

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

In re LEADIS TECHNOLOGY, INC.  
SECURITIES LITIGATION

Master File No. C-05-0882-CRB

This Document Relates To:  
All Actions

**NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT,  
MOTION FOR ATTORNEYS' FEES AND EXPENSES AND FAIRNESS HEARING**

**IF YOU PURCHASED SHARES OF LEADIS TECHNOLOGY, INC. ("LEADIS") COMMON STOCK PURSUANT TO,  
OR TRACEABLE TO, THE COMPANY'S INITIAL PUBLIC OFFERING ("IPO") (THE "CLASS"),  
YOU COULD RECEIVE A PAYMENT FROM A CLASS ACTION SETTLEMENT.**

***A federal court authorized this Notice. This is not a solicitation from a lawyer.***

**Securities Involved:** Leadis common stock purchased pursuant to, or traceable to, the Company's IPO. Shares of Leadis common stock purchased "pursuant to, or traceable to, the Company's IPO" refers to (for purposes of this Settlement only) any share of Leadis common stock initially purchased at the IPO offering price on the date the registration statement was declared effective, or any share of Leadis common stock purchased on the open market between June 16, 2004 and March 2, 2005 inclusive. Excluded from this definition are any "purchases," made on or about the date that the Company's IPO registration statement was declared effective, in which Leadis preferred stock was converted to common stock (but, no open-market purchases on or before March 2, 2005 are excluded).

**Settlement Amount:** \$4,200,000 in cash. The Class will also receive interest on the Settlement Amount (collectively, the "Settlement Fund"). Depending on the number of claims filed and when Class Members sold their shares of Leadis common stock purchased pursuant to, or traceable to, the Company's IPO, the estimated average recovery per share of Leadis common stock will be approximately \$0.70. **Please Note: This average is only an estimate, and is before deduction of Court-approved fees and expenses.**

**The Lawsuit:** The Settlement resolves class action litigation over allegations as to whether Leadis' registration statement dated March 24, 2004, and subsequent amendments thereto, and prospectus filed with the Securities and Exchange Commission ("SEC") on June 16, 2004 (collectively, the "Prospectus") contained misrepresentations and omissions of material information concerning Leadis' Organic Light Emitting Diode ("OLED") display drive customer base, market conditions and future business prospects, and whether these alleged misrepresentations and omissions inflated the price of Leadis' common stock issued in the Company's IPO causing financial injury to members of the Class. See Question 2 below for more information.

**Attorneys' Fees and Expenses:** Lead Counsel has litigated this Action on a contingent basis and has conducted this litigation and advanced the expenses of litigation with the expectation that if it was successful in recovering money for the Class, it would receive fees and be reimbursed for its expenses from the Settlement Fund, as is customary in this type of litigation. Court-appointed Lead Counsel will apply to the court for attorneys' fees not to exceed 25% of the Settlement Amount and reimbursement of out-of-pocket expenses not to exceed \$75,000, plus interest on both amounts, all to be paid from the Settlement Fund. If the above amounts are requested and approved by the Court, the average cost per share of common stock will be \$0.19. **Please note that this amount is only an estimate.**

**Deadlines:**

**Submit Claim:**

**July 10, 2009**

**Request Exclusion:**

**May 29, 2009**

**File Objection:**

**May 29, 2009**

**Court Hearing on Fairness of Settlement:**

**June 19, 2009**

**More Information:**

Claims Administrator:

*In re Leadis Technology, Inc. Securities Litigation*

c/o Strategic Claims Services

P.O. Box 230

600 North Jackson Street, Ste. 3

Media, PA 19063

Telephone: (866) 274-4004

**Lead Counsel:**

Andrew L. Zivitz, Esq.

Christopher L. Nelson, Esq.

Michelle Newcomer, Esq.

**BARROWAY TOPAZ KESSLER**

**MELTZER & CHECK, LLP**

280 King of Prussia Road

Radnor, PA 19087

Telephone: (610) 667-7706

- Your legal rights are affected whether you act or do not act. Please read this Notice carefully.

## STATEMENT OF RECOVERY

The Settlement represents an average recovery of \$0.70 per damaged share of Leadis common stock (for the 6 million shares of common stock issued by the Company during its IPO which may have been damaged as a result of the purported misrepresentations or omissions alleged in the Action). This average is an estimate, calculated before the deduction of notice and settlement administration expenses and such attorneys' fees and expenses as awarded by the Court, and does not include interest earned on the Settlement Amount. Depending on (1) the number of claims submitted; (ii) when a Class Member purchased or sold their shares of Leadis common stock; (3) whether those shares of Leadis common stock were held through the end of the Class Period; (4) administrative costs, including the costs of notice, for the Action; and (5) the amount awarded by the Court for attorneys' fees and expenses, a Class Member may receive more or less than this average amount. (See Plan of Allocation on pages 6-7).

Under the relevant securities laws, a claimant's recoverable damages are limited to the losses attributable to the alleged securities law violations. For example, losses which resulted from overall stock market declines are not recoverable. In addition, it is not possible to recover to the extent a purchaser paid in excess of the IPO price of \$14.00 per share. For purposes of this Settlement, a Class Member's distribution from the Settlement Fund will be governed by the Plan of Allocation described below or such other Plan of Allocation as may be approved by the Court.

### THE CIRCUMSTANCES OF THE SETTLEMENT

The principal reason for Plaintiffs' consent to the Settlement is to provide a benefit to the Class. This benefit must be compared to the risk that no recovery might be achieved after contested motions, a contested trial and likely appeals, possibly years into the future. While Lead Counsel believed that Defendants' pending petition for writ of *certiorari* would be denied by the Supreme Court and that Plaintiffs' claims, on remand, would be sustained and ultimately result in a verdict for the Class, Lead Counsel recognized that success against the Defendants is not ensured. The claims advanced by the Class involve numerous complex legal and factual issues, which would require extensive expert testimony and would add considerably to the expenses and duration of the litigation. Further, after reviewing the Company's financial resources and insurance coverage, Lead Counsel was cognizant that even if Plaintiffs prevailed at trial, they may not be able to collect on a judgment for greater than, if even an amount equal to, the proposed Settlement.

