead Plaintiff or any Class Member.

"Unknown Claims" means (i) any and all Released Claims that any of the Releasing Plaintiff Parties does not know or suspect to exist in his, her, or its favor at the time of the release of the Released Defendant Parties which, if known by him, her or it might have affected his, her, or its settlement with and release of the Released Defendant Parties, or might have affected his, her, or its decision(s) with respect to the Settlement (including the decision not to object or exclude himself, herself, or itself from the Settlement), and (ii) any Released Defendants' Claims that any Defendant does not know to exist in his, her, or its favor at the time of the release of the Released Plaintiff Parties, which, if known by him, her or it might have affected his, her, or its settlement with and release of the Released Plaintiff Parties, or might have affected his, her, or its decision(s) with respect to the Settlement. Moreover, with respect to any and all Released Claims and any and all Released Defendants' Claims, upon the Effective Date, the Releasing Plaintiff Parties and Defendants, respectively, shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and expressly waived any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law, that 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 Releasing Plaintiff Parties, or any one of them, may hereafter discover facts other than or different than those which he, she or it knows or believes to be true, but each of the Releasing Plaintiff Parties hereby expressly waives and fully, finally, and forever settles and releases, upon the Effective Date, any known or unknown, suspected or unsuspected, contingent or non-contingent Released Claim. Likewise, the Defendants, or any one of them, may hereafter discover facts other than or different than those which he, she or it knows or believes to be true, but each of the Defendants hereby expressly waives and fully, finally, and forever settles and releases, upon the Effective Date, any known or unknown, suspected or unsuspected, contingent or non-contingent Released Defendants' Claim. The Parties acknowledge that the inclusion of "Unknown Claims" in the definition of Released Claims and Released Defendants' Claims was separately bargained for and was a key element of the Settlement.

## Core Ex A-3 POC



### PROOF OF CLAIM INSTRUCTIONS

- A. This Proof of Claim has been sent to you because you may be a member of the Class in this matter. Because the Parties do not have records of your potentially eligible transactions, you must complete and sign this Proof of Claim and provide supporting documents for any eligible transactions you claim. If you fail to file a properly addressed Proof of Claim and supporting documents, your claim may be rejected, and you may be determined to be ineligible for any payment from the Net Settlement Fund.
- B. Submission of this Proof of Claim does not assure that you will share in the proceeds of the Settlement Fund created in this Action.
- C. YOU MUST COMPLETE AND SUBMIT YOUR PROOF OF CLAIM BY MAIL POSTMARKED ON OR BEFORE \_\_\_\_\_, ADDRESSED TO THE CLAIMS ADMINISTRATOR AS LISTED BELOW.
- D. If you are NOT a member of the Class, as defined in the Notice of Pendency and Proposed Settlement of Class Action for Un-Identified Purchasers (“Notice”), DO NOT submit a Proof of Claim.
- E. If you are a member of the Class and you do not timely request to be excluded from the Class, you are bound by the terms of any judgment entered in the Action, WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM.
- F. Use the section of this form entitled “Claimant Information” to identify each owner of record. THIS CLAIM MUST BE FILED BY THE ACTUAL BENEFICIAL OWNER(S), OR THE LEGAL REPRESENTATIVE OF SUCH OWNER(S) OF CORE BOND FUND SHARES UPON WHICH THIS CLAIM IS BASED.
- G. Use the section of this form entitled “Schedule of Transactions in Core Bond Fund” to supply all required details of your transaction(s). If you need more space or additional schedules, attach separate sheets giving all of the required information in substantially the same form. Sign and print or type your name on each additional sheet.
- H. Complete a separate claim form for each account in the Oppenheimer Core Bond Fund in which you qualify.
- I. Provide all of the requested information with respect to shares of the Core Bond Fund that you acquired at any time on or between April 30, 2007 and December 31, 2008, inclusive (the “Class Period”), and all of your sale proceeds and dividend income from the Core Bond Fund, whether such transactions resulted in a profit or a loss. Failure to report all such transactions may result in the rejection of your claim.
- J. List each transaction in the Class Period separately indicating in which Fund class the transaction(s) occurred 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.
- K. Documentation of your transactions in Core Bond Fund shares must be attached to your claim. Failure to provide this documentation could delay verification of your claim or result in rejection of your claim.
- L. The above requests are designed to provide the minimum amount of information necessary to process the most simple claims. The Claims Administrator may request additional information as required to efficiently and reliably calculate your losses.

