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July 21, 2006

Hon. Susan Illston
United States District Judge
United States District Court for the
Northern District of California
450 Golden Gate Avenue
San Francisco, CA 94102

Re: In Re SupportSoft Sec. Litig., No. C 04-5222 SI, Discovery Issue

Dear Judge Illston:

In accordance with your standing order on discovery disputes (effective June 23, 2006), Plaintiffs request, by letter brief, that the Court overrule three objections which the Defendants have made to Plaintiffs' Requests for Documents and direct the Defendants to produce the requested documents. Copies of Plaintiffs' Document Requests and Defendants' Responses are attached as Exhibits A and B respectively.

A. Applicable Time Period for Discovery Responses

Defendants have objected to providing documents which were created prior to the Class Period – specifically, to any documents except those "created between January 20, 2004 and October 20, 2004" (which Defendants characterize as the "Relevant Period") and any created later which are "relating to relevant events that occurred during the Relevant Period." Defendants' Response at 4 (General Objection "N").

Defendants' response is inadequate. Plaintiffs attempted to limit the time frame covered by their requests to the contentions of the parties. The Corrected Amended Consolidated Class Action Complaint (the "Complaint") alleges that Defendants made false or misleading statements during the Class Period which related to the Company's long-standing business model, its financial results since 2001, and its anticipated future financial performance. Plaintiffs' discovery requests, accordingly, seek contemporaneous documents from the time periods referred to in Defendants' false and misleading remarks. Defendants' attempt to limit this time frame would improperly protect from discovery highly probative and material information.

Most of Plaintiffs' requests for Production requested documents from the 2003-2004 time period, because the allegations of the Complaint specifically relate to that period. For example, the Complaint alleges that on January 20, 2004, CEO Basu stated that "2003 was a breakaway

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year for SupportSoft" in which it "established . . . leadership in service and support automation solutions," and CFO Beattie indicated that the Company's "nine consecutive quarters of sequential growth" were the result of "crisp execution" "focus on customers" and a "tight control of spending." Compl., ¶¶ 23-24. Compl., ¶¶ 26, 28. In contrast, Plaintiffs allege that customers found SupportSoft's products to be problematic, that major customers were unhappy, that sales were slowing, and that the Company was only able to achieve the appearance of an unbroken record of growth from the last quarter of 2001 to the second quarter of 2004 by: (a) granting concessions to holders of existing ratable licenses who would agree to let Defendants convert those licenses to perpetual licenses in order to accelerate license payments; and (b) boosting short-term revenue through writing all new licenses as perpetual licenses at the expense of the long-term revenue generated by ratable licenses. Compl., ¶¶ 35-43.

Much of the relevant, probative evidence of these allegations will be contemporaneous documents from the consecutive quarters of growth referred to in Beattie's comments, especially the 2003 period referenced in Basu's comments. Thus, while the 2004 period is also critical to other allegations of the Complaint (such as Defendants' false and misleading statements in April and July of 2004, SupportSoft's declining sales, the corrective disclosure and subsequent stock price drop), many of the allegations of the Complaint depend upon documentation from the period prior to January 20, 2004. See King v. E.F. Hutton & Co., 117 F.R.D. 2, 7 (D.D.C. 1987). ("With reference to information concerning activities of the defendants . . . prior to February 1, 1981, it is obvious that the representation of past successes . . . make such information highly relevant to the issues in this case." Accord, In re Advanced Interventional Systems Sec. Litig., [1993 Transfer Binder] Fed. Sec. L. Rep. (CCH) ¶ 97,694 at p. 97,222, 1993 WL 331006, at *3 (C.D. Cal. May 17, 1993).

Similarly, where Plaintiffs requested documents from a different time period, the rationale was based on the allegations of the parties. The requests for production that did specify a different time-period were the following:

- Documents relating to customer complaints or product problems (Requests 1-3). The customer complaints and product problems alleged in the Complaint began in 2002 or earlier. Requests 1 though 3 seek the production of documents relating to those problems from 2002 through 2004 because during the Class Period Defendants described their "record-setting" consecutive quarters of growth (which began in the fourth quarter of 2001) as being the result, in part, of their "crisp execution" and technological leadership. Compl., ¶¶ 21-28.
- Documents relating to the "mix" between ratable and perpetual licenses (Requests 13, 14, 15, 20, 21, 22, 24, 25, 26, 30, 31, 32, 33). The Complaint alleges that Defendants changed from a "blended" business model to one that relied almost entirely on perpetual licenses. A meaningful analysis of this claim requires going back to the period when the blended model was actually in use.

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Consequently, Plaintiffs requested documents from the period 2002-2004. Requests 27-29 requested documents from a longer period (1995-2004) if those documents specifically referenced the "blended" model, and documents communicating this idea of a "blended" model (also referred to as a "license" or "business" model) to analysts, investors, brokers and the media. Defendant Basu is quoted in paragraph 54 of the Complaint as explaining the shortfall in third quarter 2004 revenue and earnings as the result of the Company's change in its business model: "However, at a business model level this [shift to perpetual licenses] goes against the fundamentals of the company going back five years when we pioneered the term 'license model'" Plaintiffs need access to documents supporting Basu's statement in order to show the undisclosed change in SupportSoft's business model.

- Request Nos. 16-17 actually use a shorter time period (documents created during 2004), because the requests relate specifically to events of that year.
- Request No. 40 also necessitated a longer time frame because it related to stock sales by individual defendants. Stock sales support an inference of scienter when they are suspicious in timing or amount. See, e.g., In re Daou Systems, Inc. Sec. Litig., 411 F.3d 1006, 1022 (9th Cir. 2005), cert. denied, 126 S. Ct. 1335 (2006). Documents tending to demonstrate selling patterns over time and reasons for sales are important to determining whether stock sales during the relevant period are in fact suspicious. Defendants put their prior stock trading pattern in issue in both of their Motions to Dismiss. Plaintiffs must assume that they will raise the issue again in a summary judgment motion or at trial. Accordingly, Plaintiffs requested documents relating to such trading for the period from 2000 to the present.

Defendants' claim that the time periods set out in these document requests are overly broad and unduly burdensome is without foundation. See Williams v. City of Dothan, 745 F.2d 1406, 1415-16 (11th Cir. 1984) (where the documents requested by the plaintiffs, although from earlier time periods, are highly relevant to plaintiffs' case and the defendants fail to show that production would be a significant burden or that the plaintiffs' requests constitute an abuse of the judicial process, the court should adhere to the liberal spirit of the Rules and require production

¹ See Defendants' Memorandum of Points and Authorities in Support of their Motion to Dismiss (Document 40), at 19 (May 20, 2005) and Defendants' Memorandum of Points and Authorities in Support of their Motion to Dismiss (Document 63), at 22 (Sept. 23, 2005).

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of the requested documents.)² Plaintiffs made every effort to limit their discovery requests to the shortest time period that was likely to provide documents relevant to the claims and defenses at issue. Defendants' General Objection N is designed to prevent Plaintiffs from obtaining evidence relevant to important allegations of the Complaint and necessary to the proof of Plaintiffs' case. Therefore, Plaintiffs respectfully request that the Court overrule Defendants' general objection N and require Defendants to produce requested documents from the time periods specified in the Requests.

B. Objections Related to Customer Complaints

Plaintiffs requested all documents related to customer complaints that software licensed by the customer from the Company was not performing properly or was not performing the functions the software had been represented as being able to perform (Request No. 1), and all documents relating to Company employees or consultants attempting to modify software in order to enable it to perform functions that the customer stated that the software was not performing (Request No. 3). Defendants objected and declined to provide such documents on the grounds that the requests were overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence because software complaints are routine in the industry, as is the need to customize software for particular clients.

Plaintiffs are entitled to obtain discovery relevant to the allegation of paragraph 35 of the Complaint, that "important customers were finding the [SupportSoft] software to be problematic and incapable of performing the functions promised by SupportSoft." See also Compl., ¶¶ 46-47. This cannot be done without reviewing customer complaints and modification requests. If Defendants are contending that customer complaints and requests were voluminous in 2002 and 2003, that would certainly be probative evidence that their claims of crisp execution and technical leadership were false or misleading. Production of such information would not be unduly burdensome, since it has a direct bearing on important allegations in the Complaint.

