

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF ALAMEDA**

DAVID T. O'NEAL TRUST, DATED 4/1/77, On Behalf of)	Lead Case No. V-014193-6
Himself and All Others Similarly Situated,)	
)	<u>CLASS ACTION</u>
Plaintiff,)	
)	Assigned To: Judge Harry Sheppard
vs.)	
)	
VANSTAR CORPORATION, et al.,)	DEPT: 705
)	
Defendants.)	DATE ACTION FILED: 07/03/97
_____)	

NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION

TO: ALL PERSONS WHO PURCHASED VANSTAR CORPORATION ("VANSTAR") COMMON STOCK DURING THE PERIOD BEGINNING MARCH 11, 1996 THROUGH MARCH 14, 1997, INCLUSIVE

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS MAY BE AFFECTED BY PROCEEDINGS IN THIS LITIGATION. PLEASE NOTE THAT IF YOU ARE A SETTLEMENT CLASS MEMBER, YOU MAY BE ENTITLED TO SHARE IN THE PROCEEDS OF THE SETTLEMENT DESCRIBED IN THIS NOTICE. TO CLAIM YOUR SHARE OF THIS FUND, YOU MUST SUBMIT A VALID PROOF OF CLAIM POSTMARKED ON OR BEFORE NOVEMBER 26, 2001.

This Notice has been sent to you pursuant to §382 of the California Code of Civil Procedure and an Order of the Superior Court of California for the County of Alameda (the "Court"). The purpose of this Notice is to inform you of the proposed settlement of this class action litigation and of the hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the settlement. This Notice is not intended to be, and should not be construed as, an expression of any opinion by the Court with respect to the truth of the allegations in the Litigation or the merits of the claims or defenses asserted. This Notice describes the rights you may have in connection with the settlement and what steps you may take in relation to the settlement and this class action litigation.

The proposed settlement creates a fund in the amount of \$5,000,000 in cash (the "Settlement Fund") and will include interest that accrues on the Settlement Fund prior to distribution. The Representative Plaintiffs believe that the proposed settlement is a good recovery under all of the circumstances of this case, especially in view of the fact VanStar filed for protection under the bankruptcy laws and this Court initially denied certification of a class. There was a strong possibility that proceeding with this case would have resulted in no recovery for Settlement Class Members. Thus, Representative Plaintiffs believe the settlement is in the best interests of the Settlement Class.

This Litigation was filed in 1997 on behalf of persons who purchased VanStar common stock between March 11, 1996 and March 14, 1997. Plaintiffs asserted that the Defendants misrepresented the true condition of VanStar and in doing so caused VanStar common stock to sell at an inflated price. During the course of the Litigation, VanStar's parent company, InaCom Corporation, filed for protection under the bankruptcy laws.

I. NOTICE OF HEARING ON PROPOSED SETTLEMENT

A settlement hearing will be held on November 7, 2001, at 2:00 p.m., before the Honorable Harry Sheppard, at the Gale/Schenone Hall of Justice, 5672 Stoneridge Drive, Pleasanton, California 94588 (the "Settlement Hearing"). The purpose of the Settlement Hearing will be to determine: (a) whether the settlement consisting of \$5.0 million in cash (plus accrued interest) should be approved as fair, just, reasonable and adequate to the Settling Parties; (b) whether the proposed plan to distribute the settlement proceeds (the "Plan of Allocation") is fair, just, reasonable, and adequate; (c) whether the application by Representative Plaintiffs' Counsel for an award of attorneys' fees and reimbursement of expenses should be approved; and (d) whether the Litigation should be dismissed with prejudice. The Court may adjourn or continue the Settlement Hearing without further notice to the Settlement Class.

II. DEFINITIONS USED IN THIS NOTICE

1. "Defendants" means VanStar, Richard H. Bard, William Y. Tauscher, Jeffrey S. Rubin, Jay S. Amato, William H. Janeway, Stewart K.P. Gross, John Vogelstein, Robert C. Kuntzendorf, Richard N. Anderson, Michael J. Moore, Chris M. Laney, Ahmad Manshouri, Coleman D. Sisson and Thanos M. Triant.

