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18 UNITED STATES DISTRICT COURT
 19 NORTHERN DISTRICT OF CALIFORNIA
 20 OAKLAND DIVISION

21	In re ACCURAY INC. SECURITIES)	Master File No. 4:09-cv-03362-CW
22	LITIGATION)	
23	_____)	<u>CLASS ACTION</u>
24	This Document Relates To:)	NOTICE OF PENDENCY AND PROPOSED
25	ALL ACTIONS.)	SETTLEMENT OF CLASS ACTION
26	_____)	EXHIBIT A-1

1 ***IF YOU PURCHASED ACCURAY INC. (“ACCURAY”) COMMON STOCK BETWEEN***
2 ***FEBRUARY 7, 2007 AND AUGUST 19, 2008, INCLUSIVE, YOU COULD RECEIVE A***
3 ***PAYMENT FROM A CLASS ACTION SETTLEMENT.***

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

4 **Securities and Time Period:** Accuray common stock (CUSIP No. 004397105) purchased
5 between February 7, 2007 and August 19, 2008, inclusive.

6 **Settlement Fund:** \$13,500,000 in cash. Your recovery will depend on the number of shares
7 of Accuray common stock purchased between February 7, 2007 and August 19, 2008, inclusive, and
8 the timing of your purchases and any sales. If claims are submitted for 100% of the eligible shares
9 of Accuray common stock, the estimated average recovery per share of common stock will be
10 approximately \$0.237 before deduction of Court-approved fees and expenses. The actual amount
11 per share you could receive will depend on a number of factors which are explained in the Plan of
12 Allocation contained below.

13 **Settlement Class:** The Court has preliminarily certified a Settlement Class of all purchasers
14 of Accuray common stock between February 7, 2007 and August 19, 2008, inclusive, who were
15 allegedly damaged thereby. Excluded from the Settlement Class are Defendants; any entity in which
16 any Defendant has or had a controlling interest or that is a parent or subsidiary or is controlled by
17 any Defendant; Defendants’ officers and directors, including any person who was an officer or
18 director during the Settlement Class Period; Defendants’ affiliates, legal representatives, heirs,
19 predecessors, successors or assigns; and members of the Individual Defendants’ immediate families.
20 Also excluded from the Settlement Class are those Persons who timely and validly request exclusion
21 from the Settlement Class pursuant to this Notice.

22 **Reasons for Settlement:** Avoids the costs and risks associated with continued litigation,
23 including the danger of no recovery, and provides a benefit to the Settlement Class now.

24 **If the Case Had Not Settled:** The Settlement must be compared to the risk of no recovery
25 after contested motions, trial and likely appeals. A trial is a risky proposition and Lead Plaintiffs
26 might not have prevailed. The claims in this case involve numerous complex legal and factual issues

1 that would require extensive and costly expert testimony. Among the many key issues about which
2 the two sides do not agree are: (1) whether any of the Defendants violated the securities laws or
3 otherwise engaged in any wrongdoing; (2) whether the facts alleged by the Lead Plaintiffs were
4 material, false, misleading or otherwise actionable under the securities laws; (3) whether the various
5 facts alleged by the Lead Plaintiffs influenced the trading prices of Accuray common stock during
6 the relevant period; (4) the method for determining whether the price of Accuray common stock was
7 artificially inflated during the relevant period; (5) the amount (if any) of such inflation; and (6) the
8 amount of damages (if any) that could be recovered at trial.

9 **Attorneys' Fees and Expenses:** Lead Counsel have not received any payment for their
10 work investigating the facts, conducting this litigation and negotiating the Settlement on behalf of
11 the Lead Plaintiffs and the Settlement Class. Lead Counsel will ask the Court for attorneys' fees of
12 25% of the Settlement Fund and expenses not to exceed \$325,000 to be paid from the Settlement
13 Fund. If the above amounts are requested and approved by the Court, the average cost per share of
14 common stock will be approximately \$0.065, making the estimated average recovery per share after
15 fees and expenses \$0.172 if claims are submitted for 100% of the eligible shares of Accuray
16 common stock.

