

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

JOHN CALMA, Derivatively on Behalf of CITRIX SYSTEMS, INC.,	}	
	}	
Plaintiff,	}	C. A. No. 9579-CB
v.	}	
MARK B. TEMPLETON, THOMAS F. BOGAN, GARY E. MORIN, NANCI E. CALDWELL, STEPHEN M. DOW, MURRAY J. DEMO, GODFREY R. SULLIVAN, ASIFF S. HIRJI, and ROBERT D. DALEO,	}	
	}	
Defendants,	}	
-and-	}	
CITRIX SYSTEMS, INC., a Delaware corporation,	}	
	}	
Nominal Defendant.	}	

STIPULATION OF COMPROMISE AND SETTLEMENT

This Stipulation of Compromise and Settlement (“Stipulation”), dated May 12, 2016, is entered into, by and through their undersigned attorneys, among and between: Plaintiff John Calma, individually and derivatively on behalf of Citrix Systems, Inc. (“Citrix” or the “Company”); individual defendants Mark B. Templeton, Thomas F. Bogan, Gary E. Morin, Nanci E. Caldwell, Stephen M. Dow, Murray J. Demo, Godfrey R. Sullivan, Asiff S. Hirji, and Robert D. Daleo; and nominal defendant Citrix.

This Stipulation is intended by the Settling Parties to fully, finally, and forever compromise, resolve, discharge, and settle the Released Claims against the Released Persons and to dismiss the Action with prejudice, upon the terms set forth

below and subject to the approval of the Court of Chancery of the State of Delaware pursuant to Court of Chancery Rule 23.1.¹

I. BACKGROUND OF THE ACTION AND SETTLEMENT NEGOTIATIONS

Citrix is leading the transition to software-defining the workplace, uniting virtualization, mobility management, networking, and SaaS solutions to enable new ways for businesses and people to work better. Citrix solutions power business mobility through secure, mobile workspaces that provide people with instant access to apps, desktops, data and communications on any device, over any network or cloud.

On April 28, 2014, Plaintiff filed this Action derivatively on behalf of Citrix against the Individual Defendants, naming Citrix as a nominal defendant.² Plaintiff alleged claims for breach of fiduciary duty, waste of corporate assets, and unjust enrichment related to the equity awards that the Individual Defendants received under the 2005 EIP in 2011, 2012, and 2013. Plaintiff seeks, among other things, the recovery of monetary damages and other relief for damages allegedly caused to Citrix.

On July 21, 2014, Defendants moved to dismiss all of Plaintiff's claims, pursuant to Court of Chancery Rules 12(b)(6) and 23.1 (the "Motion to Dismiss"),

¹ All capitalized terms not otherwise defined herein are defined in Section IV.1.

² A corrected complaint was filed on May 6, 2014.

principally on the ground that Plaintiff failed to state a claim under Delaware law. Plaintiff filed his brief in opposition to the Motion to Dismiss on September 19, 2014. Defendants submitted their reply brief in further support of the Motion to Dismiss on October 20, 2014.

The Court heard oral argument on the Motion to Dismiss on January 6, 2015. The Parties filed additional submissions on certain issues raised at the hearing, and the matter was submitted on February 2, 2015. On April 30, 2015, the Court issued its opinion granting in part and denying in part the Motion to Dismiss. *Calma on Behalf of Citrix Systems, Inc. v. Templeton*, 114 A.3d 563 (Del. Ch. 2015). The non-dismissed claims remain pending.

While the Parties were litigating, Plaintiff sought to commence discussions regarding an appropriate derivative settlement framework. On February 12, 2015, Plaintiff's Counsel sent a settlement demand to Defendants' counsel that included a proposed set of corporate governance reforms. In May 2015, the Parties agreed to extend the time for Defendants to answer the complaint in order to explore a possible resolution of the Action. In June 2015, Plaintiff served requests for the production of documents and a notice of a Rule 30(b)(6) deposition directed to Citrix. The Parties agreed to defer Citrix's formal written responses and objections. Defendants provided a formal written response to the settlement demand on June 23, 2015.

From late June through September 2015, the Parties vigorously negotiated arm's-length corporate governance reforms to address issues raised in the Action. Negotiations included the production of 422 pages of internal Citrix documents.

The Parties, and their respective counsel, engaged in numerous discussions concerning these reforms and other details for implementation of the Settlement. The Parties believed they had reached a settlement in principle, subject to the negotiation of minor details related to the execution of the Settlement in late September 2015.

In the following weeks, Plaintiff's Counsel and Defendants' counsel separately negotiated the amount of attorneys' fees and expenses to be paid to Plaintiff's Counsel. Plaintiff's Counsel and Defendants' counsel reached an agreement in principle on that issue as well.

Following the settlement approval hearing before this Court on December 9, 2015, in *Steinberg v. Casey*, C.A. No. 10190-CB, a case involving issues similar to the Action, Plaintiff's Counsel determined that additional discovery and clarification of settlement terms were necessary in order to proceed with the settlement of the Action. The Parties negotiated additional discovery in order to ensure that any settlement reached was in Citrix's best interests and that the Court would have sufficient information to consider the Settlement. On May 2, 2016, Citrix produced an additional 281 pages of internal Company documents.

As a result of these negotiations, the Parties have reached an agreement to settle the Action on the terms and subject to the conditions set forth in this Stipulation (the “Settlement”).

II. PLAINTIFF’S CLAIMS AND THE BENEFITS OF SETTLEMENT

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

Plaintiff’s Counsel have conducted a thorough review and analysis of the relevant facts, allegations, defenses, and controlling legal principles, and believe that the Settlement set forth in this Stipulation is fair, reasonable, and adequate, and confers substantial benefits upon Citrix and its stockholders. Plaintiff’s Counsel further represents that they have conducted an investigation, including, *inter alia*, (i) reviewing Citrix’s press releases, public statements, SEC filings, and

securities analysts' reports and advisories about the Company; (ii) reviewing press releases, public statements, and SEC filings of other companies within Citrix's peer group; (iii) reviewing media reports about the Company; (iv) researching the applicable law with respect to the claims alleged in the Action and the potential defenses thereto; (v) preparing and filing a derivative complaint; (vi) conducting damages analyses; (vii) consulting with co-counsel on the course of the litigation; (viii) analyzing the Motion to Dismiss and drafting an opposition thereto; (ix) preparing for and attending oral argument on the Motion to Dismiss; (x) participating in informal conferences with Defendants' counsel regarding the specific facts of the case, the perceived strengths and weaknesses of the case, and other issues in an effort to facilitate negotiations and fact-gathering; (xi) analyzing internal documents produced by the Company, including Board minutes and other Board materials; (xii) drafting settlement demands; and (xiii) negotiating this Settlement with Defendants. Based upon the evaluation of Plaintiff's Counsel, Plaintiff has determined that the Settlement is fair, reasonable, adequate, and in the best interests of Citrix and Citrix's stockholders, and has agreed to settle the Action on the terms and subject to the conditions set forth herein.

III. DEFENDANTS' DENIAL OF WRONGDOING AND LIABILITY

Defendants have denied and continue to deny that they have committed, or threatened or attempted to commit, any violations of law or any other wrongdoing

whatsoever or that they have breached any duty owed to Plaintiff, Citrix, or Citrix's stockholders. Defendants have maintained and continue to maintain that their conduct was at all times in compliance with applicable law and otherwise proper and that they acted in good faith. In addition, Defendants have maintained and continue to maintain that under longstanding Delaware law, director equity compensation awards made pursuant to and within the parameters authorized by an equity incentive plan that has been approved by a fully informed majority of disinterested shareholders are subject to the business judgment rule, which here Defendants believe protects the compensation judgments that they made from second-guessing.

Nonetheless, Defendants have concluded that further litigation of the Action would be protracted and expensive, and that it is desirable and beneficial for the Action to be fully and finally settled in the manner and on the terms and conditions set forth in this Stipulation, thereby avoiding the significant expense, time, and uncertainty associated with further litigation (including potentially lengthy appeals) of this matter. Citrix has approved the Settlement as being in the best interests of Citrix and its stockholders. Citrix, through its Board of Directors, acknowledges and agrees that the Settlement confers substantial benefits upon Citrix and its stockholders and that the Settlement is fair, reasonable, and adequate and in the best interests of Citrix and its stockholders.

