

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO**

Civil Action No. 01-WM-0003 (Consolidated with 01-WM-0030, 01-WM-0033, 01-WM 0045, 01-WM-0057, 01-WM-0070, 01-WM-0085, 01-WM-0099, 01-WM-0112, 01-WM-0137, 01-WM-0157, 01-WM-0184, 01-WM-0189, 01-WM-0190, 01-WM-0246, 01-WM-0265, 01-WM-0283)

KEITH NORMAN, on behalf of himself and all others similarly situated,

Plaintiffs,

v.

NEW ERA OF NETWORKS, INC., GEORGE F. ADAM, JR., PATRICK J. FORTUNE and STEPHEN E. WEBB,

Defendants.

**NOTICE OF PENDENCY OF CLASS ACTION,
HEARING ON PROPOSED SETTLEMENT AND ATTORNEYS' FEE PETITION, AND
RIGHT TO SHARE IN SETTLEMENT FUND**

TO: ALL PERSONS WHO PURCHASED THE COMMON STOCK OF NEW ERA NETWORKS, INC. ("New Era") DURING THE PERIOD FROM OCTOBER 18, 2000 THROUGH AND INCLUDING JANUARY 5, 2001 (THE "CLASS PERIOD").

I. SUMMARY OF SETTLEMENT

I. Pursuant to the proposed settlement described here (the "Settlement"), a Settlement Fund consisting of an aggregate amount of \$5,000,000 in cash, plus interest, has been established. Plaintiffs estimate that there were approximately 19,100,000 shares of New Era common stock traded during the Class Period which may have been damaged as a result of the alleged wrongdoing described. Plaintiffs estimate that the average recovery per damaged share of New Era common stock under the Settlement is \$0.26 per damaged share before deduction of Court-awarded attorneys' fees and expenses. Depending on the number of claims submitted, the date during the Class Period a Class Member purchased his or her shares of New Era common stock, and whether those shares were held at the end of the Class Period or sold during the Class Period, and if sold, the date they were sold, an individual Class Member may receive more or less than this average amount. A detailed explanation of how each Class Member's claim will be calculated is set forth in the Plaintiffs' proposed Plan of Allocation appearing under the Section VII entitled "Plan Of Allocation Of Settlement Proceeds Among Class Members."

II. The parties disagreed on both liability and damages and do not agree on the average amount of damages per share that would be recoverable if Plaintiffs were to have prevailed on each claim alleged. The issues on which the parties disagree include (i) the appropriate economic model for determining the amount by which New Era common stock was allegedly artificially inflated (if at all) during the Class Period; (ii) the amount by which New Era common stock was allegedly artificially inflated (if at all) during the Class Period; (iii) the effect of various market forces influencing the trading price of New Era common stock at various times during the Class Period; (iv) the extent to which external factors, such as general market and industry conditions, influenced the trading price of New Era common stock at various times during the Class Period; (v) the extent to which the various matters that Plaintiffs alleged were materially false or misleading influenced (if at all) the trading price of New Era common stock at various times during the Class Period; (vi) the extent to which the various allegedly adverse material facts that Plaintiffs alleged were omitted influenced (if at all) the trading price of New Era common stock at various times during the Class Period; and (vii) whether the statements made or facts allegedly omitted were material or otherwise actionable under the federal securities laws.

III. Plaintiffs' Counsel intend to apply for fees of up to 20% of the Gross Settlement Fund, and for reimbursement of expenses incurred in connection with the prosecution of the above-captioned action (the "Action" or the "Litigation") in the approximate amount of \$60,000. The requested fees and expenses would amount to an average of approximately \$.055 per damaged share in total for fees and expenses, if the full twenty percent (20%) fee is requested. Plaintiffs' Counsel have expended considerable time and effort in the prosecution of this litigation on a contingent fee basis, and have advanced the expenses of the litigation, in the expectation that if they were successful in obtaining a recovery for the Class they would be paid from such recovery. In this type of litigation it is not unusual for counsel to be awarded a percentage of the common fund recovery as their attorneys' fees, but any fee must be reasonable and approved by the Court.

