

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SANTA CLARA

BRENT T. ROBINSON, et al., Individually and on Behalf of All Others Similarly Situated,)	Case No. 1:12-cv-232227
Plaintiffs,)	
vs.)	<u>CLASS ACTION</u>
AUDIENCE, INC., et al.,)	DATE ACTION FILED: 09/13/12
Defendants.)	

NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION

TO: ALL PERSONS OR ENTITIES (“PERSONS”) THAT PURCHASED OR OTHERWISE ACQUIRED AUDIENCE, INC. (“AUDIENCE” OR THE “COMPANY”) COMMON STOCK PURSUANT AND/OR TRACEABLE TO THE COMPANY’S REGISTRATION STATEMENT AND PROSPECTUS FOR THE COMPANY’S MAY 9, 2012 INITIAL PUBLIC OFFERING

THIS NOTICE WAS AUTHORIZED BY THE COURT. IT IS NOT A LAWYER SOLICITATION. PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY.

WHY SHOULD I READ THIS NOTICE?

This Notice is given pursuant to an order issued by the Superior Court of California, County of Santa Clara (the “Court”). This Notice serves to inform you of the proposed settlement of the above class action lawsuit (the “Settlement”) and the hearing (the “Settlement Fairness Hearing”) to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement, as set forth in the Stipulation of Settlement dated October 19, 2015 (the “Stipulation”).¹ The Stipulation is by and between: (i) Class Representatives Brent T. Robinson and Dorothy Kasian (collectively, “Class Representatives”) (on behalf of themselves and each of the Class Members), by and through their counsel of record; and (ii) Defendants Audience, Peter B. Santos and Kevin S. Palatnik (collectively, the “Defendants”), by and through their respective counsel of record in the above-captioned action (the “Litigation”). Upon and subject to the terms and conditions hereof, Class Representatives on behalf of themselves and the Class, on the one hand, and each of the Defendants, on the other hand (collectively, “Settling Parties”), intend this Settlement to be a final and complete resolution of all disputes between the Settling Parties with respect to the Litigation. This Notice is not an expression of any opinion by the Court as to the merits of the claims or defenses asserted in the lawsuit.

WHAT IS THIS LAWSUIT ABOUT?

The Allegations and Status of the Case

On September 13, 2012, Brent T. Robinson filed a complaint for violations of federal securities laws against Defendants, Peter B. Santos, Audience’s President and Chief Executive Officer, and Kevin S. Palatnik, Audience’s Chief Financial Officer. On October 2, 2012, Judge James P. Kleinberg entered an order designating the action complex and assigning it to the complex litigation department. Three related cases, making substantially similar allegations were subsequently filed in this Court, captioned *Deel v. Audience, Inc.*, No. 1-12-cv-235621; *Nowak v. Audience, Inc.*, No. 1-12-cv-236676; and *Kasian v. Audience, Inc.*, No. 1-12-cv-236690. On February 25, 2013, Plaintiff Robinson on his own behalf and naming the plaintiffs in the follow-on actions filed an amended complaint.

Plaintiffs, who purchased Audience common stock issued in Audience’s initial public offering on or about May 10, 2012, alleged that Defendants issued a false and misleading registration statement that misled investors regarding Audience’s relationship with Apple Inc., Audience’s principal customer, and the risk that Audience’s technology would not be included in the then upcoming iPhone5.

On March 1, 2013, Defendants filed a demurrer to the amended complaint challenging the Court’s subject matter jurisdiction. Plaintiffs filed their opposition on April 1, 2013. The Court heard argument on May 17, 2013, and Judge Kleinberg overruled the jurisdictional demurrer in a May 28, 2013 Order on Demurrer for Lack of Subject Matter Jurisdiction.

On March 27, 2013, Defendants filed a demurrer to the amended complaint for failure to allege facts sufficient to state a cause of action. Plaintiffs filed an opposition to that demurrer on April 26, 2013. On June 17, 2013, Plaintiffs filed a motion to compel discovery responses. On June 18, 2013, Defendants filed a motion for a protective order to stay discovery. The parties filed their respective oppositions and replies. The demurrer and discovery motions were heard on August 23, 2013. On September 3, 2013, Judge Kleinberg issued an Order on Demurrer, Motion to Compel and Motion for Protective Order to Stay Discovery overruling the demurrer, and granting the motion to compel in part. Defendants filed their answer to the amended complaint on September 13, 2013.

