

UNITED STATES DISTRICT COURT  
DISTRICT OF ARIZONA

TEIMURAZ TSIREKIDZE, On Behalf of Himself and All Others Similarly Situated,	)	No. 2:07-cv-02204-FJM
	)	<b>(Consolidated)</b>
	)	
Plaintiff,	)	<u>CLASS ACTION</u>
	)	
vs.	)	
	)	
SYNTAX-BRILLIAN CORP., et al.,	)	
	)	
	)	
Defendants.	)	

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NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION

***If you purchased or otherwise acquired Syntax-Brilliant Corporation (“Syntax” or the “Company”) common stock or put and call options (collectively, “Syntax Securities”) during the period beginning February 9, 2007 through November 14, 2007 (the “Class Period”), and are not otherwise excluded from the Class, you could get a payment from a class action settlement.***

A federal court authorized this Notice. This is not a solicitation from a lawyer.

**Security and Time Period:** Syntax common stock and put and call options purchased or acquired between February 9, 2007 through November 14, 2007, including purchases or acquisitions of Syntax common stock in the Company’s secondary public offering on May 24, 2007 from an underwriter or participating dealer.

**Settlement Fund:** \$10,000,000 in cash.<sup>1</sup> Your recovery will depend on the timing of your purchases or acquisitions and any sales of Syntax Securities during the Class Period and whether you purchased or acquired Syntax common stock in the Company’s secondary public offering on May 24, 2007 directly from an underwriter or participating dealer. Based on the information currently available to Lead Plaintiffs and the analysis performed by their damage consultants, it is estimated that if Class Members submit claims for 100% of the shares eligible for distribution under the Plan of Allocation (described below), the estimated average distribution per share will be approximately \$0.04 per share of common stock if purchased or acquired between February 9, 2007 and November 14, 2007 and \$0.69 per share for common stock purchased or acquired in Syntax’s secondary public offering on May 24, 2007 directly from an underwriter or participating dealer before deduction of the cost of settlement administration and Court-approved fees and expenses. Historically, actual claims rates are less than 100%, which result in higher distributions per share. Please see Question 9 for a detailed explanation of the proposed Plan of Allocation to distribute settlement proceeds among Class Members.

**Reasons for Settlement:** The settlement provides the Class with a benefit now instead of years of uncertainty, including a contested trial and likely appeals with the possibility of no recovery at all.

**If the Case Had Not Settled:** Continuing with the case could have resulted in a loss by the Class at summary judgment, trial, or on appeal. The parties vigorously disagree on both liability and damages. The Defendants deny that they are liable in any respect or that Plaintiffs and the Class suffered any injury. Among the many issues on which the parties do not agree are (1) whether any of the Defendants violated the securities laws or otherwise engaged in any wrongdoing; (2) whether the facts alleged by the Plaintiffs were material, false, misleading, or otherwise actionable under the securities laws; (3) whether the Underwriter Defendants would sustain their due diligence defense to the claims asserted under Section 11 and 12(a)(2); (4) whether Class Members could factually establish their standing to participate in and recover money damages on the Section 11 claims, in light of the Court’s limitations on the class definition; (5) whether Plaintiffs’ and Class Members’ Section 11 and 12(a)(2) claims would be subject to “negative causation” defenses; (6) the extent (if any) that various facts alleged by the Plaintiffs influenced the trading prices of Syntax Securities during the relevant period; (7) the method for determining whether the prices of Syntax Securities were artificially inflated during the relevant period; (8) the amount (if any) of such inflation; and (9) the amount of damages (if any) that could be recovered at trial.

