

SAXENA WHITE P.A.

David R. Kaplan (SBN 230144)
dkaplan@saxenawhite.com
505 Lomas Santa Fe Drive, Suite 180
Solana Beach, CA 92075
Tel.: (858) 997-0860
Fax: (858) 369-0096

MOTLEY RICE LLC

Max N. Gruetzmacher (*pro hac vice*)
mgruetzmacher@motleyrice.com
Christopher F. Moriarty (*pro hac vice*)
cmoriarty@motleyrice.com
28 Bridgeside Blvd.
Mt. Pleasant, SC 29464
Telephone: (843) 216-9000

*Counsel for Lead Plaintiffs and
Lead Counsel for the Settlement Class*

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA**

STEVEN LEVENTHAL, Individually and
on Behalf of All Others Similarly Situated,

Plaintiff,

vs.

CHEGG, INC., DANIEL L.
ROSENSWEIG, ANDREW J. BROWN,
and NATHAN SCHULTZ,

Defendants.

Case No. 5:21-cv-09953-PCP

CLASS ACTION

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

1 WHEREAS, a class action is pending in this Court entitled *Leventhal v. Chegg, Inc., et al.*,
2 Case No. 5:21-cv-09953-PCP (N.D. Cal.) (the “Action”);

3 WHEREAS, by order dated September 7, 2022, this Court appointed KBC Asset
4 Management NV and Pompano Beach Police and Firefighters’ Retirement System as Lead
5 Plaintiffs (“Lead Plaintiffs” or “Plaintiffs”) pursuant to the requirements of the Private Securities
6 Litigation Reform Act of 1995 and approved Lead Plaintiffs’ selection of Motley Rice LLC
7 (“Motley Rice”) and Saxena White P.A. (“Saxena White”) as Lead Counsel (“Lead Counsel”)
8 (ECF No. 105);

9 WHEREAS, on December 8, 2022, Lead Plaintiffs filed their Consolidated Class Action
10 Complaint for Violations of the Federal Securities Laws and Jury Trial Demand (the “Complaint,”
11 ECF No. 115);

12 WHEREAS, (a) Lead Plaintiffs, on behalf of themselves and the Settlement Class, and (b)
13 Defendants Chegg, Inc. (“Chegg”), Daniel L. Rosensweig, Andrew J. Brown, and Nathan Schultz
14 (collectively the “Defendants,” and, together with Lead Plaintiffs, the “Parties”) have entered into
15 a Stipulation and Agreement of Settlement dated November 5, 2024 (the “Stipulation” or
16 “Settlement Agreement”), that provides for a complete dismissal with prejudice of the claims
17 asserted in the Complaint against Defendant Releasees (as defined in the Stipulation) on the terms
18 and conditions set forth in the Stipulation, subject to the approval of this Court (the “Settlement”);

19 WHEREAS, unless otherwise defined in this Judgment, the capitalized terms herein shall
20 have the same meaning as they have in the Stipulation;

21 WHEREAS, by order dated December 19, 2024 (the “Preliminary Approval Order”), this
22 Court: (a) preliminarily approved the Settlement and certified the Settlement Class for purposes of
23 this Settlement only; (b) ordered that notice of the proposed Settlement be provided to potential
24 Settlement Class Members; (c) provided Settlement Class Members with the opportunity either to
25 exclude themselves from the Settlement Class or to object to the proposed Settlement; and (d)
26 scheduled a hearing regarding final approval of the Settlement;

27 WHEREAS, due and adequate notice has been given to the Settlement Class;

28 WHEREAS, the Court conducted a hearing on April 24, 2025 (the “Settlement Hearing”)

1 to consider, among other things, (a) whether the terms and conditions of the Settlement are fair,
 2 reasonable, and adequate to the Settlement Class, and should therefore be approved; and (b)
 3 whether a judgment should be entered dismissing the Action with prejudice as against the
 4 Defendants, and authorizing the Releases specified and described in the Stipulation (and in the
 5 Notice); and

6 WHEREAS, the Court having reviewed and considered the Stipulation, all papers filed,
 7 and proceedings held herein in connection with the Settlement, all oral and written comments
 8 received regarding the Settlement, and the record in the Action, and good cause appearing therefor;

9 IT IS HEREBY ORDERED, ADJUDGED AND DECREED:

10 1. **Jurisdiction** – The Court has jurisdiction over the subject matter of the Action, and
 11 all matters relating to the Settlement, as well as personal jurisdiction over the Parties and each of
 12 the Settlement Class Members.