17 **Deadlines:**

18 Submit Claim: September 12, 2011 (postmarked)
19 Request Exclusion: August 15, 2011 (postmarked)
20 File Objection: August 15, 2011 (postmarked)
21 Notice of Intent to Appear: August 15, 2011 (postmarked)

22 **Court Hearing on Fairness of Settlement:** September 1, 2011, at 2:00 p.m.¹
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25 ¹ The Court may change this date to a later date and/or time without further written notice to
26 you. However, any different date or time will be posted on the Claims Administrator's website:
www.gilardi.com. You can also check the Court's calendar on the Court's website:

1 **More Information:** www.gilardi.com

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<http://www.cand.uscourts.gov/CEO/cfd.aspx?7131>. If you plan to attend the hearing, please check to make sure the date or time has not changed.

<p>1 Claims Administrator:</p> <p>2 <i>Accuray Securities</i></p> <p>3 <i>Litigation</i></p> <p>4 Claims Administrator</p> <p>5 c/o Gilardi & Co. LLC</p> <p>6 P.O. Box 8040</p> <p>7 San Rafael, CA 94912-8040</p> <p>8 Telephone: 415/461-0410</p>	<p>Lead Counsel:</p> <p>Rick Nelson</p> <p>c/o Shareholder Relations -or-</p> <p>Robbins Geller Rudman</p> <p>& Dowd LLP</p> <p>655 West Broadway</p> <p>Suite 1900</p> <p>San Diego, CA 92101</p> <p>Telephone: 619/231-1058</p>	<p>Lead Counsel:</p> <p>Colin Holmes</p> <p>Labaton Sucharow LLP</p> <p>140 Broadway, 34th Floor</p> <p>New York, NY 10005</p> <p>Telephone: 888/219-6877</p>
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- Your legal rights are affected whether you act or don't act. Read this Notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:

<p>9 SUBMIT A CLAIM</p> <p>10</p> <p>11 OBJECT</p> <p>12</p> <p>13 GO TO A HEARING</p> <p>14</p> <p>15 DO NOTHING</p> <p>16</p> <p>17 EXCLUDE YOURSELF</p> <p>18</p>	<p>The only way to receive a payment.</p> <p>You may write to the Court if you do not like this Settlement.</p> <p>You may ask to speak in Court about the fairness of the</p> <p>Settlement.</p> <p>Receive no payment.</p> <p>Receive no payment. This is the only option that allows you to</p> <p>participate in another lawsuit against the Defendants relating to</p> <p>the claims being released in this case.</p>
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- These rights and options — *and the deadlines to exercise them* — are explained in this Notice.
- The Court in charge of this case must decide whether to approve the Settlement. Payments will be made if the Court approves the Settlement and, if there are any appeals, after appeals are resolved. Please be patient.

1 **BASIC INFORMATION**

2 **1. Why Did I Receive This Notice Package?**

3 You or someone in your family may have purchased Accuray common stock between
4 February 7, 2007 and August 19, 2008.

5 The Court sent you this Notice because you have a right to know about a proposed settlement
6 of a class action lawsuit, and about all of your options, before the Court decides whether to approve
7 the Settlement. If the Court approves the Settlement and after any objections or appeals are
8 resolved, the Claims Administrator appointed by the Court will make the payments that the
9 Settlement allows.

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

12 The Court in charge of the case is the United States District Court for the Northern District of
13 California, and the case is known as *In re Accuray Inc. Sec. Litig.*, Master File No. 4:09-cv-03362-
14 CW. The individual and the pension fund that sued are called the Lead Plaintiffs, and the company
15 and the individuals they sued, Accuray, Euan S. Thomson, Robert E. McNamara, John R. Adler, Jr.,
16 Wade B. Hampton and Ted Tu, are called the Defendants.

17 **2. What Is This Lawsuit About?**

18 This case was brought as a class action alleging that Defendants made false and misleading
19 statements and omissions between February 7, 2007 and August 19, 2008, inclusive, about
20 Accuray’s true financial and operational condition. The case asserts that the Defendants
21 misrepresented and/or failed to disclose that Accuray’s backlog of business was materially
22 overstated with deals that did not have a substantially high probability of being booked as revenue,
23 that Accuray misrepresented its contracting process with customers, that Accuray did not collect (or
24 refunded) purportedly non-refundable deposits, and that Accuray recognized revenue upon shipment
25 of international orders, as opposed to upon installation. Lead Plaintiffs assert that Defendants lacked
26 a reasonable basis for the positive statements about Accuray’s earnings and prospects, including its