IV. Further information regarding the Action and this Notice may be obtained by contacting Plaintiffs' Lead Counsel: Norman Berman, Berman DeValerio Pease Tabacco Burt & Pucillo, One Liberty Square, Boston, Massachusetts 02109.

V. The principal reason for the Settlement is the benefit to be provided to the Class now. The Settling Parties recognize that continued

litigation of the Action through trial and appeals would be protracted and expensive, that it is desirable that the Litigation be fully and finally resolved, and that there are inherent risks and uncertainty in any litigation. The Parties believe that it is desirable and beneficial to them that the Action be settled. Counsel for the Lead Plaintiff believe that a recovery now will provide an immediate benefit to the members of the Class, which is superior to the risk of proceeding with the Action in the hope of a larger recovery later.

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS WILL BE AFFECTED BY PROCEEDINGS IN THIS ACTION. IF YOU ARE A CLASS MEMBER, YOU ULTIMATELY MAY BE ENTITLED TO RECEIVE BENEFITS PURSUANT TO THE PROPOSED SETTLEMENT DESCRIBED.

CLAIMS DEADLINE: CLAIMANTS MUST SUBMIT PROOFS OF CLAIM, ON THE FORM ACCOMPANYING THIS NOTICE, POSTMARKED ON OR BEFORE AUGUST 12, 2002.

EXCLUSION DEADLINE: REQUESTS FOR EXCLUSION MUST BE SUBMITTED POSTMARKED ON OR BEFORE JUNE 21, 2002.

SECURITIES BROKERS AND OTHER NOMINEES: PLEASE SEE INSTRUCTIONS ON PARAGRAPH XII.

VI. This Notice is given pursuant to Rule 23 of the Federal Rules of Civil Procedure **and an Order of the Court dated on or about April 30, 2002**. The purpose of this Notice is to inform you that this Action and the proposed Settlement will affect all Class Members' rights. This Notice describes rights you may have under the proposed Settlement and what steps you may take in relation to this Action. This Notice is not an expression of any opinion by the Court as to the merits of any claims or any defenses asserted by any party in this Action, or the fairness or adequacy of the proposed Settlement.

II. NOTICE OF SETTLEMENT FAIRNESS HEARING

1. NOTICE IS HEREBY GIVEN, pursuant to Rule 23 of the Federal Rules of Civil Procedure **and an Order of Court dated April 30, 2002**, that a hearing will be held before the Honorable Walker D. Miller in the United States Courthouse, 1929 Stout Street, Denver, Colorado 80294, at **1:30 p.m. on July 25, 2002** (the "Settlement Fairness Hearing") to determine whether a proposed settlement (the "Settlement") of the above-captioned action (the "Action") as set forth in the Stipulation and Agreement of Settlement dated on or about March 6, 2002 (the "Stipulation"), is fair, reasonable and adequate, and to consider the proposed Plan of Allocation for the Settlement proceeds and the application of Plaintiffs' Counsel for attorneys' fees and reimbursement of expenses.

2. By order dated April 30, 2002, the Court certified the Settlement Class for purposes of settlement only.

III. DEFINITIONS USED IN THIS NOTICE

As used in the Stipulation, the following terms have the meanings specified below:

1. "Authorized Claimant" means any Class Member whose claim for recovery has been allowed pursuant to the terms of the Stipulation and by the Court.

2. "Berman firm" means Berman DeValerio Pease Tabacco Burt & Pucillo, One Liberty Square, Boston, Massachusetts 02109 and 425 California Street, Suite 2025, San Francisco, California 94104.

3. "Claimant" means any Class Member who files a Proof of Claim in such form and manner, and within such time, as the Court shall prescribe.

4. "Claims Administrator" means the firm of Gilardi and Co., LLC, which shall administer the settlement.

5. "Class" means all persons who purchased or acquired the common stock of New Era between October 18, 2000 through and including January 5, 2001. Excluded from the Class are Defendants, members of the immediate families of the individual Defendants, any entity in which any Defendant has or had a controlling interest, directors and officers of New Era and the legal representatives, heirs, successors, or assigns of any such excluded person or entity. Also excluded from the Class are those persons who request exclusion from the Class through the process described under the Section IX entitled "The Rights Of Class Members."

