

EXHIBIT I

1 BORIS FELDMAN, State Bar No. 128838
PERI NIELSEN, State Bar No. 196781
2 DAVID L. LANSKY, State Bar No. 199952
WILSON SONSINI GOODRICH & ROSATI
3 Professional Corporation
650 Page Mill Road
4 Palo Alto, CA 94304-1050
Telephone: (650) 493-9300
5 Facsimile: (650) 565-5100
email: boris.feldman@wsgr.com

6 Attorneys for Defendants
7 SupportSoft, Inc., Radha R. Basu
and Brian M. Beattie

8 JOSEPH STERNBERG
9 LAWRENCE A. SUCHAROW
NICOLE M. ZEISS
10 LABATON SUCHAROW & RUDOFF LLP
100 Park Avenue
11 New York, New York 10017-5563
Telephone: (212) 907-0700
12 Facsimile: (212) 818-0477

LIONEL Z. GLANCY #134180
PETER A. BINKOW #173848
MICHAEL GOLDBERG #188669
GLANCY BINKOW & GOLDBERG LLP
1801 Avenue of the Stars, Suite 311
Los Angeles, California 90067
Telephone: (310) 201-9150
Facsimile: (310) 201-9160

13 ANDREW M. SCHATZ
JEFFREY S. NOBEL
14 MARK P. KINDALL, #138703
SCHATZ NOBEL IZARD, P.C.
15 One Corporate Center
20 Church Street, Suite 1700
16 Hartford, CT 06103
Tel.: 860-493-6292
17 Fax: 860-493-6290

18 Co-Lead Counsel for Plaintiffs

19 UNITED STATES DISTRICT COURT
20 NORTHERN DISTRICT OF CALIFORNIA
21 SAN FRANCISCO DIVISION

22)
23)
24 In re SUPPORTSOFT, INC.
SECURITIES LITIGATION

) CASE NO.: C 04-5222 SI
)
) **CLASS ACTION**
) **STIPULATION OF SETTLEMENT**

25 _____)
26 This Document Relates To:
ALL ACTIONS)
27)
28 _____)

Before: Honorable Susan Illston

1 This Stipulation of Settlement dated as of May 16, 2007 (the “Stipulation”), is made and
 2 entered into by and among the Settling Parties (as defined further in Subsection 1.23 of Section IV
 3 hereof) to the above-entitled Litigation: (i) the Certified Class Representative (hereinafter referred
 4 to as “Plaintiff”) (on behalf of himself and each of the Class Members), by and through his
 5 counsel of record in the Litigation; and (ii) the Defendants, by and through their counsel of record
 6 in the Litigation. The Stipulation is intended by the Settling Parties to fully, finally and forever
 7 resolve, discharge and settle the Released Claims, upon and subject to the terms and conditions
 8 hereof.

9 **I. THE LITIGATION**

10 On and after December 9, 2004, the following actions were filed in the United States
 11 District Court for the Northern District of California as securities class actions on behalf of
 12 purchasers of SupportSoft, Inc. (“SupportSoft” or the “Company”) securities during the defined
 13 period of time specified herein:

14	Abbreviated Case Name	Case Number	Date Filed
15	(a) <i>Autumn Partners LLC v. SupportSoft, Inc., et al.</i>	C-04-5222 SI	December 9, 2004
16	(b) <i>Lane v. SupportSoft, Inc. et al.</i>	C-04-5319 CRB	December 15, 2004
17	(c) <i>Bray v. SupportSoft, Inc. et al.</i>	C-05-0080 CRB	January 5, 2005
18	(d) <i>Halpern v. SupportSoft, Inc. et al.</i>	C-05-0283 MHP	January 20, 2005
19	(c) <i>Parent v. SupportSoft, Inc. et al.</i>	C-05-0310 PJH	January 21, 2005

20 These actions were consolidated for all purposes by an Order of the Court dated March 16, 2005.
 21 The consolidated actions are referred to herein collectively as the “Litigation.”

22 The operative complaint in the Litigation is the Corrected Amended and Consolidated
 23 Class Action Complaint (the “Complaint”), filed August 23, 2005. The Complaint alleges
 24 violations of §§10(b) and 20(a) of the Securities Exchange Act of 1934 and Rule 10b-5
 25 promulgated thereunder on behalf of a class of purchasers of SupportSoft securities during the
 26 period January 20, 2004 through October 1, 2004 (the “Class” and the “Class Period”).
 27
 28

1 **II. CLAIMS OF PLAINTIFF AND BENEFITS OF SETTLEMENT**

2 This case was brought as a class action alleging that the Defendants made false and
3 misleading statements and omitted to disclose material information about SupportSoft's revenues
4 during the Class Period, slowing sales and Defendants' claims that SupportSoft had achieved
5 another consecutive quarter of record revenues. The Complaint alleged that the misstatements and
6 omissions resulted in artificial inflation of the price of SupportSoft common stock during the Class
7 Period, and that shareholders who purchased SupportSoft's common stock while it was inflated
8 were injured when the misleading nature of Defendants' statements was revealed and the price of
9 the stock dropped.

10 Plaintiff believes that the claims asserted in the Litigation are meritorious and that the
11 evidence developed to date supports those claims. However, Plaintiff recognizes the expense and
12 delay of continued proceedings necessary to prosecute the Litigation against the Defendants
13 through trial and through appeals. Plaintiff also has taken into account the uncertain outcome and
14 the risk of any litigation, especially in complex actions such as this Litigation, including the
15 possibility that the claims herein could be dismissed before trial, as well as the difficulties and
16 delays inherent in such litigation and the divergent views of the parties with respect to the most
17 appropriate method of calculating damages if the actions had proceeded to trial.

18 Plaintiff believes that the Settlement set forth in the Stipulation confers substantial benefits
19 upon the Certified Class. Based on their evaluation, Plaintiff and Lead Counsel have determined
20 that the Settlement set forth in the Stipulation is in the best interests of Plaintiff and the Class.

21 **III. DEFENDANTS' DENIALS OF WRONGDOING AND LIABILITY**

22 The Defendants have denied and continue to deny each and all of the claims and
23 contentions alleged in the Complaint.

24 Nonetheless, the Defendants have concluded that further conduct of the Litigation would
25 be protracted and expensive, and that it is desirable that the Litigation be fully and finally settled
26 in the manner and upon the terms and conditions set forth in this Stipulation. The Defendants also
27 have taken into account the uncertainty and risks inherent in any litigation, especially in complex
28 cases like this Litigation. The Defendants have, therefore, determined that it is desirable and

1 beneficial to them that the Litigation be settled in the manner and upon the terms and conditions
2 set forth in this Stipulation.

3 **IV. TERMS OF STIPULATION AND AGREEMENT OF SETTLEMENT**

4 NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and among
5 Plaintiff (for himself and the Class Members) and the Defendants, by and through their respective
6 counsel or attorneys of record, that, subject to the approval of the Court, the Litigation and the
7 Released Claims shall be finally and fully compromised, settled and released, and the Litigation
8 shall be dismissed with prejudice, as to all Defendants, upon and subject to the terms and
9 conditions of the Stipulation, as follows.

10 **1. Definitions**

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

12 1.1. "Authorized Claimant" means any Class Member who has submitted a Proof of
13 Claim and whose claim for recovery has been allowed, in whole or in part, pursuant to the terms of
14 the Stipulation.

15 1.2. "Certified Class" or "Class" means all Persons and entities who purchased or
16 otherwise acquired securities of SupportSoft during the period from January 20, 2004 to October
17 1, 2004, and were damaged thereby. Excluded from the Class are Defendants, the officers and
18 directors of SupportSoft at all relevant times, members of their immediate families, and their legal
19 representatives, heirs, successors or assigns and any entity in which any excluded person or entity
20 has a controlling interest. Also excluded from the Class is Paul Takacs, Jr. on behalf of Wall
21 Street Warriors Investment Club, who has validly and in a timely manner requested exclusion
22 from the Class pursuant to the Notice of Pendency mailed to Class Members on or before July 14,
23 2006 and the Summary Notice of Pendency published on the PrimeZone business wire on July 21,
24 2006.

25 1.3. "Certified Class Representative" or "Plaintiff" means Scott Roland.

26 1.4. "Claimant" means any Class Member who files a Proof of Claim in such form and
27 manner, and within such time, as the Court shall prescribe.

28 1.5. "Claims Administrator" means the firm of Strategic Claims Services.

1 1.6. “Class Member” or “Member of the Class” mean a Person who falls within the
2 definition of the Class as set forth in ¶1.2 of the Stipulation.

3 1.7. “Class Period” means the period from January 20, 2004 to October 1, 2004,
4 inclusive.

5 1.8. “Court” means the United States District Court for the Northern District of
6 California.

7 1.9. “Defendants” means SupportSoft, Inc., Radha R. Basu and Brian M. Beattie.

8 1.10. “Effective Date” means the first date by which all of the events and conditions
9 specified in ¶7.1 of the Stipulation have been met and have occurred.

10 1.11. “Escrow Agent” means Amalgamated Bank.

11 1.12. “Final” means (i) 33 days following the entry of the Judgment, unless the date to
12 take an appeal shall have been extended by Court order or otherwise, in which case the Judgment
13 shall be deemed to be final on the third day after the extended date to appeal with no appeal
14 having been taken, however, if the 33rd day falls on a weekend or a Court holiday, the Judgment
15 shall be deemed to be final on the next business day after such 33rd day; or (ii) if an appeal from
16 the Judgment is taken, 3 business days after the dismissal of such appeal or the determination of
17 that appeal in such a manner as to permit the consummation of the settlement substantially in
18 accordance with the terms and conditions of this Stipulation. For purposes of this paragraph, an
19 “appeal” shall not include any appeal that concerns only the issue of attorneys’ fees and
20 reimbursement of costs, or the reimbursement of Lead Plaintiffs’ costs and expenses, or the Plan
21 of Allocation of the Settlement Fund.

22 1.13. “Individual Defendants” means Radha R. Basu and Brian M. Beattie.

23 1.14. “Judgment” means the judgment to be entered by the Court, substantially in the
24 form attached hereto as Exhibit B.

25 1.15. “Lead Counsel” means Labaton Sucharow & Rudoff LLP and Schatz Nobel Izard,
26 P.C.

27 1.16. “Lead Plaintiffs” means Scott Roland and Jay Young.
28

1 1.17. "Person" means an individual, corporation, partnership, limited partnership,
2 association, joint stock company, estate, legal representative, trust, unincorporated association,
3 government or any political subdivision or agency thereof, and any business or legal entity and
4 their spouses, heirs, predecessors, successors, representatives, or assignees.

5 1.18. "Plan of Allocation" means a plan or formula of allocation of the Settlement Fund
6 whereby the Settlement Fund shall be distributed to Authorized Claimants after payment of
7 expenses of notice and administration of the settlement, Taxes and Tax Expenses and such
8 attorneys' fees, attorneys' and Lead Plaintiffs' costs and expenses, and interest as may be awarded
9 by the Court. Any Plan of Allocation is not part of the Stipulation and Defendants and their
10 Related Parties shall have no responsibility therefore or liability with respect thereto.

11 1.19. "Related Parties" means each of a Defendant's past or present directors, officers,
12 employees, partners, insurers, co-insurers, reinsurers, controlling shareholders, attorneys,
13 accountants or auditors, investment advisors, personal or legal representatives, predecessors,
14 successors, parents, subsidiaries, divisions, joint ventures, assigns, spouses, heirs, related or
15 affiliated entities, any entity in which a Defendant has a controlling interest, any members of an
16 Individual Defendant's immediate family, or any trust of which the Individual Defendant is the
17 settler or which is for the benefit of the Individual Defendant's family.

