

**IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE**

IN RE SALESFORCE.COM, INC. ) CONSOLIDATED  
DERIVATIVE LITIGATION ) C.A. No. 2018-0922-AGB

**NOTICE OF PENDENCY OF SETTLEMENT OF ACTION**

**TO: ALL CURRENT STOCKHOLDERS OF  
SALESFORCE.COM, INC.  
(TRADING SYMBOL: CRM)**

**PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS WILL BE AFFECTED BY THE LEGAL PROCEEDINGS IN THIS LITIGATION. IF THE COURT APPROVES THE PROPOSED SETTLEMENT, YOU WILL BE FOREVER BARRED FROM CONTESTING THE FAIRNESS, REASONABLENESS, AND ADEQUACY OF THE PROPOSED SETTLEMENT, OR PURSUING THE CLAIMS DEFINED HEREIN.**

**IF YOU HOLD SALESFORCE.COM, INC. COMMON STOCK FOR THE BENEFIT OF ANOTHER, PLEASE PROMPTLY TRANSMIT THIS DOCUMENT TO SUCH BENEFICIAL OWNER.**

**IF YOU DO NOT OBJECT TO THE PROPOSED SETTLEMENT, OR THE AGREED-TO ATTORNEYS' FEE AND EXPENSE AMOUNT DESCRIBED IN THIS NOTICE, YOU ARE NOT OBLIGATED TO TAKE ANY ACTION.**

**I. WHY ARE YOU RECEIVING THIS NOTICE?**

The purpose of this Notice is to inform you of (i) a lawsuit (the "Consolidated Action") in the Court of Chancery of the State of Delaware (the "Court") brought on behalf of salesforce.com, inc. ("Salesforce" or the "Company"); (ii) a proposal to settle the Consolidated Action as provided in a Stipulation of Compromise and Settlement (the "Stipulation") that sets forth the terms and conditions of the proposed settlement of this Consolidated Action ("Settlement"); and (iii) your right, among other things, to attend and participate in a hearing to be held on Tuesday, December 17, 2019 at 1:30 p.m., in the Court of Chancery, Leonard L. Williams Justice Center, 500 North King Street, Wilmington, Delaware 19801 (the "Settlement Hearing").<sup>1</sup>

If you are a current stockholder of Salesforce, this Notice describes the rights you may have under the Stipulation and what steps you may, but are not required to, take concerning the proposed Settlement. If the Court approves the Settlement, the parties will ask the Court to approve an Order and Final Judgment that would end the Consolidated Action.

**THE FOLLOWING DESCRIPTION DOES NOT CONSTITUTE FINDINGS OF ANY COURT. IT IS BASED ON STATEMENTS OF THE SETTLING PARTIES AND SHOULD NOT BE UNDERSTOOD AS AN EXPRESSION OF ANY OPINION OF ANY COURT AS TO THE MERITS OF ANY OF THE CLAIMS OR DEFENSES RAISED BY ANY OF THE SETTLING PARTIES. IT IS BEING SENT FOR THE SOLE PURPOSE OF INFORMING YOU OF THE EXISTENCE OF THIS ACTION AND OF A HEARING ON A PROPOSED SETTLEMENT SO THAT YOU MAY MAKE APPROPRIATE DECISIONS AS TO STEPS YOU MAY, OR MAY NOT, WISH TO TAKE IN RELATION TO THIS ACTION.**

**II. BACKGROUND: WHAT IS THE LAWSUIT ABOUT?**

This is a stockholder derivative lawsuit brought by Plaintiffs (defined below) on behalf of nominal defendant Salesforce against current and former members of Salesforce's Board of Directors (the "Board"). In this lawsuit, Plaintiffs alleged that the Board awarded its non-employee directors compensation for the Company's 2016 through 2019 fiscal years that was excessive and unfair to Salesforce.

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<sup>1</sup> All capitalized terms are defined in the Stipulation unless otherwise noted. The Stipulation may be inspected during regular business hours at the office of the Register in Chancery, Court of Chancery, Leonard L. Williams Justice Center, 500 North King Street, Wilmington, Delaware 19801.