6. "Class Period" means the period commencing on October 18, 2000, through and including January 5, 2001.

7. "Class Member" means a person or entity who falls within the definition of the Class as set forth herein.

8. "Defendants" means New Era, George F. Adam, Jr., Patrick J. Fortune and Stephen E. Webb.

9. "Effective Date" means the first date by which all of the events and conditions specified in §7.1 of the Stipulation of Settlement have been met and/or have occurred.

10. "Escrow Agent" means the Berman firm or its successor(s).

11. "Final" means: (i) the date of final affirmance on an appeal of the Judgment, the expiration of the time for a petition for, or a denial of, a writ of certiorari to review the Judgment, and, if certiorari is granted, the date of final affirmance of the Judgment following review pursuant to that grant; or (ii) the date of final dismissal of any appeal from the Judgment, or the final dismissal of any proceeding on certiorari to review the Judgment; or (iii) if no appeal is filed, the expiration date of the time for the filing or noticing of any appeal from the Court's Judgment approving the Stipulation; i.e., thirty (30) days after entry of the Judgment. Any proceeding or order, or any appeal or petition for a writ of certiorari pertaining solely to any plan of allocation and/or application for attorneys' fees, costs or expenses, shall not

in any way delay or preclude the Judgment from becoming Final.

12. "Lead Plaintiff" means Keith Norman.

13. "Lead Plaintiff's Counsel" means the Berman firm.

14. "Judgment" means the judgment to be rendered by the Court.

15. "Person" means an individual, corporation, partnership, limited partnership, association, joint stock company, estate trust, unincorporated association, government or any political subdivision or agency thereof, and any business or legal entity and their spouses, heirs, predecessors, successors, representatives, or assignees.

16. "Plaintiffs' Counsel" means (1) Lead Plaintiff's Counsel: the Berman firm, One Liberty Square, Boston, Massachusetts 02109 and 425 California Street, Suite 2025, San Francisco, California 94104; (2) Liaison Counsel: Lilley & Garcia, LLP, 1600 Stout Street, Suite 1100, Denver, Colorado 80202; and (3) all of the other attorneys who represented plaintiffs (or any one of them) in the course of the litigation

17. "Plan of Allocation" means a plan or formula of allocation of the Settlement Fund whereby the Settlement Fund shall be distributed to Authorized Claimants after payment of expenses of notice and administration of the settlement, taxes and tax expenses, and such attorneys' fees, costs, expenses and interest as may be awarded by the Court. Any Plan of Allocation is not part of the Stipulation, and Defendants shall have no responsibility or liability with respect thereto.

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

19. "Released Claims" shall collectively mean all claims (including "Unknown Claims" as defined herein), 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 Lead Plaintiff or Class Member against the Defendants arising out of, based upon or related to both the purchase or other acquisition of New Era common stock by any Class Member during the Class Period and the facts, transactions, events, occurrences, acts, disclosures, statements, omissions or failure to act which were or could have been alleged in the Action. Released Claims includes any and all claims arising out of, relating to, or in connection with the settlement of the Action.

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

21. "Settled Claims" means any and all claims, rights or causes of action or liabilities whatsoever, whether based on federal, state, local, statutory or common law or any other law, rule or regulation, including both known claims and Unknown Claims, that have been or could have been asserted in any forum by the Class Members or any of them against any of the Released Parties which arise out of or relate in any way to the allegations, transactions, facts, matters or occurrences, representations or omissions involved, set forth, referred to or that could have been asserted in the Complaint relating to the purchase of shares of the common stock of New Era during the Class Period.

22. "Settlement Fund" means the principal amount of Five Million Dollars (\$5,000,000) to be deposited into an interest-bearing account designated by Lead Plaintiff's Counsel.

23. "Settling Parties" means, collectively, each of the Defendants and the Lead Plaintiff, on behalf of himself and the Members of the Class.

24. "Unknown Claims" means any Released Claims which the Lead Plaintiff or any Class Member does not know or suspects 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 Lead Plaintiff shall expressly waive, and each of the 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.