Conclusion

For the reasons discussed above, Plaintiffs respectfully request that this Court overrule Defendants' General Objection N, and Defendants' objections to Requests 1 and 3, and require

² See also 6 Moore's Federal Practice §26.41[12] at p. 26-146.8 (Matthew Bender 3d ed. 2006) ("There is little or no reason to surmise that the limitations on 'relevance' effected by the 2000 amendments to Rule 26(b)(1) will restrict discovery of information concerning facts or incidents occurring remotely in time or place to the acts on which the action is based. When the Courts permitted such discovery before the 2000 amendments, they almost uniformly did so on the basis of allegations contained in the claim or defense of one or more of the parties.")

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the Defendants to produce all non-privileged documents within the time periods specified in the Requests and that are otherwise responsive to Plaintiffs' Document Request.

Respectfully,

/s/ Joseph Sternberg

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Admitted Pro Hac Vice
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Labaton Sucharow

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CERTIFICATION PURSUANT TO FEDERAL RULE 37(a)(2)(A)

I certify that counsel for Plaintiffs and Defendants met and conferred, in person, on May 11 and 12, 2006, and through telephonic and written communications on numerous occasions both before and after May 11 and 12, 2006, in good-faith efforts to resolve the disputes related to Plaintiffs' Document Request. Although the parties were successful in resolving most of the disputes, the parties were unable to resolve the disputes addressed in this Motion to Compel.

/s/ Joseph Sternberg
Joseph Sternberg
LABATON SUCHAROW & RUDOFF LLP

Document hosted at JDSUPRA

http://www.jdsupra.com/post/documentViewer.aspx?fid=7b3bebc3-e037-4765-a52d-77fad8118c53

Exhibit A

Case 3:04-cv-05222-SI Document 113 Filed 07/21/2006 Page 8 of 51 Document hosted at JDSUPRA http://www.jdsupra.com/post/documentViewer.aspx?fid=7b3bebc3-e037-4765-a52d-77faq8118c53 LIONEL Z. GLANCY, ESQ. #134180 1 PETER A. BINKOW, ESQ. #173848 MICHAEL GOLDBERG #188669 2 GLANCY BINKOW & GOLDBERG LLP 3 1801 Avenue of the Starts, Suite 311 Los Angeles, California 90067 Telephone: (310) 201-9150 4 Telecopier: (310) 201-9160 5 JOSEPH STERNBERG JONATHAN M. PLASSE 6 CHRISTOPHER J. KELLER 7 LABATON SUCHAROW & RUDOFF LLP 100 Park Avenue 8 New York, New York 10017-5563 Telephone: (212) 907-0700 Telecopier: (212) 818-0477 9 jsternberg@labaton.com 10 ANDREW M. SCHATZ JEFFREY S. NOBEL 11 MARK P. KINDALL SCHATZ & NOBEL, P.C. 12 20 Church Street Hartford, Connecticut 06103 13 Telephone: (860) 493-6292 14 Telecopier: (860) 493-6290 Attorneys for Plaintiffs 15 UNITED STATES DISTRICT COURT 16 NORTHERN DISTRICT OF CALIFORNIA 17 18 In re SUPPORTSOFT, INC. SECURITIES 19 LITIGATION Civil Action No. C 04-5222 SI 20 This document relates to: 21 ALL ACTIONS 22 23 24 25 PLAINTIFFS' FIRST REQUEST 26 FOR THE PRODUCTION OF DOCUMENTS 27 28 FIRST REQUEST FOR THE PRODUCTION OF DOCUMENTS

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Document hosted at JDSUPRA http://www.idsupra.com/post/documentViewer.aspx?fid=7b3bebc3-e037-4765-a52d-77fat/8118c53

Pursuant to Rule 34 of the Federal Rules of Civil Procedure, Plaintiffs hereby request that defendants SupportSoft, Inc. ("SupportSoft" or the "Company"), Radha R. Basu ("Basu") and Brian M. Beattie ("Beattie") produce for inspection and copying the documents described herein that are in the possession, custody or control of defendants or SupportSoft's officers, agents, employees or attorneys, the production of which shall be within thirty (30) days of the date of service hereof at the offices of Labaton Sucharow & Rudoff LLP, 100 Park Avenue, New York, New York 10017, or at such other time and place mutually agreed upon by the parties.

DEFINITIONS

The following definitions and instructions apply to the following document requests:

- "And" and "or" are to be construed either disjunctively or conjunctively whenever 1. appropriate in order to bring within the scope of this document request documents which otherwise might be considered to be beyond its scope.
- 2. "Communication" means, without limitation, the transmittal, by whatever means, of information in the form of facts, data, ideas, and/or inquiries.
- The terms "concerning," "relating" and "referring" are synonymous and mean 3. relating to, referring to, describing, evidencing, commenting on, responding to, showing, analyzing, discussing, reflecting or constituting, without limitation.
 - 4. "Defendants" means SupportSoft and the Individual Defendants.
- "Document" or "documents" is synonymous in meaning and equal in scope to the 5. usage of the term in Federal Rule of Civil Procedure 34(a) and includes, without limitation, written and printed material as well as Electronically Stored Information (as defined below), drafts; communications; correspondence; memoranda; records; reports; books; financial information, reports and/or summaries of personal conversations or interviews; diaries; graphs; charts; diagrams; tables; photographs; recordings; tapes, microfilms; minutes, records, reports and/or summaries of meetings or conferences; records and reports of consultants; press releases; stenographic, handwritten or any other notes; work papers; checks, front and back; check vouchers, check stubs or receipts; tape data sheets or data processing cards or discs or any other written, recorded, transcribed, punched, taped filmed or graphic matter, however produced or

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27 28 reproduced; and any paper or writing of whatever description, including any computer database or information contained in any computer although not yet printed out. A draft or non-identical copy of any document is a separate document within the meaning of this term.

- "Electronically Stored Information" includes, without limitation, the following: 6.
- information that is generated, received, processed, and recorded by (a) computers and other electronic devices;
 - internal or external web sites; (b)
- output resulting from the use of any software program, including, without (c) limitation, word processing documents, spreadsheets, database files, charts, graphs and outlines, electronic mail, AOL Instant MessengerTM (or similar program) or bulletin board programs, operating systems, source code, PRF files, PRC files, batch files, ASCII files, and all miscellaneous media on which they reside and regardless of whether said electronic data exists in an active file, a deleted file, or file fragment;
- activity listings of electronic mail receipts and/or transmittals; and any and (d) all items stored on computer memories, hard disks, floppy disks, CD-ROM, magnetic tape, microfiche, or on any other media for digital data storage or transmittal, such as, but not limited to, a personal digital assistant, e.g., Palm Pilot, Blackberry, or similar device, and file folder tabs, or containers and labels appended to, or relating to, any physical storage device associated with each original or copy of all documents requested herein.
 - "Individual Defendants" means Radha R. Basu and Brian M. Beattie. 7.
- 8. As used herein, with respect to contracts, agreements or licenses, the term "ratable" is synonymous with "term."
- "SupportSoft" or "Company" means defendant SupportSoft, Inc., its Board of 9. Directors and each committee thereof, each of its subsidiaries, divisions, subdivisions, joint ventures, parents, affiliated persons, predecessors, and all present and former directors, officers, employees, representatives, agents and other persons acting on behalf of any of the foregoing.
 - "You" or "Your" refers to the Defendants. 10.

11. The singular form of a word shall be interpreted as the plural and the plural form of a word shall be interpreted as the singular whenever appropriate in order to bring within the scope of these requests information or documents which otherwise might be considered to be beyond its scope.

INSTRUCTIONS

- 1. In producing documents and other materials, You are requested to furnish all documents in Your possession, custody, or control, regardless of whether such documents are possessed directly by You or Your partners, agents, employees, representatives, subsidiaries, affiliates or investigators, or by Your attorneys or their agents, employees, or investigators.
- 2. All documents You produce in response to this request shall either: (a) be organized and labeled to correspond with the number of the request to which the documents are responsive, or (b) be produced in the order and in the manner in which You keep the documents in the usual course of business with a designation of the file or files from which the documents have been produced. If such is not possible, please state the reasons why.
- 3. All documents responsive to these requests that are maintained in the usual course of business in electronic format shall be produced in their native format along with the software necessary to interpret such files if such software is not readily available. All such documents shall be produced with the metadata normally contained within such documents. If such metadata is not available, each document shall be accompanied by a listing of all file properties concerning such document, including, but not limited to, all information concerning the date(s) the document was last accessed, created, modified or distributed, and the author(s) and recipient(s) of the document.
- 4. You are instructed to produce each document in response to this request in its entirety without deletion or excision regardless of whether You consider the entire document to be relevant or responsive. If any requested document cannot be produced in full, produce it to the extent possible, indicating which document, or portion of that document, is being withheld, and the reason that document or portion is being withheld.