Co-lead plaintiffs Judy Pill and Richard Lewkowicz and plaintiffs Shiva Stein and James Clem (together, “Plaintiffs”) are current Salesforce stockholders. Nominal defendant Salesforce is a Delaware corporation with its principal place of business in San Francisco, California. Defendants Marc Benioff, Keith Block, Craig Conway, Alan Hassenfeld, Neelie Kroes, Colin Powell, Sanford Robertson, John V. Roos, Lawrence Tomlinson, Bernard Tyson, Robin Washington, Maynard Webb, and Susan Wojcicki (collectively, the “Individual Defendants”) are current directors of Salesforce. Plaintiffs, the Individual Defendants, and Salesforce are collectively referred to herein as the “Settling Parties.”

The Individual Defendants other than defendants Benioff and Block are or were non-employee directors of Salesforce (the “Non-Employee Director Defendants”).

On June 21, 2018, Lewkowicz served upon Salesforce a books and records demand under 8 *Del. C.* § 220 (the “220 Demand”) seeking to inspect documents related to Salesforce’s non-employee director compensation.

On August 29, 2018, after execution of a Confidentiality and Non-Disclosure Agreement between Lewkowicz and Salesforce (the “NDA”), the Company provided documents for inspection to Lewkowicz in response to the 220 Demand.

On December 21, 2018, Pill commenced a derivative action captioned *Pill v. Benioff et al.*, C.A. No. 2018-0922-AGB (the “Pill Action”) in the Delaware Court of Chancery, asserting claims of breach of fiduciary duty against the Individual Defendants and unjust enrichment against the Non-Employee Director Defendants.

On January 15, 2019, Stein commenced a derivative action captioned *Stein v. Benioff et al.*, C.A. No. 2019-0028-AGB (the “Stein Action”) in the Delaware Court of Chancery, asserting claims of breach of fiduciary duty against the Individual Defendants and unjust enrichment against the Non-Employee Director Defendants.

On January 22, 2019, Lewkowicz commenced a derivative action captioned *Lewkowicz v. Conway et al.*, C.A. No. 2019-0047-AGB (the “Lewkowicz Action”) in the Delaware Court of Chancery, asserting claims of breach of fiduciary duty against the Individual Defendants and unjust enrichment against the Non-Employee Director Defendants.

On January 25, 2019, Clem commenced a derivative action captioned *Clem v. Benioff et al.*, C.A. No. 2019-0055-AGB (the “Clem Action”) in the Delaware Court of Chancery, asserting claims of breach of fiduciary duty against the Individual Defendants and unjust enrichment against the Non-Employee Director Defendants.

On January 30, 2019, the Court granted a Stipulation and Proposed Order Governing Consolidation and Leadership Among Plaintiffs and Defendants, which, among other things: (i) consolidated the Clem Action, the Lewkowicz Action, the Pill Action, and the Stein Action into the Consolidated Action; (ii) appointed Lewkowicz and Pill as Co-Lead Plaintiffs in the Consolidated Action; and (iii) appointed the law firms Purcell Julie & Lefkowitz LLP and Wolf Popper LLP as Co-Lead Counsel for Co-Lead Plaintiffs, Rosenthal, Monhait & Goddess, P.A. as Delaware Liaison Counsel, and Barrack, Rodos & Bacine and Robbins Arroyo LLP as members of Plaintiffs’ Executive Committee in the Consolidated Action.

Following consolidation, Pill, Stein, and Clem became parties to the NDA. On March 1, 2019, Co-Lead Plaintiffs filed a Verified Consolidated Stockholder Derivative Complaint in the Consolidated Action (the “Complaint”), asserting claims of breach of fiduciary duty against the Individual Defendants and unjust enrichment against the Non-Employee Director Defendants. In the Complaint, Co-Lead Plaintiffs alleged, among other things, that the compensation paid to the Non-Employee Director Defendants in the Company’s 2016, 2017, 2018, and 2019 fiscal years was excessive and unfair to Salesforce. For example, a report from December 2016 prepared by the Board’s compensation consultant found that when compared to Salesforce’s peer companies, the Board paid the Non-Employee Directors at the 99th percentile on a per-director basis, and at the 100th percentile when viewed cumulatively for all of the Company’s non-employee directors.

On March 8, 2019, April 22, 2019, May 20, 2019, June 20, 2019, and July 22, 2019, the Court granted stipulations and proposed orders extending Defendants’ time to answer, move, or otherwise respond to the Complaint.