18 1.20. "Released Claims" shall collectively mean all claims (including "Unknown
19 Claims" as defined in ¶1.25 hereof), demands, rights, liabilities and causes of action of every
20 nature and description whatsoever, known or unknown, whether or not concealed or hidden,
21 asserted or that might have been asserted, including, without limitation, claims for negligence,
22 gross negligence, breach of duty of care and/or breach of duty of loyalty, fraud, breach of
23 fiduciary duty, or violations of any state or federal statutes, rules or regulations, against the
24 Defendants arising out of, relating to, or in connection with the purchase of SupportSoft securities
25 by Plaintiff or any Class Member during the Class Period.

26 1.21. "Released Persons" means each and all of the Defendants and each and all of their
27 Related Parties.

28

1 1.22. "Settlement Fund" means the principal amount of Ten Million Seven Hundred
2 Thousand Dollars (\$10,700,000) in cash to be paid by one or more wire transfers to the Escrow
3 Agent pursuant to ¶2.1 of this Stipulation, plus all interest earned thereon pursuant to ¶¶2.1, 2.2
4 and 2.6.

5 1.23. "Settling Parties" means, collectively, each of the Defendants and Plaintiff on
6 behalf of himself and the Class Members.

7 1.24. "SupportSoft" or the "Company" means SupportSoft, Inc.

8 1.25. "Unknown Claims" shall collectively mean all claims, demands, rights, liabilities,
9 and causes of action of every nature and description which Plaintiff or any Class Member does not
10 know or suspect to exist in his, her or its favor at the time of the release of the Released Persons
11 which, if known by him, her or it, might have affected his, her or its settlement with and release of
12 the Released Persons, or might have affected his, her or its decision not to object to this
13 settlement.

14 **2. The Settlement**

15 **a. The Settlement Fund**

16 2.1. The principal amount of \$10,700,000 in cash shall be transferred by or on behalf of
17 Defendants to the Escrow Agent within 10 days after the entry of the Order of the Court setting a
18 date for a final approval hearing and directing that Notice of the final approval hearing be
19 provided to Class Members. Lead Counsel shall provide Defendants' counsel with wire transfer
20 instructions for the transfer of the Settlement Fund to the Escrow Agent.

21 **b. The Escrow Agent**

22 2.2. The Escrow Agent shall invest the Settlement Fund deposited pursuant to ¶2.1
23 hereof in instruments backed by the full faith and credit of the United States Government or fully
24 insured by the United States Government or an agency thereof and shall reinvest the proceeds of
25 these instruments as they mature in similar instruments at their then-current market rates, or if
26 approved by Lead Counsel, may invest the Settlement Fund in money market funds of any of the
27 one hundred largest banks in the United States. Lead Counsel may direct that the Escrow Agent
28 maintain amounts needed for the giving of notice, the payment of taxes or other purposes

1 permitted by this Stipulation in immediately available funds. The Settling Defendants shall bear
2 no risks related to investment of the Settlement Funds.

3 2.3. Prior to the Effective Date, the Escrow Agent shall not disburse the Settlement
4 Fund except as provided in the Stipulation, by an order of the Court, or with the written agreement
5 of counsel for Defendants.

6 2.4. Subject to further order and/or direction as may be made by the Court, the Escrow
7 Agent is authorized to execute such transactions on behalf of the Class Members as are consistent
8 with the terms of the Stipulation.

9 2.5. All funds held by the Escrow Agent shall be deemed and considered to be in
10 *custodia legis* of the Court, and shall remain subject to the jurisdiction of the Court, until such
11 time as such funds shall be distributed pursuant to the Stipulation and/or further order(s) of the
12 Court.

13 2.6. The Escrow Agent may establish a “Class Notice and Administration Fund,” and
14 may deposit up to \$125,000 from the Settlement Fund in it. The Class Notice and Administration
15 Fund may be used by Lead Counsel to pay costs and expenses reasonably and actually incurred in
16 connection with providing notice to the Class, locating Class Members, administering and
17 distributing the Settlement Fund to Authorized Claimants, processing Proof of Claim and Release
18 forms and paying escrow fees and costs, if any. The Class Notice and Administration Fund may
19 also be invested and earn interest as provided for in ¶2.2 of this Stipulation. In no event shall
20 Defendants or their Related Parties have any responsibility for or liability with respect to the
21 Escrow Agent or its actions or the Class Notice and Administration Fund.

22 **c. Taxes**

23 2.7. 1. Settling Parties and the Escrow Agent agree to treat the Settlement Fund as
24 being at all times a “qualified settlement fund” within the meaning of Treas. Reg. §1.468B-1. In
25 addition, the Claims Administrator, on behalf of Lead Counsel, shall timely make such elections
26 as necessary or advisable to carry out the provisions of this ¶2.7, including the “relation-back
27 election” (as defined in Treas. Reg. §1.468B-1) back to the earliest permitted date. Such elections
28 shall be made in compliance with the procedures and requirements contained in such regulations.

1 It shall be the responsibility of the Claims Administrator to timely and properly prepare and
2 deliver the necessary documentation for signature by all necessary parties, and thereafter to cause
3 the appropriate filing to occur.

4 (a) For the purpose of §468B of the Internal Revenue Code of 1986, as
5 amended, and the regulations promulgated thereunder, the “administrator” shall be the Claims
6 Administrator. Lead Counsel shall instruct the Claims Administrator to timely and properly file
7 all informational and other tax returns necessary or advisable with respect to the Settlement Fund
8 (including without limitation the returns described in Treas. Reg. §1.468B-2(k)). Such returns (as
9 well as the election described in ¶2.7(1) hereof) shall be consistent with this ¶2.7 and in all events
10 shall reflect that all Taxes (including any estimated Taxes, interest or penalties) on the income
11 earned by the Settlement Fund shall be paid out of the Settlement Fund as provided in ¶2.7(c)
12 hereof.

13 (b) All (a) Taxes (including any estimated Taxes, interest or penalties) arising
14 with respect to the income earned by the Settlement Fund, and (b) expenses and costs incurred in
15 connection with the operation and implementation of this ¶2.7 (including, without limitation,
16 expenses of tax attorneys and/or accountants and mailing and distribution costs and expenses
17 relating to filing the returns described in this ¶2.7) (“Tax Expenses”), shall be paid out of the
18 Settlement Fund; (c) Taxes and Tax Expenses shall be treated as, and considered to be, a cost of
19 administration of the Settlement Fund and shall be timely paid by the Escrow Agent out of the
20 Settlement Fund without prior order from the Court and the Escrow Agent shall be obligated
21 (notwithstanding anything herein to the contrary) to withhold from distribution to Authorized
22 Claimants any funds necessary to pay such amounts including the establishment of adequate
23 reserves for any Taxes and Tax Expenses (as well as any amounts that may be required to be
24 withheld under Treas. Reg. §1.468B-2(1)(2)). The parties hereto agree to cooperate with the
25 Escrow Agent, the Claims Administrator, each other, and their tax attorneys and accountants to the
26 extent reasonably necessary to carry out the provisions of this ¶2.7.

27
28

1 (c) For the purpose of this ¶2.7, references to the Settlement Fund shall include
2 both the Settlement Fund and the Class Notice and Administration Fund and shall also include any
3 earnings thereon.

4 **d. Termination of Settlement**

5 2.8. In the event that the Settlement provided for herein is not approved by the Court, or
6 is terminated, canceled, or otherwise fails to become effective in accordance with its terms, the
7 Settlement Fund (including accrued interest) less expenses actually incurred or due and owing in
8 connection with the giving of notice and administration of the settlement, payment of taxes, or
9 provided for herein shall be refunded pro rata to the entities contributing to the Settlement Fund,
10 as provided in ¶7.3 below.

11 **3. Notice Order and Settlement Hearing**

12 3.1. Promptly after execution of the Stipulation, the Settling Parties shall submit the
13 Stipulation together with its Exhibits to the Court and shall apply for entry of an order (the “Notice
14 Order”), substantially in the form of Exhibit A hereto, requesting, *inter alia*, the preliminary
15 approval of the Settlement set forth in the Stipulation, and approval for mailing the Notice of
16 Proposed Settlement of Class Action (the “Notice”) substantially in the form of Exhibit A-1 hereto
17 and publication of a summary notice substantially in the form of Exhibit A-3 hereto. The Notice
18 shall include the general terms of the Settlement set forth in the Stipulation, the proposed Plan of
19 Allocation, the general terms of the request for the award of attorneys’ fees and reimbursement of
20 expenses of counsel and the Lead Plaintiffs, the procedure and deadline for Class Members’
21 wishing to object to any aspect of the Settlement or fee application and the date, time and location
22 of the hearing on whether the Settlement should be finally approved.

23 3.2. In proposing the Notice Order, the Settling Parties shall request that after notice is
24 given, the Court hold a hearing (the “Settlement Hearing”) and that, at the Settlement Hearing, the
25 Court approve the Settlement of the Litigation as set forth herein. At or after the Settlement
26 Hearing, Lead Counsel also will request that the Court approve the proposed Plan of Allocation
27 and the Fee and Reimbursement of Expense Applications.

28 **4. Releases**

1 4.1. With respect to any and all Released Claims, including but not limited to Unknown
2 Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Plaintiff and each of
3 the Class Members shall be deemed to have waived, and by operation of the Judgment shall have
4 waived, the provisions, rights and benefits of California Civil Code §1542, which provides:

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

9 Plaintiff and each of the Class Members shall be deemed to have, and by operation of the
10 Judgment shall have, expressly waived any and all provisions, rights and benefits conferred by any
11 law of any state or territory of the United States, or principle of common law, which is similar,
12 comparable or equivalent to California Civil Code §1542. Plaintiff and Class Members may
13 hereafter discover facts in addition to or different from those which he, she or it now knows or
14 believes to be true with respect to the subject matter of the Released Claims, but Plaintiff and each
15 Class Member, upon the Effective Date, shall be deemed to have, and by operation of the
16 Judgment shall have, fully, finally, and forever settled and released, any and all Released Claims,
17 known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not
18 concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or
19 equity now existing or coming into existence in the future, including, but not limited to, conduct
20 which is negligent, intentional, with or without malice, or a breach of any duty, law or rule,
21 without regard to the subsequent discovery or existence of such different or additional facts.
22 Plaintiff and the Class Members shall be deemed by operation of the Judgment to have
23 acknowledged, that the foregoing waiver was separately bargained for and a key element of the
24 Settlement of which the release is a part.

26 4.2. Upon the Effective Date, as defined in ¶1.10 hereof, Plaintiff and each of the Class
27 Members shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and
28

1 forever released, relinquished and discharged all Released Claims against the Released Persons,
2 whether or not such Class Member executes and delivers a Proof of Claim and Release form.

3 4.3. The Proof of Claim and Release to be executed by Class Members shall release all
4 Released Claims against the Released Persons and shall be substantially in the form contained in
5 Exhibit A-2 hereto.

6 4.4. Upon the Effective Date, as defined in ¶1.10 hereof, each of the Released Persons
7 shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever
8 released, relinquished and discharged each and all of the Class Members and their counsel from all
9 claims (including Unknown Claims) arising out of, relating to, or in connection with the
10 institution, prosecution, assertion, settlement or resolution of the Litigation or the Released
11 Claims.

12 **5. Administration and Calculation of Claims, Final Awards and Supervision and**
13 **Distribution of Settlement Fund**

14 5.1. Under the supervision of Lead Counsel, the Claims Administrator shall administer
15 and calculate the claims submitted by Class Members.