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Proposed Preliminary
Approval Filing 2-2-
11\Exhibit A1 Notice
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NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION - 4:09-cv-03362-
CW

1 fiscal year 2008 revenue forecast, allegedly causing damage to the Settlement Class. Lead Plaintiffs
2 assert that as a result of these matters, the market price of Accuray's common stock was artificially
3 and improperly inflated between February 7, 2007 and August 19, 2008 and that, Settlement Class
4 Members overpaid for Accuray common stock purchased during this time period. Defendants have
5 denied and continue to deny that they did anything wrong or that Members of the Settlement Class
6 were damaged. Among other things, Defendants deny that they misrepresented Accuray's financial
7 results and that the revenue projections, statements regarding conversion of backlog to revenue, and
8 statements about the amount of backlog are actionable.

9 **3. Why Is This a Class Action?**

10 In a class action, one or more people called class representatives (in this case the Court-
11 appointed Lead Plaintiffs, Zhengxu He and the City of Brockton Retirement System) sue on behalf
12 of people who have similar claims. Here, all these people are called the Settlement Class or
13 Settlement Class Members. One court resolves the issues for all Settlement Class Members, except
14 for those who timely and validly exclude themselves from the Settlement Class. Judge Claudia
15 Wilken is in charge of this class action.

16 **4. Why Is There a Settlement?**

17 The Court did not decide in favor of the Lead Plaintiffs or Defendants. Instead, both sides
18 agreed to a settlement. That way they avoid the cost and uncertainty of a trial, and eligible
19 Settlement Class Members who submit valid claims will receive compensation. The Lead Plaintiffs
20 and their attorneys think the Settlement is best for all Settlement Class Members.

21 **WHO IS IN THE SETTLEMENT**

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

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25
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1 **5. How Do I Know if I Am Part of the Settlement?**

2 The Settlement Class includes *all purchasers of Accuray common stock during the*
3 *Settlement Class Period, which is between February 7, 2007 and August 19, 2008, inclusive, who*
4 *were allegedly damaged thereby.*

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

6 You are not a Settlement Class Member if you are a Defendant; or an entity in which any
7 Defendant has or had a controlling interest or that is a parent or subsidiary or is controlled by any
8 Defendant; a Defendant’s officers and directors, including any person who was an officer or director
9 during the Settlement Class Period; a Defendant’s affiliates, legal representatives, heirs,
10 predecessors, successors or assigns; or a member of an Individual Defendant’s immediate family.
11 You are also not a Settlement Class Member if you timely and validly request exclusion from the
12 Settlement Class pursuant to this Notice.

13 If you sold Accuray common stock during the Settlement Class Period, that alone does not
14 make you a Settlement Class Member. You are a Settlement Class Member only if you purchased
15 Accuray common stock during the Settlement Class Period.

16 **7. I’m Still Not Sure if I Am Included.**

17 If you are still not sure whether you are included, you can ask for free help. You can call
18 Rick Nelson of Robbins Geller Rudman & Dowd LLP at 619/231-1058 or Colin Holmes of Labaton
19 Sucharow LLP at 888/219-6877 for more information. Or you can fill out and return the claim form
20 described in question 10, to see if you qualify.

21 **THE SETTLEMENT BENEFITS — WHAT YOU GET**

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

23 Defendants have agreed to pay \$13.5 million in cash. The balance of this fund after payment
24 of Court-approved attorneys’ fees and expenses and the costs of claims administration, including the
25 costs of printing and mailing this Notice and the cost of publishing newspaper notice (the “Net
26

1 Settlement Fund”) will be divided among all eligible Settlement Class Members who send in valid
2 claim forms.

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

4 Your share of the Net Settlement Fund will depend on the number of valid claim forms that
5 Settlement Class Members send in and the number of shares of Accuray common stock you
6 purchased during the relevant period and when you bought and sold them. As discussed above in
7 answer to Question 2, Lead Plaintiffs contend that, during the Settlement Class Period, Defendants
8 misrepresented and/or failed to disclose certain important facts about Accuray’s business and
9 financial condition. Lead Plaintiffs assert that, as a result, the price of Accuray common stock was
10 “artificially inflated” during the Settlement Class Period and Settlement Class Members paid more
11 for Accuray common stock than they would have if the truth was known. The Plan of Allocation
12 described below is based on this damage theory. As noted above in answer to Question 2,
13 Defendants deny all of these contentions.