2. "Related Parties" means each of a Defendant's present or former officers, directors, employees, agents, auditors, accountants, affiliates, parents, subsidiaries, partners, successors, insurers, co-insurers, reinsurers, attorneys, spouses, heirs and 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 Individual Defendant and/or member(s) of his family; and E.M. Warburg, Pincus & Co., Inc, Warburg Pincus & Co., Warburg Pincus Capital Co. L.P., and any of their related or affiliated entities ("Warburg Entities").

3. "Released Claims" shall collectively mean all claims (including "Unknown Claims" as defined below), all claims contained in the proofs of claims filed by plaintiffs in *In re InaCom Corp., et al.*, Case Nos. 00-2425 through 00-2452, currently pending in the United States Bankruptcy Court for the District of Delaware, specifically including, but not limited to, Claim Nos. 02611 and 06200, demands, rights, liabilities and causes of action of every nature and description whatsoever, known or unknown, whether or not concealed or hidden, asserted or that might have been asserted, including, without limitation, claims for negligence, gross negligence, breach of duty of care and/or breach of duty of loyalty, fraud, breach of fiduciary duty, or violations of any state or federal statutes, rules or regulations, by any Representative Plaintiff or Settlement Class Member against the Defendants arising out of, based upon or related to the purchase of VanStar common stock by any Representative Plaintiff or any Settlement Class Member during the Settlement Class Period.

4. "Released Persons" means each and all of the Defendants and their Related Parties.

5. "Settlement Class" means all Persons who purchased VanStar common stock during the period beginning March 11, 1996 through March 14, 1997, inclusive. Excluded from the Settlement Class are Defendants, members of the immediate families of the Individual Defendants, any entity in which any Defendant has an interest and the Warburg Entities. Also excluded from the Settlement Class are those Persons who timely and validly request exclusion.

6. "Settlement Class Member" or "Member of the Settlement Class" mean a Person who falls within the definition of the Settlement Class as set forth above.

7. "Settlement Class Period" means the period commencing on March 11, 1996 through March 14, 1997, inclusive.

8. "Unknown Claims" means any Released Claims which any Representative Plaintiff or Settlement Class Member does not know or suspect to exist in his, her or its favor at the time of the release of the Released Persons which, if known by him, her or it, might have affected his, her or its settlement with and release of the Released Persons, or might have affected his, her or its decision not to object to this settlement. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, the Representative Plaintiffs shall expressly and each of the Settlement Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived the provisions, rights and benefits of California Civil Code §1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

The Representative Plaintiffs shall expressly and each of the Settlement Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived any and all provisions, rights and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable or equivalent to California Civil Code §1542. The Representative Plaintiffs and Settlement Class Members may hereafter discover facts in addition to or different from those which he, she or it now knows or believes to be true with respect to the subject matter of the Released Claims, but each Representative Plaintiff shall expressly and each Settlement Class Member, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. The Representative Plaintiffs acknowledge, and the Settlement Class Members shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the settlement of which this release is a part.

III. THE LITIGATION

1. State Action

This case was originally filed on July 3, 1997 in Santa Clara County Superior Court by plaintiff David T. O'Neal Trust alleging violations of Cal. Corp. Code §§25400 and 25500, violations of Cal. Civ. Code §§1709 and 1710; and violations of Cal. Bus. & Prof. Code §§17200 *et seq.* The case was subsequently transferred to this Court. On November 3, 1997, the Court consolidated, pursuant to C.C.P. §1048(a), the captioned action with *Neuman v. VanStar Corp., et al.*, Alameda County Superior Court Case No. V-014194-5, which was filed August 14, 1997. These actions named as defendants VanStar Corporation, Richard H. Bard, William Y. Tauscher, Jay S. Amato, Robert C. Kuntzendorf, Jeffrey S. Rubin, Richard N. Anderson, Chris M. Laney, Michael J. Moore, Ahmad Manshour, Coleman D. Sisson, Thanos M. Triant, E.M. Warburg, Pincus & Co., Inc., Warburg Pincus & Co., Warburg Pincus Capital Co., L.P., Stewart K.P. Gross, William H. Janeway, John L. Vogelstein, Robertson Stephens & Co., Alex. Brown & Sons, Inc. and The Robinson-Humphrey Co., Inc.