Defendants have expressly denied and continue to deny all charges of wrongdoing alleged in this lawsuit and neither admit nor concede actual or potential fault, wrongdoing, or liability arising out of any facts, claims, conduct, statements, acts, or omissions alleged, or that could have been alleged, in the Action. Among other things, the Parties disagree about (i) whether the Plaintiffs or the Class have suffered damages, (ii) whether the price of Leadis common stock was artificially inflated by reasons of the alleged misrepresentations, omissions, or otherwise, and (iii) whether the Plaintiffs or the Class were harmed by the conduct alleged in the Consolidated Class Action Complaint (the "Complaint"). Even after an extensive investigation, questions remain regarding the extent of Defendants' liability and the extent to which a jury might find them liable, if at all. This Settlement therefore enables the Class to recover without incurring any additional risk or costs. As a result, Plaintiffs believe this Settlement is a fair, reasonable, and adequate recovery for the Class.

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>	
<b>SUBMIT A CLAIM FORM</b>	The only way to receive a payment from the Settlement Fund.
<b>EXCLUDE YOURSELF</b>	Receive no payment from the Settlement Fund. This is the only option that allows you to participate in another lawsuit against the Defendants or the Released Parties (as defined below) concerning the Settled Claims.
<b>OBJECT</b>	You may write to the Court if you do not like this Settlement, the Plan of Allocation, or Lead Counsel's request for attorneys' fees and expenses.
<b>GO TO A HEARING</b>	You may ask to speak in Court about the fairness of the Settlement.
<b>DO NOTHING</b>	Receive no payment from the Settlement Fund and give up your rights with regard to the claims in this lawsuit.

- These rights and options — **and the deadlines to exercise them** — are explained in this Notice. Please note the date of the Fairness Hearing — currently scheduled for June 19, 2009 — is subject to change without further notice. If you plan to attend the hearing, you should check the website, [www.strategicclaims.net](http://www.strategicclaims.net), or with Lead Counsel as set forth above to be sure that no change to the date and time of the hearing has been made.
- The Court in charge of this Action still has to decide whether to approve the Settlement. Payments will be made to Class Members if the Court approves the Settlement and that approval being upheld in appeals that are filed, if any. Please be patient.

## WHAT THIS NOTICE CONTAINS

	<u>Page</u>
<b>BASIC INFORMATION</b> .....	<b>3</b>
1. Why Did I Receive this Notice Package? .....	3
2. What Is this Lawsuit About? .....	4
3. Why Is this Action a Class Action? .....	5
4. Why Is There a Settlement? .....	5
<b>WHO IS IN THE SETTLEMENT</b> .....	<b>6</b>
5. How Do I Know if I Am Part of the Settlement? .....	6
6. What Are the Exceptions to Being Included? .....	6
7. I Am Still Not Sure if I Am Included. ....	6
<b>THE SETTLEMENT BENEFITS — WHAT YOU RECEIVE</b> .....	<b>6</b>
8. What Does the Settlement Provide? .....	6
<b>PLAN OF ALLOCATION OF NET SETTLEMENT FUND AMONG CLASS MEMBERS.</b> .....	<b>6</b>
9. How Much Will My Payment Be? .....	6
<b>HOW YOU RECEIVE A PAYMENT — SUBMITTING A CLAIM FORM</b> .....	<b>7</b>
10. How Will I Receive a Payment? .....	7
11. When Will I Receive My Payment? .....	8
12. What Am I Giving Up By Staying in the Class? .....	8
<b>EXCLUDING YOURSELF FROM THE SETTLEMENT</b> .....	<b>8</b>
13. How Do I Exclude Myself from the Settlement? .....	8
14. If I Do Not Exclude Myself, Can I Sue the Defendants for the Same Thing Later? .....	8
15. If I Exclude Myself, Can I Receive a Payment from this Settlement? .....	8
<b>THE LAWYERS REPRESENTING YOU</b> .....	<b>8</b>
16. Do I Have a Lawyer in this Case? .....	8
17. How Will the Lawyers Be Paid? .....	9
<b>OBJECTING TO THE SETTLEMENT</b> .....	<b>9</b>
18. How Do I Tell the Court that I Do Not Like the Settlement? .....	9
19. What Is the Difference Between Objecting and Excluding? .....	9
<b>THE COURT’S SETTLEMENT FAIRNESS HEARING</b> .....	<b>9</b>
20. When and Where Will the Court Decide Whether to Approve the Settlement? .....	9
21. Do I Have to Come to the Settlement Fairness Hearing? .....	10
22. May I Speak at the Settlement Fairness Hearing? .....	10
<b>IF YOU DO NOTHING</b> .....	<b>10</b>
23. What Happens If I Do Nothing at All? .....	10
<b>OBTAINING MORE INFORMATION</b> .....	<b>10</b>
24. Are There More Details About the Settlement? .....	10
<b>SPECIAL NOTICE TO NOMINEES</b> .....	<b>10</b>

### BASIC INFORMATION

#### **1. Why Did I Receive this Notice Package?**

You or someone in your family may have purchased the common stock of Leadis pursuant to, or traceable to, the Company’s IPO (meaning, for purposes of this Settlement only, any share of Leadis common stock initially purchased at the IPO offering price on the date the registration statement was declared effective, or any share of Leadis common stock purchased on the open market between June 16, 2004 and March 2, 2005 inclusive).

If this description applies to you, 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. If the Court approves the Settlement and after any objections or appeals are resolved, the Claims Administrator appointed by the Court will make the payments that the Settlement allows.

This package explains the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to receive them.

## 2. What Is this Lawsuit About?

On or after March 2, 2005, two securities class actions were filed in the United States District Court for the Northern District of California against Leadis and certain of the Company's present and former officers and directors. These actions were consolidated by Order dated April 20, 2005. By Order dated June 10, 2005, the Court appointed plaintiffs Ngoan Van Le, Richard Beedenbender and Scott Strouse (collectively, the "Le Group") as Lead Plaintiff and appointed Lead Plaintiff's choice of counsel, Schiffrin & Barroway, LLP (now known as Barroway Topaz Kessler Meltzer & Check, LLP), as lead counsel ("Lead Counsel") for the Class.

On August 8, 2005, Lead Plaintiff, along with additional plaintiff Kenneth P. Wachsmann, (together, the "Plaintiffs") filed the Consolidated Class Action Complaint (the "Complaint"), asserting claims under Sections 11, 12(a)(2), and 15 of the Securities Act of 1933 against the Defendants. The Complaint alleged that Leadis' Prospectus contained misrepresentations and omissions pertaining to, *inter alia*, pricing pressures on its OLED product line and future business prospects, particularly pertaining to its primary customer, Samsung OLED. The Complaint further alleged that Defendants' misleading statements and omissions caused the Company's IPO to be completed at an inflated price, resulting in damages to persons and entities who purchased Leadis common stock pursuant to, or traceable to, the Company's IPO. Defendants, on the other hand, have denied violating any laws and have raised, or could raise, numerous defenses, including that the statements or omissions were not false and misleading, and even if they were, the statements or omissions were not material. Defendants expressly deny any wrongdoing alleged in the pleadings and the lawsuit, and neither admit nor concede any actual or potential fault, wrongdoing, or liability in connection with any facts or claims that have been or could have been alleged in the Action.