14 A claim will be calculated based on the following inflation per share amounts for Settlement
15 Class Period common stock purchases and sales, as well as the statutory PSLRA 90-day look-back
16 amount of \$6.97:

17 TABLE 1

Inflation Period	Inflation Per Share	Inflation Period	Inflation Per Share
2/7/2007 - 8/16/2007	\$9.38	9/19/2007	\$5.23
8/17/2007	\$4.53	9/20/2007	\$4.94
8/20/2007	\$4.83	9/21/2007	\$5.66
8/21/2007	\$4.62	9/24/2007 - 10/26/2007	\$6.06
8/22/2007	\$4.26	10/29/2007	\$7.42
8/23/2007	\$3.88	10/30/2007-11/7/2007	\$7.53
8/24/2007	\$4.26	11/8/2007 - 12/11/2007	\$6.06
8/27/2007	\$4.12	12/12/2007	\$6.03
8/28/2007	\$4.18	12/13/2007	\$5.91
8/29/2007	\$1.48	12/14/2007	\$5.65
8/30/2007	\$4.81	12/17/2007	\$5.40
8/31/2007	\$4.91	12/18/2007 - 12/20/07	\$6.06
9/4/2007	\$4.30	12/21/2007	\$5.95

9/5/2007	\$4.90	12/24/2007 - 1/25/2008	\$6.06
9/6/2007	\$4.19	1/28/2008	\$6.00
9/7/2007	\$4.63	1/29/2008 - 1/30/2008	\$6.06
9/10/2007	\$4.68	1/31/2008 - 4/29/2008	\$1.02
9/11/2007	\$4.73	4/30/2008 - 8/13/2008	\$0.81
9/12/2007	\$4.63	8/14/2008	\$0.57
9/13/2007	\$4.63	8/15/2008	\$0.29
9/14/2007	\$4.75	8/18/2008	\$0.07
9/17/2007	\$4.76	8/19/2008	\$0.16
9/18/2007	\$4.87		

For shares of Accuray common stock *purchased on or between February 7, 2007 and August 19, 2008*, the claim per share shall be as follows:

(a) If sold on or between February 7, 2007 and August 19, 2008, the claim per share shall be the lesser of: (i) the inflation per share at the time of purchase, as shown in Table 1, less the inflation per share at the time of sale, as shown in Table 1; or (ii) the difference between the purchase price and the sales price.

(b) If held at the close of trading on August 19, 2008 and sold on or before November 16, 2008 the claim per share shall be the least of: (i) the inflation per share at the time of purchase, as shown in Table 1; (ii) the difference between the purchase price and the sales price; or (iii) the difference between the purchase price per share and the average closing price per share at the date of sale as set forth in Table 2 below.

(c) If held on November 17, 2008, or sold thereafter, the claim per share shall be the lesser of: (i) the inflation per share at the time of purchase, as shown in Table 1; or (ii) the difference between the purchase price per share and \$6.97 (the statutory PSLRA 90-day look-back amount).

TABLE 2

<u>Date</u>	<u>Average Closing Price</u>
20-Aug-08	\$7.71
21-Aug-08	\$7.73
22-Aug-08	\$7.84
25-Aug-08	\$7.78