IV. BACKGROUND OF THE LITIGATION

1. Defendant New Era develops, markets and supports software products that allow organizations to integrate information from unrelated computer systems within an organization. At all relevant times, the bulk of New Era's operating revenue was purportedly derived from licensing and servicing software products that the Company had either developed internally or had obtained by acquiring other software companies.

2. The Amended Consolidated Class Action Complaint dated September 7, 2001 filed in the Action (the "Complaint") alleges

violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the "Exchange Act") and Rule 10b-5 promulgated thereunder on behalf of an open market class of purchasers (the "Class") of New Era's publicly-traded securities during the period October 18, 2000 through and including November 21, 2000. The Settlement in this case encompasses a Class Period commencing on October 18, 2000 through and including January 5, 2001 in light of the fact that several of the complaints consolidated in this Action alleged damages through and including January 5, 2001.

3. Plaintiffs allege that Defendants misstated revenue in New Era's financial statements and public announcements by failing to disclose fully the substance behind certain transactions. The Complaint alleges that Defendants issued a press release on October 18, 2000 containing statements that misled investors concerning New Era's true revenues, growth rate, and other financial performance factors by failing to disclose New Era's practice of engaging in "barter" transactions by selling software to companies in exchange for non-marketable equity in those companies or software manufactured by those companies. The Complaint further alleges that Defendants knowingly and recklessly failed to disclose in New Era's October 18, 2000 press release, or during the conference call with analysts conducted on October 18, 2000, that these "barter" transactions resulted in New Era reporting \$10 million in licensing revenue in the third quarter of 2000. This recorded revenue accounted for 20% of New Era's revenue and 31% of its licensing revenue in the third quarter. The Complaint further alleges that the purpose and effect of Defendants' scheme, plan, and unlawful course of conduct was, among other things, to induce Plaintiff and the other members of the Class to purchase New Era common stock during the Class Period at artificially inflated prices.

4. Plaintiffs further allege that they and other members of the Class purchased New Era common stock during the Class Period at artificially inflated prices as a result of the Defendants' dissemination of false and misleading statements regarding New Era in violation of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, and Rule 10b-5.

V. SUBSEQUENT EVENTS

Pursuant to an exchange offer that concluded on April 26, 2001, Sybase Inc. (NYSE: SY) acquired approximately 80% of the Company's outstanding common stock. On June 19, 2001, Sybase announced that it had acquired New Era's remaining outstanding shares and New Era common stock has thereafter ceased to be publicly traded.

VI. BACKGROUND TO THE SETTLEMENT

1. The Defendants have denied all averments of wrongdoing or liability in the Action and all other accusations of wrongdoing or violations of law. The Stipulation is not and shall not be construed or be deemed to be evidence or an admission or a concession on the part of any of the Defendants of any fault or liability or damages whatsoever, and Defendants do not concede any infirmity in the defenses which they have asserted or intended to assert in the Action.

2. Prior to entering into the Stipulation, Plaintiffs' Counsel conducted an investigation relating to the events and transactions underlying Plaintiffs' claims. Plaintiffs' Counsel's decision to enter into this Settlement was made with knowledge of the facts and circumstances underlying Plaintiffs' claims and the strengths and weaknesses of those claims. In determining to settle the Action, they have evaluated the investigation taken in the Action and taken into account the substantial expense and length of time necessary to prosecute the Action through trial, post-trial motions, and likely appeals, taking into consideration the significant uncertainties in predicting the outcome of this complex litigation. Counsel for Plaintiffs believe that the Settlement confers substantial benefits upon the Class. Based upon their consideration of all of these factors, Plaintiffs and their counsel have concluded that it is in the best interest of Plaintiffs and the Class to settle the Action on the terms described herein.

3. All of the parties have now agreed to settle all aspects of the Action, subject to approval of the Court.

4. Plaintiffs' Counsel believe that the claims asserted in the Action have merit and that the damages in the Action are significant. However, counsel for the Lead Plaintiff recognize and acknowledge the expense and length of continued proceedings necessary to prosecute the Action, the risks and delays inherent in any complex litigation such as the federal securities law violations asserted in the Action, and the difficulties of ascertaining precisely the amount of loss attributable to the wrongful conduct. At the time the agreement in principle to settle the Action was reached, there was a motion to dismiss the Complaint pending. Accordingly, there was a significant risk that the case would not have survived a motion to dismiss (let alone summary judgment or trial), and that Plaintiffs would recover nothing.