16 5.2. The Settlement Fund shall be applied as follows:

17 (a) to pay the Taxes and Tax Expenses described in ¶2.7 hereof;

18 (b) to pay all the costs and expenses reasonably and actually incurred in
19 connection with providing notice, locating Class Members, administering and distributing the
20 Settlement Fund to Authorized Claimants, processing Proof of Claim and Release forms and
21 paying escrow fees and costs, if any;

22 (c) to pay attorneys' fees and expenses, and the Lead Plaintiffs' costs and
23 expenses, with interest thereon (the "Fee and Expense Awards"), if and to the extent allowed by
24 the Court; and

25 (d) to distribute the balance of the Settlement Fund (the "Net Settlement Fund")
26 to Authorized Claimants as allowed by the Stipulation, the Plan of Allocation, or the Court.

27 5.3. Upon the Effective Date and thereafter, and in accordance with the terms of the
28 Stipulation, the Plan of Allocation, or such further approval and further order(s) of the Court as

1 may be necessary or as circumstances may require, the Net Settlement Fund shall be distributed to
2 Authorized Claimants, subject to and in accordance with the following sections of this paragraph.

3 5.4. Within ninety (90) days after the mailing of the Notice or such other time as may
4 be set by the Court, each Person claiming to be an Authorized Claimant shall be required to
5 submit to the Claims Administrator a completed Proof of Claim and Release, substantially in the
6 form of Exhibit A-2 hereto, signed under penalty of perjury and supported by such documents as
7 are specified in the Proof of Claim and Release and as are reasonably available to the Authorized
8 Claimant.

9 5.5. Except as otherwise ordered by the Court, all Class Members who fail to timely
10 submit a Proof of Claim and Release within such period, or such other period as may be ordered
11 by the Court, or otherwise allowed, shall be forever barred from receiving any payments pursuant
12 to the Stipulation and the Settlement set forth herein, but will in all other respects be subject to and
13 bound by the provisions of the Stipulation, the releases contained herein, and the Judgment.

14 5.6. The Net Settlement Fund shall be distributed to the Authorized Claimants
15 substantially in accordance with a Plan of Allocation to be described in the Notice and approved
16 by the Court. If there is any balance remaining in the Net Settlement Fund after six (6) months
17 from the date of distribution of the Net Settlement Fund (whether by reason of tax refunds,
18 uncashed checks or otherwise), the Claims Administrator, acting under the supervision of Lead
19 Counsel, shall, if feasible, reallocate such balance among Authorized Claimants in an equitable
20 and economic fashion. If the balance remaining in the Net Settlement Fund would be consumed
21 by processing, check and mailing costs or provide an additional benefit of less than \$1.00 for an
22 Authorized Claimant such reallocation will be deemed not to be feasible. Thereafter, any balance
23 which still remains in the Net Settlement Fund shall be donated to the Institute for Law &
24 Economic Policy, 1845 Walnut Street, Suite 2300, Philadelphia, PA 19103, a non-profit
25 organization that sponsors research, studies and seminars on issues raised in the area of securities
26 law, subject to approval by the Court.

27 5.7. This is not a claims-made Settlement and, if all conditions of the Stipulation are
28 satisfied and the Settlement becomes Final, no portion of the Settlement Fund will be returned to

1 the Defendants or their insurers. The Defendants and their Related Parties shall have no
2 responsibility for, interest in, or liability whatsoever with respect to the distribution of the Net
3 Settlement Fund, the Plan of Allocation, the determination, administration, or calculation of
4 claims, the payment or withholding of Taxes or Tax Expenses, or any losses incurred in
5 connection therewith.

6 5.8. No Person shall have any claim against Lead Counsel, Liaison Counsel, the Claims
7 Administrator, the Escrow Agent, or other entity designated by Lead Counsel based on
8 distributions made substantially in accordance with the Stipulation and the Settlement contained
9 herein, the Plan of Allocation, or further order(s) of the Court.

10 5.9. It is understood and agreed by the Settling Parties that any proposed Plan of
11 Allocation of the Net Settlement Fund including, but not limited to, any adjustments to an
12 Authorized Claimant's claim set forth therein, is not a part of the Stipulation and is to be
13 considered by the Court separately from the Court's consideration of the fairness, reasonableness
14 and adequacy of the Settlement set forth in the Stipulation, and any order or proceeding relating to
15 the Plan of Allocation shall not operate to terminate or cancel the Stipulation or affect the finality
16 of the Court's Judgment approving the Stipulation and the Settlement set forth therein, or any
17 other orders entered pursuant to the Stipulation.

18 **6. Applications for Fees and Reimbursement of Expenses**

19 6.1. Counsel for plaintiffs, separately or together, and the Lead Plaintiffs may submit
20 applications (the "Fee and Expense Applications") for distributions to them from the Settlement
21 Fund for: (a) an award of attorneys' fees; (b) reimbursement to the attorneys of actual expenses,
22 including the fees of any experts or consultants, incurred in connection with prosecuting the
23 Litigation; (c) reimbursement to the Lead Plaintiffs of the costs and expenses incurred directly
24 related to the representation of the Class, in an amount not to exceed \$225,000 plus any interest on
25 such fees and expenses at the same rate and for the same periods as earned by the Settlement
26 Fund (until paid), as may be awarded by the Court.

27 6.2. The fees and expenses, as awarded by the Court, shall be paid to plaintiffs' counsel
28 and Lead Plaintiffs from the Settlement Fund, as ordered, immediately after the Court executes an

1 order awarding such fees and expenses. In the event that the Effective Date does not occur, or the
2 Judgment or the order(s) providing for the Fee and Expense Awards, or any of them, is reversed or
3 modified, or the Stipulation is canceled or terminated for any other reason, and in the event that
4 the Fee and Expense Awards have been paid to any extent, then Plaintiffs' counsel, and/or the
5 Lead Plaintiffs, shall, within 10 business days from receiving notice from Defendants' counsel or
6 from a court of appropriate jurisdiction, refund to the Settlement Fund the fees and costs and
7 expenses previously paid to either or both of them from the Settlement Fund plus such interest as
8 was received thereon in an amount consistent with such reversal or modification.

9 6.3. The procedure for and the allowance or disallowance by the Court of any
10 applications by plaintiffs' counsel for attorneys' fees and expenses, including the fees of experts
11 and consultants, and by Lead Plaintiffs for reimbursement of costs and expenses, to be paid out of
12 the Settlement Fund, are not part of the Settlement set forth in the Stipulation, and are to be
13 considered by the Court separately from the Court's consideration of the fairness, reasonableness
14 and adequacy of the Settlement set forth in the Stipulation, and any order or proceedings relating
15 to the Fee and Expense Awards, or any appeal from any order relating thereto or reversal or
16 modification thereof, shall not operate to terminate or cancel the Stipulation, or affect or delay the
17 finality of the Judgment approving the Stipulation and the Settlement of the Litigation set forth
18 therein.

19 6.4. Defendants and their Related Parties shall have no responsibility for or liability
20 with respect to any payment of attorneys' fees and expenses to plaintiffs' counsel, or
21 reimbursement of the Lead Plaintiffs' expenses, over and above payments from the Settlement
22 Fund.

23 **7. Conditions of Settlement, Effect of Disapproval, Cancellation or**
24 **Termination**

25 7.1. The Effective Date of the Stipulation shall be conditioned on the occurrence of all
26 of the following events:

27 (a) Defendants or their insurers have timely made their contributions to the
28 Settlement Fund as required by ¶2.1 hereof;

1 (b) the Court has entered the Notice Order, as required by ¶3.1 hereof;

2 (c) the Court has entered the Judgment, or a judgment substantially in the form
3 of Exhibit B hereto; and

4 (d) the Judgment has become Final, as defined in ¶1.12 hereof.

5 7.2. Upon the occurrence of all of the events referenced in ¶7.1 hereof, any and all
6 remaining interest or right of Defendants in or to the Settlement Fund, if any, shall be absolutely
7 and forever extinguished. If all of the conditions specified in ¶7.1 hereof are not met, then the
8 Stipulation shall be canceled and terminated subject to ¶7.4 hereof unless Lead Counsel and
9 counsel for Defendants and their insurers mutually agree in writing to proceed with the
10 Stipulation.

11 7.3. Unless otherwise ordered by the Court, in the event the Stipulation shall terminate,
12 or be canceled, or shall not become effective for any reason, within forty-five (45) calendar days
13 after the occurrence of such event and in accordance with the terms of ¶2.8 hereof, the Settlement
14 Fund (including accrued interest), plus any amount then remaining in the Class Notice and
15 Administration Fund (including accrued interest), less expenses and any costs which have either
16 been disbursed pursuant to ¶2.6 hereof or have already been incurred or are determined to be
17 chargeable to the Class Notice and Administration Fund, shall be refunded by the Escrow Agent to
18 the respective entities that contributed to the Settlement Fund, pursuant to written instructions
19 from Counsel for Defendants. At the request of Counsel for Defendants, the Escrow Agent or its
20 designee shall apply for any tax refund owed on the Settlement Fund and pay the proceeds, after
21 deduction of any fees or expenses incurred in connection with such application(s) for refund,
22 pursuant to written direction from Counsel for Defendants.

23 7.4. In the event that the Stipulation is not approved by the Court or the Settlement set
24 forth in the Stipulation is terminated or fails to become effective in accordance with its terms, the
25 Settling Parties shall be restored to their respective positions in the Litigation as of the day
26 immediately preceding the date of execution of this Stipulation, except that amounts already paid
27 or incurred in connection with the giving of notice and/or the administration of the Settlement or
28 the Settlement Fund shall be paid from the Settlement Fund before the balance of the Settlement

1 Fund is returned. In such event, the terms and provisions of the Stipulation, with the exception of
2 ¶¶2.7, 2.8, 7.3-7.5 hereof, shall have no further force and effect with respect to the Settling Parties
3 and shall not be used in this Litigation or in any other proceeding for any purpose, and any
4 judgment or order entered by the Court in accordance with the terms of the Stipulation shall be
5 treated as vacated, nunc pro tunc. No order of the Court or modification or reversal on appeal of
6 any order of the Court concerning the Plan of Allocation or the Fee and Expense Awards, shall
7 constitute grounds for cancellation or termination of the Stipulation.

8 7.5. If the Effective Date does not occur, or if the Stipulation is terminated pursuant to
9 its terms, neither Plaintiff nor Lead Counsel shall have any obligation to repay any amounts
10 actually and properly disbursed from the Class Notice and Administration Fund. In addition, any
11 expenses already incurred and properly chargeable to the Class Notice and Administration Fund
12 pursuant to ¶2.6 hereof at the time of such termination or cancellation, but which have not been
13 paid, shall be paid by the Escrow Agent or by Lead Counsel from the Settlement Fund in
14 accordance with the terms of the Stipulation prior to the balance being refunded in accordance
15 with ¶¶2.8 and 7.3 hereof.

16 7.6. If a case is commenced with respect to any Defendant under Title 11 of the United
17 States Code (Bankruptcy), or a trustee, receiver or conservator is appointed under any similar law,
18 and in the event of the entry of a final order of a court of competent jurisdiction determining the
19 transfer of the Settlement Fund, or any portion thereof, by or on behalf of such Defendant to be a
20 preference, voidable transfer, fraudulent transfer or similar transaction, then, as to such Defendant,
21 the releases given and Judgment entered in favor of such Defendant pursuant to this Stipulation
22 shall be null and void.

23 7.7. Each of the Defendants warrants and represents that he or it is not “insolvent”
24 within the meaning of 11 U.S.C. §101(32) as of the time this Stipulation is executed and as of the
25 time any payments are transferred or made as required by this Stipulation.

