

Starbase Shareholder Litigation

c/o The Garden City Group, Inc.

Claims Administrator

P.O. Box 9000 #6418

Merrick, NY 11566-9000

IMPORTANT PAPERS ENCLOSED

Return Service Requested

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE
IN AND FOR NEW CASTLE COUNTY

STB



KEVIN DIETERICH, on behalf of himself and all others)
similarly situated,)

Plaintiff,)

v.)

Civil Action No. 024-N

JAMES A. HARRER, DONALD R. FARROW, PHILLIP E.)
PEARCE, JOHN R. SNEDEGAR, BARRY W. SULLIVAN,))
BORLAND SOFTWARE CORPORATION, a Delaware))
corporation, DALE L. FULLER, FREDERICK A. BALL,))
KEITH E. GOTTFRIED, and DOUGLAS W. BARRE,)

Defendants.)

CLAIM FORM

_____ (print name of individual or entity) hereby certifies under penalty of perjury that he, she or it:

(a) (i) is a member of the Class in the above-captioned litigation and sold a total of _____ (write number) shares of common stock of Starbase Corporation in the tender offer by Borland Software Corporation commenced October 11, 2002 and ended November 22, 2002 (the "Tender Offer"), and/or in the cash-out merger consummated January 7, 2003 by which Starbase became a wholly owned subsidiary of Borland (the "Merger"), or (ii) is a successor-in-interest, representative, trustee, executor, administrator, heir, assignee or transferee of the person or entity that sold the above shares in such transactions;

(b) hereby submits to the jurisdiction of the Court of Chancery of the State of Delaware in and for New Castle County for all purposes related to this claim;

(c) has completed the attached Form W-9 and submits it with this claim form; and

(d) has enclosed photocopies of the stockbroker's confirmation slips, stockbroker's statements, relevant portions of tax returns or other documents evidencing his, her or its sale of shares of common stock of Starbase Corporation in the Tender Offer and/or Merger.

SUBSTITUTE FORM W-9 REQUEST FOR TAXPAYER IDENTIFICATION NUMBER

Enter your taxpayer identification number below. For most individuals, this is your Social Security Number. The U.S. Internal Revenue Service requires your taxpayer identification number. If you fail to furnish your correct taxpayer identification number, or your Social Security Number, your claim may be rejected.

Social Security Number (for individuals)

or

Taxpayer Identification Number
(for estates, trusts, corporations, etc.)

Date: _____, 2006

(Authorized Signature)

Mail completed claim form, Form W-9 and proof of sale of your shares of Starbase common stock in the Tender Offer and/or Merger, postmarked no later than July 13, 2006, to:

Starbase Shareholder Litigation
c/o The Garden City Group, Inc.
Claims Administrator
P.O. Box 9000 #6418
Merrick, NY 11566-9000

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE
IN AND FOR NEW CASTLE COUNTY

KEVIN DIETERICH, on behalf of himself and all others similarly situated,)
)
 Plaintiff,)
)
 v.)
)
 JAMES A. HARRER, DONALD R. FARROW, PHILLIP E. PEARCE, JOHN)
 R. SNEDEGAR, BARRY W. SULLIVAN, BORLAND SOFTWARE)
 CORPORATION, a Delaware corporation, DALE L. FULLER, FREDERICK)
 A. BALL, KEITH E. GOTTFRIED, and DOUGLAS W. BARRE,)
)
 Defendants.)