Plaintiffs brought this class action against VanStar and certain of its officers and/or directors on behalf of all persons who purchased VanStar common stock between March 11, 1996 and March 14, 1997. Plaintiffs alleged that during this period, defendants publicly issued false and misleading statements about VanStar, and concealed material adverse information about their new NOVA System, and product supply and demand for VanStar's products and services.

The Consolidated Amended Complaint for Damages Based Upon Violation of Cal. Corp. Code §§25400 and 25500 was filed on March 13, 1998 by plaintiffs David T. O'Neal Trust and Tammy Newman. The complaint did not name Robertson Stephens & Co., Alex. Brown

& Sons, Inc. and The Robinson-Humphrey Co., Inc. as defendants. Plaintiffs subsequently filed a petition to voluntarily dismiss, without prejudice, E.M. Warburg, Pincus & Co., Inc., Warburg Pincus & Co., Warburg Pincus Capital Co., L.P., Stewart K.P. Gross, William H. Janeway, and John L. Vogelstein. In July 1998, the Court granted the demurrers of individual defendants Tauscher, Amato, Rubin, Laney, Manshour, Sisson, Moore, Kuntzendorf, Anderson, and Triant. VanStar was the only remaining defendant and defendant Bard specially appeared in order to contest personal jurisdiction.

Plaintiffs moved for certification of a nationwide class and for appointment of David T. O'Neal Trust as class representative. On May 4, 2000, the Court found the proposed class representative David T. O'Neal Trust to be an inadequate class representative and denied plaintiffs' motion for class certification. Plaintiffs Parker Wright, Angelo Turiano and Roderick Keeler substituted into the case. On June 26, 2000, plaintiffs David T. O'Neal Trust, Parker Wright, Angelo Turiano, and Roderick Keeler filed a First Amended Complaint for Damages Based Upon Violation of Cal. Corp. Code §§25400 and 25500.

On or about June 28, 2000, defendants filed a Notice of Filing of Bankruptcy and Automatic Stay of Case. This notice stated that InaCom Corporation, and 26 affiliated entities, one of which was VanStar, each filed voluntary petitions for relief under Chapter 11 of the United States Code (Bankruptcy) on June 16, 2000 in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). As a result of the Debtors' filings, this case was stayed under §362 of the Bankruptcy Code and Alameda County Superior Court Local Rule 4.9.

On March 1, 2001, the Bankruptcy Court signed an Order approving VanStar's Agreement to (1) Enter into the Memorandum of Understanding Re Proposed Settlement of *David T. O'Neal Trust v. VanStar, et al.*; (2) Enter into the Agreement and Release; and (3) Authorizing VanStar to Enter into Proposed Stipulation of Settlement ("Bankruptcy Court Order").

2. Federal Action

On January 21, 1998, in the United States District Court for the Northern District of California, Case No. 98-0216-MJJ, plaintiffs David T. O'Neal Trust and Tammy Newman filed a Complaint for Violation of the Securities Exchange Act of 1934. The complaint named as defendants: VanStar Corporation, Richard H. Bard, William Y. Tauscher, Jay S. Amato, Robert C. Kuntzendorf, Jeffrey S. Rubin, Richard N. Anderson, Chris M. Laney, Michael J. Moore, Ahmad Manshour, Coleman D. Sisson, Thanos M. Triant, E.M. Warburg, Pincus & Co., Inc., Warburg, Pincus & Co., Warburg Pincus Capital Co., L.P., Stewart K.P. Gross, William H. Janeway and John L. Vogelstein. On July 29, 1999, the Honorable Martin J. Jenkins granted plaintiffs' request for voluntary dismissal of the federal action without prejudice.