IV. TERMS OF STIPULATION AND AGREEMENT OF SETTLEMENT

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and among Plaintiff (on behalf of himself and derivatively on behalf of Citrix) and Defendants, each by and through their respective counsel as follows:

1. Definitions

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

1.1. “2005 EIP” means the 2005 Equity Incentive Plan approved by Citrix stockholders on or about May 5, 2005.

1.2. “2014 EIP” means the 2014 Equity Incentive Plan approved by Citrix stockholders on or about May 22, 2014.

1.3. “Action” means *Calma v. Templeton*, C.A. 9579-CB (Del. Ch.).

1.4. “Board of Directors” or “Board” means the Board of Directors of Citrix.

1.5. “Citrix Stockholder(s)” means any Person or Persons (as defined herein) who are record holders or beneficial owners of Citrix common stock as of the date of this Stipulation and their representatives, trustees, executors, administrators, heirs, successors, predecessors, or assigns. The Individual Defendants, the officers and directors of Citrix, members of their immediate families, and their legal representatives, heirs, successors, or assigns, and any

entity in which the Individual Defendants have or had a controlling interest are excluded from this term.

1.6. “Compensation Committee Charter” means the charter for the Compensation Committee of the Board of Directors.

1.7. “Corporate Governance Reforms” means the corporate governance reforms specified in Section IV.2.

1.8. “Court” means the Court of Chancery of the State of Delaware.

1.9. “Defendants” means, collectively, nominal defendant Citrix and the Individual Defendants. “Defendant” means, individually, any of the Defendants.

1.10. “Effective Date” means the date by which all of the events and conditions specified in Paragraph 6.1 herein have occurred.

1.11. “Final” means the date upon which the last of the following shall occur with respect to the Judgment approving the Stipulation, substantially in the form of Exhibit C attached hereto, or an Alternative Judgment (defined in Paragraph 6.1.2): (i) the time within which to seek appeal, alteration, amendment, or other review of the Judgment or Alternative Judgment has expired without any appeal, alteration, amendment, or other review having been sought or taken; or (ii) if any appeal, alteration, amendment, or other review is filed, sought, or taken, the date as of which such appeal, alteration, amendment or other review shall have been finally determined in such a manner as to affirm the Judgment or Alternative

Judgment without any material change thereto and the time, if any, for commencing any further appeal has expired. For purposes of this definition, an “appeal” includes appeals as of right, discretionary appeals, interlocutory appeals, proceedings involving writs of certiorari, mandamus, or prohibition, and any other proceedings of like kind.

1.12. “Individual Defendants” means Mark B. Templeton, Thomas F. Bogan, Gary E. Morin, Nanci E. Caldwell, Stephen M. Dow, Murray J. Demo, Godfrey R. Sullivan, Asiff S. Hirji, and Robert D. Daleo.

1.13. “Judgment” means the [Proposed] Order and Final Judgment to be entered by the Court dismissing this Action with prejudice, substantially in the form attached hereto as Exhibit C.

1.14. “Notice” means the Notice of Pendency of Settlement of Action, substantially in the form attached hereto as Exhibit B.

1.15. “Person” means a natural person, individual, corporation, partnership, limited partnership, limited liability partnership, limited liability company, association, joint venture, joint stock company, estate, legal representative, trust, unincorporated association, government, or any political subdivision or agency thereof, any other type of legal or political entity, and any spouse, heir, legatee, executor, administrator, predecessor, successor, representative, or assign of any of the foregoing.

1.16. “Plaintiff” means John Calma, individually and derivatively on behalf of Citrix.

1.17. “Plaintiff’s Counsel” means Young Conaway Stargatt & Taylor, LLP, and Robbins Arroyo LLP.

1.18. “Released Claims” means and includes any and all claims for relief or causes of action, debts, demands, rights, liabilities, losses, and claims whatsoever, known or unknown, fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, or known and Unknown Claims, that have been or could have been or in the future might be asserted by Plaintiff as a stockholder, or any other Citrix Stockholder, or any other Person acting or purporting to act on behalf of Citrix, in the Action against the Released Persons, arising out of or relating to the facts, transactions, events, occurrences, acts, disclosures, statements, or omissions that were alleged in the Action against Defendants; provided, however, that it is understood that “Released Claims” and any release provided by this Settlement shall not include: (a) any claims to enforce the Settlement; and (b) any claims by the Defendants or any other Person to enforce their rights under any contract or policy of insurance.

1.19. “Released Persons” means the Individual Defendants and their heirs, trustees, executors, administrators, legal representatives, predecessors, successors, subsidiaries, affiliates, agents, attorneys, insurers, and each of their past or present

officers, directors, and employees. “Released Persons” also includes Citrix and all current and former officers, directors, and employees of Citrix.

1.20. “Releasing Persons” means Plaintiff (both individually and derivatively on behalf of Citrix), any other Citrix Stockholder or former Citrix Stockholder acting or purporting to act on behalf of Citrix, and Citrix. “Releasing Person” means, individually, any of the Releasing Persons.

1.21. “Scheduling Order” means the order specified in Paragraph 3.1 and substantially in the form attached hereto as Exhibit A.

1.22. “SEC” means the U.S. Securities and Exchange Commission.

1.23. “Settlement Hearing” means the hearing set by the Court to consider final approval of the Settlement.

1.24. “Settling Parties” or “Parties” means, collectively, Plaintiff (both individually and derivatively on behalf of Citrix) and Defendants. “Settling Party” or “Party” means, individually, any of the Settling Parties.

1.25. “Unknown Claims” means any claims, causes of action, debts, demands, disputes, rights, liabilities, losses, matters, suits, and damages which Plaintiff or Defendants do not know of or suspect to exist in his, her, or its favor at the time of the release of the Released Claims, including without limitation those which, if known, might have affected the decision to enter into the Settlement. With respect to any and all Released Claims, the Parties agree that upon the

Effective Date, the Parties shall expressly waive, and all Releasing Persons shall be deemed to have waived, and by operation of the Judgment shall have waived, the provisions, rights, and benefits conferred by or under California Civil Code section 1542, or any other law of the United States or any state or territory of the United States or any foreign country, or principle of common law, which is similar, comparable, or equivalent to section 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

The Parties acknowledge that they may hereafter discover facts in addition to or different from those now known or believed to be true by them, with respect to the subject matter of the Released Claims, but it is the intention of the Parties to completely, fully, finally, and forever compromise, settle, release, discharge, and extinguish any and all Released Claims, known or unknown, suspected or unsuspected, contingent or absolute, accrued or unaccrued, apparent or unapparent, which do now exist, or heretofore existed, or may hereafter exist, and without regard to the subsequent discovery of additional or different facts. The Parties acknowledge that the foregoing waiver was separately bargained for and is a key element of this Stipulation of which this release is a part, and was relied upon by each and all of the Parties in entering into the Settlement.

2. Terms of the Settlement

2.1. As a direct result of the filing, prosecution, and settlement of the Action, Citrix has agreed to implement and maintain in substance the Corporate Governance Reforms set forth below for a period of no less than five (5) years from the Effective Date:

(a) **Limits on Annual Equity Compensation Grants for Non-Employee Directors.** Citrix shall cap the grant-date value of the annual equity compensation grant awarded to each non-employee director. The 2014 EIP shall be amended to add a new section that specifically addresses the annual equity compensation grants to non-employee directors. The new section shall specify the types of annual equity compensation grants available to non-employee directors; describe the vesting, exercisability and settlement of those annual equity compensation grants; and provide that the annual equity compensation grant awarded to each non-employee director shall not have a value that exceeds \$795,000 as of the grant date.

(b) **Stockholder Approval.** The above amendments to the 2014 EIP shall be presented to the Citrix stockholders for approval at the 2017 annual stockholder meeting.

(c) **Enhanced Disclosures on Director Compensation Practices.** Commencing with its proxy statement filed with the SEC in connection with the

2017 annual stockholder meeting, Citrix shall provide enhanced disclosures in its proxy statement to be filed with the SEC in advance of the annual stockholder meeting in accordance with applicable SEC regulation, including, but not limited to: (i) a description of the compensation philosophy and rationale underlying non-employee director compensation; (ii) the process by which decisions were made concerning non-employee director compensation, including the role and analysis of the independent compensation consultant retained by the Compensation Committee of the Board of Directors; and (iii) the specific annual awards of non-employee director compensation in that particular year.