26 **8. Miscellaneous Provisions**

27 8.1. The Settling Parties (a) acknowledge that it is their intent to consummate this
28 agreement; and (b) agree to cooperate to the extent reasonably necessary to effectuate and

1 implement all terms and conditions of the Stipulation and to exercise their reasonable best efforts
2 to accomplish the foregoing terms and conditions of the Stipulation.

3 8.2. The Settling Parties intend this Settlement to be a final and complete resolution of
4 all disputes between them with respect to the Litigation. The Settlement compromises claims
5 which are contested and shall not be deemed an admission by any Settling Party as to the merits of
6 any claim or defense. The Final Judgment will contain a statement that during the course of the
7 Litigation, the parties and their respective counsel at all times complied with the requirements of
8 Federal Rule of Civil Procedure 11. While retaining their right to deny liability, the Defendants
9 agree that the amount paid to the Settlement Fund and the other terms of the Settlement were
10 negotiated in good faith by the Settling Parties, and reflect a settlement that was reached
11 voluntarily after consultation with competent legal counsel and the assistance of an experienced
12 mediator. The Settling Parties reserve their right to rebut, in a manner that such party determines
13 to be appropriate, any contention made in any public forum that the Litigation was brought or
14 defended in bad faith or without a reasonable basis.

15 8.3. Neither the Stipulation nor the Settlement contained therein, nor any act performed
16 or document executed pursuant to or in furtherance of the Stipulation or the Settlement: (a) is or
17 may be deemed to be or may be used as an admission of, or evidence of, the validity of any
18 Released Claim, or of any wrongdoing or liability of the Defendants; or (b) is or may be deemed
19 to be or may be used as an admission of, or evidence of, any fault or omission of any of the
20 Defendants in any civil, criminal or administrative proceeding in any court, administrative agency
21 or other tribunal. Defendants may file the Stipulation and/or the Judgment in any action that may
22 be brought against them in order to support a defense or counterclaim based on principles of *res*
23 *judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction or any other
24 theory of claim preclusion or issue preclusion or similar defense or counterclaim.

25 8.4. All of the Exhibits to this Stipulation are material and integral parts hereof and are
26 fully incorporated herein by this reference.

27 8.5. The Stipulation may be amended or modified only by a written instrument signed
28 by or on behalf of all Settling Parties or their respective successors-in-interest.

1 8.6. The Stipulation and the Exhibits attached hereto constitute the entire agreement
2 among the parties hereto and no representations, warranties or inducements have been made to any
3 party concerning the Stipulation or its Exhibits other than the representations, warranties and
4 covenants contained and memorialized in such documents. Except as otherwise provided herein,
5 each party shall bear its own costs.

6 8.7. Each counsel or other Person executing the Stipulation or any of its Exhibits on
7 behalf of any party hereto hereby warrants that such Person has the full authority to do so.

8 8.8. The Stipulation may be executed in one or more counterparts. All executed
9 counterparts and each of them shall be deemed to be one and the same instrument. A complete set
10 of original executed counterparts shall be filed or e-filed with the Court in accordance with the
11 rules of the Court.

12 8.9. The Stipulation shall be binding upon, and inure to the benefit of, the successors
13 and assigns of the parties hereto.

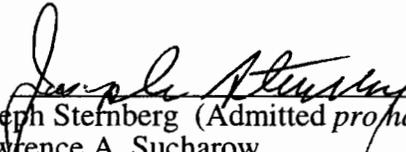
14 8.10. The Court shall retain jurisdiction with respect to implementation and enforcement
15 of the terms of the Stipulation, and all parties hereto submit to the jurisdiction of the Court for
16 purposes of implementing and enforcing the Settlement embodied in the Stipulation.

17 8.11. The Stipulation and the Exhibits hereto shall be considered to have been negotiated,
18 executed and delivered, and to be wholly performed, in the State of California, and the rights and
19 obligations of the parties to the Stipulation shall be construed and enforced in accordance with,
20 and governed by, the internal, substantive laws of the State of California without giving effect to
21 that State's choice-of-law principles.

22
23
24
25
26
27
28

1 IN WITNESS WHEREOF, the parties hereto have caused the Stipulation to be executed,
2 by their duly authorized attorneys dated as of June 13, 2007.

3
4 **LABATON SUCHAROW &
RUDOFF LLP**

5
6 By:  (Admitted *pro hac vice*)
7 Joseph Sternberg
8 Nicole M. Zeiss
9 100 Park Avenue
10 New York, New York 10017-5563
11 Telephone: (212) 907-0700
12 Telecopier: (212) 818-0477

13
14 **SCHATZ NOBEL IZARD, PC**

15
16 By: _____
17 Mark P. Kindall # 138703
18 Andrew M. Schatz
19 Jeffrey S. Nobel
20 One Corporate Center
21 20 Church Street, Suite 1700
22 Hartford, CT 06103
23 Telephone: (860) 493-6292
24 Telecopier: (860) 493-6290

25 *Lead Counsel for Plaintiffs and the Class*

26
27 **GLANCY BINKOW
& GOLDBERG LLP**

28
Lionel Z. Glancy #134180
Peter A. Binkow #173848
Michael Goldberg #188669
1801 Ave. of the Stars, Suite 311
Los Angeles, CA 90067
Telephone: (310) 201-9150
Telecopier: (310) 201-9160

Liaison for Counsel for Plaintiffs and the Class

**WILSON SONSINI GOODRICH &
ROSATI**

Professional Corporation

By: _____
Boris Feldman, State Bar No. 128838
Peri Nielsen, State Bar No. 196781
David L. Lansky, State Bar No. 199952
650 Page Mill Road
Palo Alto, CA 94304-1050
Telephone: (650) 493-9300
Telecopier: (650) 565-5100

*Attorneys for Defendants SupportSoft, Inc.,
Radha R. Basu and Brian M. Beattie*

1 IN WITNESS WHEREOF, the parties hereto have caused the Stipulation to be executed,
2 by their duly authorized attorneys dated as of June 13, 2007.

3 **LABATON SUCHAROW &**
4 **RUDOFF LLP**

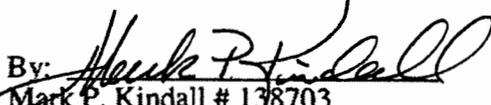
WILSON SONSINI GOODRICH &
ROSATI
Professional Corporation

5 By: _____
6 Joseph Stemberg (Admitted *pro hac vice*)
7 Lawrence A. Sucharow
8 Nicole M. Zeiss
9 100 Park Avenue
10 New York, New York 10017-5563
11 Telephone: (212) 907-0700
12 Telecopier: (212) 818-0477

By: _____
Boris Feldman, State Bar No. 128838
Peri Nielsen, State Bar No. 196781
David L. Lansky, State Bar No. 199952
650 Page Mill Road
Palo Alto, CA 94304-1050
Telephone: (650) 493-9300
Telecopier: (650) 565-5100

10 **SCHATZ NOBEL IZARD, PC**

*Attorneys for Defendants SupportSoft, Inc.,
Radha R. Basu and Brian M. Beattie*

11 By: 
12 Mark P. Kindall # 138703
13 Andrew M. Schatz
14 Jeffrey S. Nobel
15 One Corporate Center
16 20 Church Street, Suite 1700
17 Hartford, CT 06103
18 Telephone: (860) 493-6292
19 Telecopier: (860) 493-6290

Lead Counsel for Plaintiffs and the Class

18 **GLANCY BINKOW**
19 **& GOLDBERG LLP**

20 Lionel Z. Glancy #134180
21 Peter A. Binkow #173848
22 Michael Goldberg #188669
23 1801 Ave. of the Stars, Suite 311
24 Los Angeles, CA 90067
25 Telephone: (310) 201-9150
26 Telecopier: (310) 201-9160

*Liaison for Counsel for Plaintiffs and the
Class*

1 IN WITNESS WHEREOF, the parties hereto have caused the Stipulation to be executed,
2 by their duly authorized attorneys dated as of June 13, 2007.

3
4 **LABATON SUCHAROW &
RUDOFF LLP**

5
6 By: _____
Joseph Sternberg (Admitted *pro hac vice*)
7 Lawrence A. Sucharow
Nicole M. Zeiss
8 100 Park Avenue
New York, New York 10017-5563
9 Telephone: (212) 907-0700
Telecopier: (212) 818-0477

10 **SCHATZ NOBEL IZARD, PC**

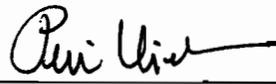
11
12 By: _____
Mark P. Kindall # 138703
13 Andrew M. Schatz
Jeffrey S. Nobel
14 One Corporate Center
20 Church Street, Suite 1700
Hartford, CT 06103
15 Telephone: (860) 493-6292
Telecopier: (860) 493-6290

16
17 *Lead Counsel for Plaintiffs and the Class*

18 **GLANCY BINKOW
& GOLDBERG LLP**
19 Lionel Z. Glancy #134180
Peter A. Binkow #173848
20 Michael Goldberg #188669
1801 Ave. of the Stars, Suite 311
Los Angeles, CA 90067
21 Telephone: (310) 201-9150
Telecopier: (310) 201-9160

22
23 *Liaison for Counsel for Plaintiffs and the
Class*

**WILSON SONSINI GOODRICH &
ROSATI**
Professional Corporation

By: 
Boris Feldman, State Bar No. 128838
Peri Nielsen, State Bar No. 196781
David L. Lansky, State Bar No. 199952
650 Page Mill Road
Palo Alto, CA 94304-1050
Telephone: (650) 493-9300
Telecopier: (650) 565-5100

*Attorneys for Defendants SupportSoft, Inc.,
Radha R. Basu and Brian M. Beattie*

24
25
26
27
28

Exhibit A

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

)	
	)	CASE NO.: C 04-5222 SI
In re SUPPORTSOFT, INC. SECURITIES LITIGATION	)	<u>CLASS ACTION</u>
)	
_____	)	[PROPOSED] ORDER
This Document Relates To:	)	PRELIMINARILY APPROVING
ALL ACTIONS	)	SETTLEMENT AND PROVIDING
	)	FOR NOTICE
)	
_____)	

WHEREAS, a consolidated class action is pending before the Court entitled *In re SupportSoft Inc. Securities Litigation*, Case No. C 04-5222 SI (the “Litigation”);

WHEREAS, the Court has received the Stipulation of Settlement dated June 13, 2007 (the “Stipulation”), that has been entered into by the Certified Class Representative and Defendants, and the Court has reviewed the Stipulation and its attached Exhibits; and

WHEREAS, the parties have made an application, pursuant to Federal Rule of Civil Procedure 23(e), for an order preliminarily approving the settlement of this Litigation, in accordance with the Stipulation which, together with the Exhibits annexed thereto sets forth the terms and conditions for a proposed settlement of the Litigation and for dismissal of the Litigation with prejudice upon the terms and conditions set forth therein; and the Court having read and considered the Stipulation and the Exhibits annexed thereto; 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.

1 2. A hearing (the “Settlement Hearing”) shall be held before this Court on September
2 28, 2007, at 9:00 a.m., at the United States Courthouse, 450 Golden Gate Avenue, San Francisco,
3 California, to determine whether the proposed settlement of the Litigation on the terms and
4 conditions provided for in the Stipulation is fair, reasonable and adequate to the Class and should be
5 approved by the Court; whether a Judgment substantially in the form of Exhibit B to the Stipulation
6 should be entered herein; whether the proposed Plan of Allocation set forth in the proposed form of
7 Notice of Proposed Settlement of Class Action and Settlement Hearing (“Notice”), annexed hereto
8 as Exhibit A-1, should be approved; and to determine the amount of fees and expenses that should be
9 awarded to Class Counsel and the amount of costs and expenses that should be awarded to the
10 Named Plaintiffs. The Court may adjourn the Settlement Hearing without further notice to Members
11 of the Class.

