



**To: Departing Employee**

**From: Stock Administration**

**Subject: Information on Employee Stock Purchase Plan, RSUs and Stock Options**

---

**Employee Stock Purchase Plan (ESPP)**

Pursuant to the terms of the 1999 Employee Stock Purchase Plan, if you have been participating in the Employee Stock Purchase Plan and your employment with Lam Research Corporation ends for any reason, all deductions which have not yet been used to purchase shares as of the time of your termination will be refunded to you on your final check through Payroll. If you have questions about your ESPP refund, contact Payroll directly. Any shares purchased before your termination date are yours to keep.

**Restricted Stock Units (RSUs)**

Any Restricted Stock Units that are unvested as of your last day of employment will cancel as of that day and will not vest. Any shares issued to you from an RSU that vested before your termination date are yours to keep.

**Stock Options**

If you have Lam Non-Qualified stock options, your options will continue to vest through your termination date. Any options that are vested and not exercised as of your termination date must, if you wish to exercise them, be exercised within ninety (90) calendar days from your termination date or within three (3) months from your termination date for options granted by Novellus and assumed by Lam. Failure to exercise any vested shares within the 90 day or 3 month period (as applicable) will result in cancellation of the option. If the cancellation date falls on a weekend or a holiday, the last day to exercise any vested stock options will be the preceding trading day. Any Non-Qualified stock options that are unvested as of your last day of employment will cancel as of that day and cannot be exercised. You are under no obligation to exercise any of the available options; however, it is your responsibility to do so if you wish prior to the cancellation date.

**Exercising Stock Options**

Any vested and exercisable shares may be exercised through Fidelity Investments either online at [www.netbenefits.fidelity.com](http://www.netbenefits.fidelity.com) or via phone at 1-800-544-9354.

**Black Out Period**

If you are subject to a blackout period on your termination date, you will continue to be subject to the blackout period after your termination until the current blackout period ends.

Should you have any questions, feel free to contact: [stockplan@lamresearch.com](mailto:stockplan@lamresearch.com)