(d) **Enhanced Mandate for Compensation Committee.** As soon as practicable after the Effective Date, the Board of Directors shall amend the Compensation Committee Charter to provide that the Compensation Committee shall be responsible for: (i) conducting an annual review and assessment of all compensation, including cash and equity-based compensation, paid by Citrix to the non-employee directors; (ii) engaging an independent compensation consultant annually to advise the Compensation Committee with regard to the cash and equity-based compensation of non-employee directors to be awarded, including with respect to (a) the amount and type of compensation to be paid, and (b) comparative data deemed appropriate by such consultant; and

(iii) recommending to the Board of Directors on the basis of its annual review and assessment the compensation to be awarded to non-employee directors.

3. Scheduling Order, Notice, Approval, and Dismissal of the Action

3.1. The Parties shall promptly submit this Stipulation together with its exhibits to the Court, and shall apply for entry of the proposed Scheduling Order, substantially in the form of Exhibit A attached hereto, requesting: (i) the approval of the Notice, substantially in the form attached hereto as Exhibit B; (ii) the Court's consideration of the proposed Settlement and Plaintiff's application for attorneys' fees; and (iii) a date for the Settlement Hearing.

3.2. Notice to Citrix Stockholders:

3.2.1. Within ten (10) business days after the entry of the Scheduling Order, Citrix shall mail the Notice to all record Citrix Stockholders at their respective addresses set forth in Citrix's stock records as of the date of entry of the Scheduling Order. All record holders who were not also the beneficial owners of the shares of Citrix's common stock held by them of record shall be requested to forward the Notice to the beneficial owners of those shares. Citrix shall make additional copies of the Notice available to any record holder who, prior to the Settlement Hearing, requests the same for distribution to beneficial owners; and

3.2.2. Within ten (10) business days after the entry of the Scheduling Order, Citrix and Robbins Arroyo LLP shall post copies of the Notice and this Stipulation on their websites.

3.3. Ten (10) business days prior to the Settlement Hearing, Defendants' counsel shall file with the Court an appropriate declaration with respect to the preparation and mailing of the Notice, and Plaintiff's Counsel shall file with the Court an appropriate declaration with respect to posting of the Notice and Stipulation.

3.4. Citrix, on behalf of Defendants or their insurers or re-insurers, shall be responsible for all costs associated with the mailing of the Notice. If additional notice is required by the Court, then the cost and administration of such additional notice will be borne by Citrix on behalf of the Individual Defendants.

3.5. The Parties believe the content and manner of notice constitutes adequate and reasonable notice to Citrix Stockholders pursuant to applicable law and due process.

3.6 The Scheduling Order also shall provide for a stay of proceedings in the Action, other than proceedings as may be necessary to carry out the terms and conditions of the Settlement, and order that, pending final determination of whether the Settlement provided for in this Stipulation should be approved, the Releasing Persons or any of them shall be preliminarily barred and enjoined from

commencing, prosecuting, instigating, continuing, or in any way participating in the commencement or prosecution of any action, in any forum, asserting any Released Claims against any of the Released Persons.

3.7. At the Settlement Hearing, the Parties shall jointly request the Court enter the proposed Judgment, substantially in the form attached hereto as Exhibit C.

3.8. The Parties and their attorneys agree to use their individual and collective best efforts to obtain Court approval of the Settlement. The Parties and their attorneys further agree to use their individual and collective best efforts to effect, take, or cause to be taken all actions, and to do, or cause to be done, all things reasonably necessary under applicable laws, rules, regulations, and agreements to consummate and make effective, as promptly as practicable, the Settlement provided for hereunder and the dismissal of the Action.

4. Attorneys' Fees and Expenses

4.1. Subject to Court approval, Citrix, on behalf of all Defendants, shall pay Plaintiff's Counsel attorneys' fees and expenses in the agreed-upon amount of \$425,000 (the "Fee and Expense Amount"). The Fee and Expense Amount shall be paid to Robbins Arroyo LLP within ten (10) business days after the Court enters the Judgment, subject to Plaintiff's Counsel's obligation to refund that amount if the Settlement or Fee and Expense Amount is reversed or modified on appeal

within ten (10) business days from the date that the Settlement or Fee and Expense Amount is reversed or modified on appeal. Except as otherwise provided herein, each of the Settling Parties shall bear his, her, or its own fees and costs.

4.2. Approval of Plaintiff's request for a Fee and Expense Amount shall not be a condition of the Settlement. Any order or proceedings related to Plaintiff's request for the Fee and Expense Amount or any appeal from any order relating thereto or any modification thereof shall not operate to terminate or cancel this Stipulation, and shall not affect the Judgment approving this Stipulation or prevent the Settlement from becoming Final.

4.3 No fees or expenses shall be paid to Plaintiff's Counsel in the absence of entry of the Judgment, including all of the releases contemplated therein, substantially in the form attached hereto as Exhibit C.

4.4. Except as provided in Paragraph 4.1 of this Stipulation, Defendants shall have no other obligation to pay or reimburse any fees, expenses, costs, or damages alleged or incurred by Plaintiff, other current or former Citrix Stockholders, any other Person, or their attorneys, experts, advisors, agents, or representatives. Plaintiff's Counsel shall have exclusive responsibility for allocating and distributing the Fee and Expense Amount among respective Plaintiff's Counsel as may be agreed upon by Plaintiff's Counsel. Neither Citrix

nor any of the Individual Defendants shall have any rights or responsibilities with respect to such allocation or distribution of the Fee and Expense Amount.

4.5. The Settling Parties further stipulate that Plaintiff's Counsel may apply to the Court for an incentive amount of up to \$5,000 for Plaintiff (the "Incentive Amount"), only to be paid upon Court approval, and to be paid from the Fee and Expense Amount, in recognition of Plaintiff's participation and effort in the prosecution of the Action. Any failure by the Court to approve any requested Incentive Amount, in whole or in part, shall have no effect on the remainder of the Settlement. Neither Citrix nor any of the Individual Defendants shall be liable for any portion of any Incentive Amount.

5. Releases

5.1. Upon the Effective Date, the Releasing Persons shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled, released, discharged, extinguished, and dismissed with prejudice the Released Claims against the Released Persons; provided, however, that such release shall not affect any claims to enforce the terms of this Stipulation.

5.2. Upon the Effective Date, the Released Persons shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled, released, discharged, extinguished, and dismissed with prejudice all claims (including Unknown Claims) arising out of, relating to, or in connection with the

institution, prosecution, assertion, settlement, or resolution of the Action against Plaintiff and Plaintiff's Counsel; provided, however, that such release shall not affect any claims to enforce the terms of this Stipulation.

5.3 Notwithstanding anything in this Stipulation to the contrary, (i) nothing in this Stipulation constitutes or reflects a waiver or release of any rights or claims of Defendants against their insurers, or their insurers' subsidiaries, predecessors, successors, assigns, affiliates, or representatives, including, but not limited to, any rights or claims of Defendants under any directors' and officers' liability insurance or other applicable insurance coverage; and (ii) nothing in this Stipulation constitutes or reflects a waiver or release of any rights or claims of the Individual Defendants relating in any way to indemnification, whether under any written indemnification or advancement agreement, or under Citrix's charter and/or by-laws, or under applicable law.

6. The Effective Date, Effect of Disapproval, Cancellation, or Termination

6.1. The Effective Date of the Settlement shall be conditioned on the occurrence of all of the following events:

6.1.1. The Court enters the Scheduling Order, substantially in the form attached as Exhibit A hereto;

6.1.2. The Court, following notice to Citrix Stockholders and a Settlement Hearing, enters the Judgment, substantially in the form attached as

Exhibit C hereto, approving the proposed Settlement, providing for the dismissal with prejudice of the Action and approving the release of the Released Claims, or enters an order and final judgment that is not substantially in the form attached as Exhibit C hereto (an “Alternative Judgment”) and the Parties agree to such Alternative Judgment;

6.1.3. The Court orders dismissal with prejudice of the Action without the award of any damages, costs, fees, or the grant of any further relief, except as provided in Paragraph 4.1 of this Stipulation; and

6.1.4. The Judgment or any Alternative Judgment to which the Parties agree becomes Final.

6.2. If any of the conditions listed in Paragraph 6.1 are not met, this Stipulation and the releases contemplated herein shall be null and void and of no force and effect, any court orders entered relating to the Settlement shall be treated as vacated *nunc pro tunc*, and the Settlement shall be deemed terminated, unless the Parties each agree otherwise in writing. In the event that the Settlement is terminated or the Effective Date otherwise does not occur, (a) the Settling Parties shall be restored to their positions on the date immediately prior to the execution date of this Stipulation, and (b) any and all sums paid by Citrix to Plaintiff’s Counsel pursuant to Paragraph 4.1 above shall be refunded by Plaintiff to Citrix within ten (10) business days of any termination. This Stipulation shall not be

deemed to entitle any Party to the recovery of costs and expenses incurred in connection with the intended implementation of the Settlement, except as provided in Paragraph 4.1 of this Stipulation.