1	26-Aug-08	\$7.77
	27-Aug-08	\$7.82
2	28-Aug-08	\$7.89
	29-Aug-08	\$7.94
3	2-Sep-08	\$7.95
	3-Sep-08	\$7.99
4	4-Sep-08	\$8.00
	5-Sep-08	\$8.01
5	8-Sep-08	\$8.02
	9-Sep-08	\$8.02
6	10-Sep-08	\$8.00
	11-Sep-08	\$8.01
7	12-Sep-08	\$7.99
	15-Sep-08	\$7.97
8	16-Sep-08	\$7.97
	17-Sep-08	\$7.96
9	18-Sep-08	\$7.98
	19-Sep-08	\$8.01
10	22-Sep-08	\$8.04
	23-Sep-08	\$8.05
11	24-Sep-08	\$8.08
	25-Sep-08	\$8.11
12	26-Sep-08	\$8.14
	29-Sep-08	\$8.15
13	30-Sep-08	\$8.14
	1-Oct-08	\$8.15
14	2-Oct-08	\$8.13
	3-Oct-08	\$8.11
15	6-Oct-08	\$8.07
	7-Oct-08	\$8.03
16	8-Oct-08	\$7.97
	9-Oct-08	\$7.90
17	10-Oct-08	\$7.84
	13-Oct-08	\$7.82
18	14-Oct-08	\$7.78
	15-Oct-08	\$7.73
19	16-Oct-08	\$7.69
	17-Oct-08	\$7.66
20	20-Oct-08	\$7.64
	21-Oct-08	\$7.61
21	22-Oct-08	\$7.56
	23-Oct-08	\$7.51
22	24-Oct-08	\$7.46
	27-Oct-08	\$7.41
23	28-Oct-08	\$7.36
	29-Oct-08	\$7.32
24	30-Oct-08	\$7.29
	31-Oct-08	\$7.27
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1	3-Nov-08	\$7.26
	4-Nov-08	\$7.25
2	5-Nov-08	\$7.24
	6-Nov-08	\$7.22
3	7-Nov-08	\$7.18
	10-Nov-08	\$7.15
4	11-Nov-08	\$7.11
	12-Nov-08	\$7.07
5	13-Nov-08	\$7.04
	14-Nov-08	\$7.01
6	17-Nov-08	\$6.97

7 The date of purchase or sale is the “contract” or “trade” date as distinguished from the
8 “settlement” date.

9 For Settlement Class Members who made multiple purchases or sales during the Settlement
10 Class Period, the first-in, first-out (“FIFO”) method will be applied to such holdings, purchases and
11 sales for purposes of calculating a claim. Under the FIFO method, sales of common stock during the
12 Settlement Class Period will be matched, in chronological order, against common stock purchased
13 during the Settlement Class Period.

14 A Settlement Class Member will be eligible to receive a distribution from the Net Settlement
15 Fund only if a Settlement Class Member had a net loss. All gains and losses (as calculated under the
16 above plan) will be combined and thereafter netted against each other. In addition, no distribution
17 will be made unless the amount of the check is at least \$5.00.

18 **HOW YOU OBTAIN A PAYMENT — SUBMITTING A CLAIM FORM**

19 **10. How Will I Obtain a Payment?**

20 To qualify for payment, you must be an eligible Settlement Class Member, send in a timely
21 and valid claim form, and properly document your claim as requested in the claim form. A claim
22 form is enclosed with this Notice. Read the instructions carefully, fill out the form, include all the
23 documents the form asks for, sign it, and mail it in the enclosed envelope postmarked no later than
24 September 12, 2011.

1 **11. When Will I Receive My Payment?**

2 The Court will hold a hearing on September 1, 2011, at 2:00 p.m., to decide whether to
3 approve the Settlement. If Judge Wilken approves the Settlement, there may be appeals. It is always
4 uncertain whether these appeals can be resolved, and resolving them can take time, perhaps several
5 years. Everyone who sends in a claim form will be informed of the determination with respect to
6 their claim. Please be patient.

7 **12. What Am I Giving Up to Receive a Payment or Stay in the Settlement Class?**

8 Unless you timely and validly exclude yourself, you are a Member of the Settlement Class,
9 and that means that you cannot sue, continue to sue, or be part of any other lawsuit against the
10 Defendants about the Released Claims in this case. It also means that all of the Court's orders will
11 apply to you and legally bind you and you will release your claims in this case against the
12 Defendants. The terms of the release are included in the claim form that is enclosed.

13 **EXCLUDING YOURSELF FROM THE SETTLEMENT**

14 If you do not want a payment from this Settlement, but you want to keep the right to sue or
15 continue to sue the Defendants on your own for the Released Claims in this case, then you must take
16 steps to get out of the Settlement Class. This is called excluding yourself or is sometimes referred to
17 as opting out of the Settlement Class.

18 **13. How Do I Get Out of the Settlement Class?**

19 To exclude yourself from the Settlement Class you must send a letter by mail stating that you
20 want to be excluded from *In re Accuray Inc. Sec. Litig.*, Master File No. 4:09-cv-03362-CW. You
21 must include your name, address, telephone number, your signature, and the number of shares of
22 Accuray common stock you purchased between February 7, 2007 and August 19, 2008 and the dates
23 of your purchases and any sales. You must mail your exclusion request postmarked no later than
24 August 15, 2011, to:
25
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1 *Accuray Securities Litigation*
2 Claims Administrator
3 c/o Gilardi & Co. LLC
4 P.O. Box 8040
5 San Rafael, CA 94912-8040

6 You cannot exclude yourself on the phone or by e-mail. If you ask to be excluded, you are
7 not eligible to receive any settlement payment, and you cannot object to the Settlement. You will
8 not be legally bound by anything that happens in this lawsuit.