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- 5. You are directed to produce only those documents responsive to these requests that have not been previously produced in this action.
- 6. If You withhold any document responsive to any request pursuant to a claim of privilege, work-product or otherwise, please provide the following information with respect to such document:
 - (a) The type of document, e.g., letter or memorandum;
 - (b) The actual or approximate date of the document;
- (c) The author of the document and any other person who prepared or participated in the preparation of the document;
- (d) A description of the subject matter and physical size (e.g., the number of pages) of the document;
- (e) All addressees and recipients of the original or a copy thereof, together with the date or approximate date on which said-recipients received the document or a copy thereof;
- (f) All other persons to whom the contents of the document have been disclosed, the date such disclosure took place, and the means of such disclosure; and
- (g) The nature of the privilege or other rule of law relied upon and any facts supporting Your position.
- 7. If a document responsive to the following requests has been destroyed or discarded, please identify the document as per the instructions in paragraphs 6(a) to (g).
- 8. If no documents responsive to a particular document request exist or are within Your possession, custody or control, please so state in Your response to the request.
- 9. Pursuant to Rule 26(e), these requests shall be deemed continuing so as to require further and supplemental production if, between the date hereof and the time of the hearing or trial, any additional documents responsive to these requests come into Your possession, custody or control, or the possession, custody or control of Your agents. The definitions and instructions previously set forth in these requests are applicable to any such supplemental production.

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TIME PERIOD

Unless otherwise specified, each request relates to documents generated within, or related to, the time period from January 1, 2003 to December 31, 2004. When other time periods are specified, the documents being requested include those generated within, or related to, the time period.

DOCUMENTS REQUESTED

REQUEST NO. 1

All documents relating to customer complaints during the period 2002 through 2004 that software licensed by the customer from the Company was not performing properly or was not performing the functions that the software had been represented as able to perform.

REQUEST NO. 2

All documents relating to customers canceling licenses, requesting cancellation of licenses or declining to renew or extend licenses for the Company's software during the period 2002 through 2004.

REQUEST NO. 3

All documents relating to Company employees or consultants attempting to modify software in order to enable it to perform functions that the customer stated that the software was not performing during the period 2002 through 2004.

REQUEST NO. 4

All documents relating to the Company's claims to have had record revenues during the quarter and/or consecutive quarters of record revenues.

REQUEST NO. 5

All pipeline reports and related data available to Company officers or employees, or any of them, during the period 2003 through 2004.

REQUEST NO. 6

All forecast reports and related data available to Company officers or employees, or any of them, during the period 2003 through 2004.

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All revenue roadmaps and related data available to Company officers or employees, or any of them, during the period 2003 through 2004.

REQUEST NO. 8

All revenue outlooks and related data available to Company officers or employees, or any of them, during the period 2003 through 2004.

REQUEST NO. 9

All bookings and/or revenue summaries and related data available to Company officers or employees, or any of them, during the period 2003 through 2004.

REQUEST NO. 10

All Siebel reports and related data available to Company officers or employees, or any of them, during the period 2003 through 2004.

REQUEST NO. 11

All communications between or among Defendants and/or Company personnel during the period 2003 through 2004 discussing whether the Company would meet its forecast revenues.

REQUEST NO. 12

All communications between or among defendants and/or Company personnel during the period 2003 through 2004 discussing ways in which the Company could increase revenues and/or make revenues appear higher.

REQUEST NO. 13

All documents referring or relating to changes and/or additions to revenue as a result of conversions of ratable contracts to perpetual contracts during the period 2002 to 2004.

REQUEST NO. 14

All documents referring or relating to changes and/or additions to revenue as a result of conversions of perpetual contracts to ratable contracts during the period 2002 to 2004.

REQUEST NO. 15

All documents referring or relating to changes and/or additions to revenue as a result of modifications to contracts with Computer Sciences Corporation, Nortel Networks Corporation,

1	Charter Communications, Inc., Cox Communications, Inc., Comcast Corporation, J.C. Penney
2	Company, Inc., IBM, and/or with any affiliates of said corporations during the period 2002
3	through 2004.
4	REQUEST NO. 16
5	All documents created during 2004 referring or relating to revenues or results or
6	anticipated revenues or results for the third quarter of 2004.
7	REQUEST NO. 17
8	All documents created during 2004 referring or relating to changes in the anticipated
9	revenues or results for the third quarter of 2004.
10	REQUEST NO. 18
11	All documents referring or relating to the Company's consecutive quarters of increasing
12	and/or record revenues during the period 2003 through 2004.
13	REQUEST NO. 19
14	All documents referring or relating to the Company's earnings, projected earnings,
15	revenue and/or projected revenue during the period 2003 through 2004.
16	REQUEST NO. 20
17	All documents referring or relating to the number of licensing agreements entered into or
18	a ratable or term basis during the period 2002 through 2004.
19	REQUEST NO. 21
20	All documents referring or relating to the number of licensing agreements entered into or
21	a perpetual basis during the period 2002 through 2004.
22	REQUEST NO. 22
23	All documents comparing the number of licensing agreements entered into on a ratable
24	basis to the number of licensing agreements entered into on a perpetual basis during the period
25	2002 through 2004.
26	REQUEST NO. 23
27	All documents listing and/or identifying ratable contracts during the period 2003 through
28	2004.

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REQUEST NO. 24

All documents referring or relating to the Company's business model during the years 2002 through 2004.

REQUEST NO. 25

All documents referring or relating to the changes in the Company's business model during the .years 2002 through 2004.

REQUEST NO. 26

All documents referring or relating to the Company using a blended model during the years 2002 through 2004.

REQUEST NO. 27

All documents from 1995 through 2004 referring or relating to the Company's use of a "license model."

REQUEST NO. 28

All documents from 1995 through 2004 referring or relating to communications with stock analysts, SupportSoft stockholders, stock brokers and/or the media regarding the Company's business model, the license model, the blended model, and/or SupportSoft's having licensed software pursuant to ratable contracts.

REQUEST NO. 29

All documents from 1995 through 2004 referring or relating to the advantages and/or disadvantages resulting from the Company's business model, the license model, the blended model, and/or SupportSoft's having licensed software pursuant to ratable contracts and/or perpetual contracts.

REQUEST NO. 30

All documents during the period 2002 through 2004 relating to the conversion of existing ratable or term licenses to perpetual licenses, including, but not limited to: (a) communications with customers; (b) communications with Company sales personnel; and (c) incentives for conversion.

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REQUEST NO. 31

All documents during the period 2002 through 2004 relating to whether new or renewed licenses should be ratable or perpetual, including, but not limited to: (a) communications with customers; (b) communications with Company sales personnel; and (c) documents concerning incentives.

REQUEST NO. 32

All contracts that were converted from ratable contracts to perpetual contracts and those that were converted from perpetual contracts to ratable contracts during the period 2002 through 2004, together with all drafts and documents concerning changes and proposed changes and/or revisions and proposed revisions to such contracts.

REQUEST NO. 33

All documents referring or relating to modifications to contracts with Computer Sciences Corporation, Nortel Networks Corporation, Charter Communications, Inc., Cox Communications, Inc., Comcast Corporation, J.C. Penney Company, Inc., IBM, and/or with any affiliates of said corporations during the period 2002 through 2004.

REQUEST NO. 34

All documents referring or relating to rebuilding the Company's term license revenue, term license visibility and term license backlog during 2004.

REQUEST NO. 35

Monthly accounts receivable records and customer account histories by customer for all customers whose license agreements were converted from ratable agreements to perpetual agreements during the period 2003 through 2004.

REQUEST NO. 36

All documents referring or relating to instructions to accounts receivable and billing personnel regarding licenses that were converted from ratable to perpetual license agreements during the period 2003 through 2004.

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All documents referring or relating to the Company's policies with respect to stock sales by officers, directors and/or employees.

REQUEST NO. 38

All documents referring or relating to the Company's policies with respect to the exercise of options by officers, directors and/or employees.

REQUEST NO. 39

All documents referring or relating to the Company's policies with respect to the sale by officers, directors and/or employees of stock acquired through the exercise of options.

REQUEST NO. 40

All documents referring or relating to gains and/or losses by Individual Defendants on sales of SupportSoft securities from the period 2000 to the present.

REQUEST NO. 41

All documents referring or relating to whether sales or contracts for the use of the Company's software were slowing down, increasing or staying the same during the last quarter of 2003 and the first three quarters of 2004.