Defendants moved to dismiss the Complaint on October 28, 2005. Following briefing by both sides and oral argument, the Court granted Defendants' motions to dismiss with prejudice by Memorandum and Order dated March 1, 2006.

Shortly thereafter, on March 28, 2006, Plaintiffs appealed the Court's decision to the United States Court of Appeals for the Ninth Circuit (the "Appellate Court"). The Appellate Court, in a 2-1 panel decision, issued a Memorandum on April 18, 2008 reversing the Court's March 1, 2006 decision, and remanded the Action back to this Court for further proceedings. On May 9, 2008, Defendants filed a petition for a rehearing *en banc* of the Appellate Court's decision. Defendants' petition was denied by Order issued on June 24, 2008.

Thereafter, on September 23, 2008, Defendants filed a petition for writ of *certiorari* to the United States Supreme Court. Around the same time, the Parties began discussing a possible resolution of the Action. Following settlement negotiations, the Parties reached a tentative agreement to settle the Action in October 2008, while Defendants' writ of *certiorari* was pending.

### RELEASE

If the Court approves the Settlement as set forth in the Parties' Stipulation and Agreement of Settlement ("Stipulation"), all Class Members, on behalf of themselves, their personal representatives, heirs, executors, administrators, trustees, successors, and assigns, will release any "Settled Claims" they have as against the "Released Parties." This means that if you remain a member of the Class, any and all "Settled Claims" you have against the "Released Parties" will be released and discharged regardless of whether you file a Proof of Claim and Release Form ("Proof of Claim"), and regardless of whether you are found eligible to share in the Settlement Fund.

"Released Parties" means Defendants, their parents, subsidiaries, controlling persons, affiliates, and acquirers, and their respective current and former officers, directors, partners, members, employees, agents, attorneys, advisors, auditors, underwriters, insurers, reinsurers, representatives, heirs, predecessors, successors in interest, and assigns.

"Settled Claims" means any and all claims, debts, demands, suits, dues, sums of money, accounts, bonds, bills, covenants, contracts, controversies, agreements, promises, judgments, variances, executions, obligations, damages, losses, fees, costs, rights or causes of action, or liabilities of any kind, nature, or description whatsoever, whether based on federal, state, local, statutory, or common law, or any other law, rule, or regulation, whether suspected or unsuspected, fixed or contingent, accrued or un-accrued, liquidated or un-liquidated, matured or un-matured, class or individual in nature, or asserted or not asserted (or threatened, alleged, or litigated) at law, in equity, or otherwise, including without limitation, claims for contribution, indemnification, costs, expenses (including, without limitation, amounts paid in settlement), attorneys' fees, negligence, gross negligence, breach of care, breach of duty of loyalty, misrepresentation, fraud, breach of fiduciary duty, including both known claims and Unknown Claims (as defined below), (i) that have been asserted in this Action by Plaintiffs and/or the members of the Class or any of them against any of the Released Parties, or (ii) that could have been asserted (whether directly, indirectly, representatively,



derivatively, or in any other capacity) in any forum by Plaintiffs and/or the members of the Class or any of them, including claims relating to the purchase, sale, or other acquisition, disposition or holding of Leadis shares pursuant to, or traceable to, the IPO (meaning, for purposes of this Settlement only, any share of Leadis common stock initially purchased at the IPO offering price on the date the registration statement was declared effective, or any share of Leadis common stock purchased on the open market between June 16, 2004 and March 2, 2005 inclusive), against any of the Released Parties, which arise out of or are based upon (directly or indirectly) the allegations, transactions, facts, circumstances, events, acts, failures to act, disclosures, statements, matters, occurrences, representations, or omissions (of any kind or nature whatsoever) involved, set forth, or referred to in the Consolidated Class Action Complaint. Settled Claims shall also include any claims, debts, demands, controversies, obligations, losses, rights, or causes of action that Plaintiffs, Class Members, or any of them may have against the Released Parties or any of them which involve or relate in any way to the defense of the Action or the Settlement of the Action. Notwithstanding the foregoing, or any other provision contained in the Stipulation, Settled Claims shall not include any claims to enforce the Settlement, including without limitation, any claims to enforce the terms of this Stipulation, of orders, or of judgments issued by the Court in connection with the Settlement.

“Settled Defendants’ Claims” means any and all claims, rights or causes of action or liabilities whatsoever, whether based on federal, state, local, statutory or common law or any other law, rule or regulation, including both known claims and Unknown Claims (as defined below), that have been or could have been asserted in the Action or any forum by the Defendants or any of them or the successors and assigns of any of them against the Plaintiffs, any Class Member or their attorneys, which arise out of or relate in any way to the institution, prosecution, or settlement of the Action. Notwithstanding the foregoing, or any other provision contained in the Stipulation, Settled Defendants’ Claims shall not include any claims to enforce the Settlement, including, without limitation, any of the terms of this Stipulation, of orders, or of judgments issued by the Court in connection with the Settlement.

“Unknown Claims” means any and all Settled Claims that Plaintiffs and/or Class Members do not know or suspect to exist in his, her, or its favor as of the Effective Date and any Settled Defendants’ Claims that any Defendant does not know or suspect to exist in his or its favor as of the Effective Date, which if known by him or it might have affected his or its decision(s) with respect to the Settlement. With respect to any and all Settled Claims and Settled Defendants’ Claims, the Parties stipulate and agree that upon the Effective Date, Plaintiffs and Defendants shall expressly waive, and each Class Member shall be deemed to have waived, and by operation of the Judgment shall have expressly waived, any and all provisions, rights, and benefits conferred by any law of any state of the United States, or principle of common law or otherwise, which is similar, comparable, or equivalent to California Civil Code § 1542, which provides:

**A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.**

Plaintiffs and Defendants acknowledge, and Class Members by operation of law shall be deemed to have acknowledged, that the inclusion of “Unknown Claims” in the definition of Settled Claims and Settled Defendants’ Claims was separately bargained for and was a key element of the Settlement.

A free copy of the Stipulation is available at [www.strategicclaims.net](http://www.strategicclaims.net).