Plaintiffs desired to settle the claims of the Class against Defendants on the terms and conditions described since substantial benefits are provided to the Class. Counsel for the Lead Plaintiff believe that a recovery now will provide an immediate benefit to the members of the Class, which is superior to the risk of proceeding with the Action in the hope of a larger recovery later. Plaintiffs' Counsel deem such settlement to be fair, reasonable and adequate, and in the best interests of the members of the Class.

5. The Defendants, while continuing to deny all allegations of wrongdoing or liability whatsoever, desired to settle and terminate all existing or potential claims against them, without in any way acknowledging any fault or liability.

6. The amount of damages, if any, that Plaintiffs could prove was also a matter of serious dispute, and the Settlement's use of a Recognized Claim formula for distributing the Settlement proceeds does not constitute a finding, admission or concession that provable damages could be measured by the Recognized Claim formula. No determination has been made by the Court as to liability or the amount, if any, of damages suffered by the Class, nor on the proper measure of any such damages. The determination of damages, like the determination of liability, is a complicated and uncertain process, typically involving conflicting expert opinions. During the course of the Action, Defendants, in addition to denying any liability, disputed that Plaintiffs and the Class were damaged by any wrongful conduct on the

part of Defendants. The Settlement herein provides an immediate and substantial cash benefit and avoids the risks that liability or damages might not have been proven at trial.

7. The Court has not determined the merits of the Plaintiffs' claims or the defenses thereto. This Notice does not imply that there has been or would be any finding of violation of the law or that recovery could be had in any amount if the Action were not settled.

VII. TERMS OF THE SETTLEMENT

1. In full and complete settlement of the claims which have or could have been asserted in this Action, and subject to the terms and conditions of the Stipulation, Defendants have paid into escrow on behalf of Plaintiffs and the Class \$5,000,000 (the "Cash Settlement Amount"), which has been earning interest for the benefit of the Class since March 8, 2002.

2. Pursuant to the Settlement, and on the Effective Date, Plaintiffs and other members of the Class on behalf of themselves, their heirs, executors, administrators, successors and assigns, and any persons they represent shall release and forever discharge, and shall forever be enjoined from prosecuting, the Released Parties with respect to each and every Settled Claim.

3. The Settlement will release all such claims against the Released Parties. If the Settlement is approved by the Court, all claims which have or could have been asserted in the Action, will be dismissed on the merits and with prejudice as to all the Released Class Members and all Class Members shall be forever barred from prosecuting a class action or any other action raising any Settled Claims against any Released Party.

4. The Stipulation provides that Defendants may withdraw from and terminate the Settlement in the event that in excess of a certain amount of claimants exclude themselves from the Class.

5. The Settlement will become effective on the Effective Date.

VIII. PLAN OF ALLOCATION OF SETTLEMENT PROCEEDS AMONG CLASS MEMBERS

1. Under the relevant securities laws, a claimant's recoverable damages are limited to the losses attributable to the alleged fraud. Losses which resulted from factors other than the alleged fraud are not compensable from the Settlement Fund. For purposes of the Settlement herein, a Class Member's distribution from the Net Settlement Fund will be governed by the proposed Plan of Allocation described below, or such other Plan of Allocation as may be approved by the Court.

2. The \$5,000,000 Cash Settlement Amount and the interest earned thereon shall be the Gross Settlement Fund. The Gross Settlement Fund, less all taxes, approved costs, fees and expenses (the "Net Settlement Fund") shall be distributed to Class Members who submit valid, timely Proof of Claim forms (Authorized Claimants) under this Plan of Allocation. The Plan of Allocation provides that you will be eligible to participate in the distribution of the Net Settlement Fund only if you have a recognized loss under this Plan of Allocation.