From March 2019 through early May 2019, Co-Lead Plaintiffs and Defendants negotiated regarding a settlement of the claims asserted in the Consolidated Action, including working through several rounds of proposals and counter-proposals.

On May 1, 2019, the Court granted a Stipulation and Proposed Order Governing the Production and Exchange of Confidential Information.

On May 8, 2019, Co-Lead Plaintiffs and Defendants entered into a Memorandum of Understanding (the “MOU”) that was intended to fully resolve the claims in the Consolidated Action. The MOU was subject to the approval of the Board. In the MOU, Defendants agreed to provide reasonable, mutually agreeable discovery (“Confirmatory Discovery”) to Co-Lead Plaintiffs for the purpose of allowing Co-Lead Plaintiffs to determine that the Settlement is fair, reasonable, and adequate. Pursuant to the MOU, Co-Lead Plaintiffs could render the MOU null and void in the event they did not determine that the Settlement was fair, reasonable, and adequate after conducting Confirmatory Discovery.

On May 16, 2019, Salesforce produced documents to Co-Lead Plaintiffs as part of Confirmatory Discovery.

On June 6, 2019, the Board approved entry into the MOU.

On June 19, 2019, at the request of Co-Lead Plaintiffs, Salesforce produced additional documents to Co-Lead Plaintiffs as part of Confirmatory Discovery.

On June 27, 2019, counsel for Co-Lead Plaintiffs took the deposition of Sarah Dods, Esq., Salesforce’s Executive Vice President and Associate General Counsel, Corporate Transactions and Governance as part of Confirmatory Discovery.

On July 12, 2019, at the request of Co-Lead Plaintiffs, Salesforce produced additional documents to Co-Lead Plaintiffs as part of Confirmatory Discovery.

On July 18, 2019, Co-Lead Plaintiffs confirmed to Defendants that they believed that the Settlement embodied in the MOU is fair, reasonable, and adequate. Plaintiffs’ Counsel came to this belief after conducting an extensive investigation, including, among other things: (i) analyzing Salesforce’s public statements, SEC filings, and securities analysts’ reports and advisories about the Company; (ii) analyzing the SEC filings of other companies within Salesforce’s peer group and other large technology companies which could comprise a peer group of Salesforce in the future; (iii) reviewing media reports about the Company; (iv) reviewing documents produced to them pursuant to the 220 Demand and in Confirmatory Discovery; (v) conducting the deposition of Ms. Dods; (vi) understanding and reviewing the applicable law with respect to the claims alleged in the Consolidated Action and the potential defenses thereto; (vii) conducting damages analyses; and (viii) participating in informal conferences with Defendants’ Counsel regarding the specific facts of the case, the perceived strengths and weaknesses of the case, and other issues.

On September 13, 2019, Co-Lead Plaintiffs and Defendants entered into the Stipulation, which embodies the settlement terms provided for in the MOU.

After the completion of Confirmatory Discovery and following agreement among the Settling Parties to the terms of the Stipulation other than with respect to the amount of any attorneys’ fees and expenses to be paid to Plaintiffs’ Counsel, Plaintiffs’ Counsel and Salesforce separately negotiated and reached agreement regarding the amount of attorneys’ fees and expenses to be paid to Plaintiffs’ Counsel. Co-Lead Plaintiffs and Defendants did not discuss the appropriateness or amount of attorneys’ fees and expenses at any time prior to agreeing on all other terms in the Stipulation, and the Settling Parties understood at all times that the Settlement was not contingent on agreement or payment of any attorneys’ fees and expenses to Plaintiffs’ Counsel.

As a result of these negotiations, the Settling Parties reached an agreement to settle the Consolidated Action upon the terms and subject to the conditions set forth in the Stipulation.

### **III. HOW WAS THE SETTLEMENT REACHED?**

Prior to and following the filing of the Complaint, counsel for all Settling Parties engaged in arm’s-length negotiations concerning a possible settlement of the Action. After those arm’s-length negotiations and based on the investigation of Plaintiff’s Counsel, including the review of documents provided to them pursuant to the 220 Demand, the Settling Parties reached an agreement on the principal terms reflected in the MOU, which was signed by all Settling Parties on May 8, 2019, and following Confirmatory Discovery, the Stipulation, which was signed by all Settling Parties on September 13, 2019.