13 2. **Incorporation of Settlement Documents** – This Judgment incorporates and makes
 14 a part hereof: (a) the Stipulation; and (b) the Postcard Notice, Notice, and the Summary Notice,
 15 which were previously filed with the Court.

16 3. **Class Certification for Settlement Purposes** – The Court hereby affirms its
 17 determinations in the Preliminary Approval Order certifying, for the purposes of the Settlement
 18 only, the Action as a class action pursuant to Rules 23(a) and (b)(3) of the Federal Rules of Civil
 19 Procedure on behalf of the Settlement Class consisting of all persons who purchased or acquired
 20 Chegg common stock between May 5, 2020, and November 1, 2021, inclusive, and were damaged
 21 thereby. Excluded from the Settlement Class are: (1) Defendants; (2) the Officers or directors of
 22 Chegg during the Settlement Class Period; (3) the Immediate Family members of any Defendant
 23 or any Officer or director of Chegg during the Settlement Class Period; and (4) any entity that any
 24 Defendant owns or controls, or owned or controlled, during the Settlement Class Period. Also
 25 excluded from the Settlement Class are the persons or entities listed in Exhibit 1 hereto who filed
 26 valid and timely requests for exclusion in accordance with the Preliminary Approval Order.

27 4. **Settlement Notice** – The Court finds that the dissemination of the Postcard Notice
 28 and Notice and the publication of the Summary Notice: (a) were implemented in accordance with

1 the Preliminary Approval Order; (b) constituted the best notice practicable under the
2 circumstances; (c) constituted notice that was reasonably calculated, under the circumstances, to
3 apprise Settlement Class Members of (i) the pendency of the Action; (ii) the effect of the proposed
4 Settlement (including the Releases to be provided thereunder); (iii) Lead Plaintiffs' motion for an
5 award of attorneys' fees and reimbursement of Litigation Expenses; (iv) their right to object to any
6 aspect of the Settlement, the Plan of Allocation, and/or Lead Plaintiffs' motion for attorneys' fees
7 and reimbursement of Litigation Expenses; (v) their right to exclude themselves from the
8 Settlement Class; and (vi) their right to appear at the Settlement Hearing; (d) constituted due,
9 adequate, and sufficient notice to all persons and entities entitled to receive notice of the proposed
10 Settlement; and (e) satisfied the requirements of Rule 23 of the Federal Rules of Civil Procedure,
11 the United States Constitution (including the Due Process Clause), the Private Securities Litigation
12 Reform Act of 1995, 15 U.S.C. § 78u-4, as amended, and all other applicable laws and rules. No
13 Settlement Class Member is relieved from the terms of the Settlement and the Stipulation,
14 including the Releases provided for therein, based upon the contention or proof that such
15 Settlement Class Member failed to receive actual or adequate notice. A full opportunity has been
16 offered to Settlement Class Members to object to the proposed Settlement and the Agreement and
17 to participate in the hearing thereon. The Court has reviewed the objection of Ethan Fieldman
18 (ECF No. 196) and the arguments contained therein and hereby overrules the objection. The Court
19 further finds that the notice provisions of the Class Action Fairness Act, 28 U.S.C. § 1715, were
20 fully discharged and that the statutory waiting period has elapsed. Thus, it is hereby determined
21 that all members of the Settlement Class are bound by this Judgment, except those persons listed
22 on Exhibit 1 to this Judgment.

23 5. **Final Settlement Approval and Dismissal of Claims** – Pursuant to, and in
24 accordance with, Rule 23 of the Federal Rules of Civil Procedure, this Court hereby fully and
25 finally approves the Settlement set forth in the Stipulation in all respects (including, without
26 limitation: the amount of the Settlement; the Releases provided for therein; and the dismissal with
27 prejudice of the claims asserted in the Complaint against Defendants in the Action), and finds that
28 the Settlement is, in all respects, fair, reasonable, and adequate to the Settlement Class.

1 Specifically, the Court finds that (a) Lead Plaintiffs and Lead Counsel have adequately represented
2 the Settlement Class; (b) the Settlement was negotiated by the Parties at arm's length; (c) the relief
3 provided for the Settlement Class under the Settlement is adequate taking into account the costs,
4 risks, and delay of trial and appeal, the proposed means of distributing the Settlement Fund to the
5 Settlement Class, and the proposed attorneys' fee and expense award; and (d) the Settlement treats
6 members of the Settlement Class equitably relative to each other. The Parties are directed to
7 implement, perform, and consummate the Settlement in accordance with the terms and provisions
8 contained in the Stipulation.