The State Action and the Federal Action discussed above are collectively referred to herein as the "Litigation."

IV. CLAIMS OF THE REPRESENTATIVE PLAINTIFFS AND BENEFITS OF SETTLEMENT

The Representative Plaintiffs believe that the claims asserted in the Litigation have merit and that the evidence developed to date supports the claims. However, counsel for the Representative Plaintiffs recognize and acknowledge the expense and length of continued proceedings necessary to prosecute the Litigation against the Defendants through trial and through appeals. Counsel for the Representative Plaintiffs also have taken into account the uncertain outcome and the risk of any litigation, especially in complex actions such as this Litigation, as well as the difficulties and delays inherent in such litigation. Counsel for the Representative Plaintiffs also are mindful of the inherent problems of proof under and possible defenses to the violations asserted in the Litigation. Counsel for the Representative Plaintiffs believe that the settlement set forth in the Stipulation confers substantial benefits upon the Settlement Class. Based on their evaluation, counsel for the Representative Plaintiffs have determined that the settlement set forth in the Stipulation is in the best interests of the Representative Plaintiffs and the Settlement Class.

V. DEFENDANTS' STATEMENT AND DENIALS OF WRONGDOING AND LIABILITY

The Defendants have denied and continue to deny each and all of the claims and contentions alleged by the Representative Plaintiffs in the Litigation. The Defendants expressly have denied and continue to deny all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts or omissions alleged, or that could have been alleged, in the Litigation. The Defendants also have denied and continue to deny, *inter alia*, the allegations that the Representative Plaintiffs or the Settlement Class have suffered damage, that the price of VanStar common stock was artificially inflated by reasons of alleged misrepresentations, non-disclosures or otherwise, or that the Representative Plaintiffs or the Settlement Class were harmed by the conduct alleged in the complaints.

Nonetheless, the Defendants have concluded that further conduct of the Litigation would be protracted and expensive, and that it is desirable that the Litigation be fully and finally settled in the manner and upon the terms and conditions set forth in the Stipulation. The Defendants also have taken into account the uncertainty and risks inherent in any litigation, especially in complex cases like this Litigation. The Defendants have, therefore, determined that it is desirable and beneficial to them that the Litigation be settled in the manner and upon the terms and conditions set forth in the Stipulation.

VI. TERMS OF THE PROPOSED SETTLEMENT

The Defendants have paid into an escrow account, pursuant to the terms of the Stipulation of Settlement dated as of December 21, 2000 (the "Stipulation"), cash in the amount of \$5.0 million which has been earning and will continue to earn interest for the benefit of the Settlement Class.

A portion of the settlement proceeds will be used for certain administrative expenses, including costs of printing and mailing this Notice, the cost of publishing a newspaper notice, payment of any taxes assessed against the Settlement Fund and costs associated with the processing of claims submitted. In addition, as explained below, a portion of the Settlement Fund may be awarded by the Court to counsel for the Representative Plaintiffs as attorneys' fees and for reimbursement of out-of-pocket expenses. The balance of the Settlement Fund (the "Net Settlement Fund") will be distributed according to the Plan of Allocation described below to Settlement Class Members who submit valid and timely Proof of Claim forms.

VII. PLAN OF ALLOCATION

The Net Settlement Fund will be distributed to Settlement Class Members who submit valid, timely Proof of Claim forms ("Authorized Claimants") under the Plan of Allocation described below. The Plan of Allocation provides that you will be eligible to participate in the distribution of the Settlement Fund only if you have a net loss on all transactions in VanStar common stock during the Settlement Class Period.

For purposes of determining the amount an Authorized Claimant may recover under the Plan of Allocation, Representative Plaintiffs' Counsel have consulted with a damages expert and the Plan of Allocation reflects an assessment of the damages that could have been recovered had plaintiffs prevailed at trial.