On October 18, 2013, Defendants filed a petition for writ of mandate in the Sixth Appellate District challenging the September 3, 2013 Order overruling the demurrer. The petition was summarily denied on May 22, 2014. On January 22, 2014, this case was reassigned from Judge Kleinberg to Judge Peter H. Kirwan.

On November 7, 2014, plaintiffs Robinson and Kasian filed their motion for class certification, asking the Court to appoint them as class representatives. Defendants opposed the motion on December 12, 2014 and Plaintiffs filed their reply on January 9, 2015. The Court heard argument on the motion for class certification on January 16, 2015

¹ The Stipulation and all of its Exhibits can be viewed at www.audiencesecuritiessettlement.com. All capitalized terms used herein have the same meanings as the terms defined in the Stipulation.

and issued an order granting the motion for class certification, and appointing Ms. Kasian and Mr. Robinson class representatives.

Following the Court's order on the discovery motions, the parties engaged in discovery. In response to Plaintiffs' discovery requests, Defendants produced over 53,000 pages of documents and non-party Apple Inc. produced over 2,300 pages of documents. Defendants served document requests and interrogatories on December 6, 2013, to which Plaintiffs responded. Mr. Robinson was deposed on November 12, 2014. Ms. Kasian was deposed on November 14, 2014.

Following initial discovery, the parties agreed to attend a mediation session on May 28, 2014, conducted by third-party neutral Randall W. Wulff. Plaintiffs and Defendants submitted and exchanged mediation statements summarizing their respective positions based in part on evidence obtained through discovery. After additional document production and review, the parties engaged in further settlement discussions and agreed to participate in a second mediation session with third-party neutral Jed D. Melnick. The parties again prepared mediation statements summarizing the evidence obtained through discovery. The second mediation session was held on July 23, 2015. At that mediation, the Settling Parties reached an agreement-in-principle to settle the Litigation. Thereafter, the Settling Parties engaged in further negotiations regarding the entire terms of the Settlement which are contained in the Stipulation and its related exhibits.

THE COURT HAS NOT RULED AS TO WHETHER DEFENDANTS ARE LIABLE TO PLAINTIFFS OR TO THE CLASS. THIS NOTICE IS NOT INTENDED TO BE AN EXPRESSION OF ANY OPINION BY THE COURT WITH RESPECT TO THE TRUTH OF THE ALLEGATIONS IN THIS LAWSUIT OR THE MERITS OF THE CLAIMS OR DEFENSES ASSERTED. THIS NOTICE IS SOLELY TO ADVISE YOU OF THE PENDENCY OF THE LITIGATION AND PROPOSED SETTLEMENT THEREOF AND YOUR RIGHTS IN CONNECTION WITH THAT SETTLEMENT.

HOW DO I KNOW IF I AM A CLASS MEMBER?

If you purchased or otherwise acquired the common stock of Audience pursuant and/or traceable to the Registration Statement and Prospectus ("Registration Statement") filed in connection with Audience's May 9, 2012 initial public offering ("IPO"), you are a Class Member. As set forth in the Stipulation, excluded from the Class are Defendants and their families, the officers, directors and affiliates of the Defendants, at all relevant times, members of their immediate families, heirs, successors or assigns and any entity in which Defendants have or had a controlling interest. Also excluded is any Person who validly requests exclusion from the Class.

If you are not sure if you are a Class Member, you can ask for free help. You can contact the Claims Administrator at 1-844-535-0117 or Rick Nelson, a representative of Plaintiffs' Counsel at 1-800-449-4900. You can also fill out and return the Proof of Claim form enclosed with this Notice.

WHAT IS THE MONETARY VALUE OF THE PROPOSED SETTLEMENT?