**Proof of Claim forms must be postmarked no later than \_\_\_\_\_, 2011 and mailed to Oppenheimer Securities Litigation, Claims Administrator, PO Box 2838, Portland, OR 97208-2838.**

**ATTENTION NOMINEES AND BROKERAGE FIRMS:** If you are filing claim(s) electronically on behalf of beneficial owners, detailed instructions are available on the Settlement website at [www.OppenheimerCoreSettlement.com](http://www.OppenheimerCoreSettlement.com) along with the formatted electronic filing template. You may also send an email to [info@OppenheimerCoreSettlement.com](mailto:info@OppenheimerCoreSettlement.com) requesting this information.

#### Reminder Checklist

1. Sign the Certification section of the Proof of Claim on Page 2 of the Schedule of Transactions.
2. Remember to attach supporting documentation.
3. Do not send original documents.
4. Keep a copy of your Proof of Claim and all documents submitted for your records.
5. If you desire an acknowledgment of receipt of your Proof of Claim form, send your Proof of Claim by Certified Mail, Return Receipt Requested.
6. If you move, please send the Claims Administrator your new address.

#### CONTACT INFORMATION

#### KEY DATES

Toll Free Number: 1-877-845-3575  
 Website: [www.OppenheimerCoreSettlement.com](http://www.OppenheimerCoreSettlement.com)  
 Email: [info@OppenheimerCoreSettlement.com](mailto:info@OppenheimerCoreSettlement.com)

Objection / Exclusion Deadline: Month DD, YYYY  
 Settlement Fairness Hearing: Month DD, YYYY  
 Deadline to Submit Claims & Disputes: Month DD, YYYY

**SCHEDULE OF TRANSACTIONS IN CORE BOND FUND**

Please use the table to the right to identify the Code for the Class of shares purchased in the Core bond Fund.

Class of Shares Code	Ticker	CUSIP
A	OPIGX	683969109
B	OIGBX	683969208
C	OPBCX	683969307
N	OPBNX	683969703
Y	OPBYX	683969604

IMPORTANT: If the transactions below were not traded in US dollars (USD), designate the type of currency in the boxes to the right (for example, EUR, GBP, YEN, etc.)

**1. BEGINNING HOLDINGS**

Number of Core Bond Fund shares held at the end of trading on April 29, 2007    ,    .

**2. PURCHASES/ACQUISITIONS**

Purchases of Core Bond Fund shares between April 30, 2007 and December 31, 2008 inclusive

Class Code	Transaction Date <i>List Chronologically</i> MM - DD - YY	Number of Shares	Total Amount excluding commission, taxes and fees
<input type="text"/>	<input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> <input type="text"/>
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**3. SALES**

Sales of Core Bond Fund shares between April 30, 2007 and December 31, 2008 inclusive

Class Code	Transaction Date <i>List Chronologically</i> MM - DD - YY	Number of Shares	Total Amount excluding commission, taxes and fees
<input type="text"/>	<input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> <input type="text"/>
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<input type="text"/>	<input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> <input type="text"/>
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<input type="text"/>	<input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> <input type="text"/>

**4. UNSOLD HOLDINGS**

Number of Core bond Fund shares held at the end of trading on December 31, 2008    ,    .

USE ADDITIONAL COPIES OF THE TRANSACTION PAGES IF YOU HAVE MORE TRANSACTIONS TO LIST. WRITE YOUR NAME ON EACH ADDITIONAL PAGE AND CHECK THE BOX TO THE RIGHT:

IF YOU DO NOT FOLLOW THESE INSTRUCTIONS, ADDITIONAL TRANSACTIONS MAY NOT BE REVIEWED.

YOU MUST ALSO READ AND SIGN THE CERTIFICATION ON PAGE 2 OF THIS FORM. FAILURE TO SIGN THE CERTIFICATION MAY RESULT IN A DELAY IN THE PROCESSING OF YOUR CLAIM OR IN THE REJECTION OF YOUR CLAIM.



**SCHEDULE OF TRANSACTIONS IN CORE BOND FUND**

Please use the table at the top of the previous page to identify the Code for the Class of shares purchased in the Core bond Fund.