REQUEST NO. 42

All documents referring or relating to whether sales of or contracts for the Company's services were slowing down, increasing or staying the same during the last quarter of 2003 and the first three quarters of 2004.

REQUEST NO. 43

All communications among the Company's Executive Management Team relating or referring to revenues, ratable contracts, perpetual contracts, converting ratable contracts to perpetual contracts, financial forecasts, communications with analysts, business models, the license model, the blended model, sales of stock by management and sales during the period 2003 through 2004.

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All financial statement packages delivered to officers and/or directors quarterly, monthly and bi-monthly during the period 2003 through 2004.

REQUEST NO. 45

Preliminary financial statements showing adjusted journal or "topside" entries, including, without being limited to, profit and loss statements, sales and accounts receivable schedules, during the period 2003 through 2004.

REQUEST NO. 46

Management letters to and from the Company's auditors during the period 2003 through 2004.

REQUEST NO. 47

Minutes, transcripts, notes, agendas, recordings of, and materials discussed at, weekly and monthly SupportSoft forecast calls during the period 2003 through 2004.

REQUEST NO. 48

Minutes, transcripts, notes, agendas, recordings of, and materials discussed at, meetings of directors and committees of directors, including, without being limited to, the audit committee, at which conversion of ratable contracts to perpetual contracts, the Company's business model, the blended model, the license model, the possibility that revenues might fall short of forecasts, the announcement of record revenues, and/or efforts to increase revenues before the end of the quarter were discussed.

REQUEST NO. 49

Employee directories, organizational charts for the Company and calendars of the Individual Defendants, including, but not limited to desk diaries, appointment books, and electronic calendars, for the period 2003 through 2004.

REQUEST NO. 50

All documents created by the Company or Company employees during the period 2003 through 2004 referring or relating to the Company's stock price.

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All documents created by the Company or Company employees during the period 2003 through 2004 referring or relating to the Company's valuation.

REQUEST NO. 52

All documents created by: (a) the Company; (b) Company employees; and/or (c) third parties during the period 2003 through 2004 referring or relating to SupportSoft's financial forecasts, analysts' forecasts, and/or SupportSoft's ability to meet such forecasts.

REQUEST NO. 53

All documents referring or relating to SupportSoft's document retention policy from 2003 to the present.

REQUEST NO. 54

All documents relating to the creation of, issuance of and/or reaction to: (a) the Company's public statements alleged in the operative complaint; (b) the Company's public statements concerning its business model; and (c) the Company's public statements concerning ratable and/or perpetual contracts.

REQUEST NO. 55

All documents relating to communications with analysts and/or investors about: (a) SupportSoft's forecasts; (b) the Company's business model; (c) ratable and/or perpetual contracts; and (d) the Company's revenue.

Dated: March 2, 2006

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Document hosted at JDSUPRA

http://www.jdsupra.com/post/documentViewer.aspx?fid=7b3bebc3-e037-4765-a52d-77fad8118c53

Exhibit B

Document hosted at JDSUPRA

http://www.idsupra.com/post/documentViewer.aspx?fid=7b3bebc3-e037-4765-a52d-77fad8118c53

BORIS FELDMAN, State Bar No. 128838 1 PERI NIELSEN, State Bar No. 196781 2 DAVID L. LANSKY, State Bar No. 199952 WILSON SONSINI GOODRICH & ROSATI **Professional Corporation** 650 Page Mill Road Palo Alto, CA 94304-1050 Telephone: (650) 493-9300 Facsimile: (650) 565-5100 5 email: boris.feldman@wsgr.com 6 Attorneys for Defendants 7 SUPPORTSOFT, INC., RADHA R. BASU and BRIAN M. BEATTIE 8 9 10 UNITED STATES DISTRICT COURT 11 NORTHERN DISTRICT OF CALIFORNIA 12 13 In re SUPPORTSOFT, INC. SECURITIES 14 LITIGATION Civil Action No. C 04-5222 SI 15 RESPONSE TO PLAINTIFFS' This document relates to: FIRST REQUEST FOR THE 16 PRODUCTION OF DOCUMENTS ALL ACTIONS 17 18 19 PROPOUNDING PARTY: **PLAINTIFFS** 20 SUPPORTSOFT, INC., RADHA R. BASU RESPONDING PARTY: 21 and BRIAN M. BEATTIE 22 **SET NUMBER:** ONE 23 24 25 26 27 28 2830031_2 DEFENDANTS' RESPONSE TO PLAINTIFFS' FIRST REQUEST FOR PRODUCTION OF DOCUMENTS

CASE No.: C 04-5222 SI

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27 28 Pursuant to Rule 34 of the Federal Rules of Civil Procedure, SupportSoft, Inc. ("SupportSoft"), and individual defendants Radha R. Basu and Brian M. Beattie (collectively, "Defendants") hereby respond to plaintiffs' First Request for the Production of Documents ("Requests") as follows:

GENERAL OBJECTIONS

Defendants make the following General Objections to the definitions, instructions, and to each of the individual document requests contained herein, whether or not fully set forth in the specific objections to each request:

- A. Defendants object to the definitions, instructions and requests to the extent they purport to impose any differing or additional obligations from those imposed under the Federal Rules of Civil Procedure.
- B. Defendants object to the Requests to the extent that they are overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence.
- C. Defendants object to the Requests to the extent that they seek information concerning communications or other matters protected by the attorney-client privilege, the work product doctrine, or any other applicable privileges or doctrines. No information covered by any privilege or protection shall be disclosed. Any inadvertent disclosure of privileged or otherwise protected information shall not be deemed to be a waiver of the attorney-client privilege, work product doctrine or any other applicable privileges or doctrines.
- D. Defendants object to the Requests to the extent that they seek information protected by the right of privacy contained in the California Constitution or any other applicable law, statute or doctrine.
- E. Defendants object to the Requests to the extent that they implicate any privilege or protection asserted by the United States Securities and Exchange Commission or any other governmental agency, or any related privilege or protection belonging to Defendants.
- F. Defendants object to the Requests to the extent that they seek documents outside their possession, custody or control.
 - G. Defendants object to the Requests to the extent they seek legal conclusions.

- H. Defendants object to the Requests to the extent that they seek materials equally available to plaintiffs through public sources or records, on the grounds that they subject Defendants to unreasonable and undue annoyance, oppression, burden and expense.
- I. Defendants object to the Requests to the extent they seek the production of documents in an electronic format on the grounds that it would subject Defendants to oppression, undue burden, and expense to require Defendants to search through information stored in computer databases or on backup tapes. Defendants will meet and confer with plaintiffs about the scope of electronic document production and an appropriate cost-splitting agreement for the recovery, review and production of electronic documents.
- J. Defendants object to the Requests to the extent they seek the production of electronic documents in their native format along with the software necessary to interpret such files, production of the metadata normally contained within such documents, or production of a listing of all file properties concerning the electronic documents on the grounds that it would subject Defendants to oppression, undue burden, and expense. Defendants will meet and confer with plaintiffs about the format and scope of electronic document production and an appropriate cost-splitting agreement for the recovery, review and production of electronic documents.
- K. Defendants object to the Requests to the extent they call for the production of original documents on the grounds that such request is unduly burdensome and oppressive. Defendants will make select original documents available for inspection at a later time if plaintiffs request. If select original documents are required to be produced, such documents will be produced for inspection and copying on a mutually agreeable date and time at a mutually agreeable location.
- L. Defendants object to the definition of "SupportSoft" or the "Company" to the extent that it includes "its Board of Directors and each committee thereof, . . . affiliated persons, predecessors, and all present and former directors, officers, employees, representatives, agents and other persons acting on behalf of any of the foregoing." The definition renders the Requests in which the terms "SupportSoft" or the "Company" are used overbroad, unduly burdensome, and vague. Also, the definition calls for information protected by the attorney-client privilege and/or

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DEFENDANTS' RESPONSE TO PLAINTIFFS' FIRST REQUEST FOR PRODUCTION OF DOCUMENTS CASE No.: C 04-5222 SI

the work product doctrine. Defendants will produce responsive non-privileged documents within

the possession, custody or control of SupportSoft and each of the individual defendants. Defendants will not produce documents in the possession, custody or control of third parties, including, but not limited to, "affiliated persons, predecessors . . . representatives, agents and other persons acting on behalf of any of the foregoing."