**THE COURT HAS NOT FINALLY DETERMINED THE MERITS OF 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 BY THE INDIVIDUAL DEFENDANTS OR THAT RECOVERY COULD BE HAD IN ANY AMOUNT IF THE CONSOLIDATED ACTION WAS NOT SETTLED.**

#### **IV. WHAT ARE THE TERMS OF THE SETTLEMENT?**

As a result of the filing, prosecution, and settlement of the Consolidated Action, and in consideration for the full and final Settlement and releases (described below) by Plaintiffs and the dismissal with prejudice of the Consolidated Action as to the Individual Defendants, the Settling Parties have agreed that for Salesforce's fiscal years beginning February 1 of each calendar year from 2020 through 2024, the mean total compensation paid to Salesforce's individual non-employee directors as reported in Salesforce's annual proxy statement for each fiscal year will be no more than the mean total compensation paid to the individual non-employee directors representing the 75th percentile of mean total individual non-employee director compensation among Salesforce's Peer Companies (defined below).

To accomplish this end, the Nominating and Corporate Governance Committee of the Board (the "Committee") will annually retain an independent compensation consultant (the "Consultant"). Prior to the Committee recommending the annual compensation for Salesforce's non-employee directors each year, and the Board approving such compensation (or taking no action to change existing compensation levels), the Consultant will, among other things, provide a report on non-employee director compensation practices at a group of peer companies (the "Peer Companies," and each a "Peer Company"), including an assessment of the mean total compensation paid to the individual non-employee directors of each of the Peer Companies as reported in their proxy statements for their most recently reported fiscal year (excluding any non-employee directors who served for less than a full year). In selecting the Consultant, the Committee shall consider the independence factors set forth in 17 CFR § 240.10C-1(b)(4), as may be amended or superseded, substituting the Committee for references to a compensation committee in that regulation. The Committee may, but is not required to, appoint as the Consultant the same independent compensation consultant that is appointed by the Board's Compensation Committee.

The Peer Companies will include at least fifteen (15) companies selected annually by the Committee in its sole discretion with the guidance of the Consultant. The Peer Companies selected by the Committee will be appropriate for Salesforce's industry, size (considering, for example, market capitalization, revenue, profitability, and/or employee count), and competitive environment for executives and/or directors.

The mean total compensation paid to Salesforce's individual non-employee directors for their Board service and service as the chair or member of any Board committee(s) as reported in Salesforce's annual proxy statement for each fiscal year will be no more than the mean total compensation paid to the individual non-employee directors at the Peer Company representing the 75th percentile of mean total individual non-employee director compensation among the Peer Companies as reported by the Peer Companies in their respective proxy statements for their most recently reported fiscal year (determined based on individual director compensation and not aggregate board of director compensation), as reported by the Consultant pursuant to Section IV.2.1.1 of the Stipulation. Notwithstanding the foregoing, the mean total compensation paid to the individual non-employee directors for any fiscal year after the fiscal year beginning on February 1, 2020 need not be reduced below the 75th percentile level as calculated by the Consultant applicable for Salesforce's fiscal year beginning on February 1, 2020. The mean total compensation paid to Salesforce's non-employee directors, for any year subject to this Stipulation, may be calculated in the manner required under the SEC rules for proxy reporting as applicable with respect to Salesforce's fiscal 2019 proxy statement filed in calendar year 2019, or in the manner that may be required under future SEC proxy reporting rules as then in effect, in the best judgment of the Consultant.

Where dividing the number of Peer Companies by four does not render a whole number, the 75th percentile shall be calculated as the mean of the two Peer Companies bracketing closest to the 75th percentile (one being above the 75th percentile and one being below the 75th percentile). The Consultant will use its best judgment in calculating the mean total individual non-employee director compensation for Salesforce and each of the Peer Companies, and may make appropriate adjustments to annualize multiyear compensation practices (for example, attributing 1/3 of the value of Amazon.com, Inc.'s triennial equity awards to each of the three years covered by the award).

