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IN THE FOURTH JUDICIAL DISTRICT COURT
UTAH COUNTY, STATE OF UTAH

RALPH J. YARRO III, an individual,
DARCY G. MOTT, an individual, and
BRENT D. CHRISTENSEN, an individual,

Plaintiffs,

AFFIDAVIT OF FRANKIE GIBSON

vs.

VAL NOORDA Kriedel, an individual,
TERRY PETERSON, an individual,
WILLIAM MUSTARD, an individual, THE
NOORDA FAMILY TRUST, a Trust,
RAYMOND J. NOORDA, an individual
and a trustee of the Noorda Family Trust,
LEWENA NOORDA, an individual and a
trustee of the Noorda Family Trust, and
JOHN DOES 1 THROUGH 10,

Civil No. 050400205

Honorable Anthony W. Schofield, Div. 8

Defendants.

STATE OF UTAH)
 : ss.
COUNTY OF UTAH)

FRANKIE GIBSON, being first duly sworn, upon oath, deposes and says:

1. I am over twenty-one years of age and have personal knowledge of the facts stated below.

2. I have extensive office experience, including experience working as an administrative assistant for The Church of Jesus Christ of Latter Day Saints, prior to my employment with The Canopy Group, Inc. (“Canopy”).

3. In October 2000, I was hired as an Administrative Assistant at Canopy. I worked primarily with Joyce Wiley, Canopy’s Controller and Corporate Secretary, and Barbara Jackson, Canopy’s Executive Assistant. My duties included, among other things, invoicing, preparing checks for Canopy, Canopy Properties and preparing wire transfers for Angel Partners and Canopy portfolio companies. I also assisted Joyce Wiley with human resources, including, among other things, the preparation of COBRA notices for Canopy employees and certain Canopy portfolio companies.

4. I became acquainted with Raymond J. Noorda (“Mr. Noorda”) and Lewena Noorda (“Mrs. Noorda”) when I worked at The Church of Jesus Christ of Latter Day Saints, before I started working at Canopy. I have had several conversations with Mr. and Mrs. Noorda through the years, and have become friends with Mrs. Noorda. I have been in their home on several occasions. When I started working at Canopy, I admired Mr. Noorda’s keen business abilities.

5. During a meeting in 2000 or 2001 that Mr. Noorda attended, I expressed my concern that due to the vesting periods set forth in the equity plan, in the case of my death, my children would not inherit my shares. Mr. Noorda told me not to worry, that if I died, that he and Canopy would take care of my family’s financial needs.

6. I have never heard Mr. or Mrs. Noorda criticize Ralph J. Yarro, III (“Mr. Yarro”), Canopy’s President and Chief Executive Officer, Darcy Mott (“Mr. Mott”), Canopy’s Vice

President, Chief Financial Officer and Treasurer, nor Brent Christensen (“Mr. Christensen”), Canopy’s Vice President, Corporate Counsel and Assistant Secretary.

7. On January 14, 2005, I was asked to take a box containing two binders with documents to Mr. and Mrs. Noorda’s home. When I arrived at the home, John Noorda, Mr. and Mrs. Noorda’s son, answered the door. He did not invite me into the home. When Mrs. Noorda saw me, she told John Noorda to let me in the home. John Noorda left me in the foyer and very quickly escorted Mr. Noorda out of the room adjoining the foyer. John Noorda then watched me from the kitchen the entire time I was with Mrs. Noorda.

8. The time previous that I had seen Mr. Noorda was when Mr. and Mrs. Noorda had come to a meeting at Canopy in 2004. Mr. Noorda had greasy hair and a disheveled appearance. He shuffled around the office hallways, in a large circular route, laughing, and saying he was getting his exercise. In all the years I had known him, it was the first time I thought that he did not appear to know who I was. I have great respect for Mr. Noorda and am sad to make this assessment and disclosure.

9. I have known Mr. Yarro for approximately eight years. Mr. Yarro has treated me with respect as an employee of Canopy. I consider Mr. Yarro to be a skilled businessman, similar in skill to Mr. Noorda. I also admire Mr. Yarro’s high morals.

10. I was aware that on December 17, 2004, Mr. Yarro was attending a meeting of Canopy’s Board of Directors at ScenicView Center. While Mr. Yarro was at the meeting, I saw a group of men come into the Canopy offices. I was very upset when I saw these men escort Mr. Mott and Mr. Christensen to a conference room and then out of the building. After Mr. Mott and Mr. Christensen were no longer in the building, an attorney from the Law Firm of Ballard Spahr

Andrews & Ingersoll, LLP (“Ballard Spahr”) asked to speak with Robert Penrose, a Canopy employee. Shortly thereafter our computers were shut down. I was then told that Canopy employees were to report to a conference room for a meeting. On my way to the meeting, I noticed that security guards were posted at all of the doors leaving Canopy’s office area.

11. At the meeting on December 17, 2004, a man I had never seen before, William Mustard (“Mr. Mustard”) informed Canopy employees that as a result of an action of Canopy’s Board of Directors, he was now the President and Chief Executive Officer. He told us that Mr. Yarro, Mr. Mott and Mr. Christensen were no longer employees of Canopy and that we were not to speak to them. David Watkiss, an attorney from Ballard Spahr was at the meeting. Val Noorda Kriedel (“Ms. Kriedel”) came into the meeting late. I was upset by what was communicated during that meeting. After the meeting, I was too scared to talk to the other employees. It appeared to me that Mr. Mustard, the attorneys and the security guards were watching the employees very closely.

12. The transition was handled in an intimidating manner. Later that day I was told I was to meet with Mr. Mustard and Ms. Kriedel. Mr. Mustard greeted me by asking in a stern voice, “What questions do you have to ask?” I was too frightened by him to ask questions. Mr. Mustard then asked, “What do you do?” After I gave a brief answer, I was dismissed from the meeting. Rob Penrose was called to meet with Mr. Mustard and Ms. Kriedel after me. I noticed that when Rob Penrose left the meeting, he had tears in his eyes.

13. On Monday, December 20, 2004, when I returned to work the computers were still down. Mr. Mustard did not speak to me on Monday.

14. On Tuesday, December 21, 2004, the computers were still down in the morning. I

was told Mr. Mustard wanted to meet with me again. In that meeting, Mr. Mustard again asked me, "What do you do?" I explained again. I asked Mr. Mustard whether he liked Utah. He told me that this was "just a job" and that all he sees from his office window is scenery. After that comment, our meeting ended.

15. On December 22, 2004, I was told that Mr. Mustard wanted another meeting with all Canopy employees. At that meeting, Mr. Mustard presented each Canopy employee with a document. He told us that we were to sign the document and return it to him. The document I was given to sign was dated December 17, 2004. When Dan Baker ("Mr. Baker"), a Canopy employee, stood up to get a pen to sign the document, Mr. Mustard told him in a raised voice to "SIT DOWN." Darla Newbold, Canopy's Legal Assistant, was taking a little longer to read the document than the other employees. Mr. Mustard, in an angry voice, asked Darla Newbold whether she had a problem with the document. I was intimidated by Mr. Mustard's rude and abrasive attitude and felt coerced to sign the document. Mr. Mustard then became very angry with Mr. Baker. Mr. Mustard asked why Mr. Baker had crossed off the date of December 17, 2004. Mr. Baker tried to explain that the reason why he was changing the date was because Canopy employees were not told everything that was in the document on December 17, 2004. Mr. Mustard got angrier and refused to listen to Mr. Baker's explanation. Mr. Mustard repeatedly asked Mr. Baker, in a raised and angry voice, whether Mr. Baker had spoken to others about what had occurred on December 17, 2004. When Mr. Baker tried to answer, Mr. Mustard interrupted him and repeatedly told him, with an increasingly louder voice, that he wanted a "yes" or "no" answer. Mr. Baker finally replied "no." I was extremely upset and intimidated by Mr. Mustard's conduct. Other employees were also visibly upset by Mr. Mustard's conduct. The

employees did not say anything to Mr. Mustard after that heated exchange. Even though that would be the last time Mr. Mustard would see the employees before the Christmas break, Mr. Mustard did not extend any holiday greetings to the employees.