### 3. Why Is this Action a Class Action?

In a class action, one or more individuals, called class representatives (in this case the court-appointed lead plaintiffs: Ngoan Van Le, Richard Beedenbender and Scott Strouse (or, the “Le Group”), and additional plaintiff Kenneth P. Wachsmann (together, the “Plaintiffs”)), sue on behalf of individuals and entities who have similar claims. All of these individuals and entities who have similar claims are referred to collectively as a Class, or individually as Class Members. One court resolves the issues for all Class Members, except for those who exclude themselves from the Settlement. The United States District Court for the Northern District of California, the Honorable Charles R. Breyer, is in charge of this Action.

### 4. Why Is There a Settlement?

The Court did not decide in favor of Plaintiffs or Defendants. Instead, in order to avoid the cost and risks of further litigation and trial, both sides agreed to a settlement. As explained above, after assessing the Company’s financial resources and the risks of continued litigation, Plaintiffs and their attorneys believe the Settlement is best for all Class Members.

## WHO IS IN THE SETTLEMENT

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

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

The Class includes: all those who purchased shares of Leadis common stock pursuant to, or traceable to, the Company's IPO and were damaged thereby, ***except those persons and entities that are excluded, as described below.***

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

Excluded from the Class are: Defendants; members of the families of each of the Individual Defendants; any partner, officer, executive or director of any Defendant; any affiliated entity in which any such excluded person has or had a controlling interest; and the legal representatives, heirs, successors and assigns of any such excluded person or entity. Also excluded from the Class are all persons and entities who exclude themselves by timely requesting exclusion in accordance with the requirements set forth herein.

### **7. I Am Still Not Sure if I Am Included.**

If you are still not sure whether you are included, you can ask for free help. You can call the Claims Administrator, Strategic Claims Services, at 1-866-274-4004, for more information. Or you can fill out and return the claim form described in Question 10, to see if you qualify.

## THE SETTLEMENT BENEFITS — WHAT YOU RECEIVE

### **8. What Does the Settlement Provide?**

Defendants have agreed to create a \$4,200,000 cash settlement fund. The balance of this fund, after payment of court-approved attorneys' fees and expenses and the costs of claims administration, including the costs of printing and mailing this Notice and the cost of publishing notice (the "Net Settlement Fund"), will be divided among all Class Members who submit timely and valid Proofs of Claim.

## PLAN OF ALLOCATION OF NET SETTLEMENT FUND AMONG CLASS MEMBERS

### **9. How Much Will My Payment Be?**

Each person or entity claiming to be an Authorized Claimant shall be required to submit a separate Proof of Claim and Release signed under penalty of perjury and supported by such documents as specified in the Proof of Claim as are reasonably available to the Authorized Claimant. If you are entitled to a payment, your share of the Net Settlement Fund will depend on the number of valid Proofs of Claim that Class Members submit, the amount of Leadis common stock you purchased pursuant to, or traceable to, the IPO, and when you sold your shares of Leadis common stock. By following the Plan of Allocation described herein, you can calculate your "Recognized Claim." The Claims Administrator will distribute the Net Settlement Fund according to the Plan of Allocation after the deadline for submission of Proofs of Claim has passed.

All Proofs of Claim must be postmarked or received by July 10, 2009, and addressed as follows:

***In re Leadis Technology, Inc. Securities Litigation***

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

The Net Settlement Fund will be distributed to Authorized Claimants pursuant to the terms of the Plan of Allocation below. The Plan of Allocation provides that a Class Member will be eligible to participate in the distribution of the Net Settlement Fund only if he, she, or it has a net loss on all transactions in Leadis common stock as a result of purchases of Leadis common stock made pursuant to, or traceable to, the Company's IPO.

For Class Members who made multiple purchases or sales pursuant to, or traceable to, the Company's IPO, the first-in, first-out ("FIFO") method will be applied to such purchases and sales for purposes of calculating a Recognized Claim. Under the FIFO method, sales will be matched, in chronological order, against, in chronological order, purchases made pursuant to, or traceable to, the IPO.

For purposes of determining whether a Class Member has a gain or loss in Leadis common stock, any gain stemming from a sale of Leadis common stock shall be used to offset losses stemming from purchases of Leadis common stock.

## THE PLAN OF ALLOCATION

### THE BASIS FOR CALCULATING YOUR RECOGNIZED CLAIM:

Each Authorized Claimant shall be allocated a *pro rata* share of the Net Settlement Fund based on his, her or its Recognized Claim as compared to the total Recognized Claims of all Authorized Claimants. The amount of each Recognized Claim for shares purchased and sold through March 2, 2005, will be the purchase price (not to exceed the IPO price of \$14.00 per share) less the sales price. For shares purchased that were not sold on or before March 2, 2005 the “settle-out” price (or assumed sales price) shall be \$6.53<sup>1</sup>.

Plaintiffs estimate that, before March 2, 2005, there were approximately 6,000,000 shares of Leadis common stock that Class Members purchased pursuant to the Registration Statement for the June 2004 IPO which were damaged as alleged in the Complaint. If Recognized Claims were submitted with respect to all 6,000,000 shares, Lead Counsel estimates that the gross recovery per damaged share would be \$0.70. (This per damaged share calculation is on a gross basis, before subtraction from the Settlement Fund of such attorneys’ fees and expenses, notice and claims processing costs and other amounts as may be allowed by the Court. *This also counts each damaged share once, regardless of how often it was bought and sold before March 2, 2005. In Lead Counsel’s estimation, these damaged shares turned over several times during this period of time, and thus, a particular claimant’s recovery per share would be less than \$0.70 if all eligible claimants file claims.*)

The Plan of Allocation is a matter separate and apart from the proposed Settlement, and any decision by the Court concerning the Plan of Allocation shall not affect the validity or finality of the proposed Settlement. The Plan of Allocation may be modified in connection with, among other things, a ruling by the Court or an objection filed by a Class Member, without further notice to the Class.

The Claims Administrator shall determine each Authorized Claimant’s *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant’s “Recognized Claim.” The Recognized Claim formula is not intended to be an estimate of the amount a Class Member might have been able to recover after a trial; nor is it an estimate of the amount that will be paid to Authorized Claimants pursuant to the Settlement. The Recognized Claim formula is the basis upon which the Net Settlement Fund will be proportionately allocated to the Authorized Claimants. No distribution will be made on a claim where the potential distribution amount is \$10.00 or less in cash.

