

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF SANTA CLARA

NEW JERSEY CARPENTERS PENSION FUND,	)	Case No.1:11-cv-209381
	)	
Plaintiffs,	)	<u>CLASS ACTION</u>
	)	
v.	)	DATE: February 10, 2012
	)	TIME: 11:00 a.m.
DOUGLAS W. BROYLES, MARVIN D. BURKETT,	)	DEPT: 1
STEPHEN L. DOMENIK, DR. NORMAN GODINHO,	)	JUDGE: Hon. James P. Kleinberg
RONALD S. JANKOV, ALAN KROCK, LEONARD	)	
C. PERHAM, BROADCOM CORPORATION, and	)	Complaint Filed: September 16, 2011
I&N ACQUISITION CORP.,	)	
	)	
Defendants.	)	

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**NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION**

**TO: Any and all record holders and beneficial owners of NetLogic’s common stock, including any and all of each such holder’s respective successors, successors in interest, predecessors, predecessors in interest, representatives, trustees, executors, administrators, heirs, assigns or transferees, immediate and remote, and any person or entity acting for or on behalf of, or claiming under, any of them, and each of them, who held shares of NetLogic’s common stock at any time between and including September 12, 2011 and February 17, 2012, the date of consummation of the Merger (the “Class”), but not defendants, members of the immediate family of any individual Defendant, any entity in which a Defendant has or had a controlling interest, officers or directors of NetLogic or Broadcom, and the legal representatives, heirs, successors or assigns of any such excluded person.**

This Notice was sent to you by order of the court. Please read this Notice carefully and in its entirety. This Notice relates to a proposed settlement of this shareholder action and, if you are a Class Member, contains important information as to your rights concerning the Settlement described below.

If you held shares of NetLogic common stock for the benefit of another, please promptly transmit this document to the beneficial owner.

**This Notice is not a lawsuit against you, you are not being sued. You have received this Notice because you may be a member of the Class described in this Notice.**

**I. PURPOSE OF THIS NOTICE**

This Notice is given pursuant to an Order of the Superior Court of the State of California, County of Santa Clara (the “California Court”), entered in the above-captioned action (the “California Action”) on February 10, 2012 (the “Notice Order”). The purpose of this Notice is to inform you of the pendency and proposed settlement (the “Settlement”) of the California Action and a related shareholder class action pending in the Delaware Court of Chancery, *Danielo v. NetLogic Microsystems, Inc., et al.*, C.A. No. 6881-VCG, pending in the Delaware Court of Chancery (collectively, the “Actions”), by means of the Stipulation of Settlement dated January 27, 2012 (the “Stipulation”)<sup>1</sup> entered into by the Parties, and the California Court’s conditional certification of a Class for purposes of the Settlement, and to notify you of a hearing to be held on **June 22, 2012 at 9 a.m.**, before the California Court (the “Settlement Hearing”) at Downtown Superior Court, 191 North First Street, San Jose, CA 95113, to determine whether the Settlement should be finally approved by the California Court; and whether an Order and Final Judgment as provided in the Stipulation should be entered herein.

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<sup>1</sup> Unless otherwise provided herein, all capitalized terms have the same meaning as set forth in the Stipulation.

The California Court has determined that for purposes of the Settlement only, the California Action shall be conditionally maintained as a class action pursuant to §382 of the California Code of Civil Procedure and Rule 3.769 of the California Rules of Court on behalf of the Class. At the Settlement Hearing, the California Court will also consider whether the Class should be permanently certified as a Class pursuant to §382 of the California Code of Civil Procedure and Rule 3.769 of the California Rules of Court and whether Plaintiff in the California Action and its counsel have adequately represented the Class.

If the California Court approves the Settlement, the Parties will ask the California Court at the Settlement Hearing to enter an Order and Final Judgment dismissing the California Action with prejudice on the merits and releasing all Settled Claims.

The California Court has reserved the right to adjourn the Settlement Hearing without further notice to the Class other than by announcement at the Settlement Hearing or any adjournment thereof. The California Court has further reserved the right to approve the Settlement at or after the Settlement Hearing with such modifications as may be consented to by the Parties and without further notice to the members of the Class.