**5. DIVIDEND INCOME RECEIVED**

Dividend income received in cash between April 30, 2007 and December 31, 2008 inclusive

Class Code	Transaction Date			Total Amount		
	List Chronologically MM - DD - YY			excluding commission, taxes and fees		

**6. DIVIDEND REINVESTMENTS**

Dividend reinvestments in fund between April 30, 2007 and December 31, 2008 inclusive

Class Code	Transaction Date			Number of Shares	Total Amount		
	List Chronologically MM - DD - YY				excluding commission, taxes and fees		

**YOU MUST ALSO READ AND SIGN THE CERTIFICATION BELOW. FAILURE TO SIGN THE CERTIFICATION MAY RESULT IN A DELAY IN THE PROCESSING OF YOUR CLAIM OR IN THE REJECTION OF YOUR CLAIM.**

**CERTIFICATION**

By signing below, I/we certify under penalty of perjury under the laws of the United States of America that the foregoing information and the supporting documents attached hereto are true, correct, and complete to the best of my/our knowledge, information, and belief.

Claimant/Beneficial Owner

Print Your Name

 -  - 

Date Signed

Co-Claimant/Co-Beneficial Owner

Print Your Name

 -  - 

Date Signed

Person Signing on Behalf of Claimant

Print Your Name & Capacity (Executor, President, Custodian, etc.)

 -  - 

Date Signed

## Core Ex A-4 ROFT

Oppenheimer Securities Litigation  
Claims Administrator  
PO Box 2838  
Portland, OR 97208-2838

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLORADO

IN RE: CORE BOND FUND  
Civil Action No. 09-cv-1186-JLK-KMT

[Mail ID]  
[NAME 1]  
[NAME 2]  
[ADDRESS 1]  
[ADDRESS 2]  
[ADDRESS 3]  
[CITY], [ST] [ZIP-+4]  
[FOREIGN COUNTRY]

Tracking #: #####

Dear Investor,

Epiq Class Action & Claims Solutions (“Epiq”) has been retained to administer the Core Bond Fund Securities Class Action Settlement. You are receiving this record of Fund Transactions because we have been provided with records involving your transactions in the Oppenheimer Core Bond Fund, a series of Oppenheimer Integrity Funds (the “Core Bond Fund”) between April 30, 2007 and December 31, 2008 (inclusive). Enclosed you will find a summary of your Recognized Losses, based on the proposed Distribution Plan for calculating damages in the Settlement, as well as a detailed listing of the corresponding transactions that form the basis for those calculations.

Please review the Fund Transactions Summary and Account Activity Detail on the following pages. If you agree with the information set forth in those sections, you do not need to take any action to receive your share of the Net Settlement Fund. Please see Section III for instructions on how to dispute the summary information and/or correct or submit additional transactions you would like to claim.

If you have any questions, you can call us toll-free at 1-877-845-3575. You may also reach us by email at [info@OppenheimerCoreSettlement.com](mailto:info@OppenheimerCoreSettlement.com) or on our website: [www.OppenheimerCoreSettlement.com](http://www.OppenheimerCoreSettlement.com).

With respect to your Recognized Losses, please refer to the enclosed Notice of Pendency and Proposed Settlement of Class Action for Identified Purchasers for additional details on how your losses were calculated.

Regards,  
Claims Administrator



UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLORADO

IN RE: CORE BOND FUND  
Civil Action No. 09-cv-1186-JLK-KMT

[NAME 1]  
[NAME 2]

Tracking #: #####

**SECTION I. FUND TRANSACTIONS SUMMARY**

**IF YOU AGREE WITH THIS INFORMATION,  
NO ACTION IS NECESSARY**

Presented below for your review is a summary of your recognized losses in the Core Bond Fund. Your claim will be based on the larger of the calculated losses per Section 11 or 12(a)(2) of the Securities Act of 1933. Please refer to Question No.9 in the Notice of Pendency and Proposed Settlement of Class Action for Identified Purchasers for details on how this calculation was determined.

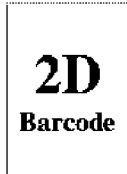
The summary information presented here is based on the transactions itemized in Section II.