- Defendants object to instruction No. 6 to the extent that it seeks to impose greater M. obligations than required by the Federal Rules of Civil Procedure. Defendants will submit an appropriate privilege log at a mutually agreeable time of all documents or portions of documents not produced, e.g., on the grounds of any applicable privilege, protection or doctrine.
- N. Defendants object to plaintiffs' proposed applicable time period of January 1, 2003 through December 31, 2004. Plaintiffs' proposed time period renders the Requests overbroad, unduly burdensome, harassing and oppressive, and seeks information that is not relevant to this action. Consequently, Defendants will produce responsive documents created between January 20, 2004 and October 20, 2004 (the "Relevant Period"). Defendants will also produce documents created after the Relevant Period but relating to relevant events that occurred during the Relevant Period, to the extent such documents can be located through a reasonable search.
- Defendants' agreement to produce documents in response to any request below O. shall not be construed as a representation that such documents exist.

SPECIFIC RESPONSES AND OBJECTIONS

Without waiving or limiting in any manner any of the foregoing general objections and incorporating them into each and every response to the extent applicable, Defendants respond to each of plaintiffs' individual requests for production of documents as follows:

REQUEST NO. 1:

All documents relating to customer complaints during the period 2002 through 2004 that software licensed by the customer from the Company was not performing properly or was not performing the functions that the software had been represented as able to perform.

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RESPONSE TO REQUEST NO. 1:

In addition to the General Objections, Defendants object to Request No. 1 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence because, among other things, customer complaints about software performance are routine in the industry and encompass a broad variety of matters having no bearing on overall financial results. Subject to and without waiving their General Objections, Defendants refer plaintiffs to any documents produced in response to Request No. 2 to the extent that they include documents responsive to this Request.

REQUEST NO. 2:

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All documents relating to customers canceling licenses, requesting cancellation of licenses or declining to renew or extend licenses for the Company's software during the period 2002 through 2004.

RESPONSE TO REQUEST NO. 2:

In addition to the General Objections, Defendants object to Request No. 2 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving their General Objections, Defendants will produce documents reflecting any customers who cancelled licenses or declined to renew or extend licenses for the Company's software during the Relevant Period to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts.

REQUEST NO. 3:

All documents relating to Company employees or consultants attempting to modify software in order to enable it to perform functions that the customer stated that the software was not performing during the period 2002 through 2004.

RESPONSE TO REQUEST NO. 3:

In addition to the General Objections, Defendants object to Request No. 3 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence because, among other things, virtually all software requires some modification to enable its functionality in the particular environment in which it is deployed.

DEFENDANTS' RESPONSE TO PLAINTIFFS' FIRST REQUEST FOR PRODUCTION OF DOCUMENTS CASE NO.: C 04-5222 SI 2830031_2

REQUEST NO. 4:

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All documents relating to the Company's claims to have had record revenues during the quarter and/or consecutive quarters of record revenues.

RESPONSE TO REQUEST NO. 4:

In addition to the General Objections, Defendants object to Request No. 4 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence to the extent it seeks all documents that are related in any way to the Company's revenues, which would arguably encompass nearly every document in the Company. Additionally, Defendants object to Request No. 4 as vague and ambiguous with respect to the phrase "Company's claims to have had record revenues during the quarter and/or consecutive quarters of record revenues." Defendants further object to Request No. 4 to the extent it seeks documents that are equally available to plaintiffs through public sources or records. Subject to and without waiving their General Objections, Defendants refer plaintiffs to the Company's periodic filings with the Securities and Exchange Commission ("SEC") in which SupportSoft reported its revenue and other financial results, as well as the documents produced in response to Request Nos. 9, 16, 18, 41 and 42.

REQUEST NO. 5:

All pipeline reports and related data available to Company officers or employees, or any of them, during the period 2003 through 2004.

RESPONSE TO REQUEST NO. 5:

In addition to the General Objections, Defendants object to Request No. 5 as overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, as well as vague and ambiguous with respect to the phrases "pipeline reports" and "related data." Subject to and without waiving their General Objections, Defendants will produce documents reflecting SupportSoft's sales pipeline and financial forecasts during the Relevant Time Period to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts.

REQUEST NO. 6:

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All forecast reports and related data available to Company officers or employees, or any of them, during the period 2003 through 2004.

RESPONSE TO REQUEST NO. 6:

In addition to the General Objections, Defendants object to Request No. 6 as overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, as well as vague and ambiguous with respect to the phrases "forecast reports" and "related data." Defendants also object to Request No. 6 to the extent it is duplicative of any of plaintiffs' other Requests. Subject to and without waiving their General Objections, Defendants will produce documents reflecting SupportSoft's sales pipeline and financial forecasts during the Relevant Period to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts.

REQUEST NO. 7:

All revenue roadmaps and related data available to Company officers or employees, or any of them, during the period 2003 through 2004.

RESPONSE TO REQUEST NO. 7:

In addition to the General Objections, Defendants object to Request No. 7 as overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, as well as vague and ambiguous with respect to the phrases "revenue roadmaps" and "related data." Defendants also object to Request No. 7 to the extent it is duplicative of any of plaintiffs' other Requests. Subject to and without waiving their General Objections, Defendants will produce documents reflecting SupportSoft's sales pipeline and financial forecasts during the Relevant Period to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts.

REQUEST NO. 8:

All revenue outlooks and related data available to Company officers or employees, or any of them, during the period 2003 through 2004.

RESPONSE TO REQUEST NO. 8:

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In addition to the General Objections, Defendants object to Request No. 8 as overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, as well as vague and ambiguous with respect to the phrases "revenue outlooks" and "related data." Defendants also object to Request No. 8 to the extent it is duplicative of any of plaintiffs' other Requests. Subject to and without waiving their General Objections, Defendants will produce documents reflecting SupportSoft's sales pipeline and financial forecasts during the Relevant Period to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts.

REQUEST NO. 9:

All bookings and/or revenue summaries and related data available to Company officers or employees, or any of them, during the period 2003 through 2004.

RESPONSE TO REQUEST NO. 9:

In addition to the General Objections, Defendants object to Request No. 9 as overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, as well as vague and ambiguous with respect to the phrases "bookings and/or revenue summaries" and "related data." Subject to and without waiving their General Objections, Defendants will produce summary documents reflecting the quarterly progress of SupportSoft's bookings and revenue during the Relevant Period to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts.

REQUEST NO. 10:

All Siebel reports and related data available to Company officers or employees, or any of them, during the period 2003 through 2004.

RESPONSE TO REQUEST NO. 10:

In addition to the General Objections, Defendants object to Request No. 10 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Defendants further object to Request No. 10 as vague and ambiguous with respect to the phrases "Siebel reports."

DEFENDANTS' RESPONSE TO PLAINTIFFS' FIRST REQUEST FOR PRODUCTION OF DOCUMENTS CASE NO.: C 04-5222 SI

REQUEST NO. 11:

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All communications between or among Defendants and/or Company personnel during the period 2003 through 2004 discussing whether the Company would meet its forecast revenues.

RESPONSE TO REQUEST NO. 11:

In addition to the General Objections, Defendants object to Request No. 11 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, in part because it purports to encompass communications between or among any Company employee. Subject to and without waiving their General Objections, Defendants will produce communications between or among SupportSoft's executive staff (including the individual defendants) during the Relevant Period discussing the Company's progress towards meeting its revenue forecast to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts.

REQUEST NO. 12:

All communications between or among defendants and/or Company personnel during the period 2003 through 2004 discussing ways in which the Company could increase revenues and/or make revenues appear higher.

RESPONSE TO REQUEST NO. 12:

In addition to the General Objections, Defendants object to Request No. 12 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, in part because it purports to encompass communications between or among any Company employee. SupportSoft further objects to Request No. 12 as vague and ambiguous with respect to the phrase "ways in which the Company could increase revenues and/or make revenues appear higher." Subject to and without waiving their General Objections, Defendants will produce communications between or among SupportSoft's executive staff (including the individual defendants) during the Relevant Period discussing the Company's progress towards meeting its revenue forecast to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts.

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REQUEST NO. 13:

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All documents referring or relating to changes and/or additions to revenue as a result of conversions of ratable contracts to perpetual contracts during the period 2002 to 2004.

RESPONSE TO REQUEST NO. 13:

In addition to the General Objections, Defendants object to Request No. 13 as overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, as well as vague and ambiguous with respect to the phrase "changes and/or additions to revenue." Subject to and without waiving their General Objections, Defendants will produce documents referring or relating to changes and/or additions to revenue as a result of conversions of ratable contracts to perpetual contracts during the Relevant Period to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts.