**Attorneys’ Fees and Expenses:** Court-appointed Lead Counsel will ask the Court for attorneys’ fees of 25% of the Settlement Fund and expenses not to exceed \$1,300,000 to be paid from the Settlement Fund plus interest. If the above amounts are requested and approved by the Court, the average cost per share will be \$0.01 for shares purchased or acquired between February 9, 2007 and November 14, 2007 and \$0.26 per share if purchased or acquired in Syntax’s secondary public offering on May 24, 2007 directly from

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<sup>1</sup> The complete terms and conditions of the settlement are set forth in the Stipulation of Settlement dated as of October 28, 2009 (“Stipulation”), which can be downloaded at [www.gilardi.com](http://www.gilardi.com) or requested from Lead Counsel at the telephone number and address listed on the next page.

an underwriter or participating dealer. Lead Counsel have not received any payment for their work investigating the facts, prosecuting this Litigation, and negotiating this settlement on behalf of the Plaintiffs and the Class.

**Deadlines:**

Submit Claim: January 8, 2010  
Request Exclusion: January 8, 2010  
File Objection: January 22, 2010

**Court Hearing on Fairness of Settlement:** February 12, 2010 at 2:00 p.m.

**More Information:** [www.gilardi.com](http://www.gilardi.com) or

Claims Administrator:

*Syntax Securities Litigation*  
Claims Administrator  
c/o Gilardi & Co. LLC  
P.O. Box 8040  
San Rafael, CA 94912-8040  
1-888-821-8160

Representative of Lead Counsel:

Rick Nelson  
Shareholder Relations  
Coughlin Stoia Geller  
Rudman & Robbins LLP  
655 West Broadway, Suite 1900  
San Diego, CA 92101  
1-800-449-4900

- Your legal rights are affected whether you act or do not act. Read this Notice carefully.

**YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT**

**SUBMIT A CLAIM FORM** The only way to get a payment.

**REQUEST EXCLUSION** Get no payment. This is the only option that allows you to ever be part of any other lawsuit about the legal claims in this case.

**OBJECT** You may write to the Court if you do not like this settlement, the request for attorneys' fees and expenses, or the Plan of Allocation.

**GO TO A HEARING** You may ask to speak in Court about the fairness of the settlement.

**DO NOTHING** Get no payment. Give up your rights.

- These rights and options — **and the deadlines to exercise them** — are explained in this Notice.
- The Court in charge of this case must decide whether to approve the settlement. Payments will be made if the Court approves the settlement and, if there are any appeals, after appeals are resolved. Please be patient.

**BASIC INFORMATION**

**1. Why did I get this notice package?**

You or someone in your family may have purchased or acquired Syntax Securities between February 9, 2007 and November 14, 2007.

The Court directed that you be sent this Notice because you have a right to know about a proposed settlement of a class action lawsuit, and about all of your options, before the Court decides whether to approve the settlement. If the Court approves it and after any objections or appeals (if there are any) are resolved, the Claims Administrator appointed by the Court will make the payments that the settlement allows.

This package explains the lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the United States District Court for the District of Arizona and the case is known as *Tsirekidze v. Syntax-Brilliant Corp., et al.*, No. 2:07-02204-FJM. The entities who lead the Litigation, City of St. Clair Shores Police & Fire Retirement System and City of New Haven Policemen and Firemen's Pension Fund, are called Plaintiffs and the parties they sue are called Defendants. Defendants in this case are Man Kit (Thomas) Chow, John S. Hodgson, James Ching Hua Li, Wayne A. Pratt, and Vincent F. Sollitto, Jr. (collectively, the "Individual Defendants"); Merrill Lynch, Pierce, Fenner & Smith Incorporated, UBS Securities LLC, Robert W. Baird & Co. Incorporated, Canaccord Adams Inc., and Brean Murray, Carret & Co., LLC (collectively, the "Underwriter Defendants"); and the Company's auditor, Grobstein Horwath & Company LLP ("Grobstein").

**2. What is this lawsuit about?**

Beginning on November 14, 2007, a number of class action lawsuits were filed against Syntax and certain of its officers by Syntax stockholders alleging violations of the federal securities laws. The cases were consolidated before the Honorable Frederick J. Martone in the United States District Court for the District of Arizona, and the case is presently styled *Tsirekidze v. Syntax-Brilliant Corp., et al.*, No. 2:07-02204-FJM (the "Litigation"). On April 7, 2008, the Court appointed the City of St. Clair Shores Police & Fire Retirement System as lead plaintiff pursuant to the requirements of the Private Securities Litigation Reform

Act of 1995. On July 8, 2008, Syntax filed for bankruptcy in the United States Bankruptcy Court for the District of Delaware (“Bankruptcy Court”), pursuant to Chapter 11 of the Bankruptcy Code.