A. Number of shares held at the close of business on April 29, 2007:	12,983.34	
<i>Activity During the Class Period (April 30, 2007 to December 31, 2008 inclusive)</i>		
	<i>Shares</i>	<i>Amount</i>
B. Total shares acquired and amount paid:	6,798.432	\$ 27,954.13
C. Total shares acquired through reinvestment and amount paid:	32.495	\$1,321.4568
D. Total shares sold and proceeds received and income received, if any:	18,982.123	\$ 84,982.13

SUMMARY OF RECOGNIZED LOSS UNDER SECTION 11:	\$6,897.32
SUMMARY OF RECOGNIZED LOSS UNDER SECTION 12:	\$4,982.35

If you disagree with any of this summary information, complete Section III. Fund Transactions Dispute

Completed forms must be mailed with supporting documentation and postmarked by Month DD, YYYY to Oppenheimer Securities Litigation Claims Administrator, PO Box 2838, Portland, OR 97208-2838



UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLORADO

IN RE: CORE BOND FUND  
Civil Action No. 09-cv-1186-JLK-KMT

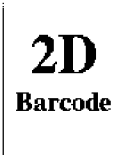
[NAME 1]  
[NAME 2]

Tracking #: #####

**SECTION II. ACCOUNT ACTIVITY DETAIL**  
**Between April 30, 2007 – December 31, 2008 Inclusive**

The transactions detailed below are the basis for the summary information that appears in Section I.

<i>Fund Name</i>	<i>Class of Shares</i>	<i>Trade Date</i>	<i>Transaction Type</i>	<i>Shares</i>	<i>Investment Amount</i>
Core	OPIGX	10/29/08	Sale	23,129.349	\$ 17,193.24
Core	OPIGX	10/29/08	Sale	23,129.349	\$ 17,193.24
Core	OPIGX	10/29/08	Sale	23,129.349	\$ 17,193.24
Core	OPIGX	10/29/08	Sale	23,129.349	\$ 17,193.24
Core	OPIGX	10/29/08	Sale	23,129.349	\$ 17,193.24
Core	OPIGX	10/29/08	Sale	23,129.349	\$ 17,193.24
Core	OPIGX	10/29/08	Sale	23,129.349	\$ 17,193.24
Core	OPIGX	10/29/08	Sale	23,129.349	\$ 17,193.24
Core	OPIGX	10/29/08	Sale	23,129.349	\$ 17,193.24
Core	OPIGX	10/29/08	Sale	23,129.349	\$ 17,193.24
Core	OPIGX	10/29/08	Sale	23,129.349	\$ 17,193.24
Core	OPIGX	10/29/08	Sale	23,129.349	\$ 17,193.24
Core	OPIGX	10/29/08	Sale	23,129.349	\$ 17,193.24
Core	OPIGX	10/29/08	Sale	23,129.349	\$ 17,193.24
Core	OPIGX	10/29/08	Sale	23,129.349	\$ 17,193.24







## **Core Ex A-5 Publication Notice**

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLORADO

Civil Action No. 09-cv-1186-JLK-KMT

IN RE: CORE BOND FUND

SUMMARY NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION

TO: ***ALL PERSONS WHO ACQUIRED SHARES OF THE OPPENHEIMER CORE BOND FUND, A SERIES OF OPPENHEIMER INTEGRITY FUNDS (THE "CORE BOND FUND"), DURING THE PERIOD FROM APRIL 30, 2007 THROUGH DECEMBER 31, 2008, INCLUSIVE. YOU COULD RECEIVE A PAYMENT FROM A CLASS ACTION SETTLEMENT.***

YOU ARE HEREBY NOTIFIED, pursuant to an Order of the United States District Court for the District of Colorado, that a hearing will be held on September 30, 2011, at \_\_\_ [a.m/p.m.], before the Honorable John L. Kane at the Alfred A. Arraj United States Courthouse, 901 19th Street, Denver, Colorado, for the purpose of determining, among other things: (1) whether the proposed settlement of the claims in the Action for the sum of \$47,500,000 in cash should be approved by the Court as fair, reasonable and adequate; (2) whether, thereafter, the Action should be dismissed with prejudice pursuant to the terms and conditions of the settlement; (3) whether the plan for distributing the proceeds of the settlement should be approved; and (4) whether the application of Lead Counsel for the payment of attorneys' fees and reimbursement of expenses incurred in connection with the Action should be approved.