The Settlement, if approved, will result in the creation of a cash settlement fund of \$6,050,000 (the "Settlement Amount"). The Settlement Amount, plus accrued interest (the "Settlement Fund") and minus the costs of this Notice and all costs associated with the administration of the Settlement, as well as any attorneys' fees, expenses and payment to Plaintiffs for their time and expenses in representing the Class that may be approved by the Court (the "Net Settlement Fund"), will be distributed to Class Members pursuant to the Plan of Allocation that is described in the next section of this Notice.

Plaintiffs estimate that there are approximately 6,060,207 shares of Audience common stock which may have been damaged during the Class Period. Plaintiffs estimate that the average recovery under the Settlement is roughly \$1.00 per damaged share before notice and administration costs and the attorneys' fee and expense award as well as payments to the Plaintiffs for their time and expenses in representing the Class as determined by the Court. Should the Court award the requested attorneys' fees of 30% of the Settlement Fund (or \$1,815,000), Plaintiffs' Counsel's expenses of up to \$140,000, awards of \$2,500 to each Plaintiff for his or her representation of the Class and the maximum estimated cost of notice and administration of the Settlement of \$388,446, the average per share recovery would be approximately \$0.60. Using certain estimates of the number of claims that are going to be filed (30%) and the number of estimated claims that are going to be valid (70%), it is estimated that 1,272,748 shares will participate in the Settlement and the average recovery will be approximately \$2.90 per share. Of course, these are just estimates, a Class Member's actual recovery will be a proportion of the Net Settlement Fund determined by that claimant's recognized claim as compared to the total recognized claims submitted. An individual Class Member may receive more or less than this average amount depending on the number of claims submitted, when during the Class Period a Class Member purchased or acquired Audience common stock, the purchase price paid, and whether those shares were held at the end of the Class Period or sold during the Class Period, and, if sold, when they were sold and the amount received. See Plan of Allocation below for more information on your recognized claim.

WHAT IS THE PROPOSED PLAN OF ALLOCATION?

Your share of the Net Settlement Fund will depend on the number of valid Proofs of Claim that Class Members send in and how many shares of Audience common stock you purchased or otherwise acquired during the relevant period and when you bought and sold them.

For purposes of determining the amount an Authorized Claimant may recover under the Plan of Allocation, Class Counsel conferred with their damages consultants and the Plan of Allocation reflects an assessment of damages that they believe could have been recovered had Class Representatives prevailed at trial.

In the unlikely event there are sufficient funds in the Net Settlement Fund, each Authorized Claimant will receive an amount equal to the Authorized Claimant's claim, as defined below. If, however, the amount in the Net

Settlement Fund is not sufficient to permit payment of the total claim of each Authorized Claimant, then each Authorized Claimant shall be paid the percentage of the Net Settlement Fund that each Authorized Claimant's claim bears to the total of the claims of all Authorized Claimants. Payment in this manner shall be deemed conclusive against all Authorized Claimants.

The calculation of claims below is not an estimate of the amount you will receive. It is a formula for allocating the Net Settlement Fund among all Authorized Claimants. A claim will be calculated as follows:

Claims for the May 9, 2012 Initial Public Offering

Initial Public Offering Price: \$17.00 per share

Closing price on the date the lawsuit was filed²: \$6.82 per share

For shares of Audience common stock purchased or otherwise acquired ***pursuant and/or traceable to the Company's Registration Statement and Prospectus dated May 9, 2012***, and

- 1) sold prior to September 13, 2012, the claim per share is the lesser of (i) the purchase price per share less the sales price per share, or (ii) \$17.00 less the sales price per share.
- 2) retained at the close of trading on September 12, 2012, or, sold on or after September 13, 2012, the claim per share is the lesser of (i) the purchase price per share less \$6.82, or (ii) \$17.00 less \$6.82.
- 3) purchased or acquired after the close of trading on September 13, 2012, the date the first complaint was filed, your recovery under the Plan of Allocation is zero.

In the event a Class Member has more than one purchase, acquisition or sale of Audience common stock during the Class Period, all purchases, acquisitions and sales within the Class Period shall be matched on a First-In, First-Out ("FIFO") basis for purposes of calculating a claim. Under the FIFO method, Class Period sales will be matched in chronological order against Audience common stock purchased or acquired during the Class Period.

