

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

IN RE SANDISK LLC SECURITIES LITIGATION

Case No. 3:15-cv-01455-VC

Hon. Vince Chhabria

NOTICE OF PENDENCY OF CLASS ACTION

If you purchased or otherwise acquired the publicly traded common stock of SanDisk Corp. during the period from October 16, 2014 through April 15, 2015, a class action lawsuit may affect your rights.

*A federal court authorized this Notice. This is not a solicitation from a lawyer.
Please read this Notice carefully and in its entirety.*

The purpose of this Notice is to inform you of a class action lawsuit now pending in the United States District Court for the Northern District of California (the “Court”) under the above caption (the “Action”) against SanDisk Corp. (“SanDisk” or the “Company”) and Individual Defendants Sanjay Mehrotra and Judy Bruner (collectively, “Defendants”). This Notice is intended only to advise you that the Action has been certified by the Court to proceed as a class action on behalf of certain purchasers of SanDisk common stock and your rights with respect to the Action.

The Court has not decided whether Defendants did anything wrong, and this Notice is not an admission by Defendants or an expression of any opinion of the Court concerning the merits of the Action. There is no settlement or monetary recovery at this time.

Please do not call or write the Court. If you have questions after reading this Notice, you should contact the Administrator or Class Counsel, as discussed below.

BASIC INFORMATION

1. Why did I get this Notice?

You received this Notice because the Court has certified a Class in this lawsuit and you were identified as a potential Class Member whose rights may be affected. This Notice explains that the Court has allowed, or “certified,” a class action lawsuit that may affect you.

A class action is a type of lawsuit in which one or several individuals or entities prosecute claims on behalf of all members of a group of similarly situated persons and entities (*i.e.*, the class) to obtain monetary or other relief for the entire group. Class actions avoid the necessity of each member of a class having to file his, her, or its own separate lawsuit to obtain relief.

The Court decided that this lawsuit can proceed as a class action because it meets the requirements of Federal Rule of Civil Procedure 23, which governs class actions in federal district courts. Specifically, the Court found that a significant number of investors purchased or otherwise acquired the publicly traded common stock of SanDisk during the Class Period (defined below) and that the claims alleged in the Action are common enough to apply to all of those investors.

Judge Vince Chhabria of the United States District Court for the Northern District of California is overseeing this class action. The lawsuit is titled *In Re SanDisk LLC Securities Litigation*, Case No. 3:15-cv-01455-VC. More information about why the Court is allowing this lawsuit to be a class action is in the Court’s Memorandum Opinion, which is available at www.SanDiskSecuritiesLitigation.com.

2. Who is included in the Class?

The Class, certified by the Court, consists of:

All persons and entities who purchased or otherwise acquired publicly traded shares of common stock of SanDisk Corporation from October 16, 2014 through April 15, 2015, inclusive (the “Class Period”) and were damaged thereby.

Excluded from the Class, by definition are: Defendants and their immediate family members; the officers and directors of the Company during the Class Period and their immediate family members; any entity in which Defendants have or had a controlling interest; and the legal representatives, heirs, successors, assigns, or affiliates of any excluded person. Also excluded from the Class are those who had (a) sold all of their SanDisk stock as of the first alleged corrective disclosure on March 26, 2015, and then (b) made no subsequent purchases between March 26, 2015 and April 15, 2015. Additionally, any person or entity that timely and validly requests exclusion, as explained in this Notice, will be excluded from the Class.

The Class definition is subject to change by Court order, pursuant to Rule 23 of the Federal Rules of Civil Procedure.

3. What if I’m still not sure if I am included in the Class?

If you are still not sure whether you are included in the Class, you can get additional information at www.SanDiskSecuritiesLitigation.com or by contacting the lawyers who were appointed Class Counsel in this Action at the address or phone number below. Receipt of this Notice does not mean you are a Class Member.

OVERVIEW AND STATUS OF THE ACTION

4. What is this case about and what has happened so far?

This case arises out of allegations that Defendants violated Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the “Exchange Act”) and Rule 10b-5 promulgated thereunder. Among other things, the Action alleges that during the Class Period, Defendants made false and misleading statements and failed to disclose material information concerning SanDisk’s enterprise business.

The initial complaint in the case was filed on March 30, 2015. On February 22, 2016 the Court issued an Order appointing City of Bristol Pension Fund; City of Milford, Connecticut Pension & Retirement Board; the City of Newport News Employees’ Retirement Fund; Massachusetts Laborers’ Pension Fund; and Pavers and Road Builders Pension, Annuity and Welfare Funds as “Lead Plaintiffs” pursuant to the Private Securities Litigation Reform Act of 1995. In the same Order, the Court approved Lead Plaintiffs’ selection of Scott+Scott Attorneys at Law LLP as “Lead Counsel” for the Class.