## **II. HISTORY AND BACKGROUND OF THE SETTLEMENT**

**The following recitation does not constitute findings of the court. It is based on the statements of the parties and should not be understood as an expression of any opinion of the court as to the merits of any of the claims or defenses raised by any of the parties.**

On September 12, 2011, NetLogic announced that it and Broadcom Corporation (“Broadcom”) and its wholly owned subsidiary I&N Acquisition Corp. (the “Broadcom Defendants”) had entered into a definitive merger agreement (the “Merger Agreement”) under which NetLogic shareholders would receive \$50.00 in cash per NetLogic share owned by them in a merger transaction with a total equity value of approximately \$3.7 billion (the “Merger” or “Transaction”). This consideration represents a 57% premium over the closing price of NetLogic’s shares on the last trading day before the announcement of the proposed merger and a 69% premium over the average closing share price for the prior 20 days.

On September 16, 2011, Plaintiff New Jersey Carpenters Pension Fund filed a putative class action complaint on behalf of NetLogic’s public shareholders in this Court, captioned *New Jersey Carpenters Pension Fund v. Broyles*, No. 1:11-cv-209381 (the “California Action”), alleging that the directors of NetLogic breached their fiduciary duties by failing (i) to adequately consider the Merger, including whether the Merger maximizes shareholder value; and (ii) to apprise themselves of the true value of NetLogic. The complaint also alleges that the Broadcom Defendants aided and abetted the alleged breaches of fiduciary duties by the directors of NetLogic.

On September 20, 2011, Plaintiff Vincent Daniello filed a putative class action complaint in the Delaware Court captioned *Daniello v. NetLogic Microsystems, Inc., et al.*, C.A. 6881-VCG (the “Delaware Action” and collectively with the California Action, the “Actions”), asserting claims similar to those asserted in the California Action and seeking similar relief against the same defendants and also NetLogic.

On October 3, 2011, Broadcom filed an answer to the complaint in the Delaware Action.

On October 5, 2011, NetLogic filed with the Securities and Exchange Commission (“SEC”) on Schedule 14A a preliminary proxy statement containing, among other things, the recommendation of the NetLogic board of directors that NetLogic’s stockholders vote in favor of the Merger.

On October 7, 2011, Plaintiff New Jersey Carpenters’ Pension Fund amended its complaint to add claims asserting that the preliminary proxy statement was materially false or misleading in certain respects identified in the amended complaint.

On October 7, 2011, NetLogic and its directors filed a Notice of Motion and Motion to Stay Based on Forum Non-Conveniens in the California Action.

On October 13, 2011, NetLogic and its directors filed an answer to the complaint in the Delaware Action.

On October 14 and 17, 2011, plaintiff in the California Action filed an *Ex Parte* Application For Limited Expedited Discovery, and the Defendants filed an *Ex Parte* Application To (1) Shorten Time For Briefing And Hearing Of Defendants' Motion To Stay And To Coordinate Hearings, and (2) Seek A Protective Order Against Any Discovery.

At a hearing on October 18, 2011, the California Court denied Plaintiff's motion without prejudice, denied Defendants' *Ex Parte* request for a Protective Order Against Any Discovery, and held that discovery can proceed under the normal rules.

On October 19, 2011, plaintiff in the Delaware Action filed an amended complaint alleging that the NetLogic preliminary proxy statement was materially false or misleading in certain respects identified in the amended complaint.

On October 19, 2011, NetLogic and its directors filed a motion to dismiss the complaint in the Delaware Action.

On October 20, 2011, NetLogic filed with the SEC on Schedule 14A a definitive proxy statement that contained, among other things, the recommendation of the NetLogic board of directors that NetLogic's stockholders vote in favor of the Merger.

On October 24 and 25, 2011, plaintiff in the California Action served discovery requests, including notices of deposition and subpoenas, on Broadcom; NetLogic, and certain of their officers and directors, as well as on the financial advisor of NetLogic; Qatalyst Partners, L.P. ("Qatalyst"). Plaintiff in the Delaware Action also served discovery requests on Broadcom, NetLogic, and certain of their officers and directors, as well as on the financial advisor of NetLogic.

On October 24, 2011, the California Court, at Plaintiffs' request, ordered the Parties to attend an Informal Discovery Conference on November 1, and to meet and confer before then (which the Parties did in person on October 26).

On October 27, 2011, Plaintiff New Jersey Carpenters' Pension Fund filed a Notice and Application For Order to Show Cause And Temporary Restraining Order (the "TRO Application") seeking an order restraining the consummation of the Merger, which was set for hearing on November 18, 2011.

Commencing on October 26, 2011, the Parties, by and through their counsel, also began to engage in arm's-length negotiations about a possible settlement of the various claims that had been, could be or might be asserted in the Actions. Although the Parties were unable to reach any immediate, tentative resolution, they continued to discuss a possible settlement of the Actions while, at the same time, vigorously litigating the matters.

On October 28, 2011, the parties in the California Action filed their briefs for the Informal Discovery Conference.

