

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

Jeffrey S. Facter (State Bar No. 123817)
Patrick D. Robbins (State Bar No. 152288)
Emily V. Griffen (State Bar No. 209162)
Morgan L. Hector (State Bar No. 246573)
SHEARMAN & STERLING LLP
525 Market Street, Suite 1500
San Francisco, CA 94105-2723
Telephone: (415) 616-1100
Facsimile: (415) 616-1199
Email: jfacter@shearman.com
probbins@shearman.com
egriffen@shearman.com
morgan.hector@shearman.com

****E-Filed 9/9/2009****

Attorneys for the Special Committee
of the Board of Directors of Blue Coat
Systems, Inc.

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

In re BLUE COAT SYSTEMS, INC.
DERIVATIVE LITIGATION

MASTER FILE NO.: C-06-4809-JF (RS)
[Consolidated with C-06-5453]

This Document Relates To:

ALL ACTIONS.

STIPULATION AND ~~[PROPOSED]~~
ORDER EXTENDING DATE FOR CASE
MANAGEMENT CONFERENCE

Current CMC Date: September 11, 2009
Proposed CMC Date: December 18, 2009
Before: Hon. Jeremy Fogel

1 WHEREAS, Plaintiffs in this Consolidated Action filed a Verified Amended
2 Consolidated Shareholder Derivative Complaint (“Consolidated Complaint”) on November 30,
3 2007;

4 WHEREAS, on February 1, 2008, Nominal Defendant Blue Coat Systems, Inc.
5 (“Blue Coat”) and Defendant Ernst & Young LLP (“EY”) filed motions to dismiss this case on the
6 ground that a demand upon Blue Coat’s board of directors (the “Board”) to assert claims against
7 the individual Defendants and Defendant EY would not have been futile (the “Demand Futility
8 Motions”);

9 WHEREAS, on February 1, 2008, the individual Defendants and EY filed motions
10 to dismiss the Consolidated Complaint on the grounds that it failed to state a claim for relief
11 against them;

12 WHEREAS, on February 1, 2008, Defendants Blue Coat and EY filed motions to
13 stay the case and/or to compel mediation and, if necessary, arbitration;

14 WHEREAS, Plaintiffs decided not to oppose these motions but to instead make a
15 demand on Blue Coat’s Board;

16 WHEREAS, the Parties agreed to, and the Court ordered, a stay of the action to
17 permit Plaintiffs to make their demand upon Blue Coat’s Board and to allow the Board to consider
18 such demand;

19 WHEREAS, in response to Plaintiffs’ demand, the Board formed a special
20 committee, composed of directors James Tolonen and Keith Geeslin, which according to the Form
21 10-Q filed by Blue Coat on December 9, 2008, was granted plenary authority to decide whether it
22 is in the best interests of the Company and its shareholders to pursue or otherwise resolve the
23 claims raised in the demand letter and in the federal and state derivative actions and any other
24 claims of the Company that the special committee deems necessary or appropriate to consider
25 concerning its historical stock option practices;

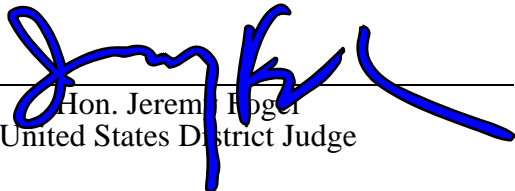
26 WHEREAS, the special committee represents that it has been actively engaged in
27 an investigation of Plaintiffs’ demand and has been working diligently on the investigation;

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

~~PROPOSED~~ ORDER

Based upon the above stipulation of the Parties and for good cause appearing therefore, IT IS SO ORDERED.

Dated: 9/8/2009, 2009



Hon. Jeremy Fogel
United States District Judge