The operative complaint in the Action, the Second Amended Consolidated Class Action Complaint for Violations of the Federal Securities Laws (the “Complaint”), was filed on July 15, 2016. Lead Plaintiffs claim that Defendants made materially false and misleading statements and failed to disclose information to investors about the performance of SanDisk’s enterprise business in violation of the Exchange Act. Lead Plaintiffs further allege that the false and misleading statements and omissions artificially inflated the price of SanDisk’s common stock and that, when Defendants later disclosed the truth that the enterprise business was not performing as strongly as previously touted, SanDisk’s stock price dropped. The Complaint, which describes Lead Plaintiffs’ allegations in further detail, and the Court’s Order on the Motion to Dismiss, are available at www.SanDiskSecuritiesLitigation.com.

Defendants moved to dismiss the Complaint and its prior iterations several times. On January 20, 2017, they filed their final motion to dismiss, and Lead Plaintiffs opposed that motion thereafter. On June 22, 2017, the Court issued an Order denying Defendants’ motion to dismiss.

On August 7, 2017, Defendants answered the Complaint, denying Lead Plaintiffs’ claims and asserting various affirmative defenses.

On January 19, 2018, Lead Plaintiffs filed their motion for class certification. Following briefing on the motion and oral argument, on September 4, 2018, the Court issued an Order granting Lead Plaintiffs’ motion, certifying the Class, appointing Lead Plaintiffs as “Class Representatives,” and appointing Class Counsel. The Court’s Order is available at www.SanDiskSecuritiesLitigation.com.

The parties have completed discovery. At least Defendants anticipate filing summary judgment motions. Trial is scheduled to begin on May 28, 2019.

5. How do Defendants respond to the allegations in the Complaint?

Defendants deny any wrongdoing in the Action and believe that Class Representatives' claims are without merit. Among other things, Defendants contend that they did not make any false or misleading statements; that Defendants did not act with scienter; and that the Class Representatives cannot show damages.

6. Has the Court decided who is right?

The Court has not decided the claims and there has been no monetary recovery.

If a settlement of the lawsuit is reached, it will be subject to approval by the Court. Class Members will be sent additional notice of any proposed settlement and members of the Class who have not excluded themselves will have an opportunity to object to the proposed settlement and to submit a Proof of Claim form to demonstrate their entitlement to any payment. Similarly, the Court may also direct further notice to the Class following any judgment that may be entered after a trial of this case, or for any other reason that the Court may determine.

7. Is there any money available now?

No money or any other benefits are available now because the Court has not yet decided whether Defendants violated the Exchange Act, and the Parties have not settled the case. There is no guarantee that money or any other benefit will ever be obtained. If there is a recovery, you will be notified about how to ask for your share.

YOUR RIGHTS AND OPTIONS

If you are a Class Member, you have the right to decide whether to stay in the Class or to ask to be excluded from the Class. If you are a member of the Class and wish to be excluded from the Class, you must request exclusion in accordance with the procedure set forth in Question 10 below.

8. What happens if I am a Class Member and I do nothing?

If you are a Class Member and you do nothing, you will stay in the Class. This means you will be legally bound by all of the orders the Court issues and judgments the Court makes in this Action, whether favorable or unfavorable. If you stay in the Class and money is paid to the Class, either through a settlement with Defendants or a judgment of the Court after trial, you may be eligible to receive a share of that recovery. Keep in mind that if you do nothing now, regardless of whether Class Representatives win or lose the case, ***you will not be able to sue Defendants in any other lawsuit about the same claims that are the subject of this Action.***

If you choose to remain a member of the Class, you do not have to do anything at this time other than retain your financial records reflecting all of your transactions (purchases and sales) in SanDisk common stock and any other documents relating to SanDisk. If there is a recovery in the future, members of the Class will be required to support their requests for payment by demonstrating their membership in the Class and documenting their purchases and sales of SanDisk publicly traded common stock and their resulting damages. Neither Class Representatives, the Company, nor the Administrator have information about your transactions in SanDisk common stock. Your broker may not keep your records for as long as you need. For these reasons, please be sure to keep all records of your transactions in SanDisk common stock and any other documents relating to SanDisk.

9. If I am a Class Member, why would I ask to be excluded?

If you want to pursue your own lawsuit or claims against Defendants about the conduct in this case, do not want to be bound by what the Court does in this case, or if you simply do not want to be part of the Class pursuing claims against Defendants, ***you must ask to be excluded from the Class.*** If you exclude yourself from the Class—which means to remove yourself from the Class and is sometimes called “opting-out” of the Class—you will not be legally bound by any past, present, or future Court orders or judgments in this Action, and will keep any right you may have to individually sue Defendants in the future. However, if you exclude yourself, you also will not get any money or any other benefits from this lawsuit, if there are any.