If you acquired Core Bond Fund shares between April 30, 2007 through December 31, 2008, inclusive, your rights may be affected by the settlement of this Action. If you have not received a detailed Notice of Pendency and Proposed Settlement of Class Action, you may obtain a copy by writing to *Oppenheimer Core Bond Fund Litigation*, Claims Administrator, P.O. Box 2838, Portland, Oregon 97208-2838. The notice contains additional important information.

Any objection to the settlement must postmarked no later than August 31, 2011 and mailed to:

Clerk of the Court  
Alfred A. Arraj United States Courthouse  
Room A105  
901 19th Street  
Denver, Colorado 80294-3589

*Lead Counsel for Plaintiffs:*

Jonathan M. Plasse  
Labaton Sucharow LLP  
140 Broadway  
New York, NY 10005

*Counsel for Defendants:*

William K. Dodds  
Dechert LLP  
1095 Avenue of the Americas  
New York, NY 10036-6797

Peter G. Rush  
K&L Gates, LLP  
70 W. Madison Street  
Chicago, IL 60602-4207

Any request for exclusion from the Class must be postmarked no later than August 31, 2011 and mailed to:

*Oppenheimer Core Bond Securities Litigation*  
Exclusions  
Claims Administrator  
P.O. Box 2838  
Portland, Oregon 97208-2838

**PLEASE DO NOT CONTACT THE COURT OR THE CLERK'S OFFICE REGARDING THIS NOTICE.** If you have any questions about the settlement, you may contact Lead Counsel for Plaintiffs at the address listed above or the Claims Administrator at the toll free number: 1-877-845-3575 or via email at [info@oppenheimercoresettlement.com](mailto:info@oppenheimercoresettlement.com) or visit [www.OppenheimerCoreSettlement.com](http://www.OppenheimerCoreSettlement.com) for more information.

DATED: July \_\_, 2011

BY ORDER OF THE COURT  
UNITED STATES DISTRICT COURT  
DISTRICT OF COLORADO

## Core Ex. B Judgment

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLORADO  
Judge John L. Kane**

Civil Action No. **09-cv-1186-JLK-KMT**

**IN RE: CORE BOND FUND**

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**[PROPOSED] FINAL JUDGMENT AND ORDER OF DISMISSAL**

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This Court having considered: the Stipulation and Agreement of Settlement dated May \_\_\_, 2011, including all Exhibits thereto (the “Stipulation”), between the Class Representative Dr. C. Philip Pattison, on behalf of himself and the Class, and OppenheimerFunds, Inc., OppenheimerFunds Distributor, Inc. and Oppenheimer Integrity Funds (collectively, “Oppenheimer”), John V. Murphy and Brian W. Wixted (together with Oppenheimer, the “Oppenheimer Defendants”), William L. Armstrong, Robert G. Avis, George C. Bowen, Edward L. Cameron, Jon S. Fossel, Sam Freedman, Beverly L. Hamilton, Robert J. Malone and F. William Marshall, Jr. (collectively, the “Trustee Defendants”) (the Oppenheimer Defendants and the Trustee Defendants are collectively referred to as “Defendants”); and having held a hearing on \_\_\_\_\_, 2011; and having considered all of the submissions and arguments with respect thereto, and otherwise being fully informed, and good cause appearing therefore,

IT IS HEREBY ORDERED that:

**Introductory Findings**

1. This Final Judgment and Order of Dismissal (“Judgment”) incorporates herein and makes a part hereof, the Stipulation, including the Exhibits thereto. Unless otherwise defined herein, all capitalized terms used herein shall have the same meanings as set forth in the

Stipulation.

2. The Court has personal jurisdiction over the Class Representative, the Class Members and Defendants for purposes of this Action and settlement, and has subject matter jurisdiction to approve the Stipulation and the terms and conditions of the settlement set forth therein (the “Settlement”).

### **Affirmance of Class Certification**

3. Pursuant to Rule 23 of the Federal Rules of Civil Procedure (“Federal Rule 23”), the Court confirms certification of the following Class, as ordered by the Court in its \_\_\_\_\_, 2011 Order Preliminarily Approving Settlement and Providing for Notice (Docket No. \_\_\_) (the “Preliminary Approval Order”):

All persons and entities who purchased or otherwise acquired shares of the Core Bond Fund during the Class Period and who were damaged thereby. Excluded from the Class are Defendants; Oppenheimer’s Officers and Directors; members of Defendants’ immediate families; Defendants’ legal representatives, heirs, successors, or assigns; any entity in which Defendants have or had a controlling interest; any mutual fund or account managed by OFI or its affiliates (including without limitation “funds of funds”) that owned shares of Core Bond Fund; and any 529 College Savings Plan. Also excluded from the Class are any proposed Class Members who properly exclude themselves by filing a valid and timely request for exclusion in accordance with the requirements set forth in the Notice (“the Class”).