3. The Claims Administrator shall determine each Authorized Claimant's pro rata share of the Net Settlement Fund based upon each Authorized Claimant's "Recognized Claim." The Recognized Claim formula is not intended to be an estimate of the amount that a Class Member might have been able to recover after a trial; nor is it an estimate of the amount that will be paid to Authorized Claimants pursuant to the Settlement. The Recognized Claim formula is the basis upon which the Net Settlement Fund will be proportionately allocated to the Authorized Claimants.

4. Plaintiffs' Counsel, in consultation with their economic consultant on damages, have developed the following Plan of Allocation. The Plan of Allocation does not provide compensation for all trading losses that may have occurred during the Class Period because some trading losses resulted from stock price declines which cannot be shown to be related to the alleged wrongful conduct.

The Claims Administrator shall determine each Authorized Claimant's pro rata share of the Net Settlement Fund based upon each Authorized Claimant's "Recognized Claim." The Recognized Claim formula is not intended to be an estimate of the amount that a Class Member might have been able to recover after a trial; nor is it an estimate of the amount that will be paid to Authorized Claimants pursuant to the Settlement. The Recognized Claim formula is the basis upon which the Net Settlement Fund will be proportionately allocated to the Authorized Claimants.

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

5. An Authorized Claimant's "Recognized Claim" shall be calculated for purposes of the Settlement as follows:

1. For each share that was purchased on or after October 18, 2000 and before November 21, 2000 and:

- 1) Sold on or before November 20, 2000: no damages (\$0.00);
- 2) Sold on November 21, 2000: the number of shares purchased and sold multiplied by the lesser of (a) \$10.50 or (b) the actual purchase price minus the actual sales price;
- 3) Sold between November 22, 2000 and January 5, 2001: the number of shares purchased and sold multiplied by the lesser of: (a) \$13.30 or (b) the actual purchase price minus the actual sales price;
- 4) Sold between January 8, 2001 and April 4, 2001: the number of shares purchased multiplied by the lesser of (a) \$15.30 or (b) the actual purchase price minus the average price from January 8, 2001 through the date of sale; or
- 5) Held as of April 5, 2001: the number of shares purchased multiplied by the lesser of (a) \$15.30 or (b) the actual purchase price minus \$5.73.

2. For each share purchased on November 21, 2000 and:
 - 1) Sold on November 21, 2000: no damages (\$0.00);
 - 2) Sold between November 22, 2000 and January 5, 2001; the number of shares purchased and sold multiplied by the lesser of: (a) \$2.80 or (b) the actual purchase price minus the actual sale prices;
 - 3) Sold between January 8, 2001 and April 4, 2001: the number of shares purchased multiplied by the lesser of (a) \$4.80 or (b) the actual purchase price minus the average price from January 8, 2001 through the date of sale; or
 - 4) Held as of April 5, 2001: the number of shares purchased multiplied by the lesser of (a) \$4.80 or (b) the actual purchase price minus \$5.73.
3. For each share purchased on or after November 22, 2000 through January 5, 2001 and:
 - 1) Sold between November 22, 2000 and January 5, 2001: no damages (\$0.00);
 - 2) Sold between January 8, 2001 and April 4, 2001: the number of shares purchased multiplied by the lesser of (a) \$2.00 or (b) the actual purchase price minus the average price from January 8, 2001 through the date of sale; or
 - 3) Held through April 5, 2001: the number of shares purchased multiplied by the lesser of (a) \$2.00 or (b) the actual purchase price minus \$5.73.

6. Purchases during the Class Period will be matched against sales during the Class Period on a First-In, First-Out basis. Transactions resulting in a gain shall not be included. Each Authorized Claimant shall be allocated 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.

7. Class Members who do not submit acceptable Proofs of Claim will not share in the settlement proceeds. Class Members who do not either submit a request for exclusion or submit an acceptable Proof of Claim will nevertheless be bound by the Settlement and the Order and Final Judgment of the Court dismissing this Action.

8. Checks will be distributed 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 uncashed 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 distribution checks, any balance remaining in the Net Settlement Fund one (1) year after the initial distribution of such funds shall be re-distributed to Class Members who have cashed their checks and who would receive at least \$10.00 from such re-distribution. If after six months after such re-distribution any funds shall remain in the Net Settlement Fund, then such balance shall be contributed to non-sectarian, not-for-profit, 501(c)(3) organization(s) designated by Lead Plaintiff's Counsel.