6.3. Each Defendant shall have the right to withdraw from the Settlement, and declare it terminated pursuant to Paragraph 6.2 above, in the event that any Released Claims are instituted, commenced, prosecuted, continued, maintained, pursued, or asserted against any of the Released Persons in any litigation or proceeding of any kind prior to final approval of the Settlement and following a motion by such Released Persons such Released Claims are not dismissed with prejudice or stayed in contemplation of dismissal. In the event that any such Released Claims are instituted, commenced, prosecuted, continued, maintained, pursued, or asserted, the Parties agree to cooperate and use their reasonable best efforts to secure the dismissal thereof (or a stay thereof in contemplation of dismissal following final approval of the Settlement).

7. This Stipulation Is Not an Admission

7.1. This Stipulation, whether or not it is consummated and whether or not it is terminated, any of its provisions, any negotiations, proceedings or agreements relating to the Stipulation and the Settlement, all matters arising in connection with such negotiations, proceedings or agreements, and all acts performed or documents executed pursuant to or in furtherance of this Stipulation:

(a) shall not be offered or received against the Plaintiff or any of the Released Persons as evidence of a presumption, concession, or admission of any kind;

(b) shall not be offered or received against any of the Released Persons as evidence of an admission by any of those Released Persons with respect to the truth of any fact, including without limitation any fact alleged in the Action, or that could have been alleged in the Action, or the validity of any Released Claim, or the deficiency of any defense that has been, could have been, or could in the future be asserted, or any liability, negligence, fault, or wrongdoing of the Released Persons;

(c) shall not be offered or received against the Released Persons as evidence of any fault, misrepresentation, omission, or other actionable conduct of any kind with respect to any statement or written document approved or made by any of the Released Persons;

(d) shall not be offered or received against the Released Persons as evidence of any liability, negligence, fault, or wrongdoing, or in any way referred to for any other reason as against any of the Released Persons, in any other civil, criminal, or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of this Stipulation; *provided, however,* that if this Stipulation is approved by the Court, the Released Persons

may refer to it or file it to effectuate the release of Released Claims and other benefits granted them hereunder;

(e) shall not be construed as or received in evidence as an admission, concession, or presumption against Plaintiff or any Citrix Stockholder that any of their claims are without merit, or that any defenses asserted by Defendants have any merit; and

(f) shall not, in the event of termination of this Stipulation or the Settlement, be used by any Party for any purpose in any trial in the Action.

8. Miscellaneous Provisions

8.1. The Settling Parties agree that the terms of the Settlement were negotiated in good faith by the Parties, and reflect a Settlement that was reached voluntarily after consultation with competent legal counsel. Each of the Settling Parties reserves his, her, or its right to rebut, in a manner that such Party determines to be appropriate, any contention made in any public forum that the Action was brought or defended in bad faith or without a reasonable basis.

8.2. This Stipulation shall be deemed to have been mutually prepared by the Parties hereto and shall not be construed against any of them by reason of authorship.

8.3. The headings herein are used for the purpose of convenience and are not intended to have legal effect.

8.4. This Stipulation may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same document. Any signature to this Stipulation transmitted by facsimile or electronically scanned and sent via email shall be treated in all manner and respects as an original signature and shall be considered to have the same binding legal effect as an original signature.

8.5. All Persons executing this Stipulation hereby represent that they have been authorized and empowered to do so.

8.6. Plaintiff and Plaintiff's Counsel represent and warrant that none of Plaintiff's claims referred to in this Stipulation or that could have been alleged in this Action have been assigned, pledged, encumbered, or in any manner transferred in whole or in part.

8.7. This Stipulation embodies and represents the full agreement of the Parties and supersedes any and all prior agreements and understandings relating to the subject matter hereof between or among any of the Parties hereto. This Stipulation shall not be modified or amended, nor shall any provision of this Stipulation be deemed waived, unless such modification, amendment, or waiver is in writing and executed by or on behalf of the Parties. The waiver by any Party of any provision or any breach of this Stipulation shall not be deemed a waiver of any other provision or any other breach of this Stipulation.

8.8. If any provision of this Stipulation other than Paragraphs 1.18, 1.19, 1.20, 1.25, 3.7, 4.2, 4.3, 4.4, 4.5, 5.1, 5.2, 6.1, 6.2, 6.3, 7.1, 8.5, 8.6, and 8.7 is held to be unlawful, invalid, or unenforceable, (i) such provision will be fully severable; (ii) this Stipulation will be construed and enforced as if such unlawful, invalid, or unenforceable provision had never comprised a part of this Stipulation; and (iii) the remaining provisions of this Stipulation will remain in full force and effect and will not be affected by the unlawful, invalid, or unenforceable provision or by its severance from this Stipulation.

8.9. This Stipulation shall be binding upon, and inure to the benefit of, the successors and assigns of the Parties hereto.

8.10. Notwithstanding the entry of the Judgment or any Alternative Judgment, the Court shall retain jurisdiction with respect to the implementation, enforcement, and interpretation of the terms of this Stipulation, and all Parties submit to the jurisdiction of the Court for purposes of implementing, enforcing, and interpreting this Stipulation.

8.11. The construction and interpretation of this Stipulation shall be governed by and construed in accordance with the laws of the State of Delaware and without regard to the laws that might otherwise govern under principles of conflicts of law applicable hereto.

8.12. Without further order of the Court, the Parties hereto may agree to reasonable extensions of time to carry out any of the provisions of this Stipulation.

8.13. The following exhibits attached hereto are material and integral parts hereof and incorporated herein by reference:

(a) Exhibit A: [Proposed] Scheduling Order with Respect to Notice and Settlement Hearing;

(b) Exhibit B: Notice of Pendency of Settlement of Action; and

(c) Exhibit C: [Proposed] Order and Final Judgment.

IN WITNESS WHEREOF, IT IS HEREBY AGREED by the undersigned as of the date noted above.

/s/ Susan M. Hannigan

Thomas A. Beck (#2086)
Susan M. Hannigan (#5342)
RICHARDS, LAYTON &
FINGER, P.A.
One Rodney Square
920 North King Street
Wilmington, DE 19801
(302) 651-7700

OF COUNSEL:

Brian E. Pastuszenski
Daniel Roeser
GOODWIN PROCTER LLP
620 Eighth Avenue
New York, NY 10018
(212) 813-8800

*Attorneys for Defendants Mark
B. Templeton, Thomas F.
Bogan, Gary E. Morin, Nanci E.
Caldwell, Stephen M. Dow,
Murray J. Demo, Godfrey R.
Sullivan, Asiff S. Hirji, and
Robert D. Daleo*

/s/ Kenneth J. Nachbar

Kenneth J. Nachbar (#2067)
MORRIS, NICHOLS, ARSHT
& TUNNELL LLP
1201 North Market Street
P.O. Box 1347
Wilmington, DE 19801
(302) 658-9200

*Attorneys for Nominal
Defendant Citrix Systems, Inc.*

/s/ Nicholas J. Rohrer

Kathaleen St. J. McCormick (#4579)
Nicholas J. Rohrer (#5381)
YOUNG CONAWAY STARGATT &
TAYLOR, LLP
Rodney Square
1000 North King Street
Wilmington, DE 19801
(302) 571-6600

OF COUNSEL:

Brian J. Robbins
Felipe J. Arroyo
Jenny L. Dixon
ROBBINS ARROYO LLP
600 B Street, Suite 1900
San Diego, CA 92101
(619) 525-3990

Attorneys for Plaintiff John Calma

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Exhibit

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

JOHN CALMA, Derivatively on Behalf of CITRIX SYSTEMS, INC.,)	
)	
Plaintiff,)	C. A. No. 9579-CB
v.)	
MARK B. TEMPLETON, THOMAS F. BOGAN, GARY E. MORIN, NANCI E. CALDWELL, STEPHEN M. DOW, MURRAY J. DEMO, GODFREY R. SULLIVAN, ASIFF S. HIRJI, and ROBERT D. DALEO,)	
)	
Defendants,)	
-and-)	
CITRIX SYSTEMS, INC., a Delaware corporation,)	
)	
Nominal Defendant.)	