On August 25, 2008, lead plaintiff filed a Consolidated Class Action Complaint for Violations of the Federal Securities Laws (“Complaint”) and added claims against Grobstein, the Company’s auditor, and the underwriters for the Company’s secondary public offering on May 24, 2007. The Complaint also added City of New Haven Policemen and Firemen’s Pension Fund as a named plaintiff.<sup>2</sup> On October 15, 2008, separate motions to dismiss the Complaint were filed by the following defendants: James Ching Hua Li and Man Kit (Thomas) Chow; Vincent F. Sollitto, Jr. and Wayne A. Pratt; John S. Hodgson; the Underwriter Defendants; and Grobstein. On February 4, 2009, the Court issued an Order granting in part and denying in part defendants’ motions to dismiss the Complaint. The Court upheld Plaintiffs’ §§11, 12(a)(2), and 15 claims under the Securities Act of 1933 against all defendants for the alleged false and misleading statements associated with the Company’s May 24, 2007 secondary public offering (with the exception of the §12(a)(2) claim against the Company’s former auditor, Grobstein). The Court also upheld Plaintiffs’ §§10(b) and 20(a) claims against defendants James Ching Hua Li and Man Kit (Thomas) Chow.

On July 17, 2009, the Court issued an order appointing Plaintiffs as class representatives and certifying a Class that consists of:

All persons or entities who purchased or otherwise acquired Syntax-Brilliant Corporation securities between February 9, 2007 and November 14, 2007. For all claims brought under the Securities Act of 1933, as opposed to claims under the Securities Exchange Act of 1934, only those persons or entities who purchased or otherwise acquired Syntax-Brilliant securities in the [C]ompany’s secondary public offering on May 24, 2007 directly from an underwriter or participating dealer are included. Any purchasers in private offerings by Syntax-Brilliant [C]orporation on March 28, 2007 and August 23, 2007, all defendants, members of individual defendants’ families, any entity in which a defendant has a controlling interest or is a parent or subsidiary of, or is controlled by Syntax-Brilliant Corporation, the officers, directors, employees, affiliates, legal representatives, heirs, predecessors, successors, and assigns of defendants are excluded.

Defendants have filed answers denying all material allegations of the Complaint and have asserted defenses in the case. The parties are currently engaged in discovery, which includes, without limitation, the review and analysis of hundreds of thousands of pages of documents, the taking of depositions, and expert discovery. Additionally, certain defendants have filed motions for summary judgment.

After extensive settlement discussions, the parties reached agreement on the terms and conditions of the settlement as set forth in the Stipulation.

### **3. Why is this a class action?**

In a class action, one or more people called class representatives (in this case, the Court-appointed class representatives, City of St. Clair Shores Police & Fire Retirement System and City of New Haven Policemen and Firemen’s Pension Fund) sue on behalf of those who have similar claims. All of these people and/or entities are called a class or class members. One court resolves the issues for all class members, except for those who exclude themselves from the class. In this case, United States District Court Judge Frederick J. Martone is in charge of this case.

### **4. Why is there a settlement?**

The Court did not decide in favor of Plaintiffs or Defendants. Instead, the lawyers for the parties to the lawsuit have negotiated a settlement that they believe is in the best interests of their respective clients. The settlement allows all parties to avoid the risks and cost of lengthy and uncertain litigation and the uncertainty of a trial and appeals, and permits Class Members to be compensated without further delay. Plaintiffs and their attorneys think the settlement is best for all Class Members.

## **WHO IS IN THE SETTLEMENT**

To see if you will get money from this settlement, you first have to determine if you are a Class Member.