REQUEST NO. 14:

All documents referring or relating to changes and/or additions to revenue as a result of conversions of perpetual contracts to ratable contracts during the period 2002 to 2004.

RESPONSE TO REQUEST NO. 14:

In addition to the General Objections, Defendants object to Request No. 14 as overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, as well as vague and ambiguous with respect to the phrase "changes and/or additions to revenue." Subject to and without waiving their General Objections, Defendants will produce documents referring or relating to changes and/or additions to revenue as a result of conversions of perpetual contracts to ratable contracts during the Relevant Period to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts.

REQUEST NO. 15:

All documents referring or relating to changes and/or additions to revenue as a result of modifications to contracts with Computer Sciences Corporation, Nortel Networks Corporation, Charter Communications, Inc., Cox Communications, Inc., Comcast Corporation, J.C. Penney Company, Inc., IBM, and/or with any affiliates of said corporations during the period 2002 through 2004.

DEFENDANTS' RESPONSE TO PLAINTIFFS' FIRST REQUEST FOR PRODUCTION OF DOCUMENTS CASE NO.: C 04-5222 SI

RESPONSE TO REQUEST NO. 15:

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In addition to the General Objections, Defendants object to Request No. 15 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, in part because the "changes and/or additions to revenue" may be entirely unrelated to the allegations of the Complaint. Defendants further object to Request No. 15 as vague and ambiguous with respect to the phrase "changes and/or additions to revenue."

Defendants additionally object to Request No. 15 to the extent it is duplicative of plaintiffs' other requests, including Request No. 13. Subject to and without waiving their General Objections, Defendants will produce documents from the particular customer's files referring or relating to changes and/or additions to revenue as a result of modifications to contracts, which modifications occurred during the Relevant Period to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts.

REQUEST NO. 16:

All documents created during 2004 referring or relating to revenues or results or anticipated revenues or results for the third quarter of 2004.

RESPONSE TO REQUEST NO. 16:

In addition to the General Objections, Defendants object to Request No. 16 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, in part because virtually every document at the Company could be construed to relate to revenues or results. Subject to and without waiving their General Objections, Defendants refer plaintiffs to the Company's periodic filings with the SEC in which SupportSoft reported its revenue and other financial results, as well as the documents produced in response to Request Nos. 4 – 9, 11, 12, 17 – 19, 41 and 42.

REOUEST NO. 17:

All documents created during 2004 referring or relating to changes in the anticipated revenues or results for the third quarter of 2004.

RESPONSE TO REQUEST NO. 17:

In addition to the General Objections, Defendants object to Request No. 17 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, as well as vague and ambiguous with respect to the phrase "changes in." Subject to and without waiving their General Objections, Defendants refer plaintiffs to the Company's periodic filings with the SEC in which SupportSoft reported its revenue and other financial results, as well as the documents produced in response to Request Nos. 4-9, 11-15 and 19.

REQUEST NO. 18:

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All documents referring or relating to the Company's consecutive quarters of increasing and/or record revenues during the period 2003 through 2004.

RESPONSE TO REQUEST NO. 18:

In addition to the General Objections, Defendants object to Request No. 18 to the extent it is duplicative of Request No. 4 or of any other of plaintiffs' Requests. Defendants likewise object to Request No. 18 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence to the extent it seeks all documents that are related in any way to the Company's revenues, which would arguably encompass nearly every document in the Company. Defendants further object to Request No. 18 to the extent it seeks documents that are equally available to plaintiffs through public sources or records. Subject to and without waiving their General Objections, Defendants refer plaintiffs to the Company's periodic filings with the SEC in which SupportSoft reported its revenue and other financial results, as well as the documents produced in response to Request Nos. 4, 9, 19, 41 and 42.

REQUEST NO. 19:

All documents referring or relating to the Company's earnings, projected earnings, revenue and/or projected revenue during the period 2003 through 2004.

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RESPONSE TO REQUEST NO. 19:

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In addition to the General Objections, Defendants object to Request No. 19 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, in part because documents relating to the Company's earnings, projected earnings, revenue and/or projected revenue would arguably encompass nearly every document in the Company. Subject to and without waiving their General Objections, Defendants refer plaintiffs to the Company's periodic filings with the SEC in which SupportSoft reported its revenue and other financial results, as well as the documents produced in response to Request Nos. 4-9, 11, 12, 17-19, 41 and 42.

REQUEST NO. 20:

All documents referring or relating to the number of licensing agreements entered into on a ratable or term basis during the period 2002 through 2004.

RESPONSE TO REQUEST NO. 20:

In addition to the General Objections, Defendants object to Request No. 20 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving their General Objections, Defendants will produce documents sufficient to show the number of licensing agreements entered into on a ratable or term basis during the Relevant Period to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts.

REQUEST NO. 21:

All documents referring or relating to the number of licensing agreements entered into on a perpetual basis during the period 2002 through 2004.

RESPONSE TO REQUEST NO. 21:

In addition to the General Objections, Defendants object to Request No. 21 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving their General Objections, Defendants will produce documents sufficient to show the number of licensing agreements entered into on a

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perpetual basis during the Relevant Period to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts.

REQUEST NO. 22:

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All documents comparing the number of licensing agreements entered into on a ratable basis to the number of licensing agreements entered into on a perpetual basis during the period 2002 through 2004.

RESPONSE TO REQUEST NO. 22:

In addition to the General Objections, Defendants object to Request No. 22 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving their General Objections, Defendants will produce documents comparing the number of licensing agreements entered into on a ratable basis to the number of licensing agreements entered into on a perpetual basis during the Relevant Period to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts. Defendants further refer plaintiffs to the Company's periodic filings with the SEC in which SupportSoft discussed the proportion of licensing agreements entered into on a ratable basis as compared to the proportion of licensing agreements entered into on a perpetual basis.

REQUEST NO. 23:

All documents listing and/or identifying ratable contracts during the period 2003 through 2004.

RESPONSE TO REQUEST NO. 23:

In addition to the General Objections, Defendants object to Request No. 23 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving their General Objections, Defendants will produce documents sufficient to identify ratable contracts entered into during the Relevant Period to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts.

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REQUEST NO. 24:

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All documents referring or relating to the Company's business model during the years 2002 through 2004.

RESPONSE TO REQUEST NO. 24:

In addition to the General Objections, Defendants object to Request No. 24 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, in part because nearly every document in the Company could be construed as relating to the Company's business model. Defendants further object to Request No. 24 as vague and ambiguous with respect to the phrase "business model." Subject to and without waiving their General Objections, Defendants will produce conference call transcripts and documents reflecting communications by or among senior executives referring to the Company's business model during the Relevant Period to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts.

REQUEST NO. 25:

All documents referring or relating to the changes in the Company's business model during the years 2002 through 2004.

RESPONSE TO REQUEST NO. 25:

In addition to the General Objections, Defendants object to Request No. 25 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Defendants further object to Request No. 25 as vague and ambiguous with respect to the phrase "changes in the Company's business model." Subject to and without waiving their General Objections, Defendants refer plaintiffs to the documents produced in response to Request No. 24.

REQUEST NO. 26:

All documents referring or relating to the Company using a blended model during the years 2002 through 2004.

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RESPONSE TO REQUEST NO. 26:

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In addition to the General Objections, Defendants object to Request No. 26 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, in part because nearly every document in the Company could be construed as relating to the Company's use of a blended business model. Defendants further object to Request No. 26 as vague and ambiguous with respect to the phrase "blended model." Subject to and without waiving their General Objections, Defendants will produce conference call transcripts and documents reflecting communications by or among senior executives referring or relating to the Company using a blended model during the Relevant Period to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts.

REQUEST NO. 27:

All documents from 1995 through 2004 referring or relating to the Company's use of a "license model."

RESPONSE TO REQUEST NO. 27:

In addition to the General Objections, Defendants object to Request No. 27 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Defendants further object to Request No. 27 as vague and ambiguous with respect to the phrase "license model."

REQUEST NO. 28:

All documents from 1995 through 2004 referring or relating to communications with stock analysts, SupportSoft stockholders, stock brokers and/or the media regarding the Company's business model, the license model, the blended model, and/or SupportSoft's having licensed software pursuant to ratable contracts.

