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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

In re ATMEL CORPORATION DERIVATIVE
LITIGATION

Master File No. CV 06-4592-JF

This Document Related To:
All Actions.

**[PROPOSED] REVISED ORDER PRELIMINARILY
APPROVING SETTLEMENT AND PROVIDING FOR NOTICE**

1 This matter came on for hearing on December 18, 2009. The Settling Parties have made
2 application, pursuant to Federal Rule of Civil Procedure 23.1, for an order: (i) preliminarily
3 approving the proposed settlement of the above-captioned shareholder derivative action and the
4 related State Actions pending in the Superior Court of the State of California, County of Santa
5 Clara, and the Court of Chancery of the State of Delaware, in accordance with the Settlement
6 Agreement dated December 9, 2009 (the "Agreement") and (ii) approving for distribution of the
7 Notice of Settlement.

8 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED AS FOLLOWS:

9 1. The Court, for purposes of this Preliminary Order, adopts the definitions set forth
10 in paragraphs 1.1 through 1.31 of the Agreement.

11 2. The Court preliminarily approves the settlement of the Actions set forth in this
12 Agreement as falling within the range of possible approval and meriting submission to Current
13 Atmel Shareholders for consideration.

14 3. Not later than January 29, 2010, Atmel shall cause a Notice of Proposed
15 Settlement, substantially in the form of Exhibit B to the Agreement, to be filed with the
16 Securities and Exchange Commission ("SEC") on Form 8-K. Atmel shall also file a copy of this
17 Agreement as an exhibit to the Form 8-K.

18 4. Not later than January 29, 2010, Atmel shall issue a press release regarding the
19 Agreement and shall post a link to the Notice of Proposed Settlement on its website.

20 5. Not later than January 29, 2010, Atmel shall cause a summary notice of proposed
21 settlement to be published in *Investors Business Daily*. Atmel shall bear the costs of this
22 advertisement.

23 6. The Court finds that dissemination of information regarding the proposed
24 settlement in the manner set out in this Order constitutes the best notice practicable under the
25 circumstances and complies fully with Rule 23.1 of the Federal Rules of Civil Procedure and the
26 United States Constitution.

27 7. A settlement hearing shall be held on March 26, 2010 at 10:30 a.m., at the United
28 States District Court for the Northern District of California, 280 South First Street, San Jose, CA

1 95113, at which the Court will determine: (i) whether the terms of the Agreement should be
2 approved as fair, reasonable, and adequate; (ii) whether the separately negotiated payment of
3 Plaintiffs' Counsel's attorneys' fees and expenses should be approved; and (iii) whether the
4 above-entitled action should be dismissed on the merits and with prejudice. The Court may
5 adjourn or continue the hearing without further notice to Current Atmel Shareholders.

6 8. Any Current Atmel Shareholder who objects to the settlement of the Actions, or
7 to the separately negotiated payment of Plaintiffs' Counsel's attorneys' fees and expenses, shall
8 have a right to appear and be heard at the settlement hearing. Any such person must file with the
9 Court and deliver to Plaintiffs' Counsel a written notice of objection postmarked on or before
10 March 12, 2010. The objection should be accompanied by proof of ownership of Atmel stock,
11 and shall contain a plain statement of the person's objections, along with any documents or other
12 evidence the person wishes the Court to consider. Only Shareholders who have filed and
13 delivered valid and timely written notices of objection will be entitled to be heard at the hearing,
14 unless the Court orders otherwise. Federal Plaintiffs' Counsel shall provide copies of any and all
15 such notices of objection to Counsel for Defendants at least five business days before the
16 settlement hearing.

17 9. All paper including memoranda or briefs in support of the settlement shall be
18 filed and saved seven (7) calendar days prior to the settlement hearing.

19 10. Any Current Atmel Shareholder who does not make an objection in the manner
20 provided herein shall be deemed to have waived any such objection.

21 11. All discovery and other proceedings between and among the Settling Parties in
22 the Actions are hereby stayed and/or enjoined until further order of the Court, except as may be
23 necessary to implement the settlement of the Actions or comply with the terms of this
24 Agreement.

25 12. Atmel, Settling Defendants, and all Current Atmel Shareholders are hereby barred
26 from commencing or prosecuting any direct or representative action asserting any of the Settled
27 Claims against any of the Released Persons unless and until the Agreement is terminated
28 according to its terms.

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13. The Court may, for good cause, extend any of the deadlines set forth in the Order without further notice to Current Atmel Shareholders.

14. Neither this Preliminary Order, nor any of its terms or provisions, nor any of the negotiations or proceedings connected with it, shall be referred to, offered as evidence, or received in evidence in any pending or future civil, criminal, or administrative action or proceedings, except in a proceeding to enforce the Preliminary Order, to defend against the assertion of the Settled Claims, or as otherwise required by law.

DATED: 1/14/10



THE HONORABLE JEREMY FOGEL
UNITED STATES DISTRICT JUDGE

ATMEL:17375

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I, Marta Stasik, the undersigned, declare:

1. That declarant is and was, at all times herein mentioned, a citizen of the United States and a resident of the County of San Diego, over the age of 18 years, and not a party to or interested in the within action; that declarant's business address is 750 B Street, Suite 2770, San Diego, California 92101.

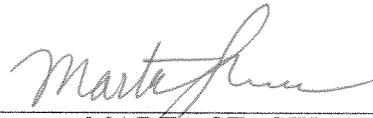
2. That on January 12, 2010, declarant served the following documents:

**[PROPOSED] REVISED ORDER PRELIMINARILY
APPROVING SETTLEMENT AND PROVIDING FOR NOTICE**

via CM/ECF to the parties listed on the attached Service List.

3. That there is regular communication between the parties.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 12th day of January 2010, at San Diego, California.



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