12 3. By Order dated June 1, 2006, the Court certified a Class of all Persons and entities
13 who purchased or otherwise acquired the securities of SupportSoft, Inc. (“SupportSoft”) from
14 January 20, 2004 to October 1, 2004 and who were damaged thereby. Excluded from the Class are
15 Defendants, the officers and directors of SupportSoft at all relevant times, members of their
16 immediate families and their legal representatives, heirs, successors or assigns and any entity in
17 which any excluded person or entity has a controlling interest. Also excluded from the Class is Paul
18 Takacs, Jr., on behalf of Wall Street Warriors Investment Club, who timely and validly requested
19 exclusion from the Class pursuant to the Notice of Pendency of Class Action.

20 4. The Court approves, as to form and content, the Notice, the Proof of Claim and
21 Release form (the “Proof of Claim”), and Summary Notice for publication annexed as Exhibits A-1,
22 A-2 and A-3 hereto, and finds that the mailing and distribution of the Notice and publishing of the
23 Summary Notice substantially in the manner and form set forth in ¶¶6-7 of this Order meet the
24 requirements of Federal Rule of Civil Procedure 23 and due process, and is the best notice
25 practicable under the circumstances and shall constitute due and sufficient notice to all Persons
26 entitled thereto.

1 5. The Court appoints the firm of Strategic Claims Services, located at 600 North
2 Jackson Street - Suite 3, Media, Pennsylvania 19063 (“Claims Administrator”) to supervise and
3 administer the notice procedure as well as the processing of claims as more fully set forth below:

4 (a) Not later than fourteen days from the date of this Order (the “Notice Date”),
5 Class Counsel shall cause a copy of the Notice and the Proof of Claim, substantially in the forms
6 annexed hereto as Exhibits A-1 and A-2, to be mailed by first class mail to all Class Members who
7 can be identified with reasonable effort;

8 (b) Not later than twenty-one days from the date of this Order, Class Counsel
9 shall cause the Summary Notice to be published once in *Investor’s Business Daily* and once over one
10 of the following services: Business Wire; PrimeZone; or PR Newswire for national distribution; and

11 (c) At least seven (7) calendar days prior to the Settlement Hearing, Class
12 Counsel shall cause to be served on Defendants’ counsel and filed with the Court proof, by affidavit
13 or declaration, of such mailing and publishing.

14 6. Nominees who purchased SupportSoft securities during the period beginning January
15 20, 2004 through October 1, 2004, inclusive, shall send the Notice and the Proof of Claim to all
16 beneficial owners of such SupportSoft securities within ten (10) days after receipt thereof, or send a
17 list of the names and addresses of such beneficial owners to the Claims Administrator within ten (10)
18 days of receipt thereof, in which event the Claims Administrator shall promptly mail the Notice and
19 Proof of Claim to such beneficial owners. Class Counsel shall, if requested, reimburse banks,
20 brokerage houses or other nominees solely for their reasonable out-of-pocket expenses incurred in
21 providing notice to beneficial owners who are Class Members out of the Class Notice and
22 Administration Fund, which expenses would not have been incurred except for the sending of such
23 notice, subject to further order of this Court with respect to any dispute concerning such
24 compensation.

25 7. All Members of the Class shall be bound by all determinations and judgments in the
26 Litigation concerning the settlement, whether favorable or unfavorable to the Class.

27 8. Class Members who wish to participate in the settlement must complete and submit
28 Proof of Claim forms in accordance with the instructions contained therein. Unless the Court orders

1 otherwise, all Proof of Claim forms must be submitted no later than ninety (90) days from the Notice
2 Date, however, Class Counsel may, without further order of this Court and without further notice to
3 the Class, elect to extend the date by which Proof of Claim forms must be submitted for up to an
4 additional sixty (60) days. Any Class Member who does not timely submit a Proof of Claim within
5 the time provided for shall be barred from sharing in the distribution of the proceeds of the Net
6 Settlement Fund, unless otherwise ordered by the Court.

7 9. Any Member of the Class may enter an appearance in the Litigation, at their own
8 expense, individually or through counsel of their own choice. If they do not enter an appearance,
9 they will be represented by Class Counsel.

10 10. Any Member of the Class may appear and show cause, if he, she or it has any reason
11 why the proposed settlement of the Litigation should or should not be approved as fair, reasonable
12 and adequate, why a judgment should or should not be entered thereon, why the Plan of Allocation
13 should or should not be approved, why attorneys' fees and expenses should or should not be awarded
14 to Class Counsel, or costs and expenses awarded to the Named Plaintiffs; provided, however, that no
15 Class Member or any other Person shall be heard or entitled to contest the approval of the terms and
16 conditions of the proposed settlement, or, if approved, the Judgment to be entered thereon approving
17 the same, or the order approving the Plan of Allocation, the attorneys' fees and expenses to be
18 awarded to Class Counsel, or the costs and expenses awarded to the Named Plaintiffs, unless that
19 Person has mailed written objections and copies of any papers and briefs by first class mail, postage
20 paid, postmarked no later than September 7, 2007, to: Joseph Sternberg, Esq., Labaton Sucharow &
21 Rudoff LLP; Mark Kindall, Esq., Schatz Noblel Izard, P.C.; and Boris Feldman, Esq., Wilson,
22 Sonsini, Goodrich & Rosati, P.C., and filed said objections, papers and briefs with the Clerk of the
23 United States District Court for the Northern District of California, on or before September 7, 2007.
24 Any Member of the Class who does not make his, her or its objection in the manner provided shall
25 be deemed to have waived such objection and shall forever be foreclosed from making any objection
26 to the fairness or adequacy of the proposed settlement as set forth in the Stipulation, to the Plan of
27 Allocation, to the award of attorneys' fees and expenses to plaintiffs' counsel and to the award of
28 costs and expenses to Named Plaintiffs, unless otherwise ordered by the Court.

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

4 12. All papers in support of the settlement, the Plan of Allocation, and the application by
5 Class Counsel for attorneys’ fees or reimbursement of expenses shall be filed and served seven (7)
6 calendar days before the Settlement Hearing.

7 13. At or after the Settlement Hearing, the Court shall determine whether the Plan of
8 Allocation proposed by Class Counsel, and any applications for attorneys’ fees or reimbursement of
9 expenses shall be approved.

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

15
16
17
18
19
20
21
22
23
24
25
26
27
28

DATED: _____

THE HONORABLE SUSAN ILLSTON
UNITED STATES DISTRICT JUDGE

Exhibit A-1

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

In re SUPPORTSOFT, INC. SECURITIES) Civil Action No.: C 04-5222 SI
LITIGATION)
)
) Before: Honorable Susan Illston
)
)
_____)

**NOTICE OF PROPOSED SETTLEMENT
OF CLASS ACTION AND SETTLEMENT HEARING**

TO: ALL PERSONS WHO PURCHASED SUPPORTSOFT, INC. (“SUPPORTSOFT”) SECURITIES BETWEEN JANUARY 20, 2004 AND OCTOBER 1, 2004.

THIS NOTICE CONTAINS IMPORTANT INFORMATION ABOUT YOUR RIGHTS CONCERNING A PROPOSED CLASS ACTION SETTLEMENT. A federal court authorized this Notice to be sent to you. This is not a solicitation from a lawyer.

In December of 2004, Lead Plaintiffs Scott Roland and Jay Young started this Class Action lawsuit (the “Litigation”) by filing a Complaint (the “Complaint”) on behalf of themselves and all others who purchased publicly-traded shares of SupportSoft securities (“Shares”) from January 20, 2004 to October 1, 2004, inclusive (the “Class Period”). The Complaint alleged that SupportSoft, its then-CEO and CFO, Radha Basu and Brian Beattie (collectively, the “Defendants”), violated federal securities laws during the Class Period. On June 1, 2006, the Court certified the case as a Class Action on behalf of the Class, appointed Plaintiff Scott Roland as the Class Representative, and appointed the law firms of Labaton Sucharow & Rudoff LLP and Schatz Nobel Izard, P.C., as Co-Class Counsel for the Class (“Class Counsel”), and the law firm of Glancy Binkow & Golberg LLP to act as local, or “Liaison” Counsel for the Class (Co-Lead and Liaison Counsel are referred to collectively as “Class Counsel” throughout this Notice).

The parties have now reached a proposed settlement (“Settlement”), the terms of which are summarized below.

SETTLEMENT SUMMARY

Persons Affected by Settlement: The Settlement affects your rights if you are a member of the class certified by the Court on June 1, 2006 (the “Class”), which consists of all persons and entities who purchased or otherwise acquired SupportSoft Shares from January 20, 2004 to October 1, 2004, except for the Defendants, the officers and directors of SupportSoft, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which any excluded person or entity has a controlling interest.

Settlement Fund: \$10,700,000 in cash. Your recovery will depend on the number of Shares you purchased and the timing of your purchases and any sales. It will also depend on the number of eligible Shares that participate in the Settlement and when those Shares were purchased and sold. Assuming that all of the SupportSoft investors who purchased shares during the Class Period and suffered damages participate in the settlement, the estimated average

recovery will be approximately \$0.39 per share before deduction of court-approved fees and expenses.

Reasons for Settlement: The Settlement provides for a substantial dollar recovery while avoiding the costs and risks associated with continued litigation, including the danger of no recovery.

If the Case Had Not Settled: In the absence of a settlement, the Litigation would continue. The Class might prevail, and might achieve a larger recovery. However, it is also possible that Defendants might prevail; they have consistently argued that there was no fraud, and that the losses sustained by investors were not the result of any wrongdoing. If Defendants' arguments concerning liability or damages prevailed, the Class might recover less than the Settlement amount or nothing at all. Class Counsel reviewed all relevant documents of SupportSoft and various of its customers and concluded that there was a substantial risk that a jury might not find that Defendants had committed fraud.

Depending on the method used to calculate damages – an issue the parties dispute – the amount of the Settlement represents between 10 percent and 24 percent of what the Class could recover if the case went to trial and the Class fully prevailed on all claims in the Complaint. Since there is a significant possibility that the Class would not prevail on all claims, and might not prevail on any, the Class Representative and Class Counsel believe that the Settlement is in the best interests of the Class.

Fees and Expenses: Class Counsel have not received any payment for their work investigating the facts, conducting this Litigation and negotiating the Settlement. They will ask the Court to award attorneys' fees not to exceed thirty three and one third percent (33 1/3%) of the Settlement Fund and reimbursement of out-of-pocket expenses not to exceed \$225,000 to be paid from the Settlement Fund. In addition, the Lead Plaintiffs devoted significant amounts of time to the Litigation and incurred costs and expensed directly related to the representation of the class in the amount of \$3,150 for which they will seek reimbursement. If the above amounts are requested and approved by the Court, the average cost per share will be approximately [\$0.13].

