

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF SANTA CLARA

In re McAfee, Inc. Shareholder Litigation )	
Consolidated action, including: )	Lead Case No. 1:10-cv-180413
<i>Greenberg v. McAfee, Inc.</i> , Santa Clara County Superior Court, Case No. 1:10-cv-180413 )	<u>CLASS ACTION</u>
<i>Colwell v. McAfee, Inc.</i> , Santa Clara County Superior Court, Case No. 1:10-cv-180420 )	Judge: Hon. Thomas E. Kuhnle
<i>Faulkner v. McAfee, Inc.</i> , Santa Clara County Superior Court, Case No. 1:10-cv-180597 )	Dept: 5
<i>Korsinsky v. Bass</i> , Santa Clara County Superior Court, Case No. 1:10-cv-180928 )	
_____ )	
This Document Relates To: )	
ALL ACTIONS. )	
_____ )	

**NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION**

**TO: ALL PERSONS OR ENTITIES WHO HELD SHARES OF COMMON STOCK IN MCAFEE, INC. (“MCAFEE”) AND EXCHANGED THEIR SHARES FOR CONSIDERATION IN THE ACQUISITION OF MCAFEE BY INTEL CORPORATION AT THE PRICE OF \$48.00 PER SHARE (THE “CLASS”)<sup>1</sup>**

**PLEASE READ THIS NOTICE CAREFULLY. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT OF THE ACTION REFERRED TO IN THE CAPTION AND CONTAINS IMPORTANT INFORMATION REGARDING YOUR RIGHTS.**

**THE PURPOSE OF THIS NOTICE**

The purpose of this Notice is to inform you of a proposed settlement (the “Settlement”) of the above-captioned action (the “Action”), by and among the parties to the Action pending before the Superior Court of the State of California, County of Santa Clara (the “Court”), and of a hearing to be held before the Court, in Department 5, 191 North First Street, San Jose, California, on October 4, 2019, at 9:00 a.m. (the “Settlement Hearing”). The purpose of the Settlement Hearing is to determine: (a) whether the Court should approve the Settlement of the Action for a total of Eleven Million Seven Hundred Thousand Dollars (\$11,700,000.00) on the terms and conditions set forth in the Stipulation of Settlement dated March 13, 2019 (“Stipulation”)<sup>2</sup>; (b) whether the Court should approve the proposed plan of distribution; (c) whether the Court should grant the application of Class Counsel for an award of attorneys’ fees and expenses and a plaintiff service award; and (d) such other matters as may properly come before the Court.

The Court has the right to adjourn the Settlement Hearing without further notice to the Class. The Court also has the right to approve the Settlement with or without modifications, to enter its final judgment and to order the payment of attorneys’ fees and expenses without further notice to the Class.

**WHAT IS THIS LAWSUIT ABOUT?**

On August 19, 2010, McAfee and Intel Corporation entered into an agreement and plan of merger (the “Merger Agreement”), pursuant to which, among other things, Intel Corporation, through its wholly-owned subsidiary, Jefferson Acquisition Corporation (“Jefferson,” and together with Intel Corporation, “Intel”), would acquire all outstanding shares of McAfee stock at a price of \$48.00 per share in cash subject to a vote of McAfee’s shareholders, unless dissenting shareholders exercised their statutory appraisal rights pursuant to Section 262 of the Delaware General Corporation Law (“DGCL”).

This Action alleges that Defendant David DeWalt (“DeWalt”), who served as McAfee’s Chief Executive Officer and a member of the McAfee Board of Directors, breached his fiduciary duties to the Class. The Action further alleges that Defendants Intel and McAfee aided and abetted these alleged breaches of fiduciary duty. Defendants deny these allegations.

<sup>1</sup> Excluded from the Class are Defendants and any person, firm, trust, corporation or other entity related to or affiliated with any Defendant. Also excluded from the Class is any Person who validly requested exclusion from the Class following the issuance of the Notice of Pendency. If you requested exclusion from the Class in connection with the Notice of Pendency, no further action is required to be excluded from the Class for purposes of the Settlement or any judgment that may be entered in this Action.

<sup>2</sup> The Stipulation and other related documents can be obtained on the case dedicated website at [www.McAfeeShareholderSettlement.com](http://www.McAfeeShareholderSettlement.com). All capitalized terms used herein have the same meanings as the terms defined in the Stipulation.