9 6. The Action and all the claims asserted in the Complaint against Defendants in the
10 Action by Lead Plaintiffs and the other Settlement Class Members are hereby dismissed with
11 prejudice. The Parties and the D&O Insurers shall bear their own costs and expenses, except as
12 otherwise expressly provided for in the Stipulation.

13 7. **Binding Effect** – The terms of the Stipulation and of this Judgment shall be forever
14 binding on Defendants, Lead Plaintiffs, and all other Settlement Class Members (regardless of
15 whether any individual Settlement Class Member submits a Claim Form or seeks or obtains a
16 distribution from the Net Settlement Fund), as well as their respective successors and assigns. The
17 persons and entities listed on Exhibit 1 hereto are excluded from the Class pursuant to request and
18 are not bound by the terms of the Stipulation or this Judgment. No Person shall have any claim
19 against the Lead Plaintiffs, Lead Counsel, or the Claims Administrator, or any other Person
20 designated by Lead Counsel, based on determinations or distributions made substantially in
21 accordance with the Stipulation and the Settlement contained therein, the Plan of Allocation, or
22 further order(s) of the Court.

23 8. **Releases** – The Releases set forth in the Stipulation, together with the definitions
24 contained in the Stipulation relating thereto, are expressly incorporated herein in all respects. The
25 Releases are effective as of the Effective Date. Accordingly, this Court orders that:

26 (a) Without further action by anyone, and subject to Paragraph 9 below, upon
27 the Effective Date of the Settlement, Plaintiff Releasees, by operation of the Stipulation, of law,
28 and of this Judgment shall have, fully, finally, and forever compromised, settled, released,

1 resolved, relinquished, waived, and discharged each and every Released Plaintiffs' Claim against
2 the Defendants and the other Defendant Releasees, and shall forever be barred and enjoined from
3 commencing, instituting, prosecuting, or maintaining any or all of the Released Plaintiffs' Claims
4 against any of the Defendant Releasees. This Release shall not apply to any Excluded Claim.

5 (b) Without further action by anyone, and subject to paragraph 9 below, upon
6 the Effective Date of the Settlement, Defendant Releasees, by operation of the Stipulation, of law,
7 and of this Judgment shall have, fully, finally, and forever compromised, settled, released,
8 resolved, relinquished, waived, and discharged each and every Released Defendants' Claim
9 against the Plaintiff Releasees, and shall forever be barred and enjoined from prosecuting any or
10 all of the Released Defendants' Claims against any of the Plaintiff Releasees. This Release shall
11 not apply to any Excluded Claim.

12 (c) Upon the Effective Date, Plaintiff Releasees are forever barred and enjoined
13 from commencing, instituting, maintaining, or continuing to prosecute any action or proceeding in
14 any court of law or equity, arbitration tribunal, administrative forum, or other forum of any kind,
15 asserting any Released Plaintiffs' Claims against any of the Defendant Releasees; and

16 (d) Upon the Effective Date, to the extent allowed by law, the Stipulation shall
17 operate conclusively as an estoppel and full defense in the event, and to the extent, of any claim,
18 demand, action, or proceeding brought by a Settlement Class Member against any of the Defendant
19 Releasees with respect to any Released Plaintiffs' Claims, or brought by a Defendant against any
20 of the Plaintiff Releasees with respect to any Released Defendants' Claim.

21 9. Notwithstanding Paragraphs 6 through 8 above, nothing in this Judgment shall bar
22 any action by any of the Parties to enforce or effectuate the terms of the Stipulation or this
23 Judgment.

24 10. **Rule 11 Findings** – The Court finds and concludes that the Parties and their
25 respective counsel have complied in all respects with the requirements of Rule 11 of the Federal
26 Rules of Civil Procedure in connection with the institution, prosecution, defense, and settlement
27 of the Action.
28

1 11. **No Admissions** – Neither this Judgment, the Stipulation (whether or not
2 consummated), including the exhibits thereto and the Plan of Allocation contained therein (or any
3 other plan of allocation that may be approved by the Court), the negotiations leading to the
4 execution of the Stipulation, nor any proceedings taken pursuant to or in connection with the
5 Stipulation and/or approval of the Settlement (including any arguments proffered in connection
6 therewith):