### **5. How do I know if I am part of the settlement?**

On July 17, 2009, the Court certified a Class that includes ***all Persons or entities who purchased or otherwise acquired Syntax Securities between February 9, 2007 and November 14, 2007. For all claims brought under the Securities Act of 1933, as opposed to claims under the Securities Exchange Act of 1934, only those persons or entities who purchased or otherwise acquired Syntax Securities in the Company’s secondary public offering on May 24, 2007 directly from an underwriter or participating dealer are included.***

### **6. Are there exceptions to being included in the Class?**

Yes. Excluded from the Class are: (a) any purchasers in private offerings by Syntax on March 28, 2007 and August 23, 2007, (b) all Defendants, members of Individual Defendants’ families, any entity in which a Defendant has a controlling interest or is a

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<sup>2</sup> As a result of Syntax’s bankruptcy filing, Syntax was not named as a defendant in the Complaint and the Class’s claim against Syntax in its bankruptcy proceeding has no value.

parent or subsidiary of, or is controlled by Syntax, the officers, directors, employees, affiliates, legal representatives, heirs, predecessors, successors, and assigns of Defendants; and (c) with respect to claims brought under the Securities Act of 1933, those Persons who cannot establish that they purchased or acquired stock in the secondary offering directly from an underwriter or participating dealer. Also excluded from the Class are those Persons who timely and validly request exclusion from the Class.

#### **7. I'm still not sure if I am included.**

If you still are not sure whether you are included, you can ask for free help. You can call the Claims Administrator at 1-888-821-8160 or visit [www.gilardi.com](http://www.gilardi.com) for more information; or, you can call a representative of Lead Counsel, Rick Nelson at 1-800-449-4900 for more information; or, you can fill out and return the claim form described in Question 10 to see if you qualify.

### **THE SETTLEMENT BENEFITS – WHAT YOU GET**

#### **8. What does the settlement provide?**

Defendants have agreed to pay or cause to be paid \$10,000,000 in cash (the "Settlement Fund") plus interest earned. Of the \$10 million, the Individual Defendants shall pay or have paid \$4.75 million, the Underwriter Defendants shall pay or have paid \$2.75 million and Grobstein shall pay or has paid \$2.5 million. The Settlement Fund will be divided among all eligible Class Members who send in valid claim forms ("Authorized Claimants"), after payment of Court-approved attorneys' fees and expenses, taxes, and the costs of claims administration, including the costs of printing and mailing this Notice and the cost of publishing newspaper notice (the "Net Settlement Fund").

#### **9. How much will my payment be?**

Your share of the Net Settlement Fund will depend on the number of valid claim forms that Class Members send in, the amount of those claims, and how many Syntax Securities you purchased or acquired during the Class Period and when you bought and sold them, including whether you purchased or acquired Syntax common stock in the Company's secondary public offering on May 24, 2007 directly from an underwriter or participating dealer.

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.

#### **A. The Claims Calculation for the Underwriter Defendants' and Grobstein's Contribution of \$5.25 Million to the Settlement Fund**

The only claims that Plaintiffs asserted against the Underwriter Defendants and Grobstein were based upon a Class Member's purchase or acquisition of Syntax common stock in the Company's secondary public offering on May 24, 2007, *i.e.*, claims under the Securities Act of 1933.<sup>3</sup> The allocation for these claims are based on the maximum statutory damages allowed under Section 11 of the Securities Act of 1933. As a result, for 52.5% of the Net Settlement Fund, a claim will be calculated as follows:

#### **SECTION 11 CLAIMS UNDER THE SECURITIES ACT OF 1933**

The allocation below is based on the following:

Public offering price:	\$5.75 per share
Closing price on the date the lawsuit was filed: <sup>4</sup>	\$2.41 per share

For shares of Syntax common stock ***purchased or otherwise acquired pursuant to the Company's secondary public offering on May 24, 2007***, and

(a) sold prior to February 5, 2008, the claim per share is the lesser of (i) the purchase or acquisition price per share less the sales price per share, or (ii) \$5.75 less the sales price per share.

