

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF ORANGE

IN RE STEC, INC. SHAREHOLDERS LITIGATION

Lead Case No. 30-2013-659340-CU-SL-CXC

CLASS ACTION

This Document Relates To:

ALL ACTIONS.

NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION AND HEARING

TO: ALL PERSONS WHO OWNED STEC, INC. COMMON STOCK FROM AND INCLUDING JUNE 23, 2013 THROUGH AND INCLUDING SEPTEMBER 12, 2013, THE DATE OF THE CLOSING OF THE MERGER, INCLUDING ANY AND ALL OF THEIR SUCCESSORS-IN-INTEREST, PREDECESSORS, REPRESENTATIVES, TRUSTEES, EXECUTORS, ADMINISTRATORS, HEIRS, ASSIGNS OR TRANSFEREES, AND ANY PERSON ACTING ON BEHALF OF, OR CLAIMING UNDER, ANY OF THEM, AND EACH OF THEM (THE "SETTLEMENT CLASS").

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS MAY BE AFFECTED BY PROCEEDINGS IN THIS LITIGATION. IF THE COURT APPROVES THE PROPOSED SETTLEMENT (AS DEFINED BELOW), YOU WILL BE FOREVER BARRED FROM CONTESTING THE FAIRNESS, REASONABLENESS OR ADEQUACY OF THE PROPOSED SETTLEMENT, AND FROM PURSUING THE SETTLED CLAIMS (AS DEFINED BELOW).

This Notice of Proposed Settlement of Class Action and Hearing ("Notice") has been sent to you pursuant to an Order of the Superior Court of California, Orange County (the "Court"). The purpose of this Notice is to inform you of the proposed Settlement of this class action litigation and of the hearing to be held by the Court on August 18, 2014 at 1:30 p.m., in Department CX101, Superior Court of the State of California, County of Orange, Civil Complex Center, 751 West Santa Ana Blvd., Santa Ana, California 92701. The purpose of the hearing is to determine: (a) whether the Court should certify the Settlement Class; (b) whether the Court should approve the proposed Settlement as fair, reasonable, adequate, and in the best interests of the Settlement Class; (c) whether the Court should enter an Order and Final Judgment dismissing the claims asserted in the Action on the merits and with prejudice as against Plaintiffs and the Settlement Class and effectuating the releases described below; (d) whether the Court should grant the application of Plaintiffs' Counsel for an award of attorneys' fees and reimbursement of litigation expenses; and (e) such other matters as may properly come before the Court.

This Notice describes the rights you may have in connection with the Settlement and what steps you may take in relation to the Settlement and this class action litigation.

This Notice is not an expression of any opinion by the Court about the merits of any of the claims or defenses asserted by any party in this Action or the fairness or adequacy of the proposed Settlement.

I. THE LITIGATION

On June 23, 2013, defendant sTec, Inc. ("sTec" or the "Company") announced that it had entered into an Agreement and Plan of Merger with Western Digital Corporation and Lodi Ventures, Inc., a wholly-owned subsidiary of Western Digital Corporation (collectively, "WDC"), under which holders of sTec's common stock would receive \$6.85 per share in cash (the "Merger"). Thereafter, between June 26, 2013 and July 11, 2013, seven shareholders ("Plaintiffs") filed the Shareholder Actions¹ as purported class action lawsuits, on behalf of themselves and all similarly situated sTec shareholders, in the Superior Court of the State of California, County of Orange, against sTec, the members of sTec's Board of Directors (the "Individual Defendants"), and WDC (sTec, the Individual Defendants and WDC together, "Defendants"). The Shareholder Actions generally allege that the Individual Defendants breached their fiduciary duties in connection with the Merger and that WDC aided and abetted the alleged breaches of fiduciary duty.

¹ The Shareholder Actions are: *Vijaya Pilly v. sTec, Inc., et al.*, Case No. 30-2013-659340-CU-SL-CXC; *Tyler Mathewson v. sTec, Inc., et al.*, Case No. 30-2013-659718-CU-SL-CXC; *Karl F. Poehlmann v. sTec, Inc., et al.*, Case No. 30-2013-659742-CU-SL-CXC; *Beverly Wilkinson v. sTec, Inc., et al.*, Case No. 30-2013-660427-CU-SL-CXC; *Faithette Foreman-Sommers v. sTec, Inc., et al.*, Case No. 30-2013-660506-CU-SL-CXC; *Robert Walpole v. sTec, Inc., et al.*, Case No. 30-2013-662447-CU-SL-CXC; and *Anthony Palmero v. Kevin C. Daly, et al.*, Case No. 30-2013-662459-CU-SL-CXC. The Shareholder Actions were consolidated for all purposes, with this Action designated the lead case, by this Court's order dated September 10, 2013.