A purchase, acquisition or sale of Audience common stock shall be deemed to have occurred on the "contract" or "trade" date as opposed to the "settlement" or "payment" date. All purchase, acquisition and sale prices shall exclude any fees and commissions. The receipt or grant by gift, devise or operation of law of Audience common stock during the Class Period shall not be deemed a purchase, acquisition or sale of Audience common stock for the calculation of a claimant's recognized claim nor shall it be deemed an assignment of any claim relating to the purchase or acquisition of such shares unless specifically provided in the instrument of gift or assignment. The receipt of Audience common stock during the Class Period in exchange for securities of any other corporation or entity shall not be deemed a purchase, acquisition or sale of Audience common stock.

Payment according to the Plan of Allocation will be deemed conclusive against all Authorized Claimants. No Person shall have any claim against Plaintiffs, Plaintiffs' Counsel, any claims administrator, any other Person designated by Plaintiffs' Counsel, Defendants, Defendants' Related Persons, or counsel to Defendants or their Related Persons based on distributions made substantially in accordance with the Stipulation, the Plan of Allocation or further orders of the Court.

Covering purchases during the Class Period for shares originally sold short will be excluded from the calculation of an Authorized Claimant's recognized claim. In the event that there is a short position in Audience common stock, the date of covering a "short sale" is deemed to be the date of purchase of the stock. The date of a "short sale" is deemed to be the date of sale of the stock. The earliest Class Period purchases shall be matched against such short position, and not be entitled to a recovery, until that short position is fully covered.

With respect to Audience common stock purchased or sold through the exercise of an option, the purchase/sale date of the common stock is the exercise date of the option and the purchase/sale price of the stock is the exercise price of the option. Any recognized claim arising from purchases of Audience common stock acquired during the Class Period through the exercise of an option on Audience common stock shall be computed as provided for other purchases of Audience common stock in the Plan of Allocation.

The total of all profits shall be subtracted from the total of all losses from transactions during the Class Period to determine if a Class Member has a recognized claim. Only if a Class Member had a net market loss, after all profits from transactions in Audience common stock during the Class Period are subtracted from all losses, will such Class Member be eligible to receive a distribution from the Net Settlement Fund.

If an Authorized Claimant has an overall market gain, the recognized claim for that Authorized Claimant will be zero. If an Authorized Claimant has an overall market loss, that Authorized Claimant's recognized claim will be limited to the amount of total market loss. The Claims Administrator shall allocate to each Authorized Claimant a *pro rata* share of the Net Settlement Fund based on his, her, or its recognized claim as compared to the total recognized claims of all Authorized Claimants. No distribution shall be made to Authorized Claimants who would otherwise receive a distribution of less than \$10.00.

Class Members who do not submit acceptable Proofs of Claim will not share in the Settlement proceeds. The Settlement and the Final Judgment dismissing this Litigation will nevertheless bind Class Members who do not submit a request for exclusion and/or submit an acceptable Proof of Claim.

Please contact the Claims Administrator or Class Counsel if you disagree with any determinations made by the Claims Administrator regarding your Proof of Claim. If you are unsatisfied with the determinations, you may ask the Court, which retains jurisdiction over all Class Members and the claims administration process, to decide the issue by submitting a written request.

² The first complaint was filed on September 13, 2012.

Defendants, their respective counsel, and all other Released Parties will have no responsibility or liability whatsoever for the investment of the Settlement Fund, the distribution of the Net Settlement Fund, the Plan of Allocation, or the payment of any claim. Plaintiffs and Plaintiffs' Counsel, likewise, will have no liability for their reasonable efforts to execute, administer, and distribute the Settlement.

Distributions will be made to Authorized Claimants after all claims have been processed and after the Court has finally approved the Settlement. If any funds remain in the Net Settlement Fund by reason of un-cashed distribution checks or otherwise, then, after the Claims Administrator has made reasonable and diligent efforts to have Class Members who are entitled to participate in the distribution of the Net Settlement Fund cash their distributions, any balance remaining in the Net Settlement Fund after at least six (6) months after the initial distribution of such funds shall be used: (a) first, to pay any amounts mistakenly omitted from the initial disbursement; (b) second to pay, additional settlement administration fees, costs, and expenses, including those of Plaintiffs' Counsel as may be approved by the Court; and (c) to make a second distribution to claimants who cashed their checks from the initial distribution and who would receive at least \$10.00, after payment of the estimated costs, expenses, or fees to be incurred in administering the Net Settlement Fund and in making this second distribution, if such second distribution is economically feasible. These redistributions shall be repeated, if economically feasible, until the balance remaining in the Net Settlement Fund is *de minimis* and such remaining balance shall then be distributed to Bay Area Legal Aid.