Deadlines:

Submit Claim: **[90 days from mailing of notice], 2007**

File Objection: September 7, 2007

Court Hearing on Fairness of Settlement: September 28, 2007

More Information: www.strategicclaims.net / or

Claims Administrator
SupportSoft Securities Litigation
Strategic Claims Services
P.O. Box 230
600 North Jackson Street, Suite 3
Media, PA 19063
(866)-274-4004

Class Counsel

Joseph Sternberg
Labaton Sucharow & Rudoff LLP
100 Park Avenue
New York, New York 10017-5563
Telephone: (212) 907-0700
Fax: (212) 818-0477
jsternberg@labaton.com

Mark Kindall
Schatz Nobel Izard, P.C.
20 Church Street, Suite 1700
Hartford, Connecticut 06103
Telephone: (860) 493-6292
Fax: (860) 493-6290
mkindall@snilaw.com

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

- SUBMIT A CLAIM FORM** Fill out and send in the Proof of Claim and Release form enclosed with this Notice to participate in the proceeds from this Settlement.
- OBJECT** You may write to the Court if you object to any part of the Settlement.
- GO TO A HEARING** You may ask to speak in Court about the fairness of this Settlement.
- DO NOTHING** If you don't fill out and submit the Proof of Claim and Release form, you will not receive any payment from the Settlement, but you will nevertheless forfeit your right to sue for the claims at issue in this Litigation.

These rights and options, and the deadlines for exercising them, are explained in further detail in this Notice. The Court in charge of this case must decide whether to approve the Settlement. If the Court approves the Settlement and after any appeals are resolved, payments will be made to members of the Class who timely submit the paperwork described below. Please be patient.

BASIC INFORMATION

1. Why Did I Get This Notice Package?

You or someone in your family may have purchased, acquired or owned Shares of SupportSoft common stock during the Class Period. Only those who actually purchased Shares between January 20, 2004 and October 1, 2004, and who continued to hold those Shares on September 14, 2004 can recover under the Settlement.

The Court sent you this Notice because you have a right to know about a proposed Settlement of a class action lawsuit, and about all of your options, before the Court decides whether to approve the Settlement.

2. What Is This Lawsuit About?

The Complaint alleges that Defendants made false and misleading statements about the reasons for SupportSoft's record revenues, resulting in the artificial inflation of the price of

SupportSoft common stock during the Class Period. The Complaint also alleges that investors who purchased SupportSoft's common stock during that period were injured when the misleading nature of Defendant's statements was revealed and the price of the stock dropped. Defendants assert that the allegations of the complaint are without merit. All Defendants deny that they did anything wrong.

3. Why Is This a Class Action?

In a class action, one or more people sue on behalf of people who have similar claims. If a court determines that it is appropriate for the case to proceed as a class action, the court certifies the class and appoints one or more members of the class to be class representatives (in this case, the Court appointed one of the Lead Plaintiffs, Scott Roland, to be the Class Representative). In a class action, one court resolves the issues for all members of the class at the same time, except for those who voluntarily exclude themselves from the class. Judge Susan Illston, of the United States District Court for the Northern District of California, is in charge of this class action.

4. What Is the Amount of the Settlement?

Defendants and their insurance carriers have agreed to pay \$10.7 million in cash in settlement of this case.

5. Why Is There a Settlement?

The Court did not decide in favor of the Class or the Defendants. Instead, both sides agreed to a settlement based on a compromise of the claims and defenses. That way, they avoid the cost and risk of a trial, and eligible members of the Class who make a valid claim are assured of some compensation.

The Settlement was arrived at through arms-length negotiations, assisted by a former federal judge who is an experienced mediator. Before agreeing to the Settlement, Class Counsel engaged in extensive analysis of the reasonableness of the Settlement, including: (1) consultation with experts on issues concerning the damages that may have been suffered by the Class; (2) consultation with witnesses and potential witnesses concerning the allegations in the Complaint; (3) examination of analysts' reports, newspaper articles, public filings, press releases, and other public statements by and about SupportSoft; (4) research of the applicable law with respect to the claims asserted against Defendants, and the potential defenses thereto; and (5) review and analysis of hundreds of thousands of pages of internal SupportSoft documents.

Based on their investigation and discovery of the claims and the experience that Class Counsel have in litigating similar complex actions, the Class Representative and Class Counsel believe that the Settlement is in the best interests of all members of the Class.

6. Who Can Recover Money Under the Settlement?

All persons who purchased Shares of SupportSoft common stock between January 20, 2004 and October 1, 2004, who continued to hold their shares until at least September 14, 2004, may be entitled to payments under the Settlement (the response to question 7 below contains more information on how the Settlement Fund will be allocated). However, the following persons and entities are excluded from the Class and may not participate in the Settlement:

- Defendants (SupportSoft, former SupportSoft CEO Radha Basu (“Basu”), former SupportSoft CFO Brian Beattie (“Beattie”))
- Members of Basu’s or Beattie’s immediate families
- Any entity in which any Defendant has or had a controlling interest;
- Any current or former director or officer of SupportSoft;
- Any person or entity that requested to be excluded from the Class at the time that the Class was Certified in 2006;
- Any legal representative, heir, successor, or assign of any excluded party.

If you are still not sure whether you are included, you can ask for free help. You can call the Claims Administrator, Strategic Claims Services, at 1-866-274-4004 for more information. Or you can fill out and return the Proof of Claim and Release form described in question 8 below, to see if you qualify.

7. How Much Will My Payment Be?

After payment of court-approved legal fees and attorney and Plaintiff expenses and the costs of claims administration (including the costs of printing, publishing and mailing notice to the Class), the balance of the Settlement Fund (the “Net Settlement Fund”) will be distributed to eligible members of the Class who timely submit valid Proof of Claim and Release forms, with supporting documentation (“Authorized Claimants”).

To the extent there are sufficient funds in the Net Settlement Fund, each Authorized Claimant will receive an amount equal to his or her “Recognized Loss” as described below. If, however, the amount in the Net Settlement Fund is not sufficient to permit payment of the total Recognized Loss of each Authorized Claimant, then each Authorized Claimant shall receive a pro rata share based on his or her Recognized Loss. For example, if the amount of the Net Settlement Fund is twenty-five percent of the total amount of all claims that are filed, each Authorized Claimant will recover a quarter of his or her Recognized Loss.

You cannot recover more from the Settlement than you actually lost, as measured by comparing your purchases of Shares during the Class Period (January 20, 2004 to October 1, 2004), to your sales of Shares on a first-in, first-out (“FIFO”) basis. Gains on purchases of Shares during the Class Period will be netted against losses on purchases during the Class Period. (Purchases to cover a “short” position are eligible purchases. Purchases of “options” are not eligible. Gifts of Shares are not eligible purchases.) If you still held the Shares at the close of the market on December 31, 2004, your “sales price” will be deemed to be \$5.75 (the average closing share price during the 90 days following the end of the Class Period).

Your “Recognized Loss” is the amount of your actual loss that can be traced to declines in the price of SupportSoft Shares on September 14, 2004 and October 4, 2004, which followed disclosures related, at least in part, to the alleged misconduct by Defendants set out in the Complaint. Because the disclosure triggering the September 14, 2004 drop was only partly related to the misconduct alleged in the Complaint, only half of the September 14, 2004 stock price drop, or \$0.59, is included in Recognized Loss. All of the stock price drop on October 4, 2004 (a total of \$3.41) is included in Recognized Loss. If you purchased Shares during the Class Period which you held through both the September 14, 2004 and October 4, 2004 stock drops, both \$0.59 and \$3.41 (a total of \$4.00) are included in your Recognized Loss.

To determine the amount of your “Recognized Loss,” use the following calculation, again matching purchases and sales on a FIFO basis and using the “trade” or “contract” date, and not the “settlement” or “payment” date:

For Shares *purchased on or after January 20, 2004 but before September 14, 2004*, and

- a. sold before September 14, 2004, there is no Recognized Loss;
- b. sold on or after September 14, 2004, but before October 4, 2004, the Recognized Loss per share is the lesser of (i) \$ 0.59 or (ii) the difference between the purchase price and the sales price;
- c. sold on or after October 4, 2004, but before the market closed on December 31, 2004, the Recognized Loss per share is the lesser of (i) \$ 4.00 or (ii) the difference between the purchase price and the sales price;
- d. held as of the close of the market on December 31, 2004, the Recognized Loss per share is the lesser of (i) \$4.00 or (ii) the difference between the purchase price and \$5.75.

For Shares *purchased on or after September 14, 2004 but before the market closed on October 1, 2004*, and

- a. sold before October 4, 2004, there is no Recognized Loss;
- b. sold on or after October 4, 2004, but before the market closed on December 31, 2004, the Recognized Loss per share is the lesser of (i) \$ 3.41 or (ii) the difference between the purchase price and the sales price.
- c. held as of the close of the market on December 31, 2004, the Recognized Loss per share is the lesser of (i) \$3.41 or (ii) the difference between the purchase price and \$5.75.

8. How Will I Get a Payment?

To qualify for payment, you must submit a Proof of Claim and Release form, a copy of which is enclosed with this Notice. Read the instructions carefully, fill out and sign the form, attach all the supporting documents requested on the form, and mail the form and the documents with proper postage, postmarked no later than **[90 days from mailing of notice]**, 2007, to: Claims Administrator, SupportSoft Securities Litigation, Strategic Claims Services, P.O. Box 230, 600 North Jackson Street, Suite 3, Media, PA 19063.

9. When Will I Get My Payment?

The Court will hold a hearing on September 28, 2007, to decide whether to approve the Settlement. If Judge Illston approves the Settlement, there may be appeals which could take considerable time to resolve. Everyone who sends in a Proof of Claim and Release form will be informed of the determination with respect to their claim; however, processing all of the claims takes time. Please be patient.

10. If I Don't Like the Settlement, Can I Bring My Own Suit Against the Defendants?

No. Members of the Class were notified about the pendency of the Litigation after the Court certified the Class in June of 2006, and were given the opportunity to request exclusion from the Class at that time. If the Court approves the proposed Settlement, all members of the Class who did not request exclusion in 2006 will be bound by the terms of the Settlement and barred from suing, continuing to sue, or being part of any other lawsuit against the Defendants concerning the same legal and factual issues which are involved in this Litigation.

11. What Can I Do If I Don't Like the Settlement?

Any Class Member may make a written submission to the Court setting out objections to any aspect of the Settlement, including, but not limited to, the total amount of the Settlement, the plan for allocating the Net Settlement Fund among members of the Class, or the requests for fees and expenses. The Court will consider any arguments you make for why the Settlement should not be approved.

To object, you must send a letter saying that you object to the Settlement in *In re SupportSoft, Inc. Securities Litigation*, Civil Action No. C 04-5222 SI. Be sure to include your name, address, telephone number, your signature, the number of shares of SupportSoft common stock purchased during the Class Period, and the reasons you object to the Settlement. To be considered, any objection to the Settlement must be postmarked by no later than September 7, 2007 and sent to the Court and to counsel for the parties at the following addresses:

Court:

Clerk of the Court
UNITED STATES OF DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
United States Courthouse
450 Golden Gate Avenue
San Francisco, CA 94102

Class Counsel:

Joseph Sternberg, Esq.
Labaton Sucharow & Rudoff LLP
100 Park Avenue, 12th Floor
New York, NY 10017-5563

Mark Kindall, Esq.
Schatz Nobel IZard, P.C.
20 Church Street, Suite 1700
Hartford, CT 06103

Counsel for all Defendants:

Boris Feldman, Esq.
Wilson, Sonsini Goodrich & Rosati
Professional Corporation
650 Page Mill Road
Palo Alto, CA 94304-1050

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

The Court will hold a hearing (the “Fairness Hearing”) at 9:00 a.m., on September 28, 2007, at the United States Courthouse, 450 Golden Gate Avenue, San Francisco, California, to determine whether to approve the Settlement, based on whether it is fair, reasonable, and adequate. The Court will also determine how much to pay to Class Counsel and the extent to which Class Counsel and Lead Plaintiffs will be reimbursed for their costs and expenses. The Court may decide these issues at the Fairness Hearing or take them under consideration and decide them at a later time.

