

1 Jeffrey S. Facter (State Bar No. 123817)  
 Patrick D. Robbins (State Bar No. 152288)  
 2 Emily V. Griffen (State Bar No. 209162)  
 SHEARMAN & STERLING LLP  
 3 525 Market Street, Suite 1500  
 San Francisco, CA 94105-2723  
 4 Telephone: (415) 616-1100  
 Facsimile: (415) 616-1199  
 5 Email: jfacter@shearman.com  
 probbins@shearman.com  
 6 egriffen@shearman.com

**\*\*E-Filed 6/9/2010\*\***

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

9  
 10 UNITED STATES DISTRICT COURT  
 11 NORTHERN DISTRICT OF CALIFORNIA  
 12 SAN JOSE DIVISION

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

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

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

17 This Document Relates To:

18 ALL ACTIONS.

19 Current CMC Date: June 11, 2010  
 Proposed CMC Date: July 16, 2010  
 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: June 9, 2010

  
\_\_\_\_\_  
Hon. Jeremy Fogel  
United States District Judge