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

11 No. Unless you timely and validly exclude yourself, you give up any right to sue the
12 Defendants for the Released Claims in this Settlement. If you have a pending lawsuit against any of
13 the Defendants, speak to your lawyer in that case immediately. Remember, the exclusion deadline is
14 August 15, 2011.

15 **15. If I Exclude Myself, Can I Receive Money from This Settlement?**

16 No. If you exclude yourself, do not send in a claim form. But, you may be able to sue,
17 continue to sue, or be part of a different lawsuit involving the Released Claims against the
18 Defendants.

19 **THE LAWYERS REPRESENTING YOU**

20 **16. Do I Have a Lawyer in This Case?**

21 The Court appointed the law firms of Robbins Geller Rudman & Dowd LLP and Labaton
22 Sucharow LLP to represent you and other Settlement Class Members. These lawyers are called
23 Lead Counsel. You will not be directly charged for these lawyers. If you want to be represented by
24 your own lawyer, you may hire one at your own expense.

25 **17. How Will the Lawyers Be Paid?**

26 Lead Counsel will ask the Court for attorneys' fees of 25% of the Settlement Fund and for
expenses up to \$325,000, plus interest which were incurred in connection with the litigation. In
addition, Lead Plaintiffs may seek reimbursement of \$500 for expenses incurred representing the

1 Settlement Class. Such sums as may be approved by the Court will be paid from the Settlement
2 Fund. Settlement Class Members are not personally liable for any such fees or expenses.

3 The attorneys' fees and expenses requested will be the only payment to Lead Counsel for
4 their efforts in achieving this Settlement and for their risk in undertaking this representation on a
5 wholly contingent basis. Lead Counsel have committed significant time and expenses in litigating
6 this case for the benefit of the Settlement Class. To date, Lead Counsel have not been paid for their
7 services in conducting this litigation on behalf of the Lead Plaintiffs and the Settlement Class, nor
8 for their substantial expenses. The fees requested will compensate Lead Counsel for their work in
9 achieving the Settlement Fund. The Court will decide what is a reasonable fee award and may
10 award less than the amount requested by Lead Counsel.

11 **OBJECTING TO THE SETTLEMENT**

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

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

14 The papers in support of approval of the Settlement, the Plan of Allocation and Lead
15 Plaintiffs' counsel's fees and expense application will be filed and posted on www.gilardi.com no
16 later than July 15, 2011. If you are a Settlement Class Member, you can object to the Settlement if
17 you do not like any part of it, including the Plan of Allocation and the request for attorneys' fees or
18 expenses. You can state the reasons why you think the Court should not approve it. The Court will
19 consider your views. To object, you must send a letter saying that you object to the Settlement in *In*
20 *re Accuray Inc. Sec. Litig.*, Master File No. 4:09-cv-03362-CW. Be sure to include your name,
21 address, telephone number, your signature, the number of shares of Accuray common stock
22 purchased and sold between February 7, 2007 and August 19, 2008, the dates of purchases and any
23 sales, and the reasons you object. Any objection must be postmarked and mailed to *each* of the
24 following no later than August 15, 2011:

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Court:

Clerk of the Court
UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
Ronald V. Dellums Federal Building
1301 Clay Street, Suite 400S
Oakland, CA 94612

Counsel for Lead Plaintiffs:

Joy Ann Bull
ROBBINS GELLER RUDMAN & DOWD LLP
655 West Broadway, Suite 1900
San Diego, CA 92101

Counsel for Defendants:

Ignacio E. Salceda
WILSON SONSINI GOODRICH & ROSATI, P.C.
650 Page Mill Road
Palo Alto, CA 94304-1050

19. What’s the Difference Between Objecting and Excluding?

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

THE COURT’S FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the Settlement. You may attend and you may ask to speak, but you do not have to.