“Class Period” means the period from April 30, 2007 through December 31, 2008, inclusive.

4. The Court confirms that certification of the Class met the requirements of Federal Rule 23 as follows:

a. There are at least tens of thousands of Members of the Class and likely more, and the Class is of sufficient size and geographical dispersion that joinder of all Class Members is impracticable, thus satisfying Federal Rule 23(a)(1).

b. There are questions of law and fact common to the Class, thus satisfying Federal Rule 23(a)(2). Among the questions of law and fact common to the Class are whether the Securities Act of 1933 was violated by Defendants' acts as alleged; whether statements made by Defendants to the investing public in the Core Bond Fund Registration Statements and Prospectuses misrepresented or omitted material facts; and whether the Members of the Class have sustained damages and, if so, what is the proper measure thereof.

c. Lead Plaintiff's claims for violations of Sections 11, 12(a)(2) and 15 of the Securities Act of 1933 are typical of the claims of the Class, thus satisfying Federal Rule 23(a)(3).

d. Class Representative Dr. C. Phillip Pattison and his counsel, Labaton Sucharow LLP and Hagens Berman Sobol Shapiro LLP (collectively, "Class Counsel"), have and will fairly and adequately protect the interests of the Class, thus satisfying Federal Rule 23(a)(4).

e. The questions of law and fact common to the Class predominate over any questions affecting only individual members, thus satisfying Federal Rule 23(b)(3).

f. A class action is superior to other available methods for the fair and efficient adjudication of the controversy, satisfying Federal Rule 23(b)(3).

5. In making all of the foregoing findings, the Court has exercised its discretion in certifying the Class.

### **Class Notice Findings And Opt-Outs**

6. The record shows that Notice has been given to the Class in the manner approved by the Court in its Preliminary Approval Order (Docket No. \_\_\_\_). The Court finds that such Notice: (i) constitutes reasonable and the best practicable notice; (ii) constitutes notice that was reasonably calculated, under the circumstances, to apprise Class Members of the pendency of the Action, the terms of the Settlement, and the Class Members' right to object to or exclude themselves from the Class and to appear at the settlement fairness hearing held on \_\_\_\_\_, 2011 (the "Settlement Hearing"); (iii) constitutes due, adequate, and sufficient notice to all persons or entities entitled to receive notice; and (iv) meets the requirements of due process, Federal Rule 23, and Section 27 of the Securities Act of 1933, 15 U.S.C. §77z-1(a)(7), as amended by the Private Securities Litigation Reform Act of 1995 (the "PSLRA").

7. No individuals or entities, other than those listed on Exhibit A hereto, have timely and validly excluded themselves from the Class. This Judgment shall have no force or effect on the persons or entities listed on Exhibit A hereto.

### **Findings That Arm's-Length Negotiations Occurred**

8. The Court finds that extensive arm's-length negotiations have taken place in good faith between Class Counsel and Defendants' Counsel resulting in the Stipulation. The Court also finds that extensive arm's-length negotiations have taken place on behalf of separate counsel appointed by Class Counsel to represent the interests of Class Members here and Class Members in the related case of *In re Champion Fund Securities Fraud Class Actions*, No. 09-cv-386-JLK-KMT in order to apportion the initial settlement amount between the two Classes and that these arm's-length negotiations afforded the structural protection required to ensure adequate representation of these constituencies.

### **Approval of the Settlement**

9. Pursuant to Federal Rule 23(e), the Court hereby finally approves in all respects the Settlement on the terms and conditions set forth in the Stipulation and finds that the Settlement and the Stipulation are, in all respects, fair, reasonable and adequate, and in the best interest of the Class.

10. The parties are hereby directed to implement and consummate the Settlement according to the terms and provisions of the Stipulation. In addition, the settling parties are authorized to agree to and adopt such amendments and modifications to the Stipulation, or any Exhibits attached thereto, to effectuate the Settlement as (i) shall be consistent in all material respects with this Judgment, and (ii) do not limit the rights of the Class in connection with the Settlement. Without further order of the Court, the settling parties may agree to reasonable extensions of time to carry out any of the provisions of the Stipulation.