**[PROPOSED] SCHEDULING ORDER WITH RESPECT
TO NOTICE AND SETTLEMENT HEARING**

WHEREAS, the Parties to the above-captioned action (the “Action”) have entered into a Stipulation of Compromise and Settlement dated May 12, 2016 (the “Stipulation”), which sets forth the terms and conditions for the proposed settlement and dismissal with prejudice of the Action (the “Settlement”), subject to review and approval by this Court pursuant to Court of Chancery Rule 23.1 and upon notice to the current stockholders of nominal defendant Citrix Systems, Inc. (“Citrix” or the “Company”);

WHEREAS, the Court has read and considered the Stipulation and the accompanying documents; and

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WHEREAS, all Parties have consented to the entry of this order.

NOW, upon application of the Parties, after review and consideration of the Stipulation filed with the Court and the exhibits annexed thereto,

IT IS HEREBY ORDERED this ____ day of _____, 2016
as follows:

1. For purposes of this Scheduling Order, the Court incorporates by reference the definitions in the Stipulation and all capitalized terms used herein shall have the same meanings as set forth in the Stipulation unless otherwise defined herein.

2. A hearing (the "Settlement Hearing") shall be held on _____, at _____ a.m. / p.m. in the Court of Chancery, New Castle County Courthouse, 500 North King Street, Wilmington, Delaware 19801, to: (a) determine whether the proposed Settlement, on the terms and conditions provided for in the Stipulation, is fair, reasonable, and adequate and in the best interests of Citrix and its current stockholders; (b) determine whether the Court should finally approve the Stipulation and enter the Order and Final Judgment (the "Judgment") as provided in the Stipulation, dismissing the Action with prejudice and extinguishing and releasing the Released Claims; (c) hear and determine any objections to the proposed Settlement; (d) determine whether the Court should approve Plaintiff's application for approval of the agreed-to Fee and Expense

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Amount and Incentive Amount to Plaintiff; and (e) rule on such other matters as the Court may deem appropriate.

3. The Settlement Hearing may be adjourned by the Court from time to time without further notice to anyone other than the Parties to the Action and any Objectors (as defined herein).

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

5. The Court approves, in form and content, the Notice of Pendency of Settlement of Action (the "Notice") filed by the Parties with the Stipulation as Exhibit B and finds that the giving of notice substantially in the manner set forth herein meets the requirement of Court of Chancery Rule 23.1 and due process, and is the best notice practicable under the circumstances.

6. Within ten (10) business days after the entry of this Scheduling Order, Citrix shall mail the Notice to all record Citrix Stockholders at their respective addresses set forth in Citrix's stock records as of the date of entry of this Scheduling Order. All record holders who were not also the beneficial owners of the shares of Citrix's common stock held by them of record shall be requested to forward the Notice to the beneficial owners of those shares. Citrix shall make additional copies of the Notice available to any record holder who, prior to the

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Settlement Hearing, requests the same for distribution to beneficial owners. Citrix, on behalf of Defendants or their insurers or re-insurers, shall be responsible for all costs associated with the mailing of the Notice. If additional notice is required by the Court, then the cost and administration of such additional notice will be borne by Citrix on behalf of the Individual Defendants.

7. Within ten (10) business days after the entry of this Scheduling Order, Citrix and Robbins Arroyo LLP shall post copies of the Notice and the Stipulation on their websites.

8. Ten (10) business days prior to the Settlement Hearing, Defendants' counsel shall file with the Court an appropriate declaration with respect to the preparation and mailing of the Notice, and Plaintiff's Counsel shall file with the Court an appropriate declaration with respect to posting of the Notice and Stipulation.

9. As set forth in the Notice, any record or beneficial stockholder of Citrix who objects to the Settlement, the proposed Judgment to be entered, the Fee and Expense Amount, the Incentive Amount, and/or who otherwise wishes to be heard ("Objector"), may appear in person or by his, her, or its attorney at the Settlement Hearing and present any evidence or argument that may be proper and relevant; provided, however, that no Objector shall be heard or entitled to contest the approval of the terms and conditions of the Settlement, or, if approved, the

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Judgment to be entered thereon, unless he, she, or it has, no later than ten (10) calendar days before the Settlement Hearing (unless the Court in its discretion shall thereafter otherwise direct, upon application of such person and for good cause shown), filed with the Register in Chancery, Court of Chancery, New Castle County Courthouse, 500 North King Street, Wilmington, Delaware 19801, and served (by hand or by overnight mail) on Plaintiff's Counsel and Defendants' counsel, at the addresses below, the following: (i) proof of current ownership of Citrix stock; (ii) a written notice of the Objector's intention to appear; (iii) a detailed statement of the objections to any matter before the Court; and (iv) a detailed statement of all of the grounds thereon and the reasons for the Objector's desire to appear and to be heard, as well as all documents or writings which the Objector desires the Court to consider. In addition to the aforementioned Court address, the addresses to which such information should be sent (by hand or by overnight mail) are as follows:

YOUNG CONAWAY STARGATT
& TAYLOR, LLP
Kathaleen St. J. McCormick
Rodney Square
1000 North King Street
Wilmington, DE 19801
(302) 571-6600

ROBBINS ARROYO LLP
Felipe J. Arroyo
600 B Street, Suite 1900

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Exhibit

San Diego, CA 92101
(619) 525-3990

Attorneys for Plaintiff

RICHARDS, LAYTON & FINGER, P.A.
Thomas A. Beck
Susan M. Hannigan
One Rodney Square
920 North King Street
Wilmington, DE 19801
(302) 651-7700

GOODWIN PROCTER LLP
Brian E. Pastuszewski
Daniel Roeser
620 Eighth Avenue
New York, NY 10018
(212) 813-8800

Attorney for Defendants Mark B. Templeton, Thomas F. Bogan, Gary E. Morin, Nanci E. Caldwell, Stephen M. Dow, Murray J. Demo, Godfrey R. Sullivan, Asiff S. Hirji, and Robert D. Daleo

MORRIS, NICHOLS, ARSHT & TUNNELL LLP
Kenneth J. Nachbar
1201 North Market Street
P.O. Box 1347
Wilmington, DE 19801
(302) 658-9200

Attorneys for Nominal Defendant Citrix Systems, Inc.

10. Any person or entity who fails to object in the manner prescribed above shall be deemed to have waived such objection (including the right to appeal), unless the Court in its discretion allows such objection to be heard at the

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Settlement Hearing, and shall forever be barred from raising such objection in the Action or any other action or proceeding or otherwise contesting the Settlement, the Fee and Expense Amount, or the Incentive Amount, and will otherwise be bound by the Judgment to be entered and the releases to be given.

11. At least twenty-one (21) calendar days prior to the Settlement Hearing, Plaintiff's Counsel shall file with the Court a brief in support of the Settlement, including the Fee and Expense Amount and the Incentive Amount. Any objections to the Settlement, the Fee and Expense Amount, or the Incentive Amount shall be filed and served no later than ten (10) calendar days prior to the Settlement Hearing.

12. At least five (5) calendar days prior to the Settlement Hearing, the Parties may serve and file with the Court a response brief to any objections made by an Objector pursuant to paragraphs 9 and 11, above.

13. In the event that the Stipulation is not approved by the Court, the Settlement and any actions taken in connection therewith shall become null and void for all purposes, and all negotiations, transactions, and proceedings connected with it: (i) shall be without prejudice to the rights of any Party thereto; (ii) shall not be deemed to be construed as evidence of, or an admission by any Party of any fact, matter, or thing; and (iii) shall not be admissible in evidence or be used for any purpose in any subsequent proceedings in the Action or any other action or

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proceeding. The Parties shall be deemed to have reverted to their respective status in the Action as of the date and time immediately prior to the execution of the Stipulation, and, except as otherwise expressly provided, the Parties shall proceed in all respects as if the Stipulation and any related orders had not been entered.