If you start your own lawsuit against Defendants after you exclude yourself, you will have to hire and pay your own lawyer for that lawsuit, and you will have to prove your claims. Please note that if you decide to exclude yourself from the Class, you should consult with an attorney and discuss whether your individual claim would be time-barred by the applicable statutes of limitations or repose.

Pursuant to Rule 23(e)(4) of the Federal Rules of Civil Procedure, it is within the Court's discretion whether to allow a second opportunity to request exclusion from the Class if there is a settlement or judgment in the Action.

10. If I am a Class Member, how do I ask the Court to be excluded from the Class? ("Opt-Out")

If you wish to be excluded from the Class ("opt-out"), you must submit a letter stating that you "request exclusion from the Class in *In re SanDisk LLC Securities Litigation*, No. 3:15-cv-01455-VC (N.D. Cal.)." Your request for exclusion must: (i) state the name, address, and telephone number of the person or entity requesting exclusion; (ii) state the number of shares of SanDisk common stock that the person or entity requesting exclusion purchased/acquired and sold during the Class Period, as well as the dates and prices of each such purchase/acquisition and sale; and (iii) be signed by the person or entity requesting exclusion or an authorized representative. You must either mail your exclusion request or submit it using the case website, so that it is **postmarked or submitted no later than February 28, 2019** to:

SanDisk Securities Litigation
Administrator
P.O. Box 3058
Portland, OR 97208-3058
www.SanDiskSecuritiesLitigation.com.

You cannot exclude yourself from the Class by telephone or by email, and a request for exclusion will not be effective unless it contains all the information called for by this section and is postmarked or submitted by the date stated above, or is otherwise accepted by the Court.

Only request exclusion if you do not wish to participate in the Action and do not wish to share in any potential recovery that the Class may obtain.

THE LAWYERS REPRESENTING THE CLASS

11. Do I have a lawyer in this case?

As a member of the Class, you will be represented by Class Counsel who are:

DEBORAH CLARK-WEINTRAUB
MAX R. SCHWARTZ
SCOTT+SCOTT ATTORNEYS AT LAW LLP
The Helmsley Building
230 Park Avenue, 17th Floor
New York, NY 10169
Telephone: (212) 223-6444
Facsimile: (212) 223-6334

Unless you hire your own personal lawyer, as a Class Member you will not have any direct obligations to pay the costs of this lawsuit. In the event there is a recovery by the Class, all costs and expenses, including Class Counsel's attorneys' fees, will be paid from that recovery in an amount that is approved by the Court. If there is no recovery, Class Counsel will not receive any attorneys' fees or expenses.

12. If I am a Class Member, can I get my own lawyer?

You do not need to hire your own lawyer, because Class Counsel are already working on your behalf. However, you have the right to retain your own personal lawyer at your own expense. If you retain separate counsel to represent you in this case, your counsel must enter an appearance on your behalf by filing a Notice of Appearance with the Court and mailing it to Class Counsel at the address set forth above **on or before February 28, 2019**.

GETTING MORE INFORMATION

13. Where can I get more information?

If you want more detailed information, you may contact Class Counsel or visit www.SanDiskSecuritiesLitigation.com, where you will find case-related documents and detailed information regarding the Action. You may also call Epiq Global, Inc., (the “Administrator”) at 877-432-3788. Please do not call or write the Court.

14. What if my address has changed?

If this Notice was mailed to you at an old address, or if you move, please advise the Administrator of your current address so that you can receive any future notices and/or Proof of Claim forms. If you are not a member of the Class, you may discard this notice. Any change to your address should be mailed to:

SanDisk Securities Litigation
Administrator
P.O. Box 3058
Portland, OR 97208-3058

NOTICE TO BROKERS AND CUSTODIANS

If, for the beneficial interest of any person or entity other than yourself, you purchased the publicly traded common stock of SanDisk during the period from October 16, 2014 through April 15, 2015, you must, within ten (10) calendar days of receipt of this Notice, either: (i) request from the Administrator sufficient copies of the Notice to forward to all such beneficial owners and mail those Notices yourself within ten (10) calendar days after receiving them, and also provide the Administrator with email addresses for all such beneficial owners; or (ii) within ten (10) calendar days of receipt of this Notice, provide a list of the names, addresses, and email addresses of all such beneficial owners to the Administrator at *In Re SanDisk LLC Securities Litigation*, c/o Administrator, P.O. Box 3058, Portland, OR 97208-3058. If you choose the first option, **you must send a statement to the Administrator confirming that the mailing was made and you must retain your mailing records for use in connection with any further notice** that may be provided in the Action. If you choose the second option, the Administrator will send a copy of the Notice to the beneficial owners. If email addresses are not available, you must notify the Administrator of that fact and explain why. Upon **full and timely** compliance with these directions, such nominees may seek reimbursement of their reasonable expenses actually incurred by providing the Administrator with proper documentation supporting the expenses for which reimbursement is sought.

Dated: January 9, 2019

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA