UNITED STATES DISTRICT COURT

FOR THE NORTHERN DISTRICT OF CALIFORNIA

SAN FRANCISCO DIVISION

SECURITIES AND EXCHANGE COMMISSION, Plaintiff, v. McAFEE, INC. (f/k/a NETWORK ASSOCIATES, INC.), Defendant.	)	**Case No. C-06-0009 (PJH)**

ORDER AUTHORIZING THE CREATION OF A FAIR FUND AND APPOINTING A DISTRIBUTION AGENT

The Court, having reviewed the Unopposed Motion by Plaintiff Securities and Exchange Commission for Creation of a Fair Fund and Appointment of a Distribution Agent, and for good cause shown,

IT IS HEREBY ORDERED:

1. The U.S. Securities and Exchange Commission ("Commission") is authorized to establish a Fair Fund in accordance with Section 308(a) of the Sarbanes-Oxley Act, so that the civil penalty imposed by the Court in this matter may be added to and become part of the disgorgement fund for the benefit of investors harmed by the violations alleged in the Commission's Complaint.

2. Jeffrey Plotkin, Esq. is appointed Distribution Agent with the following powers and duties:

a. To perform such functions as are necessary to design and implement a plan of distribution for the Fair Fund (the "Plan of Distribution") pursuant to

which monies in the Fair Fund, minus any appropriate expenses incurred in establishing, maintaining, and distributing the Fair Fund, including, but not limited to, the Distribution Agent's fees and expenses, as well as other administrative fees, taxes, and other costs, shall be distributed to victims of the violations alleged in the Complaint in this case.

b. Within sixty (60) days of entry of this Order, the Distribution Agent, in consultation with the staff of the Commission, shall prepare a detailed Plan of Distribution. The Commission shall submit the proposed Plan of Distribution to the Court for approval.

c. The Distribution Agent may, after consultation with the staff of the Commission and with Court approval, retain any such persons and entities as are necessary to carry out his duties, including, but not limited to, accountants, economists, attorneys or other experts, and programming, technical, administrative, and clerical staff, to assist in the development of the Plan of Distribution and the processing of the claims. The Distribution Agent will take affirmative steps to ensure that any such persons and entities remain free of conflicts of interest that could keep them from fully and properly exercising their duties.

d. The Distribution Agent shall execute the distribution of the Fair Fund to approved claimants in coordination with the Commission, pursuant to the Plan of Distribution, and subject to oversight by the Court.

e. The Distribution Agent shall be paid reasonable fees and expenses for his services and such fees and expenses shall be paid from the Fair Fund upon further

orders of the Court. Every thirty (30) days commencing from the date of entry of this Order, the Distribution Agent may file an application seeking an order authorizing payment of fees and expenses incurred in performing the tasks related to the design and implementation of the Plan of Distribution. The Distribution Agent shall give the Commission's counsel at least ten (10) business days notice of all applications to the Court for payment of fees and expenses and provide the Commission's counsel with all supporting documentation. If the Commission objects to any application by the Distribution Agent for payment of fees and expenses, the Commission shall file an opposition statement setting forth the basis for the Commission's opposition within five (5) business days after the Distribution Agent files the application with the Court.

f. The Distribution Agent will pay into the Fair Fund 2.5 percent of the fees received for his services and the services of anyone he retains, if the distribution is not completed within one year from the date of the Court's approval of the Plan of Distribution. However, if the Distribution Agent can establish that the failure to comply with the timetable was primarily attributable to third parties or circumstances beyond his or anyone he retains reasonable control, the above deadline for completing the distribution will be extended by the number of days each delay exceeds the initial timetable. Further, if any of these unanticipated delays arise during the distribution process, the Distribution Agent will contemporaneously notify the staff of the Commission in writing of the delay and the amount of delay that should not be considered in calculating how long it took the Distribution Agent to complete the distribution.

g. The Distribution Agent may be removed *sua sponte* at any time by the Court or upon motion of the Commission and replaced with a successor. In the event the Distribution Agent decides to resign, he shall first give written notice to the Court and the Commission of his intention, and his resignation, if permitted by the Court, shall not be effective until the Court appoints a successor. The Distribution Agent shall then follow such instructions as the successor or the Court gives in turning over custody, control, and management of the Fair Fund and other property collected pursuant to the Court's orders or any Distribution Plan approved in this case.

h. The Distribution Agent shall coordinate with the Court-appointed Tax Administrator, Damasco & Associates LLP, to insure that the Fair Fund, a Qualified Settlement Fund ("QSF") under Section 468B(g) of the Internal Revenue Code, and related regulations, 26 C.F.R. §§ 1.468B-1 through 5, complies with all related legal and regulatory requirements, including, but not limited to, satisfying any reporting or withholding requirements imposed on distributions from the QSF.

i. The Distribution Agent and the Distribution Agent's designees, agents and assistants are excused from any requirement to post a bond, and shall not be liable to any person for their actions hereunder, except on a finding of misfeasance, gross negligence or reckless disregard of duty.

3. The Distribution Agent shall file a progress report, pursuant to and in a format to be provided by the Commission, with the Court within ninety (90) days of his appointment, and shall file additional reports every quarter thereafter and a final report when his duties are

completed. The Distribution Agent shall serve all his filings on counsel for the Commission and the Defendant.

SO ORDERED.

Dated: 8/7/08

UNITED STATES DISTRICT COURT JUDGE