The Fairness Hearing is open to all members of the public. Any Class Member who has timely filed a written objection in accordance with the instructions in the preceding section may ask to speak about his or her objection at the Fairness Hearing, but speaking is not required. Judge Illston will consider arguments presented at the hearing, as well as any written objections that have been timely submitted by members of the Class.

13. Do I Have a Lawyer in this Case?

The Court appointed Class Counsel to represent you and other members of the Class. You will not be charged for these lawyers’ work; instead, the Court will determine whether and in what amount Class Counsel will be paid out of the Settlement Fund (see below). 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?

Class Counsel will ask the Court for attorneys’ fees not to exceed 33 1/3% of the Settlement Fund (an average of \$0.13 per share) and for reimbursement of out of pocket expenses up to \$225,000 (less than one cent per share), which Class Counsel advanced in connection with the Litigation. In addition, the Lead Plaintiffs will ask the Court for reimbursement of certain costs and expenses directly incurred in connection with representation of the Class in the amount of \$3,150. Such sums as may be approved by the Court will be paid from the Settlement Fund. Members of the Class are not personally liable for any such fees or expenses.

15. What Happens if I Do Not Submit a Proof of Claim and Release?

If you do not submit a Proof of Claim and Release, you will not receive any money from this Settlement Fund. Even if you haven’t submitted a Proof of Claim and Release form, and even if you have not received any money under the Settlement, you will still be barred from starting a lawsuit, continuing a lawsuit, or being part of any other lawsuit against the Defendants based on the same legal or factual issues in this Litigation.

16. How Can I Get More Information About the Settlement?

This Notice summarizes the proposed settlement. More details are in the Stipulation of Settlement dated June 13, 2007, and in the papers filed with the Court supporting the Settlement. You can get copies of the relevant documents at www.strategicclaims.net, or from the Clerk’s office at the United States District Court for the Northern District of California, 450 Golden Gate Avenue, San Francisco, California during regular business hours. You may also contact Class Counsel or, if you have questions related to processing claims under the Settlement, you may contact the Claims Administrator. See the contact information under “Settlement Summary.”

17. What If I Need Help Filling Out My Proof of Claim and Release Form?

If you need help with filling out or submitting your Proof of Claim and Release form, or deciding what supporting documents you need to submit, you should call the Claims Administrator, Strategic Claims Services, at (866)-274-4004, for assistance.

DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE

SPECIAL NOTICE TO NOMINEES

If you hold shares of any SupportSoft common stock purchased between January 20, 2004 and October 1, 2004 as nominee for a beneficial owner, then, within ten (10) days after you receive this Notice, you must either: (1) send a copy of this Notice by first class mail to all such Persons; or (2) provide a list of names and addresses of such Persons to the Claims Administrator:

Claims Administrator
SupportSoft Securities Litigation
Strategic Claims Services
P.O. Box 230
600 North Jackson Street, Suite 3
Media, PA 19063
(866)-274-4004

If you choose to mail the Notice and Proof of Claim and Release form yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of this Notice and Proof Claim 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 reasonable administrative costs actually 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.

DATED: _____ 2007

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

Exhibit A-2

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Media, Pennsylvania 19063

4. If you are a Member of the Class, you are bound by the terms of any judgment entered in the Litigation, WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM AND RELEASE FORM.

II. DEFINITIONS

- 1. “Defendants” means SupportSoft and the Individual Defendants.
- 2. “Individual Defendants” means Radha Basu and Brian Beattie.
- 3. “Released Persons” means each and all of the Defendants and each and all of their Related Parties.

III. CLAIMANT IDENTIFICATION

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

2. Use Part I of this form entitled “Claimant Identification” to identify yourself as the purchaser of the SupportSoft common stock that forms the basis of this claim. (Purchases to cover a “short” position are eligible purchases. Purchases of “options” are not eligible. Gifts of common stock or transfers of common stock are not eligible purchases.) THIS CLAIM MUST BE FILED BY THE ACTUAL BENEFICIAL PURCHASER OR PURCHASERS, OR THE LEGAL REPRESENTATIVE OF SUCH PURCHASER OR PURCHASERS OF THE SUPPORTSOFT COMMON STOCK UPON WHICH THIS CLAIM IS BASED.

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

1 **IV. CLAIM FORM**

2 1. Use Part II of this form entitled “Schedule of Transactions in SupportSoft Common
3 Stock” to supply all required details of your transaction(s) in SupportSoft common stock. If you do
4 not know the date or other details of your purchases or sales, your broker may be able to provide you
5 with that information. If you need more space or additional schedules, attach separate sheets giving
6 all of the required information in substantially the same form. Sign and print or type your name on
7 each additional sheet.

8 2. On the schedules, provide all of the requested information with respect to: (i) your
9 ownership of SupportSoft common stock as of the close of the market on January 19, 2004 and as of
10 the close of the market on December 31, 2004; (ii) *all* of your purchases beginning January 20, 2004
11 through October 1, 2004, inclusive (the “Class Period”); (iii) and *all* of your sales of SupportSoft
12 common stock which took place at any time between January 20, 2004 and December 31, 2004,
13 whether such transactions resulted in a profit or a loss. Gains on purchases of common stock during
14 the Class Period will be netted against losses on purchases during the Class Period. Failure to report
15 all requested transactions may result in the rejection of your claim.

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

18 4. Copies of broker confirmations or other documentation of your transactions in
19 SupportSoft common stock should be attached to your claim. **DO NOT SEND ORIGINALS.**
20 Failure to provide this documentation could delay verification of your claim or result in rejection of
21 your claim.

22 5. The above requests are designed to provide the minimum amount of information
23 necessary to process the most simple claims. The Claims Administrator may request additional
24 information as required to efficiently and reliably calculate your losses.

25
26
27
28

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

In re SupportSoft, Inc. Securities Litigation

Case No. C 04-5222 SI

PROOF OF CLAIM

Must be Postmarked No Later Than:

_____, 2007

Please Type or Print

PART I: CLAIMANT IDENTIFICATION

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

Street Address

City State Zip Code

Foreign Province Foreign Country

Social Security Number or
Taxpayer Identification Number

Check appropriate box:

- Individual or Sole Proprietor
- Corporation
- IRA
- Partnership
- Other
- Pension Plan
- Trust

Area Code Telephone Number (work)

Area Code Telephone Number (home)

e-mail address Facsimile Number

1 Were your shares held in "street name" (i.e., in the name of a stock broker or other nominee)? If so,
 2 that broker or nominee is the Record Owner. Please fill in the following line.

3 _____
 4 Record Owner's Name (if different from beneficial owner listed above); e.g. bokerage firm, bank,
 5 nominee, etc.
 6

7 **PART II: SCHEDULE OF TRANSACTIONS IN SUPPORTSOFT COMMON STOCK**

8 A. Number of shares of SupportSoft common stock held by you at the close of the
 9 market on January 19, 2004: _____

10 B. SupportSoft Common Stock Purchases (January 20, 2004 – October 1, 2004,
 11 inclusive):

Trade Date Mo. Day Year	Number of Shares Purchased	Purchase Price Per Share	Total Purchase Price*
1. _____	1. _____	1. _____	1. _____
2. _____	2. _____	2. _____	2. _____
3. _____	3. _____	3. _____	3. _____

15 C. SupportSoft Common Stock Sales (January 20, 2004 – December 31, 2004):

Trade Date Mo. Day Year	Number of Shares Sold	Sale Price Per Share	Total Sales Price*
1. _____	1. _____	1. _____	1. _____
2. _____	2. _____	2. _____	2. _____
3. _____	3. _____	3. _____	3. _____

19 D. Number of shares of SupportSoft common stock held by you at the close of the
 20 market on December 31, 2004: _____

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

23 YOU MUST READ AND SIGN THE RELEASE ON PAGE _____.

26 _____
 27 * Excluding Taxes, Fees and Commissions.
 28

1 **V. SUBMISSION TO JURISDICTION OF COURT AND**
2 **ACKNOWLEDGMENTS**

3 I (we) submit this Proof of Claim and Release under the terms of the Stipulation of
4 Settlement dated June 13, 2007 (“Stipulation”) described in the Notice. I (we) also submit to the
5 jurisdiction of the United States District Court for the Northern District of California, with respect to
6 my claim as a Class Member (as defined in the Notice) and for purposes of enforcing the release set
7 forth herein. I (we) further acknowledge that I (we) am bound by and subject to the terms of any
8 judgment that may be entered in the Litigation. I (we) agree to furnish additional information to the
9 Claims Administrator to support this claim if required to do so. I (we) have not submitted any other
10 claim covering the same purchases or sales of SupportSoft common stock during the Class Period
11 and know of no other Person having done so on my behalf.

12 **VI. RELEASE**

13 1. I (we) hereby acknowledge full and complete satisfaction of, and do hereby fully,
14 finally and forever settle, release, relinquish and discharge, all of the Released Claims against each
15 and all of the Defendants and each and all of their “Related Parties,” defined as each of a
16 Defendant’s past or present directors, officers, employees, partners, insurers, co-insurers, reinsurers,
17 controlling shareholders, attorneys, accountants or auditors, investment advisors, personal or legal
18 representatives, predecessors, successors, parents, subsidiaries, divisions, joint ventures, assigns,
19 spouses, heirs, related or affiliated entities, any entity in which a Defendant has a controlling interest,
20 any members of an Individual Defendant’s immediate family, or any trust of which the Individual
21 Defendant is the settlor or which is for the benefit of the Individual Defendant’s family.

22 2. “Released Claims” shall collectively mean all claims (including “Unknown Claims”
23 as defined below), demands, rights, liabilities and causes of action of every nature and description
24 whatsoever, known or unknown, whether or not concealed or hidden, asserted or that might have
25 been asserted, including, without limitation, claims for negligence, gross negligence, breach of duty
26 of care and/or breach of duty of loyalty, fraud, breach of fiduciary duty, or violations of any state or
27 federal statutes, rules or regulations, by the Certified Class Representative or any Class Member
28 against the Defendants arising out of, relating to, or in connection with the purchase of SupportSoft

1 common stock by the Certified Class Representative or any Class Member during the Class Period
2 and any and all claims arising out of, relating to, or in connection with the settlement or resolution of
3 this matter.

4 3. "Unknown Claims" shall collectively mean all claims, demands, rights, liabilities, and
5 causes of action of every nature and description which the Certified Class Representative or any
6 Class Member does not know or suspect to exist in his, her or its favor at the time of the release of
7 the Released Persons which, if known by him, her or it, might have affected his, her or its settlement
8 with and release of the Released Persons, or might have affected his, her or its decision not to object
9 to this settlement. With respect to any and all Released Claims, the Settling Parties stipulate and
10 agree that, upon the Effective Date, the Certified Class Representative and each of the Class
11 Members shall be deemed to have waived, and by operation of the Judgment shall have waived, the
12 provisions, rights and benefits of California Civil Code §1542, which provides:

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

17 The Certified Class Representative and each of the Class Members shall be deemed to have, and by
18 operation of the Judgment shall have, expressly waived any and all provisions, rights and benefits
19 conferred by any law of any state or territory of the United States, or principle of common law,
20 which is similar, comparable or equivalent to California Civil Code §1542. The Certified Class
21 Representative and Class Members may hereafter discover facts in addition to or different from
22 those which he, she or it now knows or believes to be true with respect to the subject matter of the
23 Released Claims, but the Certified Class Representative and each Class Member, upon the Effective
24 Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and
25 forever settled and released, any and all Released Claims, known or unknown, suspected or
26 unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or
27 heretofore have existed, upon any theory of law or equity now existing or coming into existence in
28 the future, including, but not limited to, conduct which is negligent, intentional, with or without
malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence

1 of such different or additional facts. The Certified Class Representative acknowledges, and the
2 Class Members shall be deemed by operation of the Judgment to have acknowledged, that the
3 foregoing waiver was separately bargained for and a key element of the settlement of which this
4 release is a part.