**This Consolidated Action is not a "class action."** Because the Consolidated Action was brought as a derivative action, which is for the benefit of Salesforce, any monetary benefit or recovery in the Consolidated Action (whether from this Settlement or any settlement or through a judgment in favor of the Plaintiffs) would have gone to Salesforce. Salesforce stockholders will not receive any direct payment as a result of the Settlement and will not need to fill out any kind of claim form as a result of the Settlement.

The Settlement is contingent on receiving approval from the Court.

## **V. WHAT CLAIMS WILL THE SETTLEMENT RELEASE?**

*Under the Stipulation, the following releases will occur, except as noted below:*

The Releasing Persons (defined below) shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled, released, discharged, extinguished, and dismissed with prejudice the Consolidated Action and the Released Claims (defined below) against the Individual Defendants and each and all of the Released Persons (defined below) which the Releasing Persons ever had, now have, or may have; provided, however, that such release shall not affect any claims or impair or restrict the rights of any Settling Party to enforce the terms of the Stipulation.

The Released Persons shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled, released, discharged, extinguished, and dismissed with prejudice all claims (including Unknown Claims), arising out of, relating to, or in connection with the institution, prosecution, assertion, settlement, or resolution of the Consolidated Action against Plaintiffs and Plaintiffs' Counsel, and their predecessors, successors and assignees; provided, however, that such release shall not affect any claims or impair or restrict the rights of any Settling Party to enforce the terms of the Stipulation.

The "Releasing Persons" means Plaintiffs (both individually and derivatively on behalf of Salesforce), any other Salesforce stockholder acting or purporting to act on behalf of Salesforce, and Salesforce. "Releasing Person" means, individually, any of the Releasing Persons.

The "Released Persons" means the Individual Defendants and their predecessors, successors, subsidiaries, affiliates, agents, attorneys, insurers, and each of their past or present officers, directors, and employees. "Released Persons" also includes Salesforce and all current and former officers, directors, or employees of Salesforce that could have been named in the Consolidated Action.

The "Released Claims" means and includes any and all claims for relief or causes of action, debts, demands, rights, liabilities, losses, and claims whatsoever, known or unknown, fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, suspect or unsuspected, apparent or unapparent, and without regard to the subsequent discovery of additional or different facts, that have been or could have been or in the future might be asserted by Plaintiffs as stockholders of Salesforce, or any other Salesforce stockholder, or any other Person acting or purporting to act derivatively on behalf of Salesforce against the Released Persons, asserted in any of the complaints in the Consolidated Action or that could have been asserted in any of the complaints in the Consolidated Action or in any other forum arising out of, or based upon, any of the allegations, transactions, facts, matters, events, disclosures, non-disclosures, occurrences, representations, statements, acts or omissions, alleged or referred to in any of the complaints filed in the Consolidated Action; provided, however, that it is understood that "Released Claims" and any release provided by this Settlement shall not include: (a) any claims to enforce the Settlement, and (b) any claims by the Defendants or any other insured to enforce their rights under any contract or policy of insurance.

## **VI. WHAT ARE THE REASONS FOR SETTLING THE CONSOLIDATED ACTION?**

Plaintiffs believe the Consolidated Action has substantial merit, and Plaintiffs' entry into the Stipulation is not intended to be and shall not be construed as an admission or concession concerning the relative strength or merit of the claims alleged in the Consolidated Action. However, Plaintiffs and Plaintiffs' Counsel also recognize and acknowledge the significant risk, expense, and length of continued proceedings necessary to prosecute the Consolidated Action against Defendants through trial and through possible appeals. Plaintiffs' Counsel also have taken into account the uncertain outcome and the risk of any litigation, especially in complex cases such as the Consolidated Action, as well as the difficulties and delays inherent in such litigation. Plaintiff's Counsel also are mindful of the inherent problems of proof and possible defenses to the claims alleged in such actions.

Plaintiffs' Counsel have conducted a thorough review and analysis of the relevant facts, allegations, defenses, and controlling legal principles, and believe that the Settlement set forth in the Stipulation is fair, reasonable, and adequate, and confers substantial benefits upon Salesforce and its stockholders. As detailed above, Plaintiffs' Counsel have conducted an extensive investigation. Based upon Plaintiffs' Counsel's evaluation, Plaintiffs have determined that the Settlement is fair, reasonable, adequate, and in the best interests of Salesforce and its stockholders and have agreed to settle the Consolidated Action upon the terms and subject to the conditions set forth herein.