On July 11, 2013, Defendants and the plaintiffs in the *Pilly, Mathewson, Poehlmann, Foreman-Sommers*, and *Wilkinson* actions entered into a Stipulation and [Proposed] Order Relating and Consolidating Actions, consolidating for all purposes the *Pilly, Mathewson, Poehlmann, Foreman-Sommers*, and *Wilkinson* actions, and appointing Faruqi & Faruqi, LLP as lead counsel for plaintiffs and the putative Class (the "Consolidation Stipulation"). On July 29, 2013, the Settling Parties (as defined in part V, ¶ 13) amended the Consolidation Stipulation to include the later-filed *Walpole* and *Palmero* actions.

On July 25, 2013, the Company filed with the United States Securities and Exchange Commission (the "SEC") a Preliminary Proxy Statement on Schedule 14A (the "Preliminary Proxy") with respect to the Merger.

On August 1, 2013, the plaintiffs in the *Poehlman* and *Mathewson* actions filed amended complaints to add allegations that sTec's Preliminary Proxy failed to adequately disclose certain information regarding the Merger.

On August 8, 2013, the Company filed with the SEC a Definitive Proxy Statement on Schedule 14A (the "Definitive Proxy") with respect to the Merger.

After filing their complaints, Plaintiffs requested certain discovery and depositions from Defendants and from Bank of America Merrill Lynch ("BofA Merrill Lynch"), the Company's financial advisor in connection with the Merger.

Between August 13, 2013 and August 29, 2013, the Company produced confidential documents to counsel for Plaintiffs, including minutes of meetings of sTec's Board of Directors ("Board") and the independent Special Committee; non-disclosure agreements entered into between sTec and potential acquirers; presentations to sTec's Board and Special Committee by BofA Merrill Lynch; projections prepared by sTec's management that were provided to BofA Merrill Lynch; the engagement letter between sTec and BofA Merrill Lynch; and correspondence, email communications, and other documents related to the Merger.

On August 21, 2013, counsel for Plaintiffs took the deposition of Kevin C. Daly, Ph.D., the Chairman of sTec's Board and of the independent Special Committee formed to evaluate sTec's strategic alternatives.

On August 23, 2013, counsel for Plaintiffs took the deposition of Mark Long, Executive Vice President, Strategy, and Corporate Development of Western Digital Corporation.

On August 29, 2013, counsel for Plaintiffs took the deposition of David King, a Managing Director, Mergers and Acquisitions of BofA Merrill Lynch.

On August 30, 2013, the plaintiff in the *Mathewson* action filed an *Ex Parte* Application to Shorten Time on Plaintiff's Motion for Preliminary Injunction (the "*Ex Parte* Application"). Also on August 30, 2013, the plaintiff in the *Mathewson* action served Plaintiff's Motion for Preliminary Injunction on counsel for Defendants.

Following service of the *Ex Parte* Application, the parties intensified their arm's-length settlement negotiations to resolve the Shareholder Actions. On September 3, 2013, counsel for the Settling Parties reached an agreement in principle to resolve the Shareholder Actions between and among Plaintiffs, on behalf of themselves and the putative Settlement Class, and Defendants, on the terms and subject to the conditions set forth herein (the "Settlement"). The plaintiff in the *Mathewson* action voluntarily withdrew the *Ex Parte* Application in view of the parties' agreement in principle to resolve the Shareholder Actions.

On September 11, 2013, the Settling Parties executed a Memorandum of Understanding (the "MOU").

On September 12, 2013, sTec held a special meeting of its shareholders at which the Company's shareholders voted to approve the Merger. The Merger was consummated on the same date.

The Settlement set forth herein reflects the results of the Settling Parties' negotiations and the terms of the MOU. An agreement-in-principle was only reached after arm's-length negotiations between the Settling Parties who were all represented by counsel with extensive experience and expertise in shareholder class action litigation. During the negotiations, all parties had a clear view of the strengths and weaknesses of their respective claims and defenses. Plaintiffs and their counsel have concluded that the additional disclosures obtained through the Settlement provided sTec shareholders with material information sufficient to make an informed decision concerning the Merger. As a result, Plaintiffs and their counsel believe that the Settlement is fair to and in the best interest of the Settlement Class.