The Stipulation has a detailed procedural history of the Action. The Stipulation can be obtained at [www.McAfeeShareholderSettlement.com](http://www.McAfeeShareholderSettlement.com).

### REASONS FOR THE SETTLEMENT

Plaintiff, through its counsel, has investigated the claims and allegations asserted in the Action, as well as the underlying events and transactions relevant to the Action. In evaluating the Settlement, Plaintiff and its counsel have considered: (i) the benefits to the members of the Class (as defined above) from the Settlement; (ii) the attendant risks of continued litigation and the uncertainty of the outcome of the Action; (iii) the probability of success on the merits and the allegations contained in the Action, including the uncertainty relating to the proof of those allegations; (iv) the desirability of permitting the Settlement to be consummated as provided by its terms; and (v) the conclusion of Class Counsel that the terms and conditions of the Settlement are fair, reasonable, adequate, and in the best interests of the Class.

Defendants have denied, and continue to deny, that they have committed or aided and abetted in the commission of any violation of law or engaged in any of the other wrongful acts alleged in the Action, and expressly maintain that they have diligently and scrupulously complied with their fiduciary and other legal duties, and are entering into the Settlement solely to eliminate the burden and expense of further litigation.

### SUMMARY OF THE SETTLEMENT TERMS

In consideration for the full settlement and release of all Released Plaintiff Parties' Claims (as defined below), Defendants will pay a total of Eleven Million Seven Hundred Thousand Dollars (\$11,700,000.00) (the "Settlement Amount") for the benefit of the Class. This amount is in addition to the \$48.00 per share consideration McAfee common stock holders received pursuant to the Merger Agreement.

The full terms of the agreement are set forth in the Stipulation (for instructions on how to obtain further information, see "Scope of This Notice" below).

### DISTRIBUTION OF THE NET SETTLEMENT FUND

If the Settlement is approved, the Settlement Amount, plus all accrued interest earned by the Escrow Agent through permissible investments (the "Settlement Fund"), less any Fee and Expense Award and plaintiff service award approved by the Court, and Administrative Costs (the "Net Settlement Fund"), will be distributed as follows:

(a) Proof of Claim

Any Class Member who wishes to participate in the distribution of the Net Settlement Fund shall submit to the Claims Administrator a completed Proof of Claim, with adequate supporting documentation, in the form enclosed and mail or submit it online so that it is **postmarked (if mailed) or received (if submitted electronically) no later than September 9, 2019**. The Proof of Claim may also be obtained and submitted online at [www.McAfeeShareholderSettlement.com](http://www.McAfeeShareholderSettlement.com). Any Proof of Claim submitted to the Claims Administrator after such date may be rejected as untimely. All Class Members who submit a valid Proof of Claim to the Claims Administrator will be "Settlement Payment Recipients." Notwithstanding the foregoing, Class Counsel shall have the discretion (but not the obligation) to accept for processing late submitted claims so long as the payment to Settlement Payment Recipients is not materially delayed. No Class Member shall have any claim against Plaintiff, Class Counsel, or the Claims Administrator by reason of the decision to exercise such discretion whether to accept late submitted claims.

(b) Plan of Distribution of the Net Settlement Fund

Following the Effective Date, the Net Settlement Fund will be disbursed by the Claims Administrator to the Settlement Payment Recipients and will be allocated on a per-share basis amongst the Settlement Payment Recipients based on the number of shares of McAfee common stock the applicable Settlement Payment Recipient received consideration for in the acquisition of McAfee by Intel at the price of \$48.00 per share. No distribution shall be made to Settlement Payment Recipients who would otherwise receive a distribution of less than \$10.00. If there is any balance remaining in the Net Settlement Fund after a reasonable time from the date of distribution of the Net Settlement Fund (whether by reason of tax refunds, uncashed checks, or otherwise), then, after the Claims Administrator has made reasonable and diligent efforts to have Class Members who are entitled to participate in the distribution of the Net Settlement Fund cash their distributions, Class Counsel shall, if feasible, reallocate such balance among Settlement Payment Recipients, who cashed their initial distribution check and who would otherwise receive a distribution of at least \$10.00, in an equitable and economic fashion. These redistributions shall be repeated until the balance remaining in the Net Settlement Fund is no longer practicable to distribute to Class Members. Thereafter, any balance which still remains in the Net Settlement Fund shall be donated to the Santa Clara County Public Law Center.