Civil Action No. 024-N

**NOTICE OF CLASS CERTIFICATION, PROPOSED SETTLEMENT
OF CLASS ACTION, AND FAIRNESS HEARING AND CLAIM FORM**

To: ALL PERSONS (RECORD AND BENEFICIAL OWNERS) WHO SOLD SHARES OF COMMON STOCK OF STARBASE CORPORATION ("STARBASE") IN THE TENDER OFFER BY BORLAND SOFTWARE CORPORATION ("BORLAND") COMMENCED OCTOBER 11, 2002 AND ENDED NOVEMBER 22, 2002 ("TENDER OFFER"), OR IN THE MERGER CONSUMMATED JANUARY 7, 2003 BY WHICH STARBASE BECAME A WHOLLY-OWNED SUBSIDIARY OF BORLAND ("MERGER"), EXCLUDING DEFENDANTS, INCLUDING ANY AND ALL OF THEIR RESPECTIVE SUCCESSORS-IN-INTEREST, PREDECESSORS, REPRESENTATIVES, TRUSTEES, EXECUTORS, ADMINISTRATORS, HEIRS, ASSIGNS OR TRANSFEREES, IMMEDIATE AND REMOTE, AND ANY PERSON OR ENTITY ACTING FOR OR ON BEHALF OF, OR CLAIMING UNDER ANY OF THEM, AND EACH OF THEM; ANY ENTITY IN WHICH ANY DEFENDANT HAS A CONTROLLING INTEREST; AND DEFENDANTS' LEGAL REPRESENTATIVES, HEIRS, SUCCESSORS, AND ASSIGNS ("CLASS").

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS MAY BE AFFECTED BY THE LEGAL PROCEEDINGS IN THIS LITIGATION.

IF YOU HELD STARBASE STOCK FOR THE BENEFIT OF ANOTHER, PLEASE PROMPTLY TRANSMIT THIS DOCUMENT TO SUCH BENEFICIAL OWNER.

I. PURPOSE OF THIS NOTICE

This notice is sent to you pursuant to Rule 23 of the Court of Chancery of the State of Delaware in and for New Castle County ("Court") and by order of Vice Chancellor Stephen Lamb dated March 29, 2006 entered in the above-captioned lawsuit ("Action"). The Court has provisionally certified this Action as a class action on behalf of the Class defined above, and there is a proposal to settle the Action. Class members have the right, among other things, to attend a hearing to be held on June 13, 2006, at 10:00 a.m., before Vice Chancellor Stephen Lamb, Court of Chancery of the State of Delaware in and for New Castle County, New Castle County Courthouse, 500 North King Street, Wilmington, Delaware 19801 ("Fairness Hearing"). At the Fairness Hearing, the Court will consider whether it will: (1) approve the settlement set forth in the Stipulation and Agreement of Settlement dated March 21, 2006 and entered into by the parties to the Action ("Settlement"), as fair, reasonable, adequate and in the best interests of the Class; (2) enter a final judgment approving the Settlement; and (3) approve the application by Plaintiff's counsel in this Action for attorneys' fees and reimbursement of expenses. This Notice describes the rights you may have under the Settlement and what steps you may take in relation to the Settlement.

In order to receive a distribution from the settlement fund created by the Settlement, you must fill out and return the attached claim form along with proof of sales of your shares of Starbase common stock in the Tender Offer and/or Merger in accordance with the instructions set out below. These documents must be postmarked no later than July 13, 2006.

Upon the approval of the Settlement, the Court at the Fairness Hearing will be requested to enter an Order and Final Judgment dismissing the Action with prejudice on the merits. The proceeds of the Settlement then will be distributed to members of the Class who submit timely and valid claim forms in accordance with the terms of the Stipulation.

THE FOLLOWING RECITATION DOES NOT CONSTITUTE A STATEMENT OF THE COURT OF CHANCERY. IT IS A STATEMENT OF THE PARTIES AND SHOULD NOT BE UNDERSTOOD AS AN EXPRESSION OF ANY OPINION BY THE COURT.

II. BACKGROUND OF THE ACTION

On October 28, 2003, Kevin Dieterich ("Plaintiff") filed the Action on behalf of a class of former public shareholders of Starbase, arising from the tender offer by Borland commenced October 11, 2002 and ended November 22, 2002 and the merger consummated January 7, 2003 by which Starbase became a wholly-owned subsidiary of Borland. In the Action, Plaintiff asserts claims under Delaware law against James A. Harrer, Donald R. Farrow, Phillip E. Pearce, John R. Snedegar, and Barry W. Sullivan ("Director Defendants"); Borland; and Dale L. Fuller, Frederick A. Ball, Keith E. Gottfried, and Douglas W. Barre ("Borland Designees") (together, "Defendants"). Plaintiff alleges that in connection with the Tender Offer and the Merger, the Director Defendants breached their fiduciary duties of loyalty and disclosure to Starbase shareholders; that as a result of the Director Defendants' misconduct, the Tender Offer and the Merger were tainted with unfair dealing and consummated at an unfair price; and that the Director Defendants could not carry their burden of showing the Tender Offer and the Merger were entirely fair. Plaintiff also alleges that Borland and the Borland Designees breached their fiduciary duty of disclosure to Starbase shareholders in connection with the Merger.