IX. THE RIGHTS OF CLASS MEMBERS

1. The Court has certified this Action to proceed as a class action for settlement purposes only. If you are a Class Member, you have the following options pursuant to Rule 23 (c) (2) of the Federal Rules of Civil Procedure:

A. YOU MAY FILE A PROOF OF CLAIM

i) If you wish to remain a member of the Class, you may share in the proceeds of the Settlement, provided that you submit an acceptable Proof of Claim. Class Members will be represented by the Plaintiffs and their counsel, unless you enter an appearance through counsel of your own choice at your own expense. You are not required to retain your own counsel, but if you choose to do so, such counsel must file an appearance on your behalf on or before August 12, 2002, and must serve copies of such appearance on the attorneys listed in paragraph X below.

ii) In order to be eligible to receive any distribution from the Settlement Fund, you must complete and sign the attached Proof of Claim and Release form and send it by first class mail postmarked on or before August 12, 2002, addressed as follows:

In re New Era of Networks, Inc. Securities Litigation
 c/o Gilardi & Co. LLC
 Claims Administrator
 P.O. Box 5100
 Larkspur, CA 94977-5100

If you do not submit a proper Proof of Claim form, you will not be entitled to any share of the Settlement Fund.

iii) All Proofs of Claim must be submitted by the date specified in this Notice unless such period is extended by Order of the Court.

iv) Each Claimant shall be deemed to have submitted to the jurisdiction of the United States District Court for the District of Colorado with respect to his, her or its Proof of Claim.

B. YOU MAY REQUEST TO BE EXCLUDED

i) Each Class Member shall be bound by all determinations and judgments in this Action concerning the Settlement, whether favorable or unfavorable.

ii) If you do not wish to remain a Class Member, you may exclude yourself by mailing, by first class mail, a written request for exclusion from the Class, postmarked no later than June 21, 2002, addressed to New Era of Networks, Inc. Securities Litigation Exclusions, c/o Gilardi & Co. LLC, P.O. Box 5100, Larkspur, CA 94977-5100.

No person may exclude himself from the Class after that date.

iii) In order to be valid, each such request for exclusion must set forth the name and address of the person or entity requesting exclusion, must state that such person or entity "requests exclusion from the Class in the New Era of Networks, Inc. Securities Litigation, Civil Action No. 01-WM-0003" and must be signed by such person or entity. Persons and entities requesting exclusion are requested to also provide the following information: their telephone number, the date(s), price(s), and number(s) of shares of all purchases and sales of New Era common stock during the Class Period. The request for exclusion shall not be effective unless the request for exclusion provides the required information and is made within the time stated above, or the exclusion is otherwise accepted by the Court.

iv) Persons who exclude themselves from the Class will **NOT** receive any share of the Settlement Fund and will not be bound by the Settlement.

C. YOU MAY DO NOTHING

i) You may choose to take no action. Please note that if you are a Class Member and you do not submit a Proof of Claim, you will not share in the proceeds of the Settlement. However, if you do not properly exclude yourself from the Class, you will be bound by the Settlement and the Order and Final Judgment of the Court dismissing this Action.

ii) If you object to the Settlement or any of its terms, or to Plaintiffs' Counsel's application for fees and expenses, and if you do not exclude yourself from the Class, you may present your objections by following the instructions in Section X entitled "Settlement Fairness Hearing."

X. SETTLEMENT FAIRNESS HEARING

1. At the Settlement Fairness Hearing, the Court will determine whether to finally approve this Settlement and dismiss the Action and the claims of the Class Members. The Court will also determine whether the Plan of Allocation for the Settlement proceeds is fair and reasonable. The Settlement Fairness Hearing may be adjourned from time to time by the Court without further written notice to the Class. If you intend to attend the Settlement Fairness Hearing, you should confirm the date and time with the Court. If the Settlement is approved, the Court will also consider the application of Plaintiffs' Counsel for attorneys' fees.