(b) retained at the end of, or sold on or after February 5, 2008, the claim per share is the lesser of (i) the purchase or acquisition price per share less the sales price per share, or (ii) \$5.75 less \$2.41.

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<sup>3</sup> For claims under the Securities Act of 1933, the Class is limited to only those Persons or entities that purchased or otherwise acquired Syntax common stock in the Company's secondary public offering on May 24, 2007 directly from an underwriter or participating dealer. Because shares issued in the secondary offering are indistinguishable from shares of Syntax previously issued, only those shares purchased or otherwise acquired on May 24, 2007 and at a price of \$5.75 (without any commission charge) will be considered to have been purchased or acquired in the secondary offering from an underwriter or participating dealer, unless you provide sufficient proof that the shares were purchased or acquired in the Company's secondary public offering on May 24, 2007 directly from an underwriter or participating dealer.

<sup>4</sup> First class action complaint with Section 11 claims was filed on February 5, 2008.

## B. The Claims Calculation for the Individual Defendants' Contribution of \$4.75 Million to the Settlement Fund

Plaintiffs asserted claims under both the Securities Act of 1933 and the Securities Exchange Act of 1934 against the Individual Defendants. As a result, for 47.5% of the Net Settlement Fund, a claim will be calculated as follows:

### SECTION 11 CLAIMS UNDER THE SECURITIES ACT OF 1933

The calculation for Section 11 claims is the same as described above.

### SECTION 10 CLAIMS UNDER THE SECURITIES EXCHANGE ACT OF 1934

#### COMMON STOCK

The allocation below is based on the following price declines as well as the 90-day average closing price following the Class Period of \$2.71:

September 13, 2007 price decline:	\$2.12
November 15, 2007 price decline:	\$0.32

1. For shares of Syntax common stock ***purchased or otherwise acquired between February 9, 2007 through September 12, 2007***, the claim per share shall be as follows:

(a) If sold prior to September 13, 2007, the claim per share is zero.

(b) If sold between September 13, 2007 through November 14, 2007, the claim per share shall be the lesser of (i) \$2.12 (September 13, 2007 price decline), or (ii) the difference between the purchase price and the sales price.

(c) If retained at the end of November 14, 2007, and sold before February 12, 2008, the claim per share shall be the lesser of (i) \$2.44 (September 13, 2007 and November 15, 2007 price declines), or (ii) the difference between the purchase price and the sales price, or (iii) the difference between the purchase price per share and \$2.71 (the 90-day average closing price per share following the Class Period).

(d) If retained, or sold, on or after February 12, 2008, the claim per share shall be the lesser of (i) \$2.44 (September 13, 2007 and November 15, 2007 price declines), or (ii) the difference between the purchase price per share and \$2.71 per share (the 90-day average closing price per share following the Class Period).

2. For shares of Syntax common stock ***purchased or otherwise acquired between September 13, 2007 through November 14, 2007***, the claim per share shall be as follows:

(a) If sold prior to November 15, 2007, the claim per share is zero.

(b) If retained at the end of November 14, 2007, and sold before February 12, 2008, the claim per share shall be the lesser of (i) \$0.32 (November 15, 2007 price decline), or (ii) the difference between the purchase price and the sales price, or (iii) the purchase price per share less \$2.71 (the 90-day average closing price following the Class Period).

(c) If retained, or sold, on or after February 12, 2008, the claim per share shall be the lesser of (i) \$0.32 (November 15, 2007 price decline), or (ii) the difference between the purchase price per share and \$2.71 per share (the 90-day average closing price following the Class Period).

#### CALL OPTIONS

1. For call options on Syntax common stock ***purchased from February 9, 2007 through November 14, 2007***, and

(a) ***held*** at the end of September 12, 2007 and/or November 14, 2007, the claim per call option is the difference between the price paid for the call option less the proceeds received upon the settlement of the call option contract;

(b) ***not held*** at the end of September 12, 2007 and/or November 14, 2007, the claim per call option is \$0.