Plaintiff filed the Action on behalf of a plaintiff class consisting of all persons (record and beneficial owners) who sold shares of common stock of Starbase in the Tender Offer or the Merger, which includes any and all of their respective successors-in-interest, predecessors, representatives, trustees, executors, administrators, heirs, assigns or transferees, immediate and remote, and any person or entity acting for or on behalf of, or claiming under any of them, and each of them. The plaintiff class excludes Defendants, any entity in which any Defendant has a controlling interest, and Defendants' legal representatives, heirs, successors, and assigns.

By Memorandum Opinion and Order issued August 3, 2004, the Court granted in part and denied in part Defendants' motion to dismiss the claims asserted in the Action. In doing so, the Court narrowed the theories of liability Plaintiff would be allowed to pursue. In a subsequent ruling, the Court restricted the scope of discovery Plaintiff would be allowed to take.

Plaintiff, through his counsel, has conducted discovery and investigated the events, transactions and circumstances relevant to the Action. In negotiating and evaluating the Settlement, Plaintiff and his counsel considered, among other things, the theories of liability and scope of discovery available to Plaintiff under the Court's rulings; the results of discovery obtained to date; and the likelihood that the evidence adduced in discovery would support the theories of liability which Plaintiff is able to pursue in light of the Court's rulings.

Plaintiff and his counsel have concluded that under all the circumstances the Settlement is fair to and in the best interests of the Class and have agreed to settle Plaintiff's claims and those of the Class upon the terms and provisions hereinafter set forth.

Defendants deny any wrongdoing or liability with respect to all claims asserted in the Action, deny that they committed any violation of law, deny that they acted improperly in any way and deny liability or damages of any kind to Plaintiff and the Class. Defendants consider it desirable that the Action be settled and dismissed on the merits and with prejudice, however, in order to (1) avoid the expense, inconvenience, risk and distraction of continued litigation and (2) put to rest and terminate all the claims which were or could have been asserted against any and all Defendants in this Action.

III. THE SETTLEMENT

As a result of negotiations between the attorneys for the parties in the Action, in return for dismissing this Action and granting a release to Defendants, Defendants agreed to cause the sum of \$500,000 ("Settlement Fund") to be deposited into an interest-bearing account. The sum of \$25,000 of the Settlement Fund shall be allocated for payment of notice and administrative costs. If such notice and administrative costs are less than \$25,000, then the difference between \$25,000 and the notice and administrative costs shall be returned to Defendants. Any administrative costs greater than \$25,000 shall be paid from the Settlement Fund. The balance of the Settlement Fund remaining after payment of attorneys' fees, expenses, taxes, notice and administrative costs, and other deductions approved by the Court, plus accrued interest ("Net Settlement Fund"), will be distributed to the members of the Class who submit a valid proof of claim form (attached), postmarked no later than July 13, 2006.

The distribution to each member of the Class who submits a timely and valid claim form shall be the Net Settlement Fund multiplied by a fraction, (1) the numerator of which is the number of Starbase shares sold by the claimant in the Tender Offer and/or in the Merger, and (2) the denominator of which is the total number of all such shares sold by all Class members who submit timely and valid claim forms.

IV. REASONS FOR THE SETTLEMENT

Plaintiff, through his counsel, has conducted discovery and investigated the events, transactions and circumstances relevant to the Action. In negotiating and evaluating the Settlement, Plaintiff and his counsel considered, among other things, the following.

The complaint alleges that the Director Defendants breached their fiduciary duties to Starbase shareholders by diverting their attention from indications of interest for a potential merger in the range of \$41 million to \$53 million with Borland or Serena Software for a self-interested private equity financing transaction. According to the complaint, the Director Defendants took various actions to thwart Borland's and Serena's efforts to acquire Starbase, including allegedly disclosing to Borland a confidential \$25 million valuation of Starbase on which the private equity financing transaction was based, and allegedly omitting from the private equity financing transaction agreement a fiduciary-out provision that would have allowed Starbase to withdraw from the deal if a more favorable transaction materialized. Plaintiff alleges that Serena and Borland withdrew their offers when they discovered that the private equity financing transaction agreement lacked a fiduciary-out. The Director Defendants allegedly voted to reaffirm the private equity financing transaction to protect themselves from the perceived threat of shareholder litigation should the matter become public knowledge.