7 (a) shall be (i) offered against any of the Defendant Releasees as evidence of,
8 or construed as, or deemed to be evidence of any presumption, concession, or admission by any of
9 the Defendant Releasees with respect to (aa) the truth of any fact alleged by Lead Plaintiffs or any
10 Settlement Class Member; (bb) the validity of any claim that was or could have been asserted in
11 this Action or in any other litigation; (cc) the deficiency of any defense that has been or could have
12 been asserted in this Action or in any other litigation; (dd) any liability, negligence, fault, or other
13 wrongdoing of any of the Defendant Releasees; or (ee) any damages suffered by Plaintiffs or the
14 Settlement Class; or (ii) in any way referred to for any other reason against any of the Defendant
15 Releasees, in any civil, criminal, or administrative action or proceeding (including arbitration)
16 other than such proceedings necessary to effectuate the provisions of the Stipulation;

17 (b) shall be (i) offered against any of the Plaintiff Releasees as evidence of, or
18 construed as, or deemed to be evidence of any presumption, concession or admission by any of the
19 Plaintiff Releasees (aa) that any of their claims are without merit, that any of the Defendant
20 Releasees had meritorious defenses, or that damages recoverable under the Complaint would not
21 have exceeded the Settlement Amount; or (bb) with respect to any liability, negligence, fault, or
22 wrongdoing; or (ii) in any way referred to for any other reason as against any of the Plaintiff
23 Releasees, in any civil, criminal, or administrative action or proceeding (including arbitration)
24 other than such proceedings necessary to effectuate the provisions of the Stipulation; or
25
26
27
28

1 (c) shall be construed against any of the Releasees as an admission, concession,
2 or presumption that the consideration to be given hereunder represents the amount that could be
3 or would have been recovered after trial; provided, the Parties and the Releasees and their
4 respective counsel may refer to this Judgment to effectuate the protections from liability granted
5 hereunder or otherwise to enforce the terms of the Settlement.

6 12. **Retention of Jurisdiction** – Without affecting the finality of this Judgment in any
7 way, this Court retains continuing and exclusive jurisdiction over: (a) the Parties for purposes of
8 the administration, interpretation, implementation, and enforcement of the Settlement; (b) the
9 disposition of the Settlement Fund; (c) any motion for an award of attorneys' fees and/or Litigation
10 Expenses in the Action that will be paid from the Settlement Fund; (d) any motion to approve the
11 Plan of Allocation; (e) any motion to approve the Class Distribution Order; and (f) the Settlement
12 Class Members for all matters relating to the Action.

13 13. Separate orders shall be entered regarding approval of a Plan of Allocation and the
14 motion of Lead Plaintiffs for an award of attorneys' fees and reimbursement of Litigation
15 Expenses. Such orders shall in no way affect or delay the finality of this Judgment and shall not
16 affect or delay the Effective Date of the Settlement.

17 14. **Modification of the Agreement of Settlement** – Without further approval from
18 the Court, the Parties are hereby authorized to agree to and adopt such amendments or
19 modifications of the Stipulation or any exhibits attached thereto to effectuate the Settlement that:
20 (a) are not materially inconsistent with this Judgment; and (b) do not materially limit the rights of
21 Settlement Class Members in connection with the Settlement. Without further order of the Court,
22 Lead Plaintiffs and Defendants may agree to reasonable extensions of time to carry out any
23 provisions of the Settlement.

24 15. **Termination of Settlement** – If the Settlement is terminated as provided in the
25 Stipulation or the Effective Date of the Settlement otherwise fails to occur, this Judgment shall be
26 vacated, rendered null and void, and be of no further force and effect, except as otherwise provided
27 by the Stipulation, and this Judgment shall be without prejudice to the rights of Lead Plaintiffs, the
28

1 other Settlement Class Members, and Defendants, and the Parties shall revert to their respective
2 positions in the Action as of September 26, 2024, as provided in the Stipulation.

3 16. **Entry of Final Judgment** – There is no just reason to delay the entry of this
4 Judgment as a final judgment in this Action. Accordingly, the Clerk of the Court is expressly
5 directed to immediately enter this final judgment in this Action.

6 SO ORDERED this 20 day of June, 2025.

7
8 

9 The Honorable P. Casey Pitts
10 United States District Judge
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Exhibit 1

List of Persons and Entities Excluded from the Settlement Class Pursuant to Request

1. Regan Cole
2. Julias Ellis
3. Saif Banat
4. Reis Enterprises Ltd. (Leinah Elashi, Director)
5. Mara Pajuelo