2. At the Settlement Fairness Hearing, any Class Member who has not properly submitted a Request for Exclusion from the Class may appear in person or by counsel and be heard to the extent allowed by the Court in opposition to the fairness, reasonableness and adequacy of the Settlement, the Plan of Allocation, or the application for an award of attorneys' fees and reimbursement of expenses, provided, however, that in no event shall any person be heard in opposition to the Settlement, the Plan of Allocation, or Plaintiffs' Counsel's application for attorneys' fees and expenses and in no event shall any paper or brief submitted by any such person be accepted or considered by the Court, unless, on or before June 21, 2002, such person (a) files with the Clerk of the Court notice of such person's intention to appear, showing proof of such person's membership in the Class, and providing a statement that indicates the basis for such opposition, along with any documentation in support of such objection, and (b) simultaneously serves copies of such notice, proof, statement and documentation, together with copies of any other papers or briefs such person files with the Court, in person or by mail upon Plaintiffs' Lead Counsel:

Norman Berman
Berman DeValerio Pease Tabacco Burt & Pucillo
One Liberty Square
Boston, MA 02109

and upon Defendants' Counsel:

Terry T. Johnson, Esq.
WILSON SONSINI GOODRICH & ROSATI
650 Page Mill Road
Palo Alto, CA 94304-1050
(650) 493-9300

XI. ATTORNEYS' FEES AND DISBURSEMENTS

At the Settlement Fairness Hearing or at such other time as the Court may direct, Plaintiffs' Counsel intend to apply to the Court for an award of attorneys' fees from the Settlement Fund in an amount not greater than twenty percent (20%) of the Gross Settlement Fund and for reimbursement of their expenses up to a maximum amount of \$ 60,000 plus interest at the same rate as earned by the Settlement Fund. Plaintiffs' Counsel, without further notice to the Class, may subsequently apply to the Court for fees and expenses incurred in connection with administering and distributing the Settlement proceeds to the members of the Class.

XII. SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

If you purchased common stock of New Era during the period from October 18, 2000 through and including January 5, 2001 for the beneficial interest of a person or organization other than yourself, the Court has directed that, within seven days of your receipt of this Notice, you either (a) provide to the Claims Administrator the name and last known address of each person or organization for whom or which you purchased such stock during such time period, or (b) request additional copies of this Notice and the Proof of Claim form, which will be provided to you free of charge, and within seven days mail the Notice and Proof of Claim form directly to the beneficial owners of the securities

referred to herein. If you choose to follow alternative procedure (b), the Court has directed that, upon such mailing, you send a statement to the Claims Administrator confirming that the mailing was made as directed. You are entitled to reimbursement from the Settlement Fund of your reasonable expenses actually incurred in connection with the foregoing, including reimbursement of postage expense and the cost of ascertaining the names and addresses of beneficial owners. Those expenses will be paid upon request and submission of appropriate supporting documentation. All communications concerning the foregoing should be addressed to the Claims Administrator:

In re New Era of Networks, Inc. Securities Litigation
c/o Gilardi & Co. LLC
Claims Administrator
P.O. Box 5100
Larkspur, CA 94977-5100

XIII. FURTHER INFORMATION

1. For a more detailed statement of the matters involved in this Action, reference is made to the pleadings, to the Stipulation, to the Orders entered by the Court and to the other papers filed in the Action, which may be inspected at the Office of the Clerk of the United States District Court for the District of Colorado, United States Courthouse, 1929 Stout Street, Denver, Colorado 80294, during regular business hours.

2. ALL INQUIRIES CONCERNING THIS NOTICE OR THE PROOF OF CLAIM FORM BY CLASS MEMBERS SHOULD BE MADE TO THE CLAIMS ADMINISTRATOR IN WRITING AT THE ADDRESS INDICATED BELOW.

In re New Era of Networks, Inc. Securities Litigation
c/o Gilardi & Co. LLC
Claims Administrator
P.O. Box 5100
Larkspur, CA 94977-5100

INQUIRIES SHOULD NOT BE DIRECTED TO THE CLERK OF THE COURT OR TO THE JUDGE.

Dated: April 30, 2002

BY ORDER OF THE UNITED STATES
DISTRICT COURT FOR THE
DISTRICT OF COLORADO