The complaint alleges that the Starbase board then allowed shareholders to ratify the private equity financing transaction, even though the board had not disclosed to the shareholders the matter of the purportedly missing fiduciary-out; the fact that Borland and Serena had retracted their indications of interest; and that the two largest investors in the private equity financing transaction had recently withdrawn from it. When the private equity financing transaction collapsed, Starbase resumed merger negotiations with Borland, now the sole potential bidder. Plaintiff alleges that Borland offered only half of the amount of its earlier indication of interest, because the Director Defendants previously had disclosed to Borland their confidential \$25 million valuation of Starbase.

On October 8, 2002, the Starbase board agreed to an acquisition of Starbase by Borland for \$24 million in a two-step tender offer and subsequent "cash out" merger. The Starbase board and Borland issued a solicitation statement and an information statement in support of the Tender Offer and Merger, both of which failed to disclose allegedly material facts about the private equity financing transaction and the merger negotiations. The Merger was consummated January 7, 2003, leaving Borland as the sole shareholder of Starbase.

Based on these factual allegations, Plaintiff alleges that the Director Defendants breached their fiduciary duties of loyalty and disclosure to Starbase shareholders in connection with the Tender Offer and the Merger; that as a result of the Director Defendants' misconduct, the Merger was tainted with unfair dealing and unfair price; and that the Director Defendants could not carry their burden of

showing the Tender Offer and Merger were entirely fair. Plaintiff also alleges that Borland and the Borland Designees breached their fiduciary duty of disclosure to Starbase shareholders in connection with the disclosures in the information statement for the Merger.

In an order issued August 3, 2004, the Court dismissed the two causes of action alleging that the Director Defendants breached their fiduciary duties by pursuing the private equity financing transaction rather than the indications of interest from Borland and Serena, and that the proxy statement for the private equity financing transaction was misleading. The Court allowed Plaintiff to proceed with his entire-fairness claim against the Director Defendants, if he could provide evidence that improper conduct by the Director Defendants, such as their alleged disclosure to Borland of a confidential valuation of Starbase, impacted the merger process or the amount that Borland paid to acquire Starbase. The Court also ruled that, to prevail on his disclosure claims against Borland and the Borland Designees, Plaintiff would have to prove they knew or had reason to know that information disclosed to shareholders in connection with the Merger was materially misleading. In addition, the Court restricted the scope of discovery in the Action, permitting Plaintiff to take discovery only on the two issues described above. Based on the discovery to date, Plaintiff and his counsel believe there is a risk the Court would have granted summary judgment for Defendants.

V. CLASS CERTIFICATION

The Court has preliminarily determined that the Action shall be maintained as a class action by the named Plaintiff as class representative and by his counsel as Class Counsel, pursuant to Court of Chancery Rules 23(b)(1) and (b)(2), on behalf of the Class defined above. Questions or other inquiries about this Action or the proposed Settlement may be directed to the attention of Class Counsel by email at info-starbase@girardgibbs.com or in writing at: Daniel C. Girard, GIRARD GIBBS & De BARTOLOMEO LLP, 601 California Street, Suite 1400, San Francisco, California 94108, Telephone: (415) 981-4800 and Elizabeth M. McGeever, PRICKETT, JONES & ELLIOTT, P.A., 1310 King Street, Wilmington, Delaware 19801, Telephone: (302) 888-6500.

VI. FAIRNESS HEARING

The Fairness Hearing will be held on June 13, 2006, at 10:00 a.m., before Vice Chancellor Lamb, Court of Chancery of the State of Delaware for New Castle County, New Castle County Courthouse, 500 North King Street, Wilmington, Delaware 19801, to:

(a) Determine whether the Settlement should be approved by the Court as fair, reasonable, adequate, and in the best interests of the Class; (b) Determine whether the preliminary certification of the Class should be made final; (c) Determine whether judgment should be entered pursuant to the Stipulation, among other things, dismissing the Action with prejudice and extinguishing and releasing all Settled Claims (defined in paragraph 5 of part VII below); (d) Rule on the application of Class Counsel in the Action for an award of attorneys' fees and reimbursement of expenses; and (e) Rule on such other matters as the Court may deem appropriate.