14. All proceedings in this Action (except proceedings as may be necessary to carry out the terms and conditions of the proposed Settlement) are hereby stayed and suspended until further order of the Court. Except as provided in the Stipulation, pending final determination of whether the Settlement should be approved, Plaintiff in the action and all Citrix stockholders are barred and enjoined from commencing, prosecuting, instigating, or in any way participating in the commencement or prosecution of any action asserting any Released Claim against Defendants or any of the Released Persons.

15. The Court may, for good cause shown, extend any of the deadlines set forth in this Scheduling Order without further notice to anyone other than the Parties to the Action and any Objectors.

Chancellor Bouchard

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

JOHN CALMA, Derivatively on Behalf of CITRIX SYSTEMS, INC.,	}	C. A. No. 9579-CB
Plaintiff,		
v.	}	
MARK B. TEMPLETON, THOMAS		
F. BOGAN, GARY E. MORIN,		
NANCI E. CALDWELL, STEPHEN		
M. DOW, MURRAY J. DEMO,		
GODFREY R. SULLIVAN, ASIFF S.		
HIRJI, and ROBERT D. DALEO,		
Defendants,		
-and-		
CITRIX SYSTEMS, INC., a Delaware corporation,		
Nominal Defendant.		

NOTICE OF PENDENCY OF SETTLEMENT OF ACTION

**TO: ALL CURRENT STOCKHOLDERS OF CITRIX SYSTEMS, INC.
(TRADING SYMBOL: CTXS)**

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

THIS ACTION IS NOT A “CLASS ACTION.” THERE IS NO COMMON FUND UPON WHICH YOU CAN MAKE A CLAIM FOR MONETARY PAYMENT.

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

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

I. WHY ARE YOU RECEIVING THIS NOTICE?

The purpose of this Notice is to tell you about (i) a lawsuit (the “Action”) in the Court of Chancery of the State of Delaware (the “Court”) brought on behalf of Citrix Systems, Inc. (“Citrix” or the “Company”); (ii) a proposal to settle the Action as provided in a Stipulation of Compromise and Settlement (the “Stipulation”) that sets forth the terms and conditions of the proposed settlement of the Action (“Settlement”); and (iii) your right, among other things, to attend and participate in a hearing to be held on _____, 2016 at _____ a.m. / p.m., in the Court of Chancery, New Castle County Courthouse, 500 North King Street, Wilmington, Delaware 19801 (the “Settlement Hearing”).¹

This Notice describes the rights you may have under the Stipulation and what steps you may, but are not required to, take concerning the proposed Settlement. If the Court approves the Stipulation, the Parties will ask the Court to approve an Order and Final Judgment that would end the Action.

THE FOLLOWING DESCRIPTION DOES NOT CONSTITUTE FINDINGS OF ANY COURT. IT IS BASED ON STATEMENTS OF THE PARTIES AND SHOULD NOT BE UNDERSTOOD AS AN EXPRESSION OF ANY OPINION OF ANY COURT AS TO THE MERITS OF ANY OF THE CLAIMS OR DEFENSES RAISED BY ANY OF THE PARTIES.

II. BACKGROUND: WHAT IS THE ACTION ABOUT?

Plaintiff John Calma is a current Citrix stockholder.² The Action and Settlement address claims alleging that members of Citrix’s Board of Directors breached their fiduciary duties by awarding allegedly excessive compensation to Citrix’s outside, “Non-Employee Directors” for their Board service. Plaintiff alleges that the compensation at issue was excessive when compared to the

¹ All capitalized terms are defined in the Stipulation unless otherwise noted. The Stipulation may be inspected on Plaintiff’s Counsel’s website at www.robbinsarroyo.com/notices and on Citrix’s corporate website at .

² Mr. Calma is represented by Young Conaway Stargatt & Taylor, LLP, and Robbins Arroyo LLP (collectively, “Plaintiff’s Counsel”).

amounts that other companies pay their Non-Employee Directors, and the Non-Employee Directors were unjustly enriched as a result. Defendants have denied and continue to deny they have committed, threatened, or attempted to commit any violations of law or any other wrongdoing whatsoever or that they have breached any duty owed to Plaintiff, Citrix, or Citrix's stockholders and maintain that their conduct was at all times in compliance with applicable law and otherwise proper and that they acted in good faith.

THE COURT HAS NOT FINALLY DETERMINED THE MERITS OF PLAINTIFF'S CLAIMS OR THE DEFENSES THERETO. THIS NOTICE DOES NOT IMPLY THAT THERE HAS BEEN OR WOULD BE ANY FINDING OF VIOLATION OF THE LAW OR THAT RECOVERY COULD BE HAD IN ANY AMOUNT IF THE ACTION WAS NOT SETTLED.

III. HOW WAS THE SETTLEMENT REACHED?

Following the issuance of the Court's order dated April 30, 2015, granting in part and denying in part Defendants' Motion to Dismiss, counsel for all Parties engaged in arm's-length negotiations concerning a possible settlement of the Action. After those significant arm's-length negotiations, and based on the investigation of Plaintiff's Counsel, the Parties reached an agreement on the principal terms reflected in the Stipulation. The Stipulation was later signed by all Parties on May 12, 2016.

IV. WHAT ARE THE TERMS OF THE SETTLEMENT?

As a direct result of the filing, prosecution, and settlement of the Action, Citrix has agreed to implement and maintain in substance the corporate governance reforms set forth below (the "Corporate Governance Reforms") for a period of no less than five (5) years from the date all of the conditions and events of the Settlement have been met and have occurred (the "Effective Date"):

Limits on Annual Equity Compensation Grants for Non-Employee Directors. Citrix shall cap the grant-date value of the annual equity compensation grant awarded to each non-employee director. The 2014 EIP shall be amended to add a new section that specifically addresses the annual equity compensation grants to non-employee directors. The new section shall specify the types of annual equity compensation grants available to non-employee directors; describe the vesting, exercisability and settlement of those annual equity compensation grants; and provide that the annual equity

compensation grant awarded to each non-employee director shall not have a value that exceeds \$795,000 as of the grant date.

Stockholder Approval. The above amendments to the 2014 EIP shall be presented to the Citrix stockholders for approval at the 2017 annual stockholder meeting.

Enhanced Disclosures on Director Compensation Practices. Commencing with its proxy statement filed with the SEC in connection with the 2017 annual stockholder meeting, Citrix shall provide enhanced disclosures in its proxy statement to be filed with the SEC in advance of the annual stockholder meeting in accordance with applicable SEC regulation, including, but not limited to: (i) a description of the compensation philosophy and rationale underlying non-employee director compensation; (ii) the process by which decisions were made concerning non-employee director compensation, including the role and analysis of the independent compensation consultant retained by the Compensation Committee of the Board of Directors; and (iii) the specific annual awards of non-employee director compensation in that particular year.

Enhanced Mandate for Compensation Committee. As soon as practicable after the Effective Date, the Board of Directors shall amend the Compensation Committee Charter to provide that the Compensation Committee shall be responsible for: (i) conducting an annual review and assessment of all compensation, including cash and equity-based compensation, paid by Citrix to the non-employee directors; (ii) engaging an independent compensation consultant annually to advise the Compensation Committee with regard to the cash and equity-based compensation of non-employee directors to be awarded, including with respect to (a) the amount and type of compensation to be paid, and (b) comparative data deemed appropriate by such consultant; and (iii) recommending to the Board of Directors on the basis of its annual review and assessment the compensation to be awarded to non-employee directors.

Because the Action was brought for the benefit of Citrix, any monetary benefit or recovery in the litigation (whether from this or any settlement or through a judgment in favor of the Plaintiff) would go to Citrix. **Citrix stockholders will not receive any direct payment as a result of the Stipulation and will not need to fill out any kind of claims form as a result of the Settlement.**

The Stipulation is contingent on receiving approval from the Court.

V. WHAT CLAIMS WILL THE SETTLEMENT RELEASE?

Under the Stipulation upon the Effective Date, the following releases will occur, except as noted below:

The Releasing Persons (defined below) shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled, released, discharged, extinguished, and dismissed with prejudice the Released Claims (defined below) against the Released Persons (defined below); provided, however, that such release shall not affect any claims to enforce the terms of the Stipulation.