The date of purchase or sale is the “contract” or “trade” date as distinguished from the “settlement” date. Therefore, you need to list all your purchases of Leadis common stock pursuant to, or traceable to, the Company’s IPO (meaning, for purposes of this Settlement only, any share of Leadis common stock initially purchased at the IPO offering price on the date the registration statement was declared effective, or any share of Leadis common stock purchased on the open market between June 16, 2004 and March 2, 2005 inclusive), and all sales thereof. Brokerage commissions and transfer taxes paid by you in connection with your purchases and sales of Leadis common stock purchased pursuant to, or traceable to, the Company’s IPO should be included in the “total purchase price” and net of the “total proceeds.”

The Court has reserved jurisdiction to allow, disallow, or adjust the claim of any Class Member on equitable grounds. Each claimant is deemed to have submitted to the jurisdiction of the Court with respect to the claimant’s claim, and the claim will be subject to investigation and discovery under the Federal Rules of Civil Procedure, provided that such investigation and discovery shall be limited to that claimant’s status as a Class Member and the validity and amount of that claimant’s claim. No discovery shall be allowed on the merits of the Action.

Payments will be final and conclusive against all Class Members. All Class Members whose claims are not approved by the Court will be barred from participating in distributions from the Net Settlement Fund, but otherwise shall be bound by all of the terms of the Settlement, including the terms of the Order and Final Judgment to be entered in the Action and will be barred from bringing any Settled Claim against any Released Party, including Unknown Claims (as those terms are defined herein and in the Proof of Claim enclosed with this Notice and in the Stipulation, which is available on the Internet at [www.strategicclaims.net](http://www.strategicclaims.net), or through the mail upon request to the Claims Administrator).

## HOW YOU RECEIVE A PAYMENT — SUBMITTING A CLAIM FORM

### 10. How Will I Receive a Payment?

To qualify for payment, you **must** be an eligible Class Member and you must submit a Proof of Claim form. A Proof of Claim is enclosed with this Notice or is available online at [www.strategicclaims.net](http://www.strategicclaims.net). Read the instructions carefully, fill out the form, include all the documents the form requests, sign it, and mail it in an envelope postmarked no later than July 10, 2009. Please retain a copy of everything you mail, in case the materials are lost or destroyed during shipping.

<sup>1</sup>This represents the closing price of Leadis common stock on March 2, 2005.

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

The Court will hold a hearing on June 19, 2009 to decide whether to approve the Settlement. If the Court approves the Settlement, there may be appeals. It is always uncertain whether appeals, if any, can be resolved, and resolving them can take time, perhaps several years. In addition, the Claims Administrator must process all of the Proofs of Claim. The processing is complicated and will take many months. Please be patient.

### 12. What Am I Giving Up By Staying in the Class?

Unless you exclude yourself, you will remain in the Class, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against the Defendants or the Released Parties regarding the Settled Claims. It also means that all of the Court's orders will apply to you and legally bind you, and you will forever release your claims in this Action against the Defendants. The terms of the release are set forth in Question 2, above, and included in the Proof of Claim that is enclosed.

### EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want a payment from this Settlement, but you want to keep the right to sue or continue to sue the Defendants on your own about the same claims being released in this Settlement, then you must take steps to exclude yourself from the Settlement. This is referred to as opting out of the Class.

### 13. How Do I Exclude Myself from the Settlement?

To exclude yourself from the Settlement, you must send a letter by mail to the Claims Administrator, explicitly stating that you want to be excluded from the Settlement in the *In re Leadis Technology, Inc. Securities Litigation*, Master File No. C-05-0882-CRB. You must include your name, address, telephone number, your signature, and information concerning your purchase(s) of Leadis common stock pursuant to, or traceable to, the Company's IPO and your sale(s) of such shares of Leadis common stock, including the number of shares, price, and the dates of each purchase and sale. You must mail your exclusion request so that it is received no later than May 29, 2009 to:

***In re Leadis Technology, Inc. Securities Litigation***  
c/o Strategic Claims Services  
Claims Administrator  
P.O. Box 230  
600 North Jackson Street, Suite 3  
Media, PA 19063  
(866) 274-4004

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

You cannot exclude yourself via the website, over the phone, or by e-mail. **If you do not follow these procedures — including meeting the date for exclusion set out above — you will not be excluded from the Class, and you will be bound by all of the orders and judgments entered by the Court regarding the Settlement.**

If you ask to be excluded from the Settlement, you are not eligible to receive any payment from the Net Settlement Fund, and you cannot object to the Settlement. You will not be legally bound by anything that happens in this lawsuit and you will be able to pursue the claims that are being released in this Settlement.

### 14. If I Do Not Exclude Myself, Can I Sue the Defendants for the Same Thing Later?

No. Unless you exclude yourself, you give up any right to sue the Defendants or the Released Parties for the Settled Claims being released by this Settlement. If you have a pending lawsuit relating to the claims being released in this Action against any of the Defendants, speak to your lawyer in that case immediately. Remember, the exclusion deadline is May 29, 2009.

### 15. If I Exclude Myself, Can I Receive a Payment from this Settlement?

No. If you exclude yourself, do not send in a Proof of Claim. But, you may sue, continue to sue, or be part of a different lawsuit asserting the Settled Claims being released in this Settlement against the Defendants or the Released Parties.

### THE LAWYERS REPRESENTING YOU

### 16. Do I Have a Lawyer in this Case?

The Court appointed the law firm of Barroway Topaz Kessler Meltzer & Check, LLP to represent you and the other Class Members. These lawyers are called Lead Counsel. You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.



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

Lead Counsel will apply to the Court for attorneys' fees not to exceed 25% of the Settlement Fund and for reimbursement of its out-of-pocket expenses advanced in connection with the Action up to an amount of \$75,000, plus interest on both amounts at the same rate as earned by the Settlement Fund. *Such sums as may be approved by the Court will be paid from the Settlement Fund.* Class Members are not personally liable for any such fees or expenses.

The attorneys' fees and expenses requested will be the only payment to Lead Counsel for its efforts in achieving this Settlement and for its risk in undertaking this representation on a wholly contingent basis. To date, Lead Counsel has not been paid for its services for conducting this Action on behalf of Plaintiffs and the Class or for its substantial out-of-pocket expenses. The fee requested will compensate Lead Counsel for its work in achieving the Settlement and is well within the range of fees awarded to class counsel under similar circumstances in other cases of this type. The Court may, however, award less than this amount.