The Individual Defendants have denied, and continue to deny, any and all allegations of wrongdoing or liability asserted in the Consolidated Action. Without limiting the foregoing, the Individual Defendants have denied, and continue to deny, among other things, that they breached their fiduciary duties or any other duty owed to Salesforce or its stockholders; committed, threatened, or attempted to commit any violations of law or wrongdoing whatsoever; or that Plaintiffs, Salesforce, or Salesforce's stockholders suffered any damage or were harmed as a result of any act, omission, or conduct by the Individual Defendants alleged in the Consolidated Action or otherwise. The Individual Defendants have further asserted, and continue to assert, that at all relevant times, they acted in good faith and in a manner that they reasonably believed to be in the best interests of Salesforce and its stockholders. Defendants are entering into this Stipulation and the Settlement solely to eliminate the uncertainty, distraction, disruption, burden, risk, and expense of further litigation. Neither the Stipulation, nor any of its terms or provisions, nor entry of the Judgment, nor any document or exhibit referred or attached to the Stipulation, nor any action taken to carry out the Settlement, is, may be construed as, or may be used as evidence of the validity of any of the Released Claims, an admission by or against Defendants of any fault or wrongdoing, or a concession of liability whatsoever by any Person in the Consolidated Action, or any other actions or proceedings, whether civil, criminal, or administrative.

## **VII. HOW WILL THE ATTORNEYS FOR PLAINTIFFS GET PAID?**

After agreeing to the terms of the Settlement and the completion of Confirmatory Discovery, Plaintiffs' Counsel and counsel for Defendants separately negotiated the amount of the award of attorneys' fees and expenses to be paid to Plaintiffs' Counsel. The Settling Parties did not discuss the appropriateness or amount of attorneys' fees and expenses to be paid to Plaintiffs' Counsel until after the terms of the Settlement had been agreed upon. Defendants acknowledge and agree that Plaintiff's Counsel are entitled to a fee award. In recognition of the terms of the Settlement and the prosecution and settlement of the Consolidated Action, and subject to Court approval, Plaintiffs and their counsel intend to apply to the Court for a fee and expense award of \$1,000,000 in the aggregate (the "Fee and Expense Amount"). Salesforce has agreed that it will not object to the Fee and Expense Amount not in excess of \$1,000,000. This Fee and Expense Amount includes the fees and expenses incurred by Plaintiffs' Counsel in connection with the prosecution and settlement of the Consolidated Action. Plaintiffs' Counsel will not seek fees or expenses from the Court in excess of the agreed-to amount and Plaintiffs' Counsel will not make an application for attorneys' fees or expenses in any other jurisdiction. Except as otherwise provided herein, each of the Settling Parties shall bear his, her, or its own fees and costs.

## **VIII. WHEN WILL THE SETTLEMENT HEARING TAKE PLACE?**

The Court has scheduled a Settlement Hearing to be held on Tuesday, December 17, 2019 at 1:30 p.m., in the Court of Chancery, Leonard L. Williams Justice Center, 500 North King Street, Wilmington, Delaware 19801.

At the Settlement Hearing, the Court will consider whether the terms of the Settlement are fair, reasonable, and adequate and thus should be finally approved, whether Plaintiffs' Counsel's application for the Fee and Expense Amount should be approved, and whether the Consolidated Action should be dismissed with prejudice by entry of the Judgment pursuant to the Stipulation. The Court will also hear and determine objections, if any, to the proposed Settlement and/or Plaintiffs' counsel's application for the Fee and Expense Amount, and rule on such other matters as the Court may deem appropriate.

The Court may adjourn the Settlement Hearing from time to time without further notice to anyone other than the Settling Parties and any Objectors (defined below). The Court reserves the right to approve the Settlement at or after the Settlement Hearing with such modification(s) as may be consented to by the Settling Parties to the Stipulation and without further notice.