**DO I NEED TO CONTACT PLAINTIFFS' COUNSEL IN ORDER TO PARTICIPATE
IN DISTRIBUTION OF THE SETTLEMENT FUND?**

No. If you have received this Notice and timely submit your Proof of Claim to the address designated on the Proof of Claim form accompanying this Notice, you need not contact Plaintiffs' Counsel. If you did not receive this Notice but believe you should have, or if your address changes, please contact the Claims Administrator at:

Audience Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 8040
San Rafael, CA 94912-8040
Phone: 1-844-535-0117
www.audiencesecuritiessettlement.com

THERE WILL BE NO PAYMENTS IF THE STIPULATION IS TERMINATED

The Stipulation may be terminated under several circumstances outlined in it. If the Stipulation is terminated, the Litigation will proceed as if the Stipulation had not been entered into.

WHAT ARE THE REASONS FOR SETTLEMENT?

The Court has not reached any final decisions in connection with Class Representatives' claims against Defendants. Instead, Class Representatives and Defendants have agreed to this Settlement, which was reached with the substantial assistance of Jed Melnick, a highly experienced mediator of complex class actions. In reaching the Settlement, the Settling Parties have avoided the cost, delay and uncertainty of further litigation.

As in any litigation, Class Representatives and the Class would face an uncertain outcome if they did not agree to the Settlement. The Settling Parties expected that the case could continue for a lengthy period of time and that if Class Representatives succeeded, Defendants would file appeals that would postpone final resolution of the case. Continuation of the case against Defendants could result in a judgment greater than this Settlement. Conversely, continuing the case could result in no recovery at all or a recovery that is less than the amount of the Settlement.

Class Representatives and Plaintiffs' Counsel believe that this Settlement is fair and reasonable to the Members of the Class. They have reached this conclusion for several reasons. Specifically, if the Settlement is approved, the Class will receive a significant monetary recovery. Additionally, Plaintiffs' Counsel believe that the significant and immediate benefits of the Settlement, when weighed against the significant risk, delay and uncertainty of continued litigation, are an excellent result for the Class.

WHO REPRESENTS THE CLASS?

The law firms of Robbins Geller Rudman & Dowd LLP, Glancy Prongay & Murray LLP, Bottini & Bottini, Inc., Holzer & Holzer, LLC and Robbins Arroyo LLP represent you and other Class Members. These lawyers are called Plaintiffs' Counsel. These lawyers will apply to the Court for payment of attorneys' fees and expenses from the Settlement Fund; you will not be otherwise charged for their work. If you want to be represented by your own lawyer, you may hire one at your own expense.

HOW WILL THE PLAINTIFFS' LAWYERS BE PAID?

Plaintiffs' Counsel will file a motion for an award of attorneys' fees and expenses that will be considered at the Settlement Fairness Hearing. Plaintiffs' Counsel will apply for an award of 30% of the Settlement Fund, plus payment of expenses incurred in connection with the Litigation in an amount not to exceed \$140,000. In addition, each of the Plaintiffs may seek payment of up to \$2,500 for their time and expenses incurred in representing the Class. Such sums as may be approved by the Court will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or expenses.

The attorneys' fees and expenses requested will be the only payment to Plaintiffs' Counsel for their efforts in achieving this Settlement and for their risk in undertaking this representation on a wholly contingent basis. Plaintiffs' Counsel have committed significant time and expenses in litigating this case for the benefit of the Class. To date, Plaintiffs' Counsel have not been paid for their services in conducting this Litigation on behalf of the Plaintiffs and the

Class, or for their expenses. The fees requested will compensate Plaintiffs' Counsel for their work in achieving the Settlement. The Court will decide what constitutes a reasonable fee award and may award less than the amount requested by Plaintiffs' Counsel.

