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11 SUPERIOR COURT OF THE STATE OF CALIFORNIA
12 FOR THE COUNTY OF SAN MATEO

13
14 CHARLES WHITE,
Plaintiff,

15 vs.

16 RADHA R. BASU, MANUEL DIAZ, KEVIN
17 C. EICHLER, EDWARD S. RUSSELL, and
JAMES THANOS,

18 Defendants,

19 --and--

20 SUPPORTSOFT, INC., a Delaware
21 Corporation,

22 Nominal Defendant.
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27

FILED
SAN MATEO COUNTY

NOV 13 2007

Clerk of the Superior Court

By C. ARSHAD
DEPUTY CLERK

Case No. 451677

**DECLARATION OF JUDEN JUSTICE
REED IN SUPPORT OF PLAINTIFF'S
MOTION FOR APPROVAL OF
DERIVATIVE SETTLEMENT AND
AWARD OF ATTORNEYS' FEES,
EXPENSES AND INCENTIVE AWARD**

Date: December 3, 2007

Time: 9:00 a.m.

Dept.: 1

Hon. Carol L. Mittlesteadt

28 Case No. CGC-04-437473

DECLARATION OF JUDEN JUSTICE REED IN SUPPORT OF PLAINTIFF'S MOTION FOR APPROVAL OF
DERIVATIVE SETTLEMENT AND AWARD OF ATTORNEYS' FEES, EXPENSES AND INCENTIVE AWARD

1 I, Juden Justice Reed, declare as follows:

2 1. I am a member in good standing of the State Bar of California, and a partner in the
3 law firm of Schubert & Reed LLP ("Schubert & Reed"). I have personal knowledge of the facts set
4 forth in this declaration, and if called as a witness, I could and would testify to them. I submit this
5 declaration in support of Plaintiff's motion for entry of a final approval order and an award of
6 attorneys' fees and expenses and an incentive award.

7 2. I submit this declaration in support of the proposed settlement and Plaintiff's
8 counsel's application for an award of attorneys' fees and reimbursement of expenses of \$745,000,
9 plus an incentive award of \$15,000 for plaintiff Charles White ("Plaintiff" or "White").

10 3. Since this Court is generally familiar with the nature of this action, the parties, the
11 claims asserted and potential defenses thereto, and the circumstances giving rise to this action, they
12 are only briefly discussed here. The primary purpose of this declaration is to set forth the terms of
13 the proposed settlement and the negotiations which led to it; the work performed by Plaintiff's
14 counsel in prosecuting this action and investigating the underlying facts; and Plaintiff's counsel's
15 assessment of the case demonstrating why the settlement is fair and should be approved.

16 4. In light of the risks involved, both legal and factual, as set forth below, Plaintiff's
17 counsel believe this settlement to be fair, reasonable and adequate, and meriting the Court's
18 approval. Counsel also believe that the proposed award of attorneys' fees is appropriate to the relief
19 obtained, and that it falls within the range of reasonableness for cases that produce this type of relief.
20 As detailed herein, Plaintiff's counsel undertook substantial risk in pursuing this litigation on an
21 entirely contingent basis, and entered into settlement negotiations after extensive review and
22 analysis of the legal and factual elements of the case.

23 **I. DESCRIPTION OF PLAINTIFFS' ALLEGATIONS**

24 **A. Summary of Allegations**

25 5. Plaintiff's allegations contained the his Second Amended Complaint, filed October
26 27, 2006, are summarized for the convenience of the Court in Section II.A. of the *Memorandum of*

27 Case No. CGC-04-437473

28 DECLARATION OF JUDEN JUSTICE REED IN SUPPORT OF PLAINTIFF'S MOTION FOR APPROVAL OF
DERIVATIVE SETTLEMENT AND AWARD OF ATTORNEYS' FEES, EXPENSES AND INCENTIVE AWARD