5 4. This release shall be of no force or effect unless and until the Court approves the
6 Stipulation and it becomes effective on the Effective Date.

7 5. I (We) hereby warrant and represent that I (we) have not assigned or transferred or
8 purported to assign or transfer, voluntarily or involuntarily, any matter released pursuant to this
9 release or any other part or portion thereof.

10 6. I (We) hereby warrant and represent that I (we) have included accurate information
11 about the number of shares of SupportSoft common stock held by me (us) at the close of the market
12 on January 19, 2004 and at the close of the market on December 31, 2004, all of my (our) purchases
13 of SupportSoft common stock that occurred during the Class Period, and all sales of SupportSoft
14 common stock between January 20, 2004 and December 31, 2004.

15
16
17
18
19
20
21
22
23
24
25
26
27
28

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

SEE ENCLOSED FORM W-9 INSTRUCTIONS

The Internal Revenue Service does not require your consent to any provision of this document other than the certification required to avoid backup withholding.

I (we) declare under penalty of perjury under the laws of the United States of America that the foregoing information supplied by the undersigned is true and correct.

Executed this _____ day of _____,
(Month/Year)

in _____,
(City) (State/Country)

(Sign your name here)

(Type or print your name here)

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

(Sign your name here for joint purchasers)

(Type or print your name here for joint purchasers)

1 ACCURATE CLAIMS PROCESSING TAKES A
2 SIGNIFICANT AMOUNT OF TIME
3 THANK YOU FOR YOUR PATIENCE
4

5 Reminder Checklist:

- 6 1. Please sign the above release and declaration.
7 2. Remember to attach supporting documentation, if available.
8 3. Do not send original stock certificates.
9 4. Keep a copy of your claim form for your records.
10 5. If you desire an acknowledgment of receipt of your claim form, please send it

11 Certified Mail, Return Receipt Requested.

- 12 6. If you move, please send us your new address.
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Exhibit A-3

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

In re SUPPORTSOFT, INC. SECURITIES) Civil Action No.: C 04-5222 SI
LITIGATION)
)
) Before: Honorable Susan Illston
)
)
_____)

TO: ALL PERSONS WHO PURCHASED SUPPORTSOFT, INC. ("SUPPORTSOFT")
SECURITIES BETWEEN JANUARY 20, 2004 THROUGH OCTOBER 1, 2004.

YOU ARE HEREBY NOTIFIED pursuant to an Order of the United States District Court for the Northern District of California, that a hearing will be held on September 28, 2007, at 9:00 a.m., before the Honorable Susan Illston at the United States Courthouse, 450 Golden Gate Avenue, San Francisco, California, for the purpose of determining (1) whether the proposed settlement of the claims in the Litigation for the sum of \$10,700,000 in cash should be approved by the Court as fair, reasonable and adequate; (2) whether, thereafter, this Litigation should be dismissed with prejudice as set forth in the Stipulation of Settlement dated June 13, 2007, and the Claims asserted by Class Members in the Litigation released; (3) whether the Plan of Allocation is fair, reasonable and adequate and therefore should be approved; and (4) whether the application of counsel for the Plaintiff and the Class ("Class Counsel") for an award of attorneys' fees, and reimbursement of expenses incurred in connection with this Litigation, and the application of the plaintiffs for reimbursement of expenses incurred in connection with this Litigation, should be approved.

If you purchased or acquired SupportSoft common stock during the period January 20, 2004 through October 1, 2004, inclusive (the "Class Period"), and you did not request to be excluded from the Class when the Court certified the Class in June of 2006, your rights may be affected by the settlement of this Litigation. If you have not received a detailed Notice of Proposed Settlement of Class Action and a copy of the Proof of Claim and Release form, you may obtain copies by writing to: Claims Administrator, SupportSoft Securities Litigation, Strategic Claims Services, P.O. Box 230, 600 North Jackson Street, Suite 3, Media, PA 19063, or by visiting the website www.strategicclaims.net.

In order to share in the distribution of the Net Settlement Fund, you must submit a Proof of Claim and Release, together with supporting documentation, postmarked no later than **[90 days from mailing of notice]**, 2007, establishing that you are entitled to recovery. All members of the Class – that is, all persons who purchased or acquired SupportSoft common stock during the Class Period who did not request exclusion from the Class at the time that the Class was certified in 2006 – will be bound by any judgment entered in the Litigation pursuant to the Stipulation of Settlement.

Any objection to the settlement must be mailed and postmarked no later than September 7, 2007 and sent to the following:

Court:

Clerk of the Court
UNITED STATES OF DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
United States Courthouse
450 Golden Gate Avenue
San Francisco, CA 94102

Counsel for Plaintiff and the Class:

Joseph Sternberg, Esq.
Labaton Sucharow & Rudoff LLP
100 Park Avenue, 12th Floor
New York, NY 10017-5563

Mark Kindall, Esq.
Schatz Nobel IZard, P.C.
20 Church Street, Suite 1700
Hartford, CT 06103

Counsel for all Defendants:

Boris Feldman, Esq.
Wilson, Sonsini Goodrich & Rosati
Professional Corporation
650 Page Mill Road
Palo Alto, CA 94304-1050

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 Counsel for the Plaintiff and the Class, as set forth above.

DATED: _____ 2007

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

Exhibit B

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

)	
	)	CASE NO.: C 04-5222 SI
In re SUPPORTSOFT, INC.)	
SECURITIES LITIGATION	)	<u>CLASS ACTION</u>
)	
_____	)	[PROPOSED] FINAL JUDGMENT
This Document Relates To:	)	AND ORDER OF DISMISSAL WITH
ALL ACTIONS	)	PREJUDICE
)	
_____)	

This matter came before the Court for hearing pursuant to an Order of this Court, dated _____, on the application of the Settling Parties for approval of the settlement set forth in the Class Action Stipulation of Settlement dated as of _____ (the "Stipulation"). Due and adequate notice having been given of the settlement as required in said Order, and the Court having considered all papers filed and proceedings held herein and otherwise being fully informed in the premises and good cause appearing therefore, IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:

1. This Judgment incorporates by reference the definitions in the Stipulation, and all terms used herein shall have the same meanings set forth in the Stipulation.
2. This Court has jurisdiction over the subject matter of the Litigation and over all parties to the Litigation, including all Members of the Settlement Class.
3. The Litigation and all claims contained therein, including all of the Released Claims, are dismissed with prejudice as to the Lead Plaintiffs and the other Members of the Class, and as against each and all of the Released Persons. The parties are to bear their own costs, except as otherwise provided in the Stipulation.
4. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, this Court hereby approves the settlement set forth in the Stipulation and finds that said settlement is, in all respects,

1 fair, reasonable and adequate. This Court further finds the settlement set forth in the Stipulation is
2 the result of arm's-length negotiations between experienced counsel representing the interests of the
3 Settling Parties. Accordingly, the settlement embodied in the Stipulation is hereby approved in all
4 respects and shall be consummated in accordance with its terms and provisions. The Settling Parties
5 are hereby directed to perform the terms of the Stipulation.

6 5. By Order dated June 1, 2006, the Court certified a Class of all Persons and entities
7 who purchased or otherwise acquired the securities of SupportSoft, Inc. ("SupportSoft") from
8 January 20, 2004 to October 1, 2004 and who were damaged thereby. Excluded from the Class are
9 Defendants, the officers and directors of SupportSoft at all relevant times, members of their
10 immediate families and their legal representatives, heirs, successors or assigns and any entity in
11 which any excluded person or entity has a controlling interest. Also excluded from the Class is Paul
12 Takacs, Jr., on behalf of Wall Street Warriors Investment Club, who timely and validly requested
13 exclusion from the Class pursuant to the Notice of Pendency of Class Action.

14 6. Upon the Effective Date, the Certified Class Representative and each of the Class
15 Members shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and
16 forever released, relinquished and discharged all claims (including unknown claims) demands,
17 rights, liabilities and causes of action of every nature and description whatsoever, known or
18 unknown, whether or not concealed or hidden, asserted or that might have been asserted, including,
19 without limitation, claims for negligence, gross negligence, breach of duty of care and/or breach of
20 duty of loyalty, fraud, breach of fiduciary duty, or violations of any state or federal statutes, rules or
21 regulations, arising out of, relating to, or in connection with the purchase of SupportSoft securities
22 by Plaintiff or any Class Member during the Class Period, against the Defendants and the Released
23 Persons (the "Released Claims"), whether or not such Class Member executes and delivers a Proof
24 of Claim and Release form.

25 7. All Class Members are hereby forever barred and enjoined from prosecuting the
26 Released Claims against the Released Persons.

27 8. Upon the Effective Date hereof, each of the Defendants and Released Persons shall be
28 deemed to have, and by operation of this Judgment shall have, fully, finally, and forever released,

1 relinquished and discharged each Plaintiff and all of the Class Members and their counsel from all
2 claims (including unknown claims), arising out of, relating to, or in connection with the institution,
3 prosecution, assertion, settlement or resolution of the Litigation or the Released Claims.

4 9. The distribution of the Notice of Proposed Settlement of Class Action and Settlement
5 Hearing and the publication of the Summary Notice (collectively “Notice”), which included
6 individual notice to all Members of the Class who could be identified through reasonable effort,
7 constituted the best notice practicable under the circumstances. Said Notice fully satisfied the
8 requirements of Federal Rule of Civil Procedure 23 and the requirements of due process.

9 10. Any order approving the plan of allocation or the applications for attorneys’ fees and
10 expenses and the Named Plaintiffs’ costs and expenses, or any objection to or appeal from any such
11 order, shall in no way disturb or affect this Final Judgment and shall be considered separate from
12 this Final Judgment.

13 11. Neither the Stipulation nor the settlement contained therein, nor any act performed or
14 document executed pursuant to or in furtherance of the Stipulation or the settlement: (a) is or may be
15 deemed to be or may be used as an admission of, or evidence of, the validity of any Released Claim,
16 or of any wrongdoing or liability of the Defendants; or (b) is or may be deemed to be or may be used
17 as an admission of, or evidence of, any fault or omission of any of the Defendants in any civil,
18 criminal or administrative proceeding in any court, administrative agency or other tribunal.
19 Defendants may file the Stipulation and/or the Judgment in any other action that may be brought
20 against them in order to support a defense or counterclaim based on principles of *res judicata*,
21 collateral estoppel, release, good faith settlement, judgment bar or reduction or any other theory of
22 claim preclusion or issue preclusion or similar defense or counterclaim.

23 12. Without affecting the finality of this Judgment in any way, this Court hereby retains
24 continuing jurisdiction over: (a) implementation of this settlement and any award or distribution of
25 the Settlement Fund, including interest earned thereon; (b) disposition of the Settlement Fund;
26 (c) hearing and determining applications for attorneys’ fees and expenses in the Litigation and for
27 reimbursement of the Named Plaintiffs’ costs and expenses incurred in the Litigation; and (d) all
28 parties hereto for the purpose of construing, enforcing and administering the Stipulation.

1 13. The Court finds that during the course of the Litigation, the Settling Parties and their
2 respective counsel at all times complied with the requirements of Federal Rule of Civil Procedure
3 11.

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

10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

DATED: _____

THE HONORABLE SUSAN ILLSTON
UNITED STATES DISTRICT JUDGE