II. TERMS OF THE PROPOSED SETTLEMENT

1. As a direct result of the prosecution of the Action and the extensive negotiations between the Settling Parties, a proposed Settlement has been reached under the following terms:

(a) Without admitting any wrongdoing, Defendants acknowledge that the filing and prosecution of the Action by, and negotiations and discussions with, Plaintiffs' Counsel were a significant factor in sTec's decision to make the additional disclosures in a Form 8-K filed by sTec with the SEC on or about September 4, 2013, and attached hereto as Exhibit A. A summary of the disclosures included in the Form 8-K is as follows: (i) additional information regarding the background of the Merger; (ii) additional information regarding the financial forecasts utilized by sTec in connection with the Merger; (iii) additional information regarding the fairness opinion of BofA Merrill Lynch, the Company's financial advisor in connection with the Merger; (iv) additional information regarding BofA Merrill Lynch's Selected Publicly Traded

Companies Analysis; (v) additional information regarding BofA Merrill Lynch's Selected Precedent Transactions Analysis; and (vi) additional information regarding litigation related to the Merger and pending shareholder derivative actions purportedly filed on behalf of the Company.

(b) Plaintiffs agree that the dissemination of the additional disclosures by sTec provided sufficient notice and time for sTec shareholders to access, review, understand, and evaluate the additional disclosures prior to the shareholder vote at the special meeting of sTec shareholders held on September 12, 2013.

(c) The Settling Parties agree, for purposes of this Settlement only, to the certification of a non-opt-out Settlement Class under § 382 of the California Code of Civil Procedure. In the event that the Settlement does not become Final for any reason, Defendants reserve the right to oppose certification of any class in future proceedings.

2. Following agreement on all substantive provisions of the Settlement, counsel for Plaintiffs and counsel for Defendants entered into discussions as to whether the parties might also agree, subject to the approval of the Court, on an amount of attorneys' fees and expenses that might be paid to counsel for Plaintiffs. As a result of those discussions, Defendants have agreed that Plaintiffs may apply to the Court for an award of attorneys' fees, inclusive of all litigation expenses, in an amount of \$580,000. The Court will consider any application for fees and litigation expenses in connection with its consideration of the Settlement.

III. REASONS FOR THE SETTLEMENT

Plaintiffs believe that their claims have substantial merit and Plaintiffs' entry into the Stipulation of Settlement ("Stipulation") is not an admission as to the lack of any merit of any of the claims asserted in the Action. However, Plaintiffs recognize and acknowledge the expense and length of continued proceedings necessary to prosecute the Action against the Defendants through trial and through appeals. Plaintiffs have also taken into account the uncertain outcome and the risk of any litigation, especially in a complex action such as this Action, as well as the difficulties and delays inherent in such litigation.

Based on the information available to them, including public information, the documents reviewed and the deposition testimony elicited, Plaintiffs believe that a Settlement on the terms reflected in the Stipulation is fair, reasonable, adequate, and in the best interests of the Company's shareholders. Plaintiffs believe that the proposed Settlement set forth in the Stipulation confers substantial benefits upon the Settlement Class and are agreeing to the settlement of these claims only because Defendants agreed, pursuant to the Stipulation, to disseminate the Supplemental Disclosures that Plaintiffs believe provided sTec shareholders with substantial additional material information and allowing for a more informed shareholder vote.

Defendants have denied, and continue to deny all allegations of wrongdoing, fault, liability, or damage to any of the respective Plaintiffs in any of the Shareholder Actions or the Settlement Class, but wish to settle for the reasons set forth herein. Defendants expressly have denied and continue to deny all charges of wrongdoing or liability against them as alleged in the complaints and the Action, and specifically deny that they have committed or have threatened to commit or have aided or abetted the alleged commission of any violations of law or breaches of duty to Plaintiffs, the Settlement Class or anyone else. Defendants also have denied and continue to deny, among other things, the allegations that Plaintiffs or the Settlement Class have suffered losses or that Plaintiffs or the Settlement Class were harmed by the conduct alleged in the complaints and the Action.

Nonetheless, Defendants have concluded that further litigation could be protracted and expensive, and that it is desirable that the Action be fully and finally settled in the manner and upon the terms and conditions set forth in the Stipulation. Defendants also have taken into account the uncertainty and risks inherent in any litigation, especially in complex cases like this Action. Defendants have, therefore, determined that it is desirable and beneficial to them that the Action be settled in the manner and upon the terms and conditions set forth in the Stipulation.