RESPONSE TO REQUEST NO. 28:

In addition to the General Objections, Defendants object to Request No. 28 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving their General Objections, Defendants will produce documents reflecting communications with stock analysts, SupportSoft stockholders,

DEFENDANTS' RESPONSE TO PLAINTIFFS' FIRST REQUEST FOR PRODUCTION OF DOCUMENTS CASE NO.: C 04-5222 SI 2830031_2

stock brokers and/or the media regarding the Company's business model, the blended model, and/or SupportSoft's having licensed software pursuant to ratable contracts during the Relevant Period to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts. Defendants further refer plaintiffs to the Company's periodic filings with the SEC in which SupportSoft discussed these topics.

REQUEST NO. 29:

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All documents from 1995 through 2004 referring or relating to the advantages and/or disadvantages resulting from the Company's business model, the license model, the blended model, and/or SupportSoft's having licensed software pursuant to ratable contracts and/or perpetual contracts.

RESPONSE TO REQUEST NO. 29:

In addition to the General Objections, Defendants object to Request No. 29 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving their General Objections, Defendants refer plaintiffs to the documents produced in response to Request No. 28.

REQUEST NO. 30:

All documents during the period 2002 through 2004 relating to the conversion of existing ratable or term licenses to perpetual licenses, including, but not limited to: (a) communications with customers; (b) communications with Company sales personnel; and (c) incentives for conversion.

RESPONSE TO REQUEST NO. 30:

In addition to the General Objections, Defendants object to Request No. 30 to the extent it is duplicative of plaintiff's other Requests. Subject to and without waiving their General Objections, Defendants will produce documents concerning the conversion of existing ratable or term licenses to perpetual licenses during the Relevant Period, including communications with customers and Company sales personnel, to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts. Defendants also refer plaintiffs to the documents produced in response to Request No. 13.

DEFENDANTS' RESPONSE TO PLAINTIFFS' FIRST REQUEST FOR PRODUCTION OF DOCUMENTS CASE NO.: C 04-5222 SI

REQUEST NO. 31:

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All documents during the period 2002 through 2004 relating to whether new or renewed licenses should be ratable or perpetual, including, but not limited to: (a) communications with customers; (b) communications with Company sales personnel; and (c) documents concerning incentives.

RESPONSE TO REQUEST NO. 31:

In addition to the General Objections, Defendants object to Request No. 31 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Defendants further object to Request No. 31 as vague and ambiguous with respect to the phrase "should be." Defendants also object to Request to the extent it is duplicative of plaintiff's other Requests. Subject to and without waiving their General Objections, Defendants refer plaintiffs to the documents produced in response to Request No. 30.

REQUEST NO. 32:

All contracts that were converted from ratable contracts to perpetual contracts and those that were converted from perpetual contracts to ratable contracts during the period 2002 through 2004, together with all drafts and documents concerning changes and proposed changes and/or revisions and proposed revisions to such contracts.

RESPONSE TO REQUEST NO. 32:

In addition to the General Objections, Defendants object to Request No 32 to the extent it is duplicative of plaintiff's other Requests. Subject to and without waiving their General Objections, Defendants refer plaintiffs to the documents produced in response to Request Nos. 13 and 30. Defendants will also produce documents concerning the conversion of perpetual contracts to ratable contracts during the Relevant Period to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts.

REQUEST NO. 33:

All documents referring or relating to modifications to contracts with Computer Sciences

Corporation, Nortel Networks Corporation, Charter Communications, Inc., Cox

Communications, Inc., Comcast Corporation, J.C. Penney Company, Inc., IBM, and/or with any affiliates of said corporations during the period 2002 through 2004.

RESPONSE TO REQUEST'NO. 33:

In addition to the General Objections, Defendants object to Request No. 33 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, in part because the modifications may be entirely unrelated to the allegations of the Complaint. Defendants further object to Request No 33 to the extent it is duplicative of plaintiff's other Requests. Subject to and without waiving their General Objections, Defendants refer plaintiffs to the documents produced in response to Request No. 15.

REQUEST NO. 34:

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All documents referring or relating to rebuilding the Company's term license revenue, term license visibility and term license backlog during 2004.

RESPONSE TO REQUEST NO. 34:

In addition to the General Objections, Defendants object to Request No. 34 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving their General Objections, Defendants will produce documents and communications among the senior executives referring to rebuilding the Company's term license revenue, term license visibility and term license backlog during the Relevant Period to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts. Defendants also refer plaintiffs to the documents produced in response to Request Nos. 20 and 23.

REQUEST NO. 35:

Monthly accounts receivable records and customer account histories by customer for all customers whose license agreements were converted from ratable agreements to perpetual agreements during the period 2003 through 2004.

RESPONSE TO REQUEST NO. 35:

In addition to the General Objections, Defendants object to Request No. 35 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of

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admissible evidence, in part because accounts receivable records and customer account histories are wholly irrelevant to plaintiffs' claims.

REQUEST NO. 36:

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All documents referring or relating to instructions to receivable and billing personnel regarding licenses that were converted from ratable to perpetual license agreements during the period 2003 through 2004.

RESPONSE TO REQUEST NO. 36:

In addition to the General Objections, Defendants object to Request No. 34 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, in part because such instructions to accounts receivable and billing personnel are wholly irrelevant to plaintiffs' claims.

REQUEST NO. 37:

All documents referring or relating to the Company's policies with respect to stock sales by officers, directors and/or employees.

RESPONSE TO REQUEST NO. 37:

Subject to and without waiving their General Objections, Defendants will produce documents referring or relating to the Company's policies with respect to stock sales by officers, directors and/or employees during the Relevant Period to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts.

REQUEST NO. 38:

All documents referring or relating to the Company's policies with respect to the exercise of options by officers, directors and/or employees.

RESPONSE TO REQUEST NO. 38:

Subject to and without waiving their General Objections, Defendants will produce documents referring or relating to the Company's policies with respect to the exercise of options by officers, directors and/or employees during the Relevant Period to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts.

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REQUEST NO. 39:

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All documents referring or relating to the Company's policies with respect to the sale by officers, directors and/or employees of stock acquired through the exercise of options.

RESPONSE TO REQUEST NO. 39:

Subject to and without waiving their General Objections, Defendants will produce documents referring or relating to the Company's policies with respect to the sale by officers, directors and/or employees of stock acquired through the exercise of options during the Relevant Period to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts.

REQUEST NO. 40:

All documents referring or relating to gains and/or losses by Individual Defendants on sales of SupportSoft securities from the period 2000 to the present.

RESPONSE TO REQUEST NO. 40:

Subject to and without waiving their General Objections, Defendants will produce documents referring or relating to gains and/or losses by Individual Defendants on sales of SupportSoft securities during the Relevant Period to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts.

REQUEST NO. 41:

All documents referring or relating to whether sales or contracts for the use of the Company's software were slowing down, increasing or staying the same during the last quarter of 2003 and the first three quarters of 2004.

RESPONSE TO REQUEST NO. 41:

In addition to the General Objections, Defendants object to Request No. 41 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving their General Objections, Defendants refer plaintiffs to the Company's periodic filings with the SEC in which SupportSoft reported its revenue and other financial results, as well as the documents produced in response to Request Nos. 4, 9, 16, 18, and 42.

DEFENDANTS' RESPONSE TO PLAINTIFFS' FIRST REQUEST FOR PRODUCTION OF DOCUMENTS CASE NO.: C 04-5222 SI

REQUEST NO. 42:

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All documents referring or relating to whether sales of or contracts for the Company's services were slowing down, increasing or staying the same during the last quarter of 2003 and the first three quarters of 2004.

RESPONSE TO REQUEST NO. 42:

In addition to the General Objections, Defendants object to Request No. 42 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving their General Objections, Defendants refer plaintiffs to the Company's periodic filings with the SEC in which SupportSoft reported its revenue and other financial results, as well as the documents produced in response to Request Nos. 4, 9, 16, 18, and 41.

REQUEST NO. 43:

All communications among the Company's Executive Management Team relating or referring to revenues, ratable contracts, perpetual contracts, converting ratable contracts to perpetual contracts, financial forecasts, communications with analysts, business models, the license model, the blended model, sales of stock by management and sales during the period 2003 through 2004.

RESPONSE TO REQUEST NO. 43:

In addition to the General Objections, Defendants object to Request No. 43 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, in part because the Request purports to encompass nearly every communication among the Company's Executive Management Team. Subject to and without waiving their General Objections, Defendants refer plaintiffs to the documents produced in response to Request Nos. 11, 12, 24, 26, 28, 30, 31 and 34.

REQUEST NO. 44:

All financial statement packages delivered to officers and/or directors quarterly, monthly and bi-monthly during the period 2003 through 2004.