2. For call options on Syntax common stock ***written from February 9, 2007 through November 14, 2007***, the claim per call option is \$0.

#### PUT OPTIONS

1. For put options on Syntax common stock ***written from February 9, 2007 through November 14, 2007***, and

(a) ***held*** at the end of September 12, 2007 and/or November 14, 2007, the claim per put option is the difference between the price paid upon settlement of the put option contract less the initial proceeds received upon the sale of the put option contract;

(b) ***not held*** at the end of September 12, 2007 and/or November 14, 2007, the claim per put option is \$0.

2. For put options on Syntax common stock ***purchased from February 9, 2007 through November 14, 2007***, the claim per put option is \$0.

Note: In the case where the option was exercised for Syntax common stock, the amount paid, or proceeds received, upon the settlement of the option contract equals Syntax's common stock closing price on the date the option was exercised.

Note: The combined recovery for the put/call options shall not exceed 1% of the Net Settlement Fund.

The date of purchase or sale is the "contract" or "trade" date as distinguished from the "settlement" date.

For Class Members who held Syntax Securities at the beginning of the Class Period or made multiple purchases or other acquisitions or sales during the Class Period, the first-in, first-out (“FIFO”) method will be applied to such holdings, purchases, and sales for purposes of calculating a claim under Section 10(b) of the Securities Exchange Act of 1934. Under the FIFO method, the sales of Syntax Securities during the Class Period will be matched in chronological order, first against securities held at the beginning of the Class Period. The remaining sales of securities during the Class Period will then be matched, in chronological order, against securities purchased or acquired during the Class Period.

A Class Member will be eligible to receive a distribution from the Net Settlement Fund only if a Class Member had a net loss, after all profits from transactions in Syntax Securities during the Class Period are subtracted from all losses. However, the proceeds of sales from securities which have been matched against securities held at the beginning of the Class Period will not be used in the calculation of such net loss. No distributions will be made to Authorized Claimants who would otherwise receive a distribution of less than \$10.00.

The Court has reserved jurisdiction to allow, disallow, or adjust the claim of any Class Member on equitable grounds.

Payment pursuant to the Plan of Allocation set forth above shall be conclusive against all Class Members. No Person shall have any claim against Plaintiffs, Plaintiffs’ Counsel, or any claims administrator or other Person designated by Lead Counsel or Defendants and/or the Related Parties and/or their counsel based on distributions made substantially in accordance with the Stipulation and the settlement contained therein, the Plan of Allocation, or further orders of the Court. All Class Members who fail to complete and file a valid and timely Proof of Claim shall be barred from participating in distributions from the Net Settlement Fund (unless otherwise ordered by the Court), but otherwise shall be bound by all of the terms of the Stipulation, including the terms of any judgment entered and the releases given.

## **HOW YOU GET A PAYMENT – SUBMITTING A PROOF OF CLAIM**

### **10. How will I get a payment?**

To qualify for a payment, you must send in a Proof of Claim. A Proof of Claim is enclosed with this Notice. Read the instructions carefully, fill out the Proof of Claim, include all the documents the form asks for, sign it, and mail it in the enclosed envelope postmarked no later than January 8, 2010.

### **11. When would I get my payment?**

The Court will hold a hearing on February 12, 2010, at 2:00 p.m., to decide whether to approve the settlement. If Judge Martone approves the settlement, there may be appeals. It is always uncertain whether these appeals can be resolved favorably, and resolving them can take time, perhaps more than a year. It also takes time for all the Proofs of Claim to be processed. If there are no appeals and depending on the number of claims submitted, the Claims Administrator could distribute the Net Settlement Fund as early as nine months after the fairness hearing. Please be patient.

## **EXCLUDING YOURSELF FROM THE SETTLEMENT**

If you do not want a payment from this settlement, but you want to keep the right to sue or continue to sue any of the Defendants on your own about the same legal issues in this case, then you must take steps to get out of the Class. This is called excluding yourself or is sometimes referred to as opting out of the Class.