### **Dismissal of Claims and Release**

11. The Consolidated Class Action Complaint filed in the Action and all claims asserted therein are hereby dismissed with prejudice and without costs to any party, except as otherwise provided in the Stipulation.

12. The Court finds that during the course of the Action, the settling parties and their respective counsel at all times complied with the requirements of Rule 11 of the Federal Rules of Civil Procedure.

13. Upon the Effective Date of the Settlement (as defined in Paragraph 23 of the Stipulation), the Releasing Plaintiff Parties (as defined in Paragraph 1(cc) of the Stipulation) shall release and forever discharge the Released Claims (as defined in Paragraph 1(x) of the Stipulation) as against the Released Defendant Parties (as defined in Paragraph 1(y) of the

Stipulation).

14. Upon the Effective Date of the Settlement (as defined in Paragraph 23 of the Stipulation), the Defendants, on behalf of themselves, and their heirs, executors, trustees, administrators, predecessors, successors, and assigns, shall release and forever discharge the Released Plaintiff Parties (as defined in Paragraph 1(bb) of the Stipulation) from the Released Defendants' Claims (as defined in Paragraph 1(z) of the Stipulation).

15. No Class Member, either directly, representatively, or in any other capacity (other than a Class Member who validly and timely elected to be excluded from the Class), shall commence, continue, or prosecute against any or all Released Defendant Parties any action or proceeding in any court or tribunal asserting any of the Released Claims defined in the Stipulation, and are hereby permanently enjoined from so proceeding. Upon the Effective Date, and without any further action, the Lead Plaintiff further shall not knowingly and voluntarily assist in any way any third party in commencing or prosecuting any suit against the Released Defendant Parties relating to any Released Claim, including any derivative suit not otherwise released.

16. Each Class Member, whether or not such Class Member executes and delivers a Proof of Claim or dispute form, is bound by this Judgment, including, without limitation, the release of claims as set forth in the Stipulation.

17. This Judgment, the Preliminary Approval Order, the Stipulation and its terms, the negotiations leading up to the Stipulation, the Settlement, and the proceedings taken pursuant to the Settlement, shall not: (1) be construed as an admission of liability or an admission of any claim or defense on the part of any party, in any respect; (2) form the basis for any claim of estoppel by any third party against any of the Released Defendant Parties; or (3) be admissible in

any action, suit, proceeding, or investigation as evidence, or as an admission, of any wrongdoing or liability whatsoever by any of the Released Defendant Parties or as evidence of the truth of any of the claims or allegations contained in any complaint filed in the Action, or deemed to be evidence of or an admission or concession that Lead Plaintiff or any Class Members have suffered any damages, harm or loss. Neither this Judgment, nor the Preliminary Approval Order, nor the Stipulation, nor any of their terms and provisions, nor any of the negotiations or proceedings connected with them, nor any action taken to carry out this Judgment, the Preliminary Approval Order, or Stipulation by any of the Parties shall be referred to, offered into evidence, or received in evidence in any pending or future civil, criminal or administrative action or proceeding, except in a proceeding to enforce this Judgment, the Preliminary Approval Order or the Stipulation, or to enforce any insurance rights, to defend against the assertion of Released Claims (including to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction), or by Lead Counsel to demonstrate its adequacy to serve as class counsel pursuant to Federal Rule of Civil Procedure 23(g) (or its state law analogs), or as otherwise required by law.

18. (a) Upon the Effective Date, the Released Defendant Parties are discharged from all claims for contribution and all claims for indemnification by any person or entity, whether arising under state, federal or common law, based upon, arising out of, relating to, or in connection with the Released Claims. Accordingly, to the fullest extent provided by law, upon the Effective Date the Court bars all the claims referred to in this paragraph: (i) against the Released Defendant Parties; and (ii) by the Released Defendant Parties against any person or entity other than any person or entity whose liability to the Class has been extinguished pursuant to the Stipulation and this Judgment.