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

A claim will be calculated as follows:

- (1) For shares of VanStar common stock that were *purchased on March 11, 1996 through January 22, 1997*, and
 - (a) sold on or before January 22, 1997, the claim per share is 10% of the difference between the purchase price and the sales price;
 - (b) sold on January 23, 1997 through March 13, 1997, the claim per share is the lesser of: (i) the difference between the purchase price and the sales price, or (ii) \$7.25;
 - (c) sold on March 14, 1997, the claim per share is the lesser of: (i) the difference between the purchase price and the sales price, or (ii) \$11.375; or
 - (d) retained at the close of trading on March 14, 1997, the claim per share is the lesser of: (i) the difference between the purchase price and \$8.75, or (ii) \$12.25.
- (2) For shares of VanStar common stock that were *purchased on January 23, 1997 through March 13, 1997*, and
 - (a) sold on or before March 13, 1997, the claim per share is 10% of the difference between the purchase price and the sales price;
 - (b) sold on March 14, 1997, the claim per share is the lesser of: (i) the difference between the purchase price and the sales price, or (ii) \$4.125; or
 - (c) retained at the close of trading on March 14, 1997, the claim per share is the lesser of: (i) the difference between the purchase price and \$8.75, or (ii) \$5.00.
- (3) For shares of VanStar common stock that were *purchased on March 14, 1997*, and
 - (a) sold on March 14, 1997, the claim per share is \$0;
 - (b) retained at the close of trading on March 14, 1997, the claim per share is the lesser of: (i) the difference between the purchase price and \$8.75, or (ii) \$0.875.

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

For Settlement Class Members who made multiple purchases or multiple sales during the Settlement Class Period, the earliest subsequent sale shall be matched with the earliest purchase and chronologically thereafter for purposes of the claim calculations.

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

VIII. PARTICIPATION IN THE CLASS

If you fall within the definition of the Settlement Class, you will be bound by any judgment entered with respect to the settlement in the Litigation whether or not you file a Proof of Claim. If you choose, you may enter an appearance individually or through your own counsel at your own expense.

TO PARTICIPATE IN THE DISTRIBUTION OF THE NET SETTLEMENT FUND, YOU MUST TIMELY COMPLETE AND RETURN THE PROOF OF CLAIM AND RELEASE FORM THAT ACCOMPANIES THIS NOTICE. The Proof of Claim and Release must be postmarked on or before November 26, 2001, and delivered to the Claims Administrator at the address below. Unless the Court orders otherwise, if you do not timely submit a valid Proof of Claim, you will be barred from receiving any payments from the Net Settlement Fund, but will in all other respects be bound by the provisions of the Stipulation and the Judgment.

IX. EXCLUSION FROM THE CLASS

You may request to be excluded from the Settlement Class. To do so, you must mail a written request to:

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

The request for exclusion must state: (1) your name, address, and telephone number; (2) all purchases and sales of VanStar common stock made during the Settlement Class Period, including the dates, the number of shares of VanStar common stock, and price paid or received per share for each such purchase or sale; and (3) that you wish to be excluded from the Settlement Class. **TO BE VALID, A REQUEST FOR EXCLUSION MUST STATE ALL OF THE FOREGOING INFORMATION, YOUR EXCLUSION REQUEST MUST BE POSTMARKED ON OR BEFORE OCTOBER 11, 2001.** If you submit a valid and timely request for exclusion, you shall have no rights under the settlement, shall not share in the distribution of the Net Settlement Fund, and shall not be bound by the Stipulation or the Judgment.

X. DISMISSAL AND RELEASES

If the proposed settlement is approved, the Court will enter a Final Judgment and Order of Dismissal with Prejudice ("Judgment"). The Judgment will dismiss the Released Claims with prejudice as to all Defendants. The Judgment will provide that all Settlement Class Members shall be deemed to have released and forever discharged all Released Claims (to the extent Members of the Settlement Class have such claims) against all Released Persons and that the Released Persons shall be deemed to have released and discharged all Settlement Class Members and counsel to the Representative Plaintiffs from all claims arising out of the prosecution and settlement of the Litigation or the Released Claims.