CAN I EXCLUDE MYSELF FROM THE SETTLEMENT?

If you want to keep the right to sue or continue to sue Defendants on your own about the legal issues in this case, then you must take steps to get out of the Class. This is called excluding yourself from, or "opting out" of, the Class.

To exclude yourself from the Class, you must send a letter by mail saying that you want to be excluded from the Class in the following action: *Robinson v. Audience, Inc., et al.*, Case No. 1:12-cv-232227. Be sure to include your name, address, telephone number, and sign the letter. You should also include the number of shares of Audience common stock you purchased or acquired that are subject to the Litigation. Your exclusion request must be **postmarked no later than March 30, 2016** and sent to the Claims Administrator at:

Audience Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 8040
San Rafael, CA 94912-8040

You cannot exclude yourself by phone or by e-mail. If you make a proper request for exclusion, you will not receive a Settlement payment, and you cannot object to the Settlement. If you make a proper request for exclusion, you will not be legally bound by anything that happens in this lawsuit.

CAN I OBJECT TO THE SETTLEMENT, THE REQUESTED ATTORNEYS' FEES AND EXPENSES, THE REQUESTED PAYMENT OF COSTS AND EXPENSES TO PLAINTIFFS AND/OR THE PLAN OF ALLOCATION?

Yes. If you are a Class Member, you may object to the terms of the Settlement. Whether or not you object to the terms of the Settlement, you may also object to the requested attorneys' fees, costs and expenses, the payment to Plaintiffs for their time and expenses, and/or the Plan of Allocation. In order for any objection to be considered, you must file a written statement, accompanied by proof of Class membership, with the Court, and send to Class Counsel **postmarked by March 30, 2016**. The Court's address is Superior Court of Santa Clara, 191 North First Street, San Jose, CA 95113, and Class Counsel's address is Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101 c/o Jeffrey D. Light. Attendance at the Settlement Fairness Hearing is not necessary; however, persons wishing to be heard orally at the Settlement Fairness Hearing are required to indicate in their written objection their intention to appear at the hearing and identify any witnesses they may call to testify and exhibits, if any, they intend to introduce into evidence. A Class Member who **does not** file a written objection may appear and object at the Settlement Fairness Hearing.

WHAT IS THE DIFFERENCE BETWEEN OBJECTING AND EXCLUDING MYSELF FROM THE SETTLEMENT?

Objecting is telling the Court that you do not like something about the proposed Settlement, the Plan of Allocation, Plaintiffs' Counsel's request for an award of attorneys' fees and expenses or payment to Plaintiffs for their time and expenses in representing the Class. You can object **only** if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer applies to you.

HOW CAN I GET A PAYMENT?

In order to qualify for a payment, you must timely submit a Proof of Claim. A Proof of Claim is enclosed with this Notice or it may be downloaded at www.audiencesecuritiessettlement.com. Read the instructions carefully, fill out the Proof of Claim, include all the documents the form asks for, sign it, and mail or submit it online so that it is **postmarked (if mailed) or received (if filed electronically) no later than March 30, 2016**. The claim form may be submitted online at www.audiencesecuritiessettlement.com. If you do not submit a valid Proof of Claim form, you will not receive a payment from the Net Settlement Fund; however, unless you expressly exclude yourself from the Class as described above, you will still be bound in all other respects by the Settlement, the Judgment, and the releases contained in them.

WHAT CLAIMS WILL BE RELEASED BY THE SETTLEMENT?

Unless you exclude yourself, you are staying in the Class, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against the Defendants about the same issues in this case or about issues that could have been asserted in this case. It also means that all of the Court's orders will apply to you and legally bind you and you will release your Released Claims in this case against Defendants and their Related Persons. "Released Claims" shall collectively mean any and all claims, debts, demands, disputes, rights, causes of action, suits, damages, or liabilities of any kind, nature, and character whatsoever (including, but not limited to, any claims for damages, interest, attorneys' fees, expert or consulting fees, and any and all other costs, expenses or liabilities whatsoever), whether under federal, state, local, statutory, common law, foreign law, or any other law, rule or regulation, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, including "Unknown Claims" (as defined in ¶1.28 in the Stipulation), whether or not concealed or hidden (including, but not limited to, claims for securities fraud, negligence, gross negligence, professional negligence, breach of any duty of care and/or breach of duty of loyalty, fraud, breach of fiduciary duty, aiding and abetting a breach of fiduciary duty, breach of contract, unjust enrichment, corporate waste, or violations of any statutes, rules, duties or regulations) that