## **IX. DO I HAVE A RIGHT TO APPEAR AND OBJECT?**

Any current record or beneficial stockholder of Salesforce who objects to the Settlement, the Judgment proposed to be entered in the Consolidated Action, Plaintiffs' Counsel's application for the Fee and Expense Amount, or who otherwise wishes to be heard (an "Objector"), may appear in person or by his, her, or its attorney at the Settlement Hearing and present any evidence or argument that may be proper and relevant; *provided, however*, that no Objector shall be heard or entitled to contest the approval of the terms and conditions of the Stipulation, or, if approved, the Judgment to be entered thereon, unless he, she, or it has, no later than ten (10) calendar days before the Settlement Hearing (unless the Court in its discretion shall thereafter otherwise direct, upon application of such stockholder and for good cause shown), files with the Register in Chancery, Court of Chancery, Leonard L. Williams Justice Center, 500 North King Street, Wilmington, Delaware 19801, and serves (by File and ServeXpress, by hand delivery or overnight mail) on Plaintiffs' Counsel and Defendants' counsel, at the addresses below, the following: (i) proof of current ownership of Salesforce

stock; (ii) a written notice of the Objector's intention to appear; (iii) a detailed statement of the objections to any matter(s) before the Court; and (iv) the grounds for such objection(s) and the reasons for the Objector's desire to appear and to be heard, as well as all documents or writings which the Objector desires the Court to consider. In addition to the aforementioned Court address, the addresses for counsel upon whom such information should be served are as follows:

Jessica Zeldin  
ROSENTHAL, MONHAIT &  
GODDESS, P.A.  
919 N. Market Street, Suite 1401  
Wilmington, DE 19801

Lori W. Will  
WILSON SONSINI GOODRICH &  
ROSATI, P.C.  
222 Delaware Avenue, Suite 800  
Wilmington, DE 19801

*Attorneys for Plaintiffs*

*Attorneys for Defendants*

Any person or entity who fails to object in the manner prescribed above shall be deemed to have waived such objection (including the right to appeal), unless the Court in its discretion allows such objection to be heard at the Settlement Hearing, and shall forever be barred from raising such objection in the Consolidated Action or any other action or proceeding or otherwise contesting the Settlement, the Judgment, the award of any Fee and Expense Amount, or otherwise being heard, and will otherwise be bound by the Judgment to be entered and the releases to be given. You are not required to appear in person at the Settlement Hearing in order to have your timely and properly-filed objection considered.

**X. WHAT SHOULD I DO IF I AM A BENEFICIAL OWNER OF SALESFORCE STOCK?**

Brokerage firms, banks, and/or other persons or entities who hold shares of the common stock of Salesforce for the benefit of others, are requested to either: (i) promptly forward copies of this Notice to all of their respective beneficial owners; or (ii) promptly provide a list of the names and addresses of all such beneficial owners to KCC Class Action Services (the "Notice Administrator") at: Salesforce.com Derivative Litigation Notice Administrator, c/o KCC Class Action Services, P.O. Box 43434, Providence, RI 02940-3434.

If you choose the second option, the Notice Administrator will send a copy of the Notice to the beneficial owners. Additional copies of this Notice may also be obtained by emailing the Notice Administrator at [SalesforceDerivativeLitigation@kccllc.com](mailto:SalesforceDerivativeLitigation@kccllc.com).

**XI. HOW DO I GET ADDITIONAL INFORMATION ABOUT THE SETTLEMENT?**

This Notice summarizes the Settlement. It is not a complete statement of the events of the Consolidated Action or the Settlement and does not purport to be comprehensive.

For additional information about the claims asserted in the Consolidated Action and the terms of the proposed Settlement, please refer to the documents filed with the Court in the Consolidated Action and to the Stipulation. You may examine the Court files during regular business hours at the office of the Register in Chancery, Court of Chancery, Leonard L. Williams Justice Center, 500 North King Street, Wilmington, Delaware 19801. However, you must appear in person to inspect these documents. The Register in Chancery's office will not mail copies to you.

For more information concerning the Settlement, you may also call or write to Plaintiffs' Counsel as follows:

Douglas Julie  
PURCELL JULIE & LEFKOWITZ LLP  
708 Third Avenue - 6th Floor  
New York, New York 10017  
Telephone: (212) 792-0922

***PLEASE DO NOT WRITE OR CALL THE COURT OR THE OFFICE  
OF THE REGISTER IN CHANCERY REGARDING THIS NOTICE.***

BY ORDER OF THE COURT OF CHANCERY OF THE  
STATE OF DELAWARE

Dated: October 4, 2019

Register in Chancery