XI. APPLICATION FOR FEES AND EXPENSES

At the Settlement Hearing, counsel for Representative Plaintiffs will request the Court to award attorneys' fees of 30% of the Settlement Fund, plus reimbursement of the expenses, not to exceed \$500,000, even though approximately \$900,000 in expenses were advanced in connection with the Litigation, plus interest thereon. Settlement Class Members are not personally liable for any such fees or expenses.

To date, Representative Plaintiffs' Counsel have not received any payment for their services in conducting this Litigation on behalf of Representative Plaintiffs and the Members of the Settlement Class, nor have counsel been reimbursed for their substantial out-of-pocket expenses. The fee requested by Representative Plaintiffs' Counsel will compensate counsel for their efforts in achieving the Settlement Fund for the benefit of the Settlement Class, and for their risk in undertaking this representation on a wholly contingent basis. Further, the fee requested is well within the range of fees awarded to plaintiffs' counsel under similar circumstances in other litigation of this type.

XII. CONDITIONS FOR SETTLEMENT

The settlement is conditioned upon the occurrence of certain events described in the Stipulation. Those events include, among other things: (a) entry of the Judgment by the Court, as provided for in the Stipulation; and (b) expiration of the time to appeal from or alter or amend the Judgment. If, for any reason, any one of the conditions described in the Stipulation is not met, the Stipulation might be terminated and, if terminated, will become null and void, and the parties to the Stipulation will be restored to their respective positions as of December 20, 2000.

XIII. THE RIGHT TO BE HEARD AT THE HEARING

Any Settlement Class Member who objects to any aspect of the settlement, the Plan of Allocation, or the application for attorneys' fees or expenses, may appear and be heard at the Settlement Hearing. Any such person must submit a written notice of objection, received on or before October 11, 2001, by each of the following:

CLERK OF THE COURT
SUPERIOR COURT OF CALIFORNIA
COUNT OF ALAMEDA
GALE/SCHENONE HALL OF JUSTICE
5672 Stoneridge Drive
Pleasanton, California 94588

MILBERG WEISS BERSHAD
HYNES & LERACH LLP
JOY ANN BULL
600 West Broadway, Suite 1800
San Diego, CA 92101

Counsel for Plaintiffs

WILSON, SONSINI, GOODRICH &
ROSATI
MICHELE E. ROSE
7927 Jones Branch Drive, Suite 400
McLean, VA 22102

Counsel for Individual Defendants

The notice of objection must demonstrate the objecting person's membership in the Settlement Class, including the number of VanStar shares purchased and sold during the Settlement Class Period, and contain a statement of the reasons for objection. Only Members of the Settlement Class who have submitted written notices of objection in this manner will be entitled to be heard at the Settlement Hearing, unless the Court orders otherwise.

XIV. SPECIAL NOTICE TO NOMINEES

If you held any VanStar common stock purchased during the Settlement Class Period as nominee for a beneficial owner, then, within ten (10) days after you receive this Notice, you must either: (a) send a copy of this Notice and the Proof of Claim by first class mail to all such persons; or (b) provide a list of the names and addresses of such persons to the Claims Administrator:

VanStar 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 Proof of Claim and which would not have been incurred but for the obligation to forward the Notice and Proof of Claim, upon submission of appropriate documentation to the Claims Administrator.

XV. EXAMINATION OF PAPERS

This Notice is a summary and does not describe all of the details of the Stipulation. For full details of the matters discussed in this Notice, you may review the Stipulation filed with the Court, which may be inspected during business hours, at the office of the Clerk of the Court, Gale/Schenone Hall of Justice, 5672 Stoneridge Drive, Pleasanton, California 94588.

If you have any questions about the settlement of the Litigation, you may contact Rick Nelson, Milberg Weiss Bershad Hynes & Lerach LLP, 600 West Broadway, Suite 1800, San Diego, CA 92101, 619/231-1058.

DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE.

DATED: July 30, 2001

BY ORDER OF THE SUPERIOR COURT
OF CALIFORNIA, COUNTY OF ALAMEDA