### OBJECTING TO THE SETTLEMENT

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

### 18. How Do I Tell the Court that I Do Not Like the Settlement?

If you are a Class Member, you can object to the Settlement if you do not like any part of it. To object, you must send a letter to the Court and to the counsel listed below saying that you object to the Settlement in the *In re Leadis Technology, Inc. Securities Litigation*, Master File No. C-05-0882-CRB and stating the reasons why you object to the Settlement. Be sure to include your name, address, telephone number and your signature. You must also include information concerning your purchase(s) of Leadis common stock made pursuant to, or traceable to, the Company's IPO and your sale(s) of such shares of Leadis common stock, including the number of shares, price, and the dates of each purchase and sale. Any objection to the Settlement must be received by *each of the following* by May 29, 2009:

COURT	LEAD COUNSEL	DEFENSE COUNSEL
Clerk of the Court United States District Court Northern District of California United States Courthouse 450 Golden Gate Avenue San Francisco, CA 94102	Andrew L. Zivitz, Esq. Christopher L. Nelson, Esq. Michelle Newcomer, Esq. <b>BARROWAY TOPAZ KESSLER MELTZER &amp; CHECK, LLP</b> 280 King of Prussia Road Radnor, PA 19087	William Grauer, Esq. <b>COOLEY GODWARD KRONISH LLP</b> 4401 Eastgate Mall San Diego, CA 92121  Jonathan C. Dickey, Esq. Kevin S. Rosen, Esq. Michael B. Smith, Esq. <b>GIBSON, DUNN &amp; CRUTCHER LLP</b> 1881 Page Mill Road Palo Alto, CA 94304

### 19. What is the Difference Between Objecting and Excluding?

Objecting is simply telling the Court that you do not like something about the Settlement, the Plan of Allocation, or the application for attorneys' fees and expenses. You can object **only if** you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement. If you exclude yourself, you have no basis to object because the case no longer affects you.

### THE COURT'S SETTLEMENT FAIRNESS HEARING

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

The Court will hold a fairness hearing at 10:00 a.m., on June 19, 2009, at the United States District Court for the Northern District of California, United States Courthouse, 450 Golden Gate Avenue, San Francisco, CA 94102, Courtroom 18. At this hearing, the Court will consider whether the Settlement and the Plan of Allocation are fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will listen to people who have requested in writing by May 29, 2009 to speak at the hearing. The Court may also consider Lead Counsel's application for attorneys' fees and reimbursement of expenses.

### 21. Do I Have to Come to the Settlement Fairness Hearing?

No. Lead Counsel will answer any questions Judge Breyer may have. But, you are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not required.

## 22. May I Speak at the Settlement Fairness Hearing?

You may ask the Court for permission to speak at the Fairness Hearing. To do so, you must send a letter stating your intention to appear in *In re Leadis Technology, Inc. Securities Litigation*, Master File No. C-05-0882-CRB. Be sure to include your name, address, telephone number, your signature, and also identify the date(s), price(s), and amount(s) of all purchases and sales of Leadis common stock purchased pursuant to, or traceable to, the Company's IPO. Your notice of intention to appear must be received no later than May 29, 2009, and be sent to the Clerk of the Court, Lead Counsel, and Defendants' Counsel, at the addresses listed above in Question 18. You cannot speak at the hearing if you exclude yourself from the Settlement.

## IF YOU DO NOTHING

### 23. What Happens if I Do Nothing at All?

If you do nothing, you will receive no money from this Settlement. But, unless you exclude yourself, you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against the Defendants or the Released Parties about the same Settled Claims being released in this Settlement.

## OBTAINING MORE INFORMATION

### 24. Are There More Details About the Settlement?

This Notice summarizes the proposed Settlement. More details are in the Stipulation and Agreement of Settlement dated December 10, 2008. All terms used in this Notice shall have the same meanings as in the Stipulation. You can obtain a free copy of the Stipulation or more information about the Settlement by visiting [www.strategicclaims.net](http://www.strategicclaims.net) or by writing to Lead Counsel at the address listed above in Question 18. You can also obtain a copy of the Stipulation from the Clerk's office at the United States District Court for the Northern District of California, United States Courthouse, 450 Golden Gate Avenue, San Francisco, CA 94102, during regular business hours. **DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE.**

## SPECIAL NOTICE TO NOMINEES

If you purchased shares of Leadis common stock pursuant to, or traceable to, the Company's IPO as nominee for a beneficial owner(s), then you must either: (1) send a copy of this Notice and Proof of Claim by first class mail to all such beneficial owners within thirty (30) calendar days after you receive this Notice; or (2) provide a list with the name and addresses of each beneficial owner to the Claims Administrator (at the following address) within fifteen (15) calendar days after you receive this Notice:

***In re Leadis Technology, Inc. Securities Litigation***  
c/o Strategic Claims Services  
Claims Administrator  
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 yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing.

Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for 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: FEBRUARY 4, 2009

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

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

In re LEADIS TECHNOLOGY, INC.  
SECURITIES LITIGATION

Master File No. C-05-0882-CRB

This Document Relates To:

All Actions.

**PROOF OF CLAIM AND RELEASE FORM**

**I. GENERAL INSTRUCTIONS**

A. To recover as a member of the Class based on your claims in the action entitled *In re Leadis Technology, Inc. Securities Litigation*, Master File No. C-05-0882-CRB (the “Action”), you must complete this Proof of Claim and Release form (“Proof of Claim”). If you fail to submit a Proof of Claim by the deadline, your claim may be rejected and you may be precluded from any recovery from the Settlement Fund created in connection with the proposed settlement of the Action (“Settlement”), as set forth in the Stipulation and Agreement of Settlement (“Stipulation”).

B. Submission of this Proof of Claim, however, does not ensure that you will share in the proceeds of the Settlement Fund created in this Action.

C. YOU MUST COMPLETE AND SUBMIT YOUR PROOF OF CLAIM VIA MAIL POSTMARKED ON OR BEFORE **JULY 10, 2009**, ADDRESSED TO THE CLAIMS ADMINISTRATOR AS FOLLOWS:

***In re Leadis Technology, Inc. Securities Litigation***  
**c/o Strategic Claims Services**  
**Claims Administrator**  
**P.O. Box 230**  
**600 North Jackson Street, Suite 3**  
**Media, PA 19063**

If you are NOT a member of the Class, as defined in the Notice of Pendency of Class Action and Proposed Settlement, Motion for Attorneys’ Fees and Expenses and Fairness Hearing (the “Notice”), then DO NOT submit a Proof of Claim.

D. If you are a member of the Class, you are bound by the terms of any judgment entered in the Action, WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM.

**II. INSTRUCTIONS FOR CLAIMANT IDENTIFICATION SCHEDULE**

A. If you purchased shares of Leadis Technology, Inc. (“Leadis”) common stock pursuant to, or traceable to, the Company’s initial public offering (“IPO”) (the “Class”), and held the security(s) in your name, then you are the beneficial purchaser as well as the record purchaser. If, however, the security(s) was registered in the name of a third party, such as a nominee or brokerage firm, then you are the beneficial purchaser and the third party is the record purchaser.