The Court reserves the right to adjourn the Fairness Hearing or any adjournment thereof, including the consideration of the application for attorneys' fees and reimbursement of expenses, without further notice of any kind other than oral announcement at the Fairness Hearing or any adjournment thereof.

The Court reserves the right to approve the Settlement at or after the Fairness Hearing with such modifications as may be consented to by the parties to the Stipulation and without further notice to the Class.

Any member of the Class who objects to the Settlement, the Order and Final Judgment to be entered in the Action, and/or the application for attorneys' fees and expenses, or who otherwise wishes to be heard, may appear in person or by his or her attorney (paid for at his or her own expense) at the Fairness Hearing and present evidence or argument that may be proper and relevant. No person other than Class Counsel and counsel for Defendants in the Action shall be heard, and no papers, briefs, pleadings or other documents submitted by any person shall be considered by the Court, however, unless no later than twenty (20) days prior to the Fairness Hearing such person files with the Court of Chancery and serves upon counsel listed below: (a) a written notice of intention to appear; (b) a statement of such person's objections to any matters before the Court; and (c) the grounds for the objections or the reasons that such person desires to appear and be heard, as well as all documents or writings such person desires the Court to consider. Such filings shall be served upon the following counsel: Class Counsel: Daniel C. Girard, GIRARD GIBBS & De BARTOLOMEO LLP, 601 California Street, Suite 1400, San Francisco, California 94108, Telephone: (415) 981-4800 and Elizabeth M. McGeever, PRICKETT, JONES & ELLIOTT, P.A., 1310 King Street, Wilmington, Delaware 19801, Telephone: (302) 888-6500. Counsel for Defendants: Jared L. Kopel, WILSON SONSINI GOODRICH & ROSATI, P.C., 650 Page Mill Road, Palo Alto, California 94304 and R. Judson Scaggs, Jr., MORRIS, NICHOLS, ARSHT & TUNNELL, Chase Manhattan Centre, 18th Floor, 1201 North Market Street, Wilmington, Delaware 19899, Telephone: (302) 658-9200.

Any person who fails to object in the manner described above shall be deemed to have waived such objection and shall be forever barred from raising such objection in this or any other action or proceeding.

VII. ORDER AND FINAL JUDGMENT OF THE COURT

If the Court determines that this Settlement is fair, reasonable, adequate and in the best interests of the Class, the parties will jointly move the Court for entry of the Order and Final Judgment. The Order and Final Judgment will, among other things:

(1) Approve the Settlement and adjudge the terms thereof to be fair, reasonable, adequate and in the best interests of the Class, pursuant to Court of Chancery Rule 23(e); (2) Grant final certification of the Action as a class action; (3) Authorize and direct performance of the Settlement in accordance with its terms and conditions, and reserve jurisdiction to supervise the consummation of the Settlement; (4) Award such fees, expenses and disbursements to Class Counsel as the Court deems appropriate; (5) Dismiss the Action with prejudice and provide that all claims, demands, rights, actions or causes of action, liabilities, damages, losses, obligations, judgments, suits, matters and issues of any kind or nature whatsoever, whether known or unknown, contingent or absolute, suspected or unsuspected, disclosed or undisclosed, hidden or concealed, matured or unmatured, that have been, could have been, or in the future can or might be asserted in the Action or in any court, tribunal or proceeding (including, but not limited to, any claims arising