RESPONSE TO REQUEST NO. 44:

In addition to the General Objections, Defendants object to Request No. 43 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, as well as vague and ambiguous with respect to the term "financial statement package." Subject to and without waiving their General Objections, Defendants will produce financial statement packages delivered to officers and/or directors on a monthly basis during the Relevant Period to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts.

REQUEST NO. 45:

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Preliminary financial statements showing adjusted journal or "topside" entries, including, without being limited to, profit and loss statements, sales and accounts receivable schedules, during the period 2003 through 2004.

RESPONSE TO REQUEST NO. 45:

In addition to the General Objections, Defendants object to Request No. 45 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, in part because the requested accounting documents are wholly irrelevant to plaintiffs' claims.

REQUEST NO. 46:

Management letters to and from the Company's auditors during the period 2003 through 2004.

RESPONSE TO REQUEST NO. 46:

In addition to the General Objections, Defendants object to Request No. 46 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, in part because the requested Management Letters are wholly irrelevant to plaintiffs' claims.

REQUEST NO. 47:

Minutes, transcripts, notes, agendas, recordings of, and materials discussed at, weekly and monthly SupportSoft forecast calls during the period 2003 through 2004.

DEFENDANTS' RESPONSE TO PLAINTIFFS' FIRST REQUEST FOR PRODUCTION OF DOCUMENTS.

CASE No.: C 04-5222 SI

RESPONSE TO REQUEST NO. 47:

In addition to the General Objections, Defendants object to Request No. 45 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving their General Objections, Defendants will produce documents sufficient to show any agendas of or materials distributed in regular forecast calls during the Relevant Period to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts.

REQUEST NO. 48:

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Minutes, transcripts, notes, agendas, recordings of, and materials discussed at, meetings of directors and committees of directors, including, without being limited to, the audit committee, at which conversion of ratable contracts to perpetual contracts, the Company's business model, the blended model, the license model, the possibility that revenues might fall short of forecasts, the announcement of record revenues, and/or efforts to increase revenues before the end of the quarter were discussed.

RESPONSE TO REQUEST NO. 48:

In addition to the General Objections, Defendants object to Request No. 45 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving their General Objections, Defendants will produce documents sufficient to show any agendas of or materials distributed in regular Board of Directors and Audit Committee meetings during the Relevant Period to the extent the topics identified were discussed and to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts.

REQUEST NO. 49:

Employee directories, organizational charts for the Company and calendars of the Individual Defendants, including, but not limited to desk diaries, appointment books, and electronic calendars, for the period 2003 through 2004.

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RESPONSE TO REQUEST NO. 49:

Subject to and without waiving their General Objections, Defendants will produce documents sufficient to show a directory of employees, an organizational charts for the Company and calendars of the Individual Defendants for the Relevant Period to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts.

REQUEST NO. 50:

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All documents created by the Company or Company employees during the period 2003 through 2004 referring or relating to the Company's stock price.

RESPONSE TO REQUEST NO. 50:

In addition to the General Objections, Defendants object to Request No. 50 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving their General Objections, Defendants will produce documents created or sent to the senior executives during the Relevant Period referring or relating to the Company's stock price to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts.

REQUEST NO. 51:

All documents created by the Company or Company employees during the period 2003 through 2004 referring or relating to the Company's valuation.

RESPONSE TO REQUEST NO. 51:

In addition to the General Objections, Defendants object to Request No. 51 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving their General Objections, Defendants refer plaintiffs to publicly available documents documenting the price of SupportSoft stock during the Relevant Period.

REQUEST NO. 52:

All documents created by: (a) the Company; (b) Company employees; and/or (c) third parties during the period 2003 through 2004 referring or relating to SupportSoft's financial forecasts, analysts' forecasts, and/or SupportSoft's ability to meet such forecasts.

DEFENDANTS' RESPONSE TO PLAINTIFFS' FIRST REQUEST FOR PRODUCTION OF DOCUMENTS CASE NO.: C 04-5222 SI

RESPONSE TO REQUEST NO. 52:

In addition to the General Objections, Defendants object to Request No. 52 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, in part because it seeks documents not in the possession, custody or control of Defendants. Subject to and without waiving their General Objections, Defendants refer plaintiffs to the documents produced in response to Request Nos. 5-8, 11, 12 and 42.

REQUEST NO. 53:

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All documents referring or relating to SupportSoft's document retention policy from 2003 to the present.

RESPONSE TO REQUEST NO. 53:

Subject to and without waiving their General Objections, Defendants will produce documents referring or relating to SupportSoft's document retention policy to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts.

REQUEST NO. 54:

All documents relating to the creation of, issuance of and/or reaction to: (a) the Company's public statements alleged in the operative complaint; (b) the Company's public statements concerning its business model; and (c) the Company's public statements concerning ratable and/or perpetual contracts.

RESPONSE TO REQUEST NO. 54:

In addition to the General Objections, Defendants object to Request No. 54 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving their General Objections, Defendants will produce documents relating to the creation of, issuance of and/or reaction to the Company's press releases dated January 20, 2004, April 19, 2004, July 20, 2004, October 4, 2004 and October 16, 2004 to the extent any such documents exist, are not privileged, and can be located through reasonable search efforts.

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REQUEST NO. 55:

All documents relating to communications with analysts and/or investors about:

(a) SupportSoft's forecasts; (b) the Company's business model; (c) ratable and/or perpetual contracts; and (d) the Company's revenue.

RESPONSE TO REQUEST NO. 55:

In addition to the General Objections, Defendants object to Request No. 55 because it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving their General Objections, Defendants refer plaintiffs to the documents produced in response to Request Nos. 28 and 43.

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Dated: April 6, 2006

WILSON SONSINI GOODRICH & ROSATI Professional Corporation

By:

David E. Lansky

Attorneys for Defendants SupportSoft, Inc., Radha R. Basu and Brian M. Beattie

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PROOF OF SERVICE BY NEXT-DAY DELIVERY

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I, Norma Carvalho, declare:

I am employed in Santa Clara County. I am over the age of 18 years and not a party to the within action. My business address is Wilson Sonsini Goodrich & Rosati, 650 Page Mill Road, Palo Alto, California 94304-1050. I am readily familiar with Wilson Sonsini Goodrich & Rosati's practice for collection and processing of correspondence for next-day delivery by an express mail service. In the ordinary course of business, correspondence would be consigned to an express mail service on this date.

On this date, I served RESPONSE TO PLAINTIFFS' FIRST REQUEST FOR THE PRODUCTION OF DOCUMENTS on the person(s) listed below by placing the document(s) described above in an envelope addressed as indicated below, which I sealed. I consigned the envelope(s) to an express mail service by placing it/them for collection and processing on this day, following ordinary business practices at Wilson Sonsini Goodrich & Rosati.

Joseph Sternberg Labaton Sucharow & Rudoff LLP 100 Park Avenue New York, New York 10017-5563 Fax: 212-818-0477

Mark P. Kindall Schatz & Nobel, P.C. 20 Church Street Hartford, Connecticut 06103 Fax: 860-493-6290

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed at Palo Alto, California on April 6, 2006.

Norma Carvalho

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PROOF OF SERVICE BY ELECTRONIC POSTING PURSUANT TO NORTHERN DISTRICT OF CALIFORNIA LOCAL RULES AND ECF GENERAL ORDER NO. 45 AND BY MAIL ON ALL KNOWN NON-REGISTERED PARTIES

I, the undersigned, say:

I am a citizen of the United States and am employed in the office of a member of the Bar of this Court. I am over the age of 18 and not a party to the within action. My business address is 1801 Avenue of the Stars, Suite 311, Los Angeles, California 90067.

On July 21, 2006, I served the following by posting such documents electronically to the ECF website of the United States District Court for the Northern District of California:

1 LETTER TO JUDGE ILLSTON DATED July 21, 2006 WITH ATTACHED EXHIBITS A & B

on all ECF-registered parties in the action and, upon all others not so-registered but instead listed below, by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid in the United States mail at Los Angeles, California. They are:

SEE SERVICE LIST

Executed on July 21, 2006, at Los Angeles, California.

I certify under penalty of perjury that the foregoing is true and correct.

S/Kyaa Heller Kyaa Heller

SERVICE LIST Electronically To All ECF-Registered Entities By US Mail To All Known Non-ECF-Registered Entities

Joseph Sternberg Christopher Keller Goodkind Labaton Rudoff & Sucharow LLP 100 Park Avenue New York, NY 10017