On November 1, 2011, the parties in the California Action along with NetLogic's financial advisor attended the Informal Discovery Conference with the California Court, at which they met and conferred and agreed on certain document production and depositions in relation to the application for the injunction, and agreed on a briefing schedule for the TRO Application.

On November 1, 2011, NetLogic and its directors filed a brief in support of their motion to dismiss in the Delaware Action.

On November 3, 2011, NetLogic's directors filed a demurrer to plaintiff's First Amended Complaint in the California Action.

On November 7, 2011, Broadcom filed a motion to dismiss the amended complaint in the Delaware Action and a supporting brief.

On November 8, 2011, NetLogic's directors served papers opposing the TRO Application in the California Action and Broadcom served a joinder in that opposition.

In connection with litigating the Actions, certain of the Defendants, as well as NetLogic's financial advisor, Qatalyst, produced substantial documentation regarding the Merger, including copies of board minutes and financial documents.

Plaintiffs' Counsel, in consultation with an expert consultant retained by plaintiff's counsel in the California Action, thoroughly analyzed the documents, and Plaintiffs' Counsel discussed with counsel for the Defendants possible additional disclosures to NetLogic's definitive proxy statement. The Parties, through their respective counsel, also continued their arm's-length negotiations concerning the potential terms and conditions of a possible resolution of the Actions.

After extensive arm's-length negotiations, the Parties reached an agreement in principle to settle the Actions, and they negotiated the terms of supplemental disclosures that NetLogic would make to its definitive proxy statement that it previously had filed with the SEC.

On November 11, 2011, the Parties entered into and executed a Memorandum of Understanding ("MOU") setting forth the key terms of the Settlement. In connection with settlement discussions, counsel for the Parties did not discuss the appropriateness or amount of Plaintiffs' application for attorneys' fees or costs until the substantive terms of the settlement were negotiated at arm's length and agreed to.

The Parties recognized that, in light of the significant imposition of time, resources and expenses that would be required to continue to litigate the claims at issue in the Actions, and the substantial risks and uncertainties inherent in such litigation, the interests of the stockholders of NetLogic and Broadcom and the Defendants would be best served by the settlement of the Actions.

As a direct result of the Parties' agreement-in-principle embodied in their MOU, but without admitting any wrongdoing, NetLogic agreed to and did make clarifying and supplemental disclosures to NetLogic shareholders concerning the Transaction via a Form 8-K filed on November 14, 2011 with the SEC (the "Supplemental Disclosures"). See Exhibit A hereto.

On November 22, 2011, NetLogic's stockholders approved the Merger in a Special Meeting of Stockholders.

In January 2012, pursuant to the terms of the MOU, the Parties engaged in further confirmatory discovery, and Plaintiffs deposed Ronald S. Jankov, the Chief Executive Officer and President of NetLogic, and Jason DiLullo of Qatalyst. The depositions confirmed the fairness, reasonableness and adequacy of the Merger and the Settlement to the Class.

The Parties agree that the Delaware Action will be stayed pending approval of the Settlement in the California Action.

The Defendants have consented to the conditional certification of the California Action as a non-opt out class action pursuant to Code of Civil Procedure Section 382 for settlement purposes only, as defined hereinafter.

Plaintiff in each of the Actions represents to have owned at all relevant times and continue to own shares of NetLogic stock, for which proof of ownership was provided to defense counsel.

Plaintiffs state that they believe that they brought their claims in good faith and continue to believe that their claims have legal merit.

Plaintiffs' Counsel have determined that a settlement of the Actions on the terms reflected in this Stipulation is fair, reasonable, adequate, and in the best interests of Plaintiffs and the putative Class.

The Defendants, without admitting the validity of any allegations made in the Actions, or any liability with respect thereto, and, indeed, expressly denying any and all wrongdoing, and expressly maintaining that they complied with any and all legal duties, have concluded that it is desirable that the claims against them be settled and dismissed on the terms reflected in this Stipulation solely to eliminate the burden, expense and uncertainties inherent in litigation.

### III. THE PROPOSED SETTLEMENT

As a result of Plaintiffs' efforts, on November 14, 2011, NetLogic publicly filed and, by posting on its website and making copies available, disseminated the Supplemental Disclosures set forth in Exhibit A.

Without admitting any wrongdoing, the Defendants acknowledge that the prosecution of the Actions and discussions with Plaintiffs' Counsel were the cause of the decision to make the Supplemental Disclosures.

### IV. RELEASE AND DISMISSAL OF CLAIMS – ORDER AND FINAL JUDGMENT

At the Settlement Hearing, the Parties will jointly ask the Court to enter an Order and Final Judgment which will, among other things:

- (a) approve the Settlement pursuant to §382 of the California Code of Civil Procedure and Rule 3.769 of the California Rules of Court.
- (b) authorize and direct performance of the Settlement in accordance with its terms and conditions and reserve jurisdiction to supervise the consummation of the Settlement;
- (c) permanently certify the Class pursuant to §382 of the California Code of Civil Procedure and Rule 3.769 of the California Rules of Court;
- (d) release the following claims (the "Released Claims," defined below) with respect to the following persons and entities (the "Released Persons," defined below):

"Released Claims" means any and all manner of claims (including Unknown Claims), demands, actions or causes of action, rights, liabilities, damages, losses, obligations, judgments, suits, fees, expenses, costs, matters and issues of any kind or nature whatsoever, whether known or Unknown, contingent or absolute, suspected or unsuspected, disclosed or undisclosed, matured or not matured, accrued or unaccrued, that have been, could have been, or in the future can or might be asserted in the Actions or in any court, tribunal or proceeding (including, but not limited to, any claims under federal, state or foreign statutory or common law relating to alleged fraud, breach of any duty, negligence, violations of the federal securities laws or state disclosure laws or otherwise) by or on behalf of the Plaintiffs or any member of the Class (whether individual, class, derivative, representative, legal, equitable or any other type or in any other capacity) against the Released Persons, whether or not any such Released Persons were named, served with process or appeared in the Actions, which have arisen, could have arisen, arise now or hereinafter arise out of, or relate in any manner to the allegations, facts, events, acquisitions, matters, acts, occurrences, statements, representations, omissions, or any other matter, thing or cause whatsoever, or any series thereof, embraced, involved or set forth in, or referred to or otherwise related, directly or indirectly, in any way to (or other transactions contemplated therein): (i) the Merger, the Merger Agreement or any amendment thereto; (ii) the fiduciary obligations of any of the Defendants or other Released Persons in connection with the Merger, the Merger Agreement or any amendment thereto; (iii) the negotiations in connection with the Merger, the Merger Agreement or any amendment thereto; (iv) the disclosures or disclosure obligations of any of the Defendants or other Released Persons in connection with Merger, the Merger Agreement or any amendment thereto; or (v) any and all conduct by any of the Defendants or other Released Persons arising out of or relating in any way to the negotiation or execution of the MOU and the Stipulation; **provided, however,** that the release shall not include any statutory appraisal rights pursuant to Delaware General Corporation Law Sec. 262 that any NetLogic stockholder may have and perfected, nor the right of any person to enforce the terms of the Settlement.

"Released Persons" means the Defendants and/or their respective families, parent entities, controlling persons, associates, affiliates, predecessors, successors, or subsidiaries, and each and all of their respective past, present or future officers, directors, stockholders, agents, representatives, employees, attorneys, financial or investment advisors, advisors, consultants, accountants, investment bankers (including any entity providing a fairness opinion regarding the Merger), commercial bankers, trustees, engineers, agents and reinsurers, heirs, executors, trustees, general or limited partners or partnerships, limited liability companies, members, heirs, executors, personal or legal representatives, estates, administrators, predecessors, successors and assigns.

“Defendants” means, individually and collectively: (i) NetLogic Microsystems, Inc. (“NetLogic”); (ii) Douglas W. Broyles, Marvin D. Burkett, Stephen L. Domenik, Dr. Norman Godinho, Ronald S. Jankov, Alan Krock, and Leonard C. Perham (collectively, the “NetLogic Board”) ((i) and (ii) are, collectively, the “NetLogic Defendants”); (iii) Broadcom Corporation (“Broadcom”); and (iv) I&N Acquisition Corp. (“I&N”) ((iii) and (iv) are, collectively, the “Broadcom Defendants”).

(e) dismiss the California Action with prejudice and without court costs to any party as against any other party and permanently bar and enjoin the institution and prosecution by Plaintiffs and any other member of the Class of any other action against any Released Person (as defined above) in any court asserting any Released Claim (as defined above); and

(f) reserve jurisdiction over all matters relating to the administration and effectuation of the Settlement.

Within 5 business days after a final order and judgment has been entered by the California Court and is no longer subject to any appeal or review, the parties in the Delaware Action will file papers with the Delaware Court to dismiss the Delaware Action with prejudice.