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

"Releasing Persons" means Plaintiff (both individually and derivatively on behalf of Citrix), any other Citrix Stockholder or former Citrix Stockholder acting or purporting to act on behalf of Citrix, and Citrix. "Releasing Person" means, individually, any of the Releasing Persons.

"Released Persons" means the Individual Defendants and their heirs, trustees, executors, administrators, legal representatives, predecessors, successors, subsidiaries, affiliates, agents, attorneys, insurers, and each of their past or present officers, directors, and employees. "Released Persons" also includes Citrix and all current and former officers, directors, and employees of Citrix.

"Released Claims" means and includes any and all claims for relief or causes of action, debts, demands, rights, liabilities, losses, and claims whatsoever, known or unknown, fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, or known and Unknown Claims, that have been or could have been or in the future might be asserted by Plaintiff as a stockholder, or any other Citrix Stockholder, or any other Person acting or purporting to act on behalf of Citrix, in the Action against the Released Persons, arising out of or relating to the facts, transactions, events, occurrences, acts, disclosures, statements, or omissions that were alleged in the Action against Defendants; provided, however, that it is understood that "Released Claims" and

any release provided by this Settlement shall not include: (a) any claims to enforce the Settlement; and (b) any claims by the Defendants or any other Person to enforce their rights under any contract or policy of insurance.

VI. WHAT ARE THE REASONS FOR SETTLING THE ACTION?

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

Plaintiff's Counsel have conducted a thorough review and analysis of the relevant facts, allegations, defenses, and controlling legal principles, and believe that the Settlement set forth in the Stipulation is fair, reasonable, and adequate, and confers substantial benefits upon Citrix and its stockholders. Plaintiff's Counsel further represents that they have conducted an investigation, including, *inter alia*, (i) reviewing Citrix's press releases, public statements, SEC filings, and securities analysts' reports and advisories about the Company; (ii) reviewing press releases, public statements, and SEC filings of other companies within Citrix's peer group; (iii) reviewing media reports about the Company; (iv) researching the applicable law with respect to the claims alleged in the Action and the potential defenses thereto; (v) preparing and filing a derivative complaint; (vi) conducting damages analyses; (vii) consulting with co-counsel on the course of the litigation; (viii) analyzing the Motion to Dismiss and drafting an opposition thereto; (ix) preparing for and attending oral argument on the Motion to Dismiss; (x) participating in informal conferences with Defendants' counsel regarding the specific facts of the case, the perceived strengths and weaknesses of the case, and other issues in an effort to facilitate negotiations and fact-gathering; (xi) analyzing internal documents produced by the Company, including Board minutes and other Board materials; (xii) drafting settlement demands; and (xiii) negotiating this Settlement with Defendants. Based upon the evaluation of Plaintiff's Counsel, Plaintiff has determined that the Settlement is fair, reasonable, adequate, and in the best interests of Citrix and Citrix's stockholders, and has agreed to settle the Action on the terms and subject to the conditions set forth in the Stipulation.

Defendants believe the claims lack merit and have denied and continue to deny that they have committed, or threatened or attempted to commit, any violations of law or any other wrongdoing whatsoever or that they have breached any duty owed to Plaintiff, Citrix, or Citrix's stockholders. Defendants have maintained and continue to maintain that their conduct was at all times in compliance with applicable law and otherwise proper and that they acted in good faith. In addition, Defendants have maintained and continue to maintain that under longstanding Delaware law, director equity compensation awards made pursuant to and within the parameters authorized by an equity incentive plan that has been approved by a fully informed majority of disinterested shareholders are subject to the business judgment rule, which here Defendants believe protects the compensation judgments that they made from second-guessing.

Nonetheless, Defendants have concluded that further litigation of the Action would be protracted and expensive, and that it is desirable and beneficial for the Action to be fully and finally settled in the manner and on the terms and conditions set forth in the Stipulation, thereby avoiding the significant expense, time, and uncertainty associated with further litigation (including potentially lengthy appeals) of this matter. Citrix has approved the Settlement as being in the best interests of Citrix and its stockholders. Citrix, through its Board of Directors, acknowledges and agrees that the Settlement confers substantial benefits upon Citrix and its stockholders and that the Settlement is fair, reasonable, and adequate and in the best interests of Citrix and its stockholders.

Neither the Stipulation, nor any of its terms or provisions, nor entry of the Judgment, nor any document or exhibit referred or attached to the Stipulation, nor any action taken to carry out the Stipulation, is, may be construed as, or may be used as evidence of the validity of any of the Released Claims or an admission by or against Defendants of any fault, wrongdoing, or concession of liability whatsoever by any Person in the Action, or any other actions or proceedings, whether civil, criminal, or administrative.

VII. HOW WILL THE ATTORNEYS GET PAID?

To date, Plaintiff's Counsel have not received any payments for their efforts on behalf of Citrix and its stockholders. In recognition of the substantial benefits conferred upon Citrix as a direct result of the prosecution of the Settlement of the Action, and subject to Court approval, Citrix has agreed to pay an award of attorneys' fees and expenses to Plaintiff's Counsel not to exceed \$425,000 (the "Fee and Expense Amount"). Additionally, the Parties have agreed that Plaintiff's Counsel can apply for an incentive amount of up to \$5,000 for Plaintiff (the

“Incentive Amount”), only to be paid upon Court approval, and to be paid from the Fee and Expense Amount, in recognition of Plaintiff’s participation and effort in the prosecution of the Action. The Fee and Expense Amount includes the fees and expenses incurred by Plaintiff’s Counsel in connection with the prosecution and settlement of the Action. Plaintiff’s Counsel will not seek fees or expenses from the Court in excess of the agreed-to amount and Plaintiffs’ Counsel will not make an application for attorneys’ fees or expenses in any other jurisdiction. Except as otherwise provided herein, each of the Parties shall bear his, her, or its own fees and costs.

Court approval of the Settlement is not in any way conditioned on the Court approving the Fee and Expense Amount or the Incentive Amount.

VIII. WHEN WILL THE SETTLEMENT HEARING TAKE PLACE?

The Court has scheduled a Settlement Hearing to be held on _____, 2016 at _____ a.m. / p.m., in the Court of Chancery, New Castle County Courthouse, 500 North King Street, Wilmington, Delaware 19801.

At the Settlement Hearing, the Court will consider whether the proposed Settlement, on the terms and conditions provided for in the Stipulation, is fair, reasonable, and adequate and in the best interests of Citrix and its stockholders, and thus should be finally approved, whether the Fee and Expense Amount and Incentive Amount should be approved, and whether the Action should be dismissed with prejudice by entry of the Judgment pursuant to the Stipulation. The Court will also hear and determine objections, if any, to the proposed Settlement, the Fee and Expense Amount, or Incentive Amount and rule on such other matters as the Court may deem appropriate.

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

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

Any record or beneficial stockholder of Citrix who objects to the Settlement, the proposed Judgment to be entered, the Fee and Expense Amount, the Incentive

Amount, and/or who otherwise wishes to be heard (an “Objector”), may appear in person or by his, her, or its attorney at the Settlement Hearing and present any evidence or argument that may be proper and relevant; provided, however, that no Objector shall be heard or entitled to contest the approval of the terms and conditions of the Settlement, or, if approved, the Judgment to be entered thereon, unless he, she, or it has, no later than ten (10) calendar days before the Settlement Hearing (unless the Court in its discretion shall thereafter otherwise direct, upon application of such person and for good cause shown), filed with the Register in Chancery, Court of Chancery, New Castle County Courthouse, 500 North King Street, Wilmington, Delaware 19801, and served (by hand or overnight mail) on Plaintiff’s Counsel and Defendants’ counsel, at the addresses below, the following: (i) proof of current ownership of Citrix stock; (ii) a written notice of the Objector’s intention to appear; (iii) a detailed statement of the objections to any matter before the Court; and (iv) a detailed statement of all of the grounds thereon and the reasons for the Objector’s desire to appear and to be heard, as well as all documents or writings which the Objector desires the Court to consider. In addition to the aforementioned Court address, the addresses to which such information should be served (by hand or by overnight mail) are as follows:

YOUNG CONAWAY STARGATT
& TAYLOR, LLP
Nicholas J. Rohrer
Kathaleen St. J. McCormick
Rodney Square
1000 North King Street
Wilmington, DE 19801
(302) 571-6600

ROBBINS ARROYO LLP
Felipe J. Arroyo
600 B Street, Suite 1900
San Diego, CA 92101
(619) 525-3990

Attorneys for Plaintiff

RICHARDS, LAYTON & FINGER, P.A.
Thomas A. Beck
Susan M. Hannigan
One Rodney Square

920 North King Street
Wilmington, DE 19801
(302) 651-7700

GOODWIN PROCTER LLP
Brian E. Pastuszewski
Daniel Roeser
620 Eighth Avenue
New York, NY 10018
(212) 813-8800

Attorney for Defendants Mark B. Templeton, Thomas F. Bogan, Gary E. Morin, Nanci E. Caldwell, Stephen M. Dow, Murray J. Demo, Godfrey R. Sullivan, Asiff S. Hirji, and Robert D. Daleo

MORRIS, NICHOLS, ARSHT & TUNNELL LLP
Kenneth J. Nachbar
1201 North Market Street
P.O. Box 1347
Wilmington, DE 19801
(302) 658-9200

Attorneys for Nominal Defendant Citrix Systems, Inc.

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

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

Brokerage firms, banks, and/or other persons or entities who hold shares of the common stock of Citrix for the benefit of others, are requested to promptly send this Notice to all of their respective beneficial owners. If additional copies of this Notice are needed for forwarding to such beneficial owners, any requests for

such copies may be made to [INSERT NAME AND CONTACT FOR MAILING AGENT].

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

This Notice summarizes the Stipulation. It is not a complete statement of the events of the Action or the Stipulation.

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

For more information concerning the Settlement, you may also call or write to: Robbins Arroyo LLP, c/o Darnell R. Donahue, 600 B Street, Suite 1900, San Diego, California 92101, Telephone: (619) 525-3990.

PLEASE DO NOT WRITE OR CALL THE COURT

BY ORDER OF THE COURT

Dated: _____, 2016

Register in Chancery

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IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

JOHN CALMA, Derivatively on Behalf of CITRIX SYSTEMS, INC.,)	
)	
Plaintiff,)	C. A. No. 9579-CB
v.)	
MARK B. TEMPLETON, THOMAS)	
F. BOGAN, GARY E. MORIN,)	
NANCI E. CALDWELL, STEPHEN)	
M. DOW, MURRAY J. DEMO,)	
GODFREY R. SULLIVAN, ASIFF S.)	
HIRJI, and ROBERT D. DALEO,)	
)	
Defendants,)	
-and-)	
CITRIX SYSTEMS, INC., a Delaware)	
corporation,)	
)	
Nominal Defendant.)	

[PROPOSED] ORDER AND FINAL JUDGMENT

WHEREAS, a hearing was held before this Court on _____, 2016 pursuant to this Court’s Scheduling Order with Respect to Notice and Settlement Hearing, dated _____ (the “Scheduling Order”), and upon a Stipulation of Compromise and Settlement dated May 12, 2016 (the “Stipulation”) setting forth the terms and conditions of a proposed settlement (the “Settlement”) of the above-captioned action (the “Action”). The Parties appeared by their attorneys of record. The Court heard and considered the submissions and evidence presented in support of the proposed Settlement, including the Fee and Expense Amount and the Incentive Amount. The opportunity to be heard was

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given to all other persons requesting to be heard in accordance with the Scheduling Order. The Court considered, among other matters, the benefits of the proposed Settlement and the risks, complexity, expense, and probable duration of further litigation. The terms of the proposed Settlement, including the Fee and Expense Amount and the Incentive Amount, were heard and considered by the Court.

This Order and Final Judgment (“Judgment”) incorporates the Stipulation by reference and, unless otherwise defined, all capitalized terms shall have the same meanings as set forth in the Stipulation.

IT IS ORDERED, ADJUDGED AND DECREED, this _____ day of _____ that:

1. The Court finds that Plaintiff and Plaintiff’s Counsel have adequately represented the interests of Citrix Systems, Inc. (“Citrix” or the “Company”) and its stockholders with respect to the Action, the claims asserted therein, and all Released Claims.

2. The Court finds that the Settlement as set forth in the Stipulation is fair, reasonable, adequate, and in the best interests of Citrix and its stockholders.

3. This Court approves the Stipulation in all respects, and the Parties are directed to consummate the Settlement in accordance with the terms of the Stipulation. The Register in Chancery is directed to enter and docket this Judgment.

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4. The Notice of Pendency and Settlement of Action (the “Notice” Exhibit) has been given to all Citrix Stockholders pursuant to and in the manner directed by the Scheduling Order, proof of mailing, and other dissemination of the Notice was filed with the Court and full opportunity to be heard has been offered to all Parties, current stockholders of the Company, and persons in interest. The Court finds that the form and means of the Notice was the best notice practicable under the circumstances and was given in full compliance with the requirements of Court of Chancery Rule 23.1 and due process of law, and that all Citrix Stockholders are bound by this Judgment.

5. This Court has jurisdiction over the subject matter of the Action, including all matters necessary to effectuate the Stipulation and this Judgment and over all parties to the Action, including Plaintiff, Citrix Stockholders, and all Defendants (including nominal defendant Citrix).

6. The Action and all claims contained therein, as well as all of the Released Claims, are dismissed with prejudice. As between Plaintiff and Defendants, the Parties are to bear their own costs, except as otherwise provided in the Stipulation and in this Judgment.

7. Upon the Effective Date, the Releasing Persons shall be deemed to have, and by operation of this Judgment shall have, fully, finally, and forever settled, released, discharged, extinguished, and dismissed with prejudice the

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Released Claims against the Released Persons; provided, however, that such release shall not affect any claims to enforce the terms of the Stipulation.

8. Upon the Effective Date, the Released Persons shall be deemed to have, and by operation of this Judgment shall have, fully, finally, and forever settled, released, discharged, extinguished, and dismissed with prejudice all claims (including Unknown Claims), arising out of, relating to, or in connection with the institution, prosecution, assertion, settlement, or resolution of the Action against Plaintiff and Plaintiff's Counsel; provided, however, that such release shall not affect any claims to enforce the terms of the Stipulation.

9. Except as otherwise provided in the Stipulation, Plaintiff and all Citrix Stockholders are barred and enjoined from commencing, prosecuting, instigating, or in any way participating in the commencement or prosecution of any action asserting any Released Claim against Defendants or any of the Released Persons.

10. Nothing in this Judgment shall in any way impair or restrict the rights of any party to enforce the terms of the Stipulation.

11. The Court hereby approves the Fee and Expense Amount of _____ to Plaintiff's Counsel and finds that such fee is fair and reasonable.

12. The Court hereby approves the Incentive Amount of _____, which the Court finds to be fair and reasonable, to be paid to Plaintiff from the Fee and Expense Amount in accordance with the terms of the Stipulation.

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13. Neither the Stipulation, nor any of its terms or provisions, nor entry of this Judgment, nor any document or exhibit referred or attached to the Stipulation, nor any action taken to carry out the Stipulation: (a) is, may be construed as, or may be used as evidence of the validity of any of the Released Claims or an admission by or against Defendants of any fault, wrongdoing, or concession of liability whatsoever by any Person in the Action, or any other actions or proceedings, whether civil, criminal, or administrative; or (b) shall be interpreted as an admission of liability or wrongdoing on the part of the Individual Defendants, nor an admission on the part of Plaintiff of any lack of merit of the claims asserted in the Action. Notwithstanding the foregoing, Plaintiff, Plaintiff's Counsel, the Defendants and the Released Persons may file the Stipulation, or any judgment or order of the Court related hereto, in any action that has been or may be brought against them, in order to support a claim or defense based on principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

14. Without affecting the finality of this Judgment in any way, the Court retains jurisdiction with respect to the implementation, enforcement, and interpretation of the terms of the Stipulation, and all Parties submit to the jurisdiction of the Court for purposes of implementing, enforcing, and interpreting

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the Stipulation. Nothing herein dismisses or releases any claim by or against any party to the Stipulation arising out of a breach of the Stipulation or violation of this Judgment.

Chancellor Bouchard