### **12. How do I get out of the Class?**

To exclude yourself from the Class, you must send a letter by mail stating that you want to be excluded from *Tsirekidze v. Syntax-Brilliant Corp., et al.*, No. 2:07-cv-02204-FJM. You must include your name, address, telephone number, your signature, the date you purchased or acquired Syntax Securities and the price paid for such Syntax Securities, and the number of shares purchased or acquired. You must mail your exclusion request postmarked no later than January 8, 2010, to:

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

You cannot exclude yourself on the phone or by e-mail. If you previously excluded yourself from the Class pursuant to the Notice of Pendency of Class Action dated August 18, 2009, you do not need to submit another request. If you ask to be excluded, you are not eligible to get any settlement payment, and you cannot object to the settlement. You will not be legally bound by anything that happens in this lawsuit.

### **13. If I do not exclude myself, can I sue the Defendants for the same thing later?**

No. Unless you exclude yourself, you give up any right to sue the Defendants for the claims resolved by the class action settlement. If you have a pending lawsuit against any of the Defendants, speak to your lawyer in that case immediately. Remember, the exclusion deadline is January 8, 2010.

**14. If I exclude myself, can I get money from this settlement?**

No. If you exclude yourself, do not send in a claim form. But, you may sue, continue to sue, or be part of a different lawsuit against any of the Defendants.

**THE LAWYERS REPRESENTING YOU**

**15. Do I have a lawyer in this case?**

The Court appointed the law firm of Coughlin Stoia Geller Rudman & Robbins LLP to represent you and other Class Members. These lawyers are called Lead Counsel. The Court also appointed Buckley King as Liaison Counsel. You will not be charged for these lawyers' work. If you want to be represented by your own lawyer, you may hire one at your own expense.

**16. How will the lawyers be paid?**

At the fairness hearing, Lead Counsel will request the Court to award attorneys' fees of 25% of the Settlement Fund and for expenses up to \$1,300,000, which were incurred in connection with the Litigation. In addition, Plaintiffs City of St. Clair Shores Police & Fire Retirement System and City of New Haven Policemen and Firemen's Pension Fund may request up to \$25,000 each for their time and expenses in representing the Class. This compensation will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or expenses. To date, Plaintiffs' counsel have not received any payment for their services in conducting this Litigation on behalf of the Plaintiffs and the Class, nor have counsel been paid for their expenses. The fee requested will compensate Plaintiffs' Counsel for their work in achieving the Settlement Fund and is within the range of fees awarded to class counsel under similar circumstances in other cases of this type. The Court may award less than this amount.

**OBJECTING TO THE SETTLEMENT**

You can tell the Court that you do not agree with the settlement or some part of it.

**17. How do I tell the Court that I do not like the settlement?**

If you are a Class Member, you can object to the settlement, the request for attorneys' fees and expenses, or the Plan of Allocation if you do not like any part of it. You can give reasons why you think the Court should not approve the settlement, the request for attorneys' fees and expenses, or the Plan of Allocation. The Court will consider your views. To object, you must send a signed letter saying that you object to the proposed settlement in *Tsirekidze v. Syntax-Brilliant Corp., et al.*, No. 2:07-cv-02204-FJM. Be sure to include your name, address, telephone number, your signature, the number of shares of Syntax common stock you purchased or acquired between February 9, 2007 and November 14, 2007 and the number of those shares, if any, that were purchased or acquired in Syntax's secondary public offering on May 24, 2007 directly from an underwriter or participating dealer, and the reasons you object to the settlement, the requested attorneys' fees and expenses, or the Plan of Allocation. Any objection to the settlement, the requested attorneys' fees and expenses, or the Plan of Allocation must be mailed or delivered such that it is received by each of the following no later than January 22, 2010:

*Court:*

Clerk of the Court  
UNITED STATES DISTRICT COURT  
DISTRICT OF ARIZONA  
Sandra Day O'Connor United States Courthouse  
401 West Washington Street, Suite 130, SPC 1  
Phoenix, AZ 85003-2118