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

The Court will hold a fairness hearing at 2:00 p.m., on September 1, 2011, at the Oakland Courthouse, 1301 Clay Street, Oakland, California. At this hearing the Court will consider whether

1 the Settlement is fair, reasonable, and adequate.² The Court may move the date or time of the
2 fairness hearing to a later date and/or time without further written notice to you. If the date or time
3 of the fairness hearing is changed the new date and/or time will be posted at www.gilardi.com. You
4 can also check the Court's calendar on the Court's website:
5 <http://www.cand.uscourts.gov/CEO/cfd.aspx?7131>. If there are objections, the Court will consider
6 them. Judge Wilken will listen to people who have asked to speak at the hearing. The Court will
7 also consider how much to pay to Lead Counsel. The Court may decide these issues at the hearing
8 or take them under consideration. We do not know how long these decisions will take.

9 **21. Do I Have to Come to the Hearing?**

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

14 **22. May I Speak at the Hearing?**

15 You may ask the Court for permission to speak at the fairness hearing. To do so, you must
16 send a letter saying that it is your intention to appear in *In re Accuray Inc. Sec. Litig.*, Master File
17 No. 4:09-cv-03362-CW. Be sure to include your name, address, telephone number, your signature,
18 and the number of shares of Accuray common stock purchased between February 7, 2007 and
19 August 19, 2008, inclusive. Your notice of intention to appear must be postmarked and mailed no
20 later than August 15, 2011, to the Clerk of the Court, Lead Counsel, and Defendants' counsel, at the
21 three addresses listed in question 18. If you intend to present evidence or witnesses, you must

22
23
24
25 ² The papers in support of approval of the Settlement, the Plan of Allocation and Lead
26 Plaintiffs' counsel's fee and expense application will be submitted to the Court and posted on
www.gilardi.com no later than July 15, 2011.

1 disclose that information and explain it in your letter. You cannot speak at the hearing if you
2 exclude yourself from the Settlement Class.

3 **IF YOU DO NOTHING**

4 **23. What Happens if I Do Nothing at All?**

5 If you do nothing, you will be a Settlement Class Member. However, you will not receive
6 any money from this Settlement unless you submit a claim form. Unless you exclude yourself, you
7 won't be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against the
8 Defendants about the Released Claims in this case.

9 **GETTING MORE INFORMATION**

10 **24. Are There More Details About the Settlement?**

11 This Notice summarizes the proposed Settlement. More details are in the Stipulation of
12 Settlement, dated as of April 27, 2011. You can obtain a copy of the Stipulation of Settlement by
13 going to www.gilardi.com, or by writing to Rick Nelson, c/o Shareholder Relations, Robbins Geller
14 Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, or from the Clerk's
15 office at the United States District Court for the Northern District of California, 1301 Clay Street,
16 Oakland, California during regular business hours.

17 **25. How Do I Get More Information?**

18 You can call 619/231-1058 or write to Rick Nelson, c/o Shareholder Relations, Robbins
19 Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, or call
20 888/219-6877 or write to Colin Holmes, Labaton Sucharow LLP, 140 Broadway, New York, NY
21 10005, or visit the following website: www.gilardi.com.

22 ***DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE***

23 **SPECIAL NOTICE TO BANKS, BROKERS AND OTHER NOMINEES**

24 The Court has ordered that if you hold or held any Accuray common stock purchased
25 between February 7, 2007 and August 19, 2008, inclusive, as nominee for a beneficial owner, then,
26 within ten (10) days after you receive this Notice, you must either: (1) send a copy of this Notice by

27 NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION - 4:09-cv-03362-

28 CW

1 first class mail to all such Persons; or (2) provide a list of the names and addresses of such Persons to
2 the Claims Administrator:

3 *Accuray Securities Litigation*
4 Claims Administrator
5 c/o Gilardi & Co. LLC
6 P.O. Box 8040
7 San Rafael, CA 94912-8040

8 If you choose to mail the Notice and Proof of Claim yourself, you may obtain from the
9 Claims Administrator (without cost to you) as many additional copies of these documents as you
10 will need to complete the mailing. If you do not intend to comply with the provisions of this section
11 you are requested to notify the Claims Administrator of that fact at the address listed above.

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

17 DATED: _____, 2011

18 BY ORDER OF THE COURT
19 UNITED STATES DISTRICT COURT
20 NORTHERN DISTRICT OF CALIFORNIA