**Please Note: For purposes of this Settlement only, shares of Leadis common stock purchased “pursuant to, or traceable to, the Company’s IPO” refers to any share of Leadis common stock initially purchased at the IPO offering price on the date the registration statement was declared effective, or any share of Leadis common stock purchased on the open market between June 16, 2004 and March 2, 2005 inclusive. Excluded from this definition are any “purchases,” made on or about the date that the Company’s IPO registration statement was declared effective, in which Leadis preferred stock was converted to common stock (but, no open-market purchases on or before March 2, 2005 are excluded).**

B. Use “PART I” of this form (below) entitled “CLAIMANT IDENTIFICATION” to identify each owner of record (“nominee”), if different from the beneficial owner of Leadis common stock which form the basis of this claim. THIS CLAIM MUST BE FILED BY THE ACTUAL BENEFICIAL OWNER(S), OR THE LEGAL REPRESENTATIVE OF SUCH OWNER(S) OF LEADIS COMMON STOCK UPON WHICH THIS CLAIM IS BASED.

C. All joint purchasers must sign this claim. Executors, administrators, guardians, conservators, and trustees must complete and sign this claim on behalf of persons or entities represented by them and 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.

### **III. INSTRUCTIONS FOR SCHEDULE OF TRANSACTIONS**

A. In Part II of this form, please supply all required details of your transaction(s) in Leadis common stock. If you need more space, attach separate sheets giving all of the required information in substantially the same form. Sign and print or type your name on each additional sheet.

B. Please provide all of the requested information with respect to **all** of your purchases of Leadis common stock pursuant to, or traceable to, the Company's IPO and sales of these shares of Leadis common stock, regardless of whether such transactions resulted in a profit or a loss. Failure to report all such transactions may result in the rejection of your claim.

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

D. Broker confirmations or other documentation of your transactions in Leadis common stock should be attached to your claim. Failure to provide this documentation could delay verification of your claim or result in rejection of your claim.

E. The requests are designed to provide the minimum amount of information necessary to process the most simple claims. The Claims Administrator may request additional information as required to efficiently and reliably calculate your losses. In some cases where the Claims Administrator cannot perform the calculation accurately or at a reasonable cost to the Class with the information provided, the Claims Administrator may condition acceptance of the claim upon the production of additional information and/or the hiring of an accounting expert at the claimant's cost.



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

*In re Leadis Technology, Inc. Securities Litigation*  
Master File No. C-05-0882-CRB

**PROOF OF CLAIM AND RELEASE**

**Must be Postmarked No Later Than: July 10, 2009**

**Please Type or Print**

**PART I: CLAIMANT IDENTIFICATION**

--

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

--

Street Address

--	--	--	--	--

City State Postal / Zip Code

--	--

Foreign Province

Foreign Country

Social Security Number: -- OR Taxpayer Identification Number: -  
(individuals) (if U.S. Citizen / Resident)

Area Code Telephone Number (Day) Area Code Telephone Number (Night) Area Code Fax Number

--

Record Owner's Name (if different from beneficial owner listed above) (First, Middle, Last)

Check One:  Individual  Corporation  Joint Owners  IRA  Estate  Other (please specify): \_\_\_\_\_

**PART II: SCHEDULE OF TRANSACTIONS IN LEADIS COMMON STOCK**

A. PURCHASES: I (We) made the following PURCHASES of Leadis common stock (1) at the IPO offering price of \$14.00 on the date the registration statement was declared effective ("Initial IPO Shares") and/or (2) on the open market during the period June 16, 2004 through March 2, 2005. (Persons or entities who received Leadis common stock during this period other than by purchase are not eligible to submit claims for those transactions.) (Must be documented).

Trade Date(s) of Purchase(s) (List Chronologically) Month/Day/Year	Number of Shares of Leadis Common Stock Purchased	Purchase Price Per Share of Leadis Common Stock Initial IPO Shares \$14.00	Aggregate Cost (including commissions, taxes and fees)
IPO Initial Shares		\$14.00	
<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	\$ <input type="text"/> . <input type="text"/>	\$ <input type="text"/> . <input type="text"/>
<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	\$ <input type="text"/> . <input type="text"/>	\$ <input type="text"/> . <input type="text"/>
<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	\$ <input type="text"/> . <input type="text"/>	\$ <input type="text"/> . <input type="text"/>
<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	\$ <input type="text"/> . <input type="text"/>	\$ <input type="text"/> . <input type="text"/>

B. SALES: I (We) made the following SALES of Leadis common stock during the period June 16, 2004 through March 2, 2005. (Must be documented).

Trade Date(s) of Sale(s) (List Chronologically) Month/Day/Year	Number of Shares of Leadis Common Stock Sold	Sale Price Per Share of Leadis Common Stock	Total Sale Price (net of commissions, taxes and fees)
<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	\$ <input type="text"/> . <input type="text"/>	\$ <input type="text"/> . <input type="text"/>
<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	\$ <input type="text"/> . <input type="text"/>	\$ <input type="text"/> . <input type="text"/>
<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	\$ <input type="text"/> . <input type="text"/>	\$ <input type="text"/> . <input type="text"/>
<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	\$ <input type="text"/> . <input type="text"/>	\$ <input type="text"/> . <input type="text"/>

At the close of business on March 2, 2005, I (we) still owned \_\_\_\_\_ shares of Leadis common stock.  
(If none, write 0). (Must be documented).

YOU MUST READ AND SIGN THE RELEASE ON PAGE 5. FAILURE TO SIGN THE RELEASE MAY RESULT IN A DELAY IN PROCESSING OR THE REJECTION OF YOUR CLAIM.

If you require additional space, attach extra schedules in the same format as above. Copies of broker's confirmations or other documentation evidencing your transactions in Leadis common stock should be attached.

**PART III: SUBMISSION TO JURISDICTION OF COURT AND ACKNOWLEDGEMENTS**

1. I (We) submit this Proof of Claim and Release under the terms of the Stipulation described in the Notice. I (We) also submit to the jurisdiction of the United States District Court for the Northern District of California with respect to my (our) claim as a Class Member and for purposes of enforcing the release set forth herein and any Judgment which may be entered in the Action. I (We) further acknowledge that I (we) am (are) bound by and subject to the terms of any judgment that may be entered in the Action.