IV. NOTICE OF HEARING ON PROPOSED SETTLEMENT

A settlement hearing will be held on August 18, 2014, at 1:30 p.m., before the Honorable Gail A. Andler, Superior Court Judge, in Department CX101, Superior Court of the State of California, County of Orange, Civil Complex Center, 751 West Santa Ana Blvd., Santa Ana, California 92701 (the "Settlement Hearing"). The purpose of the Settlement Hearing will be to determine: (a) whether the Court should certify the Class; (b) whether the Court should approve the proposed Settlement as fair, reasonable, adequate, and in the best interests of the Settlement Class; (c) whether the Court should enter an Order and Final Judgment dismissing the claims asserted in the Action on the merits and with prejudice as against Plaintiffs and the Settlement Class and effectuating the releases described below; (d) whether the Court should grant the application of Plaintiffs' Counsel for an award of attorneys' fees and reimbursement of litigation expenses; and (e) such other matters as may properly come before the Court.

The Court may adjourn or continue the Settlement Hearing without further notice of any kind.

The Court reserves the right to approve the Stipulation and the Settlement, at or after the Settlement Hearing, with such modifications as may be consented to by the Settling Parties and without further notice to the Settlement Class, and retains jurisdiction over the Action to consider all further applications arising out of or connected with the proposed Settlement.

V. DEFINITIONS USED IN THIS NOTICE

1. "Counsel for Plaintiffs" or "Plaintiffs' Counsel" means counsel of record for the Plaintiffs in the Shareholder Actions: Faruqi & Faruqi, LLP, 10866 Wilshire Boulevard, Suite 1470, Los Angeles, CA 90024 and 369 Lexington Avenue, Tenth Floor, New York, NY 10017; Ademi & O'Reilly, LLP, 3629 East Layton Avenue, Cudahy, WI 53110; Brodsky & Smith, LLC, 9595 Wilshire Boulevard, Suite 900, Beverly Hills, CA 90212; The Briscoe Law Firm, PLLC, 8150 N. Central Expressway, Suite 1575, Dallas, TX 75206; Powers Taylor, LLP, 8150 N. Central Expressway, Suite 1575, Dallas, TX 75206; Brower Piven, 475 Park Avenue South, 33rd Floor, New York, NY 10016; Finkelstein Thompson LLP, 505 Montgomery Street, Suite 300, San Francisco, CA 94111; Levi & Korsinsky LLP, 30 Broad Street, 24th Floor, New York, NY 10004; Kirby McInerney LLP, 600 B Street, Suite 1900, San Diego, CA 92101 and 825 Third Avenue, 16th Floor, New York, NY 10022; WeissLaw LLP, 1516 South Bundy Drive, Suite 309, Los Angeles, CA 90025 and 1500 Broadway, 16th Floor, New York, New York 10036; Gerald J. Lovoi, Esq., 616 South Boston, Suite 403, Tulsa OK 74119; and Tostrud Law Group, PC, 1925 Century Park East, Suite 2125, Los Angeles, CA 90067.

2. "Defendants" means sTec, Western Digital Corporation, Lodi Ventures, Inc., Kevin C. Daly, Rajat Bahri, F. Michael Ball, Christopher Colpitts, Manouch Moshayedi, Mark Moshayedi, and Matthew L. Witte.

3. "Final" means: (a) the date of final affirmance on an appeal of the Judgment (as defined in ¶ 5 below), the expiration of the time for a petition for or a denial of a writ of certiorari to review the Judgment and, if certiorari is granted, the date of final affirmance of the Judgment following review pursuant to that grant; or (b) the date of final dismissal of any appeal from the Judgment or the final dismissal of any proceeding on certiorari to review the Judgment; or (c) if no appeal is filed, the expiration date of the time for the filing or noticing of any appeal from the Court's Judgment approving the Stipulation substantially in the form of Exhibit B to the Stipulation.

4. "Individual Defendants" means Kevin C. Daly, Rajat Bahri, F. Michael Ball, Christopher Colpitts, Manouch Moshayedi, Mark Moshayedi, and Matthew L. Witte.

5. "Judgment" means the judgment to be rendered by the Court, substantially in the form attached as Exhibit B to the Stipulation.