under federal or state law relating to alleged breach of any duty, negligence, violations of the federal securities laws or otherwise) by or on behalf of any member of the Class, whether individual, class, derivative, representative, legal, equitable or any other type or in any other capacity against the Defendants (or any one of them) or any of their respective families, parent entities, associates, affiliates, or subsidiaries and each and all of their respective past or present officers, directors, stockholders, partners, members, representatives, employees, financial or investment advisors, consultants accountants, attorneys, investment bankers, commercial bankers, advisors or agents, heirs, executors, trustees, general or limited partner or partnerships, personal representatives, estates, administrators, predecessors, successors and assigns (collectively, the "Released Persons") which have arisen, could have arisen, arise now or hereafter arise out of, or relate in any manner to, the allegations, facts, events, transactions, acts, occurrences, statements, representations, misrepresentations, omissions or any other matter, thing or cause whatsoever, or any series thereof, embraced, involved, set forth or otherwise related to the complaint filed in the Action, or any allegations therein, to the Tender Offer or Merger, to the fiduciary obligations of any of the Defendants or Released Persons in connection with the Tender Offer or Merger, to the disclosure obligations of any of the Defendants or Released Persons in connection with the Tender Offer or Merger, or to all decisions and actions of the Defendants and the Released Persons related to the capital structure, financing, debt, equity, securities or sale of, or investment in, Starbase (including, without limitation, the handling of the initial indications of interest from Borland and Serena Software Company as well as the proposed transaction with Special Situations Fund) from June 1, 2001 until the closing of the Merger (collectively, the "Settled Claims"), shall be fully and completely discharged, dismissed with prejudice, settled, released and enjoined provided, however, that Settled Claims shall not include any claims to enforce the Settlement, and provided further that excluded from this release are (i) all claims by any member of the Class against Released Persons for any non-payment of consideration in connection with the Tender Offer and/or Merger, despite his or her tender of shares in the Tender Offer and/or Merger, whether under breach of contract, breach of fiduciary duty, or another legal theory, and (ii) all claims by any beneficial owners of Starbase common stock against record owners of Starbase common stock for any failure to receive payment of consideration in connection with the Tender Offer and/or Merger, whether under breach of contract, breach of fiduciary duty, or another legal theory; and (6) Permanently enjoin Plaintiff and all members of the Class from asserting, commencing, prosecuting or continuing, either directly, individually, representatively, or in any other capacity any Settled Claims as against any Released Persons.

VIII. APPLICATION FOR ATTORNEYS' FEES AND EXPENSES

In connection with the presentation of the Settlement for approval by the Court, Class Counsel intend to make an application to the Court for an award of attorneys' fees in an amount not to exceed thirty percent (30%) of the settlement fund and for reimbursement of out-of-pocket costs and expenses not to exceed \$36,000.00. You will not be required to pay any attorneys' fees other than from the Settlement Fund whether the Settlement is approved or not.

IX. NOTICE OF PERSONS OR ENTITIES HOLDING OWNERSHIP ON BEHALF OF OTHERS

Brokerage firms, banks and/or other persons or entities who held shares of Starbase stock at the time of the Merger or Tender Offer for the benefit of others are requested to send this Notice promptly to all of their respective beneficial owners. If additional copies of the Notice are needed for forwarding to such beneficial owners, any requests for such additional copies may be made to:

Starbase Shareholder Litigation
c/o The Garden City Group, Inc.
Claims Administrator
P.O. Box 9000 #6418
Merrick, NY 11566-9000

In the alternative, record holders may forward the names and addresses of beneficial owners to the Garden City Group at the foregoing address, who will cause the Notice to be sent.

X. SCOPE OF THIS NOTICE

This Notice is not all-inclusive. References in this Notice to the pleadings in the Action, the Stipulation and other papers and proceedings are only summaries and do not purport to be comprehensive. For the full details of the facts and circumstances relating to the Action, the claims and defenses that have been asserted by the parties, and the terms and conditions of the Settlement, including a complete copy of the Stipulation, members of the Class are referred to the Court files in the Action. You or your attorney may examine the Court files during regular business hours at the offices of the Register in Chancery, New Castle County Courthouse, 500 North King Street, Suite 1551, Wilmington, Delaware 19801.

XI. CLAIM FORM

In order to receive a distribution from the Settlement Fund in this Action, you must fill out the attached claim form and mail it along with proof of sale of your shares of Starbase common stock in the Tender Offer and/or Merger, postmarked no later than July 13, 2006, to the following address:

Starbase Shareholder Litigation
c/o The Garden City Group, Inc.
Claims Administrator
P.O. Box 9000 #6418
Merrick, NY 11566-9000

Date: April 10, 2006

/s/
Register in Chancery