2. I (We) agree to furnish additional information to the Claims Administrator to support this claim if required to do so.

**PART IV: DEFINITIONS AND RELEASE**

1. I (We) hereby acknowledge full and complete satisfaction of, and do hereby fully, finally and forever settle, discharge and release all "Settled Claims" against all "Released Parties," including "Unknown Claims," as defined below.

(a) "Released Parties" means Defendants, their parents, subsidiaries, controlling persons, affiliates, and acquirers, and their respective current and former officers, directors, partners, members, employees, agents, attorneys, advisors, auditors, underwriters, insurers, reinsurers, representatives, heirs, predecessors, successors in interest, and assigns.

(b) "Settled Claims" means any and all claims, debts, demands, suits, dues, sums of money, accounts, bonds, bills, covenants, contracts, controversies, agreements, promises, judgments, variances, executions, obligations, damages, losses, fees, costs, rights or causes of action, or liabilities of any kind, nature, or description whatsoever, whether based on federal, state, local, statutory, or common law, or any other law, rule, or regulation, whether suspected or unsuspected, fixed or contingent, accrued or un-accrued, liquidated or un-liquidated, matured or un-matured, class or individual in nature, or asserted or not asserted (or threatened, alleged, or litigated) at law, in equity, or otherwise, including without limitation, claims for contribution, indemnification, costs, expenses (including, without limitation, amounts paid in settlement), attorneys' fees, negligence, gross negligence, breach of care, breach of duty of loyalty, misrepresentation, fraud, breach of fiduciary duty, including both known claims and Unknown Claims (as defined below), (i) that have been asserted in this Action by Plaintiffs and/or the members of the Class or any of them against any of the Released Parties, or (ii) that could have been asserted (whether directly, indirectly, representatively, derivatively, or in any other capacity) in any forum by Plaintiffs and/or the members of the Class or any of them, including claims relating to the purchase, sale, or other acquisition, disposition or holding of Leadis shares pursuant to, or traceable to, the IPO (meaning, for purposes of this Settlement only, any share of Leadis common stock initially purchased at the IPO offering price on the date the registration statement was declared effective, or any share of Leadis common stock purchased on the open market between June 16, 2004 and March 2, 2005 inclusive), against any of the Released Parties, which arise out of or are based upon (directly or indirectly) the allegations, transactions, facts, circumstances, events, acts, failures to act, disclosures, statements, matters, occurrences, representations, or omissions (of any kind or nature whatsoever) involved, set forth, or referred to in the Consolidated Class Action Complaint. Settled Claims shall also include any claims, debts, demands, controversies, obligations, losses, rights, or causes of action that Plaintiffs, Class Members, or any of them may have against the Released Parties or any of them which involve or relate in any way to the defense of the Action or the Settlement of the Action. Notwithstanding the foregoing, or any other provision contained in this Stipulation, Settled Claims shall not include any claims to enforce the Settlement, including without limitation, any claims to enforce the terms of this Stipulation, of orders, or of judgments issued by the Court in connection with the Settlement.

(c) "Unknown Claims" means any and all Settled Claims that Plaintiffs and/or Class Members do not know or suspect to exist in his, her, or its favor as of the Effective Date and any Settled Defendants' Claims that any Defendant does not know or suspect to exist in his or its favor as of the Effective Date, which if known by him or it might have affected his or its decision(s) with respect to the Settlement. With respect to any and all Settled Claims and Settled Defendants' Claims, the Parties stipulate and agree that upon the Effective Date, Plaintiffs and Defendants shall expressly waive, and each Class Member shall be deemed to have waived, and by operation of the Judgment shall have expressly waived, any and all provisions, rights, and benefits conferred by any law of any state of the United States, or principle of common law or otherwise, which is similar, comparable, or equivalent to California Civil Code § 1542, which provides:

**A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.**

Plaintiffs and Defendants acknowledge, and Class Members by operation of law shall be deemed to have acknowledged, that the inclusion of "Unknown Claims" in the definition of Settled Claims and Settled Defendants' Claims was separately bargained for and was a key element of the Settlement.

2. This release shall be of no force or effect unless and until the Court gives final approval to the Settlement and the Effective Date occurs.

**PART V: REPRESENTATIONS**

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

2. I (We) hereby warrant and represent that I (we) have included information about each share of Leadis common stock purchased pursuant to, or traceable to, the Company's IPO, and each sale, if any, of such Leadis common stock. I (We) agree to furnish additional information to the Claims Administrator if requested to do so to support this claim.

3. I (We) certify that I am (we are) not subject to backup withholding under the provisions of Section 3406(a) (1) (c) of the Internal Revenue Code.

NOTE: If you have been notified by the Internal Revenue Service that you are subject to backup withholding, please strike out the language that you are not subject to backup withholding in the certification above.

I (We) declare under penalty of perjury under the laws of the State of California and the United States of America that the foregoing information supplied by the undersigned is true and correct and that this Proof of Claim and Release form was executed this \_\_\_\_\_ day of \_\_\_\_\_, in \_\_\_\_\_.

(month, year) (City, State, Country)

\_\_\_\_\_  
(Sign your name here)

\_\_\_\_\_  
(Sign your name here for joint purchasers)

\_\_\_\_\_  
(Type or print your name here)

\_\_\_\_\_  
(Type or print your name here for joint purchasers)

\_\_\_\_\_  
(Capacity of persons signing, e.g., Beneficial Purchaser, Executor or Administrator)

**ACCURATE CLAIMS PROCESSING TAKES A SIGNIFICANT AMOUNT OF TIME.**

**THANK YOU FOR YOUR PATIENCE.**

**Reminder Checklist:**

1. Please sign the Certification section of the Proof of Claim above.
2. If this claim is being made on behalf of joint claimants, both must sign.
3. Remember to attach supporting documentation.
4. Do not send original stock certificates.
5. Keep a copy of your Proof of Claim and all documents submitted for your records.
6. If you desire an acknowledgment of receipt of your claim form, please send it Certified Mail, Return Receipt Requested.
7. If you move, please send the Claims Administrator your new address.

**These forms and your supporting documentation must be postmarked  
no later than July 10, 2009.**

Leadis Technology, Inc. Securities Litigation  
c/o Strategic Claims Services  
Claims Administrator  
P.O. Box 230  
600 North Jackson Street, Suite 3  
Media, PA 19063

FIRST CLASS MAIL  
U.S. POSTAGE  
PAID  
PERMIT NO. 138  
PHILADELPHIA, PA

**FIRST CLASS MAIL**

**PLEASE FORWARD — IMPORTANT LEGAL NOTICE**