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****E-Filed 12/7/2009****

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

11 UNITED STATES DISTRICT COURT
 12 NORTHERN DISTRICT OF CALIFORNIA
 13 SAN JOSE DIVISION

14 In re BLUE COAT SYSTEMS, INC.
 15 DERIVATIVE LITIGATION

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

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

19 This Document Relates To:

20 ALL ACTIONS.

Current CMC Date: December 18, 2009
 Proposed CMC Date: February 19, 2010
 Before: Hon. Jeremy Fogel

28 STIP AND [PROPOSED] ORDER
 EXTENDING DATE FOR CMC

MASTER FILE NO.: C-06-4809-JF (RS)
 283190

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;
28

1 WHEREAS, counsel for plaintiffs, counsel for the special committee, counsel for
2 the insurers, and counsel for certain individual defendants attended a mediation session on
3 November 24, 2009 with the Honorable Layn Phillips (Ret.), and those mediation discussions are
4 ongoing;

5 NOW, THEREFORE, the Parties, by and through their undersigned counsel of
6 record, hereby agree and stipulate to the following:

7 1. The Case Management Conference scheduled for December 18, 2009,
8 together with all associated pre-conference filings (e.g., the Case Management Statement and Rule
9 26(f) disclosures) shall be continued to February 19, 2010 at 10:30 a.m., or as soon as available
10 thereafter, at which time the Parties will report to the Court about the status of the special
11 committee's work and the status of mediation discussions;

12 2. The Parties respectfully request that the Court enter an Order approving this
13 Stipulation.

14 3.

15 Dated: December 4, 2009

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20 By: /s/ Jeffrey S. Facter
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22 Counsel for the Special Committee of the Board of
23 Directors of Nominal Defendant Blue Coat Systems,
24 Inc.

1
2 Dated: December 4, 2009

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8 Defendant Blue Coat Systems, Inc.

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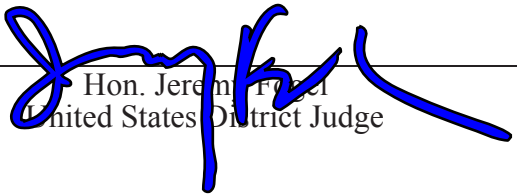
Counsel for Defendant Ernst & Young LLP

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~~[PROPOSED]~~ ORDER

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

Dated: December 7, 2009



Hon. Jerome F. Fogel
United States District Judge

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ATTESTATION PURSUANT TO GENERAL ORDER 45

I, Emily V. Griffen, attest that concurrence in the filing of this document has been obtained from each of the signatories. I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed this 4th day of December 2009 at San Francisco, California.

By: /s/ Emily V. Griffen
Emily V. Griffen

Counsel for the Special Committee of the Board of
Directors of Nominal Defendant Blue Coat Systems,
Inc.