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

7. "Plaintiffs" means Vijaya Pilly, Tyler Mathewson, Karl F. Poehlman, Beverly Wilkinson, Faithette Foreman-Sommers, Robert Walpole and Anthony Palmero, unless otherwise noted.

8. "Related Parties" means Defendants and their respective predecessors, successors-in-interest, parents, subsidiaries, affiliates, representatives, agents, trustees, executors, heirs, spouses, marital communities, assigns, or transferees, and any person or entity acting for or on behalf of any of them and each of them (including, without limitation, any investment bankers, financial advisors, accountants, insurers, reinsurers or attorneys and any past, present or future officers, directors and employees of any of them).

9. "Released Claims" means any and all known and unknown claims of every nature and description whatsoever, for damages, injunctive relief, or any other remedies, whether disclosed or undisclosed, accrued or unaccrued, apparent or not apparent, foreseen or unforeseen, matured or not matured, suspected or unsuspected, liquidated or not liquidated, fixed or contingent, that have been or could have been asserted by Plaintiffs or any Settlement Class Member in his, her, or its capacity as a shareholder in any forum, including class, derivative, individual, or other claims, whether based upon any state, federal, foreign, common law, statutory, regulatory, or other law or rule, including, without limitation, claims under the federal or state securities laws arising out of, related to, or concerning: (a) the allegations in the Action (or any one or more of the Shareholder Actions), (b) the Merger, the Merger agreement, and the ancillary agreements entered into in connection with the Merger, including any deliberations, negotiations, agreements, and disclosures related to the Merger, and any compensation or other payments made to any Defendant in connection with the Merger; (c) the considerations to be received by Plaintiffs or any Settlement Class Member in connection with the Merger; (d) the disclosures related to the Merger and any amendments thereto; (e) any alleged improper benefit, conflict of interest, agreement, remuneration, or employment benefits paid to or made with any individual in connection with the Merger or the Merger Agreement; (f) fiduciary obligations of the Defendants and Related Persons in connection with the Merger and Merger agreement; (g) any matter than could have been asserted in the Shareholder Actions regarding the Merger or any disclosure or alleged failure to disclose, with or without scienter, material facts to shareholders in connection with the merger; or (h) any alleged aiding and abetting of any of the foregoing; provided, however, that the Released Claims shall not include any rights, claims, or causes of action belonging to sTec or WDC arising from the

allegations in the Shareholder Actions, or the right of Plaintiffs or any Settlement Class Member to enforce the terms of the Stipulation or claims for dissenting shareholder rights under Chapter 13 of the California General Corporation Law.

10. "Released Persons" means the Defendants and each and all of the Related Parties.

11. "Settlement Class" means, for settlement purposes only, a non-opt-out class of all record holders or beneficial owners of sTec common stock at any time during the period beginning on and including June 23, 2013 through and including September 12, 2013, the date of the closing of the Merger, including all of their respective successors-in-interest, predecessors, representatives, trustees, executors, administrators, heirs, assigns, or transferees, immediate and remote, and any person acting for on behalf of, or claiming under, any of them, and each of them. Excluded from the Settlement Class are Defendants and their affiliates, immediate families, legal representatives, heirs, successors or assigns and any entity in which Defendants have or had a controlling interest.

12. "Settlement Class Member" or "Member of the Settlement Class" means a Person who falls within the definition of the Settlement Class as set forth above.

13. "Settling Parties" means, collectively, each of the Defendants and the Plaintiffs, on behalf of themselves and the Settlement Class Members.

VI. ORDER CERTIFYING A CLASS FOR PURPOSES OF SETTLEMENT

On June 16, 2014, the Court provisionally certified the Settlement Class for purposes of Settlement as defined above. If the Court determines that the Settlement, as provided for in the Stipulation, is fair, reasonable, adequate, and in the best interests of the Settlement Class, the Settling Parties will ask the Court to enter the Order and Final Judgment, which will permanently certify the Settlement Class as a non-opt out class and designate Plaintiffs as the class representatives with Plaintiff's Counsel as class counsel.

VII. DISMISSAL AND RELEASES

If the proposed Settlement is approved, the Court will enter the Judgment. The Judgment will release the Released Claims (as defined *supra* in Part V, ¶ 9) as to the Defendants and their Related Parties. The Judgment will provide that all Settlement Class Members shall be deemed to have released and forever discharged all Released Claims against all Released Persons, and will be barred from asserting any of the Released Claims in the future, unless the Settlement is canceled or terminated pursuant to the terms of the Stipulation.