*Lead Counsel:*

Jeffrey D. Light  
COUGHLIN STOIA GELLER  
RUDMAN & ROBBINS LLP  
655 West Broadway, Suite 1900  
San Diego, CA 92101

*Counsel for Underwriter Defendants:*

Jonathan C. Dickey  
GIBSON, DUNN & CRUTCHER LLP  
200 Park Avenue, 47th Floor  
New York, NY 10166-0193

*Counsel for Grobstein:*

Efren A. Compean  
GARRETT & TULLY, P.C.  
225 South Lake Avenue, Suite 1400  
Pasadena, CA 91101

*Counsel for certain Individual Defendants:*

Craig Varnen  
IRELL & MANELLA LLP  
1800 Avenue of the Stars, Suite 900  
Los Angeles, CA 90067-4276

**THE COURT'S FAIRNESS HEARING**

The Court will hold a hearing to decide whether to approve the proposed settlement. You may attend, but you do not have to.

**18. When and where will the Court decide whether to approve the settlement?**

The Court will hold a hearing at 2:00 p.m., on February 12, 2010, at the Sandra Day O'Connor United States Courthouse, United States District Court, District of Arizona, 401 West Washington Street, Phoenix, AZ 85003. At this hearing, the Court will

consider whether the settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will listen to people who have asked to speak at the hearing. The Court will also decide whether to approve the payment of fees and expenses to Plaintiffs' Counsel and the Plan of Allocation. We do not know how long the hearing will take or whether the Court will make its decision about the settlement, the request for the payment of fees and expenses, or the Plan of Allocation on the day of the hearing or sometime later.

**19. Do I have to come to the hearing?**

No. Lead Counsel will answer questions Judge Martone may have. But, you are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

**20. May I speak at the hearing?**

You may ask the Court for permission to speak at the hearing. To do so, you must send a letter saying that it is your intention to appear in *Tsirekidze v. Syntax-Brilliant Corp., et al.*, No. 2:07-cv-02204-FJM. Be sure to include your name, address, telephone number, your signature, and the number of Syntax Securities purchased or acquired between February 9, 2007 and November 14, 2007. Your notice of intention to appear must be received no later than January 22, 2010, and be sent to the Clerk of the Court and counsel at the addresses listed in Question 17.

**IF YOU DO NOTHING**

**21. What happens if I do nothing at all?**

If you do nothing, you will get no money from this settlement because you must submit a Proof of Claim.

**GETTING MORE INFORMATION**

**22. Are there more details about the settlement?**

This Notice summarizes the proposed settlement. More details are in the Stipulation, which has also been filed with the Court. You can get a copy of the Stipulation from the Clerk's office at the United States District Court, District of Arizona, Sandra Day O'Connor United States Courthouse, 401 West Washington Street, Suite 130, SPC 1, Phoenix, AZ 85003-2118, during regular business hours, or it can be viewed or downloaded at [www.gilardi.com](http://www.gilardi.com), or you may contact either the representative of Lead Counsel or the Claims Administrator listed below in the answer to Question 23.

**23. How do I get more information?**

You can call 1-800-449-4900 or write to a representative of Lead Counsel, Rick Nelson, Coughlin Stoia Geller Rudman & Robbins LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, or visit the Claims Administrator's website at [www.gilardi.com](http://www.gilardi.com), or call the Claims Administrator at 1-888-821-8160. ***Please do not call the Court or the Clerk of the Court for additional information about the settlement.***

**24. Special notice to nominees**

If you hold any Syntax Securities purchased or acquired between February 9, 2007 through November 14, 2007, or purchased or acquired in the Company's secondary public offering on May 24, 2007 directly from an underwriter or participating dealer, as a nominee for a beneficial owner, then, within twenty (20) 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:

*Syntax 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: November 8, 2009

BY ORDER OF THE COURT  
UNITED STATES DISTRICT COURT  
DISTRICT OF ARIZONA