## JUDGMENT AND RELEASE OF CLAIMS

If the Settlement is approved, the Court will enter an order and final judgment (the "Judgment") on the merits against the named Plaintiff and the Class that will release Released Defendant Parties from all Released Plaintiff Parties' Claims. Released Plaintiff Parties' Claims means any and all manner of claims (including Unknown Claims), actions, demands, losses, rights, causes of action, liabilities, obligations, judgments, suits, disputes, matters and issues of any kind or nature whatsoever (including, but not limited to, any claims for damages (whether compensatory, special, incidental, consequential, punitive, exemplary or otherwise), injunctive relief, declaratory relief, rescission or rescissory damages, interest, attorneys' fees, expert or consulting fees, costs, expenses, or any other form of legal or equitable relief whatsoever), known or unknown, contingent or absolute, suspected or unsuspected, disclosed or undisclosed, hidden or concealed, liquidated or unliquidated, matured or unmatured, accrued or unaccrued, apparent or unapparent, that have been or could have been asserted in the Action or in any court, tribunal, forum or proceeding (including, but not limited to, any claims arising under federal, state or foreign law, common law, statute, rule, or regulation relating to alleged fraud, breach of any duty, negligence, violations of the federal or state securities and disclosure laws, or otherwise, and any claims relating to unjust enrichment or self-dealing, including, but not limited to, claims relating to compensation, and including all claims within the exclusive jurisdiction of the federal courts), by or on behalf of Plaintiff or by or on behalf of any other Class Member in his, her, or its capacity as a shareholder of McAfee, whether individual, direct, class, derivative, representative, legal, equitable, or any other type or in any other capacity, against the Released Defendant Parties, and that could have arisen or now do arise out of, relate to, concern, or are based upon the allegations, conduct, facts, events, transactions, acts, occurrences, statements, representations, misrepresentations, omissions, or any other matter, thing or cause whatsoever, or any series thereof embraced, involved, or set forth in or otherwise related, directly or indirectly, to the Action or the subject matter of the Action. Released Plaintiff Parties' Claims do not include any claims to enforce the Settlement.

### Unknown Claims means:

1. any and all Released Plaintiff Parties' Claims which Plaintiff or any other Class Member does not know or suspect to exist in his, her, or its favor at the time of the release of the Released Plaintiff Parties' Claims against the Released Defendant Parties, including (without limitation) claims which if known by him, her, or it, might have affected his, her, or its decision(s) with respect to the Settlement; and
2. any and all Released Defendant Parties' Claims which any Defendant or any other Released Defendant Party does not know or suspect to exist in his, her, or its favor at the time of the release of the Released Defendant Parties' Claims against the Released Plaintiff Parties, including (without limitation) claims which if known by him, her, or it might have affected his, her, or its decision(s) with respect to the Settlement.

## THE LAWYERS REPRESENTING THE CLASS

Class Counsel, Robbins Geller Rudman & Dowd LLP, will represent the interests of all members of the Class. You will not be separately charged for these lawyers. As discussed below, any payment of attorneys' fees and expenses will be paid from the Settlement Fund. If you want to be represented by your own lawyer, you may hire one at your own expense.

### CLASS COUNSEL'S APPLICATION FOR ATTORNEYS' FEES AND EXPENSES

Concurrently with seeking final approval of the Settlement, Class Counsel will apply to the Court for an award of attorneys' fees of 30% of the Settlement Amount, which is \$3,510,000, plus up to \$650,000 in expenses (the "Fee and Expense Application"). At the same time, Class Counsel may also apply to the Court for a service award to Plaintiff, the Central Laborers' Pension Fund, of up to \$5,000. Any Fee and Expense Award or plaintiff service award approved by the Court will be paid from the Settlement Fund. Class Counsel will make the Fee and Expense Application no later than July 29, 2019.