16. Shortly after the meeting, Rob Penrose told me to turn off my computer because he had just been instructed that he had to shut down the computer system during the Christmas break. I shut off my computer, cleaned off my desk, as Mr. Mustard had demanded of all employees, and left for the Canopy Christmas luncheon.

17. Mr. Mustard did not attend the Canopy Christmas luncheon. At the Canopy Christmas luncheon, the employees discussed how upset they were with the recent events and what had occurred during the meeting. Rob Penrose was very distraught. He kept repeating that he shouldn't have signed the paper. We tried to reassure Rob Penrose and told him that we all felt threatened and that the documents had been signed under duress.

18. After the Christmas luncheon, Canopy's offices were scheduled to be closed until January 3, 2005.

19. Two days after the Christmas luncheon, I was told that Rob Penrose had committed suicide. That news devastated me.

20. On Monday, January 3, 2005, the first day Canopy's offices were open after the Christmas break, Mr. Mustard called me to his office and said, "Just tell me the mechanics." I did not understand what he was referring to. He repeated the statement several times before I realized he was asking me what paperwork I filled out regarding the death of Rob Penrose. I found his attitude disturbing. I explained to him about the paperwork that I was preparing and the information regarding the life insurance policy that I had given to Rob Penrose's wife. Mr.

Mustard did not show any sympathy to me, despite the loss of my friend Rob Penrose, or make any comments of sympathy regarding Rob Penrose's family, including Rob's wife and four children.

21. Since the events of December 17, 2004, I have suffered extreme distress. I have difficulty sleeping and am always close to tears. Mr. Mustard has treated me and other Canopy employees in an angry, unfeeling and rude manner. For example, on one occasion I was startled when I heard Mr. Mustard yell "NO" in an angry voice. Even though I was on the side of the office complex furthest from Mr. Mustard's office, I heard him yelling at a Canopy employee. I later was told that Mr. Mustard was yelling at Mr. Baker. This event, as well as others, made me feel extremely intimidated. I considered the working conditions at Canopy to be intolerable.

22. I resigned my employment with Canopy on January 24, 2005. I did this even though I am a single parent with no other source of income.

23. I have not obtained other employment. To my knowledge, Canopy has not hired someone to fill my position. If Mr. Yarro, Darcy Mott, and Brent Christensen are allowed to continue as officers of Canopy, I would like to resume my employment with Canopy.

24. I am concerned that my resignation from Canopy will adversely affect Canopy and Canopy portfolio companies. For example, there are bills that need to be paid, paperwork that needs to be prepared regarding the 401(k) accounts, and there are filings with the IRS that need to be prepared. There is no one at Canopy to perform my duties. The portfolio companies that relied upon my assistance will now have no one to do the work I performed for them.

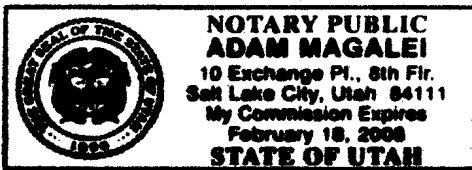
25. I also believe that Canopy and the portfolio companies have been adversely affected by the actions purportedly taken on December 17, 2004. The portfolio companies relied

upon Mr. Yarro's and Mr. Mott's business advice and guidance.

26. I have exercised my options for Class A Voting stocks in Canopy, to the extent they have vested. To my knowledge a Canopy shareholders meeting was not held in 2004. I am not aware of any Canopy shareholders meeting set to be held in 2005.

Frankie Gibson
FRANKIE GIBSON

SUBSCRIBED AND SWORN TO before me this 26 day of January, 2005.



Adam Magalei
Notary Public
Residing in Davis County

My Commission Expires:

18 February 2008

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