(b) In the event any Class Member seeks to recover damages or any other form of monetary relief (“Damages”) from any person or entity based upon claims that arise out of, or relate in any way to, the Released Claims, the Class Member shall give such person or entity the benefit of judgment reduction or offset equal to the greater of: (1) the amount of recovery obtained by the Class Member in connection with the Settlement; or (2) the amount of any of the Released Defendant Parties’ equitable share of the Damages. In the event that any Class Member obtains a judgment against any person or entity based upon claims that arise out of, or relate in any way to, the Released Claims, the Class Member agrees to reduce such judgment, up to the full extent thereof, so as to extinguish any claim such person or entity has successfully litigated against any Released Defendant Party for contribution, indemnification or the like, however styled.

#### **Escrow Account**

19. The Court finds that the Escrow Account (as defined in Paragraph 1(i) of the Stipulation) is a “Qualified Settlement Fund” as defined in section 1.468B-1(a) of the Treasury Regulations in that it satisfies each of the following requirements:

(a) The Escrow Account was established pursuant to an order of this Court, specifically the Preliminary Approval Order, and is subject to the continuing jurisdiction of this Court;

(b) The Escrow Account was established to resolve or satisfy one or more contested or uncontested claims that have resulted or may result from an event that has occurred and that has given rise to at least one claim asserting liability arising out of an alleged violation of law; and

(c) The assets of the Escrow Account are segregated from other assets of Defendants, the transferors of payments to the Settlement Fund, and from the assets of persons related to Defendants.

20. Under the “relation-back” rule provided under section 1.468B-1(j)(2)(i) of the Treasury Regulations, the Court finds that:

(a) The Escrow Account met the requirements of Paragraphs 19(b) and 19(c) of this Judgment at the time it was established pursuant to the Preliminary Approval Order, subject to the continued jurisdiction of this Court; and

(b) Defendants and the “administrator” under section 1.468B-2(k)(3) of the Treasury Regulations may jointly elect to treat the Escrow Account as coming into existence as a “Qualified Settlement Fund” on the earlier of the date the Escrow Account met the requirements of Paragraphs 19(b) and 19(c) of this Judgment or January 1 of the calendar year in which all of the requirements of Paragraph 19 of this Judgment are met. If such relation-back election is made, the assets held by the Escrow Account on such date shall be treated as having been transferred to the Escrow Account on that date.

### **Continuing Jurisdiction**

21. Without affecting the finality of this Judgment, the Court retains continuing and exclusive jurisdiction over all matters relating to administration, consummation, enforcement and interpretation of the Stipulation, the Settlement, and of this Judgment, to protect and effectuate this Judgment, and for any other necessary purpose. Defendants, the Class Representative and each Class Member are hereby deemed to have irrevocably submitted to the exclusive jurisdiction of this Court, for the purpose of any suit, action, proceeding or dispute arising out of or relating to the Settlement or the Stipulation, including the Exhibits thereto, and only for such

purposes. Without limiting the generality of the foregoing, and without affecting the finality of this Judgment, the Court retains exclusive jurisdiction over any such suit, action or proceeding. Solely for purposes of such suit, action or proceeding, to the fullest extent they may effectively do so under applicable law, Defendants, the Class Representative and each Class Member are hereby deemed to have irrevocably waived and agreed not to assert, by way of motion, as a defense or otherwise, any claim or objection that they are not subject to the jurisdiction of this Court, or that this Court is, in any way, an improper venue or an inconvenient forum.

**Miscellaneous**

22. Any plan for allocating the Net Settlement Fund to eligible Class Members submitted by Class Counsel or any order regarding the Fee and Expense Application, or any appeal, modification or change thereof, shall in no way disturb or affect this Judgment and shall be considered separate from this Judgment.

23. In the event that the Settlement does not become effective according to the terms of the Stipulation, this Judgment shall be rendered null and void as provided by the Stipulation, shall be vacated and, all orders entered and releases delivered in connection herewith shall be null and void to the extent provided by and in accordance with the Stipulation.

DATED: \_\_\_\_\_

\_\_\_\_\_  
THE HONORABLE JOHN L. KANE  
UNITED STATES DISTRICT JUDGE

**Certificate of Service**

I hereby certify that the foregoing was filed with this Court on May 19, 2011 through the CM/ECF system and will be sent electronically to all registered participants as identified on the Notice of Electronic Filing, and paper copies will be sent to those indicated as non-registered participants.

s/ Rusty E. Glenn  
Rusty E. Glenn