## RIGHT TO APPEAR AND OBJECT

If you are a Class Member, you may object to the terms of the Settlement. Whether or not you object to the terms of the Settlement, you may also object to the requested attorneys' fees and expenses, the award to Plaintiff and/or the plan of distribution. In order for any objection to be considered, you must appear at the Settlement Hearing or you must file a written statement, accompanied by proof of Class membership, with the Court, and send a copy to Class Counsel **such that it is received by August 12, 2019**. The Court's address is: Superior Court of Santa Clara County, 191 North First Street, San Jose, CA 95113 and Class Counsel's address is: Robbins Geller Rudman & Dowd LLP, c/o Maxwell Huffman, 655 West Broadway, Suite 1900, San Diego, CA 92101. The objection should state whether it applies only to the objector, to a specific subset of the Class, or to the entire Class, and also state with specificity the grounds for the objection. Any person who fails to object in the manner provided above either by appearing at the Settlement Hearing and/or filing a written objection in advance of the Settlement Hearing shall be deemed to have waived such objection and shall forever be barred from making any such objection in the Action.

## THE ORDER AND FINAL JUDGMENT OF THE COURT

If the Court determines that the Settlement is fair, reasonable, and adequate, the parties to the Action will ask the Court to enter an Order and Final Judgment against the named Plaintiff and the Class, which will, among other things:

- (a) approve the Settlement as fair, reasonable, and adequate, and direct consummation of the Settlement in accordance with its terms and conditions;
- (b) release the Released Defendant Parties from the Released Plaintiff Parties' Claims, and release the Released Plaintiff Parties from the Released Defendant Parties' Claims; and
- (c) retain jurisdiction over all matters relating to the administration and consummation of the Settlement described therein.

In the event the Settlement is not approved, the Settlement shall be of no further force and effect and each party shall then be returned to his, her, or its respective position prior to the Settlement without prejudice and as if the Settlement had not been entered into.

### SCOPE OF THIS NOTICE

The foregoing description of the Settlement Hearing, the Action, the terms of the proposed Settlement and other matters described herein does not purport to be comprehensive. Accordingly, members of the Class are referred to the documents filed with the Court in the Action. You or your attorney may examine the documents filed in the Action during regular business hours on any business day at the office of the Superior Court of California, County of Santa Clara, 191 North First Street, San Jose, CA 95113 or online at: [www.scscourt.org/online\\_services/case\\_info.shtml](http://www.scscourt.org/online_services/case_info.shtml).

If you would like further information, you may contact:

Rick Nelson  
Shareholder Relations  
ROBBINS GELLER RUDMAN  
& DOWD LLP  
655 West Broadway, Suite 1900  
San Diego, CA 92101  
1-800-449-4900

or

the Claims Administrator at  
*McAfee Shareholder Litigation*  
Claims Administrator  
c/o Gilardi & Co. LLC  
P.O. Box 404129  
Louisville, KY 40233-4129  
1-866-610-7721  
[www.McAfeeShareholderSettlement.com](http://www.McAfeeShareholderSettlement.com)  
[info@McAfeeShareholderSettlement.com](mailto:info@McAfeeShareholderSettlement.com)

### NOTICE TO THOSE HOLDING STOCK FOR THE BENEFIT OF OTHERS

Brokerage firms, banks and/or other persons or entities who held shares of McAfee's common stock for the benefit of others are directed promptly to (1) provide the Claims Administrator with a list of the names and addresses of such beneficial owners; or (2) forward a copy of the Notice and Proof of Claim to all of their respective beneficial owners. If additional copies of the Notice and Proof of Claim are needed for forwarding to such beneficial owners, they may be obtained from the Claims Administrator by writing to:

*McAfee Shareholder Litigation*  
Claims Administrator  
c/o Gilardi & Co. LLC  
P.O. Box 404129  
Louisville, KY 40233-4129

or downloaded from the Internet at [www.McAfeeShareholderSettlement.com](http://www.McAfeeShareholderSettlement.com).

If you choose to mail the Notice and Proof of Claim yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing.

Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for or advancement of reasonable administrative costs actually incurred or expected to be incurred in connection with forwarding the Notice and which would not have been incurred but for the obligation to forward the Notice, upon submission of appropriate documentation to the Claims Administrator.

### PLEASE DO NOT WRITE OR CALL THE COURT.

DATED: May 28, 2019

BY ORDER OF THE SUPERIOR COURT  
STATE OF CALIFORNIA  
COUNTY OF SANTA CLARA