#### **V. NOTICE TO BROKERS AND OTHER NOMINEES**

The Court has ordered that record holders of NetLogic common stock included in the Class send this Notice to all beneficial owners of such stock within five (5) business days after receipt of the Notice or send a list of the names and addresses of such beneficial owners to the Notice Administrator within five (5) business days of receipt of the Notice. You may obtain reimbursement of your reasonable and actual out-of-pocket disbursements that would not have been made but for this request by submitting an itemized statement to the Notice Administrator:

#### **NetLogic Microsystems Shareholders Litigation**

c/o Kurtzman Carson Consultants LLC

P.O. Box 6177

Novato, CA 94948-6177

netlogic@kccllc.com

<http://classaction.kccllc.net/NetLogic>

#### **VI. PLAINTIFFS’ COUNSEL’S ATTORNEYS’ FEES AND EXPENSES**

Subject to approval the California Court, Plaintiffs and Plaintiffs’ Counsel in the Actions intend to petition the Court for an award of attorneys’ fees and expenses (including costs, disbursements, and expert and consultant fees) in connection with the Actions (the “Fee and Expense Application”), in an amount not to exceed \$795,000. Defendants agree that NetLogic (or any successor entity or insurer) will pay or cause to be paid to Plaintiffs’ Counsel, on behalf of and for the benefit of the Defendants, such Fee and Expense Award as ordered by and subject to the approval of the Court.

Plaintiffs’ Counsel anticipate filing their papers in support of the Settlement and their Fee and Expense Application with the Court and on the website by May 18, 2012.

#### **VII. THE SETTLEMENT HEARING**

The Settlement Hearing will be held on **June 22, 2012 at 9 a.m.**, before the Hon. James P. Kleinberg, Superior Court of the State of California, County of Santa Clara, Downtown Superior Court, 191 North First Street, San Jose, CA 95113. Any Class Member may, but is not required to, appear at the Settlement Hearing in person or by counsel and be heard in support of, or in opposition to, the fairness, reasonableness and adequacy of the Settlement. However, no Class Member shall be heard in opposition to the Settlement and no paper or brief submitted by any such person shall be received or considered by the Court unless no later than **June 8, 2012**, that person shall file with the Clerk of this Court: (i) a written notice of his, her or its intention to appear; (ii) proof of his, her or its membership in the Class; (iii) a written statement of the position he, she or it will assert; (iv) the reason for his, her or its position; and (v) copies of any papers, briefs or other matter they wish the Court to consider. In addition, such person must also file with the Clerk of this Court no later than **June 11, 2012** a proof of service of such notice and papers upon Counsel for the Parties at the following addresses:

Jeff S. Westerman  
MILBERG LLP  
One California Plaza  
300 South Grand Avenue, Suite 3900  
Los Angeles, CA 90071  
Telephone: (213) 617-1200  
*Counsel for the Class*

- and -

Stephen D. Alexander  
BINGHAM McCUTCHEN LLP  
355 South Grand Avenue  
Los Angeles, CA 90071-3106  
Telephone: (213) 680-6518  
*Attorneys for the NetLogic Defendants*

- and -

Garrett J. Waltzer  
SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP  
525 University Avenue, Suite 1100  
Palo Alto, CA 94301  
Telephone: (650) 470-4540  
*Attorneys for the Broadcom Defendants*

Any person who fails to object in the manner provided above shall be deemed to have waived the right to object (including any right of appeal) and shall be forever barred from raising such objection in this or any other action or proceeding.

#### **VIII. EXAMINATION OF PAPERS**

This Notice contains only a summary of the terms of the proposed Settlement. For a more detailed statement of the matters involved in these proceedings, you may review the files at the office of the clerk of the court during regular business hours.

More details are in the Stipulation of Settlement dated January 27, 2012 (the "Stipulation"). You can get a copy of the Stipulation by visiting [www.scsccourt.org](http://www.scsccourt.org) or by contacting the Notice Administrator (*see* Section V above for contact information).

IF YOU HAVE ANY QUESTIONS, PLEASE MAKE ALL INQUIRIES TO:

Jeff S. Westerman  
MILBERG LLP  
One California Plaza  
300 South Grand Avenue, Suite 3900  
Los Angeles, CA 90071  
Telephone: (213) 617-1200  
*Counsel for the Class*

**PLEASE DO NOT CONTACT THE COURT DIRECTLY**

Dated: March 2, 2012

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DISTRIBUTED BY ORDER OF THE  
SUPERIOR COURT OF THE STATE OF  
CALIFORNIA, IN THE COUNTY OF  
SANTA CLARA

**NetLogic Microsystems Shareholders Litigation**

c/o Kurtzman Carson Consultants LLC

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**NLM**