have been or could have been or in the future could be asserted in any forum, whether foreign or domestic, by Class Representatives or any Class Member, or any Person claiming through or on behalf of them, against any of the Released Parties that concern, arise out of or relate in any way, directly or indirectly, to the allegations, the facts, events, transactions, acts, occurrences, statements, representations, misrepresentations, omissions which were or could have been alleged in the Litigation. "Released Claims" further includes any and all claims arising out of, based upon or related to the Settlement or resolution of the Litigation, except for any alleged breaches of the Stipulation.

"Related Persons" means each of a Defendant's past, present or future parents, subsidiaries, affiliates, divisions and joint ventures, and their respective directors, officers, employees, partners, members, principals, agents, underwriters, insurers, co-insurers, reinsurers, controlling shareholders, attorneys, accountants or auditors, financial or investment advisors or consultants, banks or investment bankers, personal or legal representatives, predecessors, successors, assigns, spouses, heirs, related or affiliated entities, any entity in which a Defendant has a controlling interest, any member of an Individual Defendant's immediate family, or any trust of which any Individual Defendant is the settlor or which is for the benefit of any Defendant and/or member(s) of his family.

THE SETTLEMENT FAIRNESS HEARING

The Court will hold a Settlement Fairness Hearing on April 29, 2016, at 9:00 a.m., before the Honorable Peter H. Kirwan at the Superior Court of California, County of Santa Clara, 191 North First Street, San Jose, CA 95113, for the purpose of determining whether: (1) the Settlement of the Litigation for \$6,050,000 in cash should be approved by the Court as fair, reasonable and adequate; (2) to award Plaintiffs' Counsel attorneys' fees and expenses out of the Settlement Fund; (3) to pay Plaintiffs for their time and expenses they incurred in representing the Class out of the Settlement Fund; and (4) the Plan of Allocation should be approved by the Court. The Court may adjourn or continue the Settlement Fairness Hearing without further notice to Members of the Class.

HOW DO I OBTAIN ADDITIONAL INFORMATION?

This Notice contains only a summary of the terms of the proposed Settlement. The records in this Litigation may be examined and copied at any time during regular office hours, and subject to customary copying fees, at the Clerk of the Superior Court of California, County of Santa Clara. In addition, all of the Settlement documents, including the Stipulation, this Notice, the Proof of Claim form and proposed Judgment may be obtained by contacting the Claims Administrator at:

Audience Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 8040
San Rafael, CA 94912-8040
Phone: 1-844-535-0117
www.audiencesecuritiessettlement.com

In addition, you may contact Rick Nelson, Shareholder Relations, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, 1-800-449-4900, if you have any questions about the Litigation or the Settlement or want to obtain settlement documents.

DO NOT WRITE TO OR TELEPHONE THE COURT FOR INFORMATION

SPECIAL NOTICE TO BANKS, BROKERS, AND OTHER NOMINEES

If you hold any Audience common stock purchased or otherwise acquired between May 9, 2012 and September 13, 2012, as a nominee for a beneficial owner, then, within ten (10) days after you receive this Notice, you must either: (1) send a copy of this Notice by First-Class Mail to all such Persons; or (2) provide a list of the names and addresses of such Persons to the Claims Administrator:

Audience Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 8040
San Rafael, CA 94912-8040

If you choose to mail the Notice and Proof of Claim yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing.

Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for or advancement of reasonable administrative costs actually incurred or expected to be incurred in connection with forwarding the Notice and which would not have been incurred but for the obligation to forward the Notice, upon submission of appropriate documentation to the Claims Administrator.

DATED: December 11, 2015

BY ORDER OF THE SUPERIOR COURT OF CALIFORNIA, COUNTY OF SANTA CLARA
HONORABLE PETER H. KIRWAN