By operation of the Judgment, all Settlement Class Members will waive any and all rights and benefits which they now have, or in the future may have by virtue of the provisions of Section 1542 of the California Civil Code, which provides as follows:

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.

By operation of the Judgment, all Settlement Class Members will waive any and all rights and benefits conferred by any law of the state or territory of the United States, or by any law of any jurisdiction outside the United States, or by any principle of common law or international law which is similar, comparable, or equivalent to California Civil Code Section 1542.

VIII. CONDITIONS FOR SETTLEMENT

The Settlement is conditioned upon the occurrence of certain events. Those events include, among other things: (1) entry of the Judgment by the Court, as provided for in the Stipulation; and (2) expiration of the time to appeal from or alter or amend the Judgment. If, for any reason, any one of the conditions described in the Stipulation is not met, the Stipulation might be terminated and, if terminated, will become null and void, and the parties to the Stipulation will be restored to their respective positions prior to the Settlement.

IX. THE RIGHT TO BE HEARD AT THE HEARING

Any Settlement Class Member may, but is not required to, enter an appearance in the Action and be represented by counsel of his, her, or its choice and at his, her or its expense. Any Settlement Class Member who does not enter an appearance will be represented by the attorneys for the Plaintiffs listed below. Any Settlement Class Member who objects to any aspect of the Settlement including the attorneys' fees and expenses requested by Plaintiffs' Counsel, may appear and be heard at the Settlement Hearing, which will take place on August 18, 2014 at 1:30 p.m. in Department CX101, Superior Court of the State of California, County of Orange, Civil Complex Center 751 West Santa Ana Blvd., Santa Ana, CA 92701. Any such Person must submit a written notice of objection, mailed or hand delivered such that it is received on or before July 28, 2014, to each of the following:

CLERK OF THE COURT
SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF ORANGE
Civil Complex Center
Department CX101
751 West Santa Ana Blvd.
Santa Ana, CA 92701

FARUQI & FARUQI, LLP
Juan Monteverde
369 Lexington Avenue, Tenth Floor
New York, NY 10017

Plaintiffs' Counsel

GIBSON, DUNN & CRUTCHER LLP
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3161 Michelson Drive
Irvine, CA 92612-4412

*Attorneys for Defendants sTec, Inc., Kevin C. Daly, Rajat Bahri, F. Michael Ball,
Christopher W. Colpitts, Manouch Moshayedi, Mark Moshayedi and Matthew L. Witte*

SHEARMAN & STERLING LLP
Stephen D. Hibbard
Four Embarcadero Center, Suite 3800
San Francisco, CA 94111-5991

Attorneys for Defendants Western Digital Corporation and Lodi Ventures, Inc.

The notice of objection must demonstrate the objecting Person's membership in the Settlement Class, and contain a statement of the reasons for objection. Only Settlement Class Members who have submitted written notices of objection in this manner will be entitled to be heard at the Settlement Hearing, unless the Court orders otherwise.

X. NOTICE TO PERSONS OR ENTITIES HOLDING RECORD OWNERSHIP ON BEHALF OF OTHERS

If you hold or held any sTec common stock beginning on and including June 23, 2013 through and including September 12, 2013, the date of the closing of the Merger, as nominee for a beneficial owner, then, within ten (10) calendar 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 the names and addresses of such Persons to the Notice Administrator:

Gilardi & Co. LLC
Attention: sTec Settlement
P.O. Box 990
Corte Madera, CA 94976-0990

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

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

XI. EXAMINATION OF PAPERS

This Notice is a summary and does not describe all of the details of the Stipulation. For full details of the matters discussed in this Notice, you may desire to review the Stipulation filed with the Court, which may be inspected during business hours, at the office of the Clerk of the Court, Superior Court of the State of California, County of Orange, Civil Complex Center, Department CX101, 751 West Santa Ana Blvd., Santa Ana, CA 92701.

For further information regarding this Action or Settlement you may also contact: Juan Monteverde, Faruqi & Faruqi, LLP, 369 Lexington Avenue, Tenth Floor, New York, NY 10017, Tel: (212) 983-9330.

DO NOT TELEPHONE THE COURT OR THE CLERK'S OFFICE REGARDING THIS NOTICE.

DATED: June 30, 2014

BY ORDER OF THE COURT
SUPERIOR COURT OF THE STATE OF CALIFORNIA,
COUNTY OF ORANGE