

Paul Hastings Letterhead

February 10, 2010

By Certified Mail

The United States Attorney General and
All State Attorneys General on the Attached Service List A

Re: **CAFA Notice of Proposed Settlement in**
In re Shuffle Master, Inc. Securities Litigation, U.S. District Court, District
of Nevada, Case No. 2:07-CV-00715-KJD-RJJ.

Dear Sir or Madame:

Defendants Shuffle Master, Inc., Mark Yoseloff and Richard L. Baldwin (collectively, “Defendants”) provide this notice of a proposed settlement of the above-captioned matter pursuant to the Class Action Fairness Act of 2005, 28 U.S.C. § 1711 *et seq.* (“CAFA”) and the Court’s Order of Preliminary Approval of Settlement, Establishing Notice Procedures and Providing Notice of Final Fairness Hearing dated February 4, 2010 (“Order”). In accordance with CAFA and the Order, Defendants are enclosing a CD containing the following documents:

Exhibit	Description
1	A copy of the Consolidated Class Action Complaint. Plaintiff filed this securities class action on or about June 1, 2007, on behalf of purchasers of Shuffle Master, Inc. common stock during the period between February 1, 2006 and March 12, 2007. Plaintiff filed the operative Consolidated Class Action Complaint on February 5, 2008.
2	The motion for preliminary approval of the settlement which was filed in the U.S. District Court, District of Nevada, in Las Vegas, Nevada, on February 2, 2010.
3	The Order. Pursuant to the Order, the Court has scheduled a final approval hearing for May 4, 2010 at 9:00 a.m. in Courtroom 6D.
4	The proposed forms of notification to class members of the proposed class action settlement and their rights to request exclusion from the class action, approved by the Order, which include forms of: (a) Notice of Pendency and Proposed Settlement of Class Action and Settlement Hearing, (b) Summary Notice, and (c) Proof of Claim and Release Form. Instructions to class members as to how they may request exclusion from the settlement class appear in the foregoing documents.
5	The parties’ Class Action Stipulation of Settlement.
6	The parties’ proposed Final Judgment.

CAFA also requires a defendant, “if feasible” to provide the names of class members who reside in each State and the estimated proportionate share of the claims of such members to the entire settlement,” or if that is not feasible, to provide a “reasonable estimate of the number of

class members residing in each State and the estimated proportionate share of the claims of such members to the entire settlement.” See 28 U.S.C. §1715(b)(7)(A)-(B). In this securities class action, the names and state residences of the class members will not be known until after notice of the settlement is given and potential class members submit claim forms, so it is not feasible at this time to provide a list of class members by state of residence, a reasonable estimate of the number of class members residing in each state, or a reasonable estimate of the proportionate share of the claims of class members residing in each state to the entire settlement. However, class members who properly submit claim forms and supporting documentation shall receive their *pro rata* share of the Net Settlement Fund and, upon the conclusion of the claims process, the claims administrator will provide, if requested by you, the names of class members who reside in each State and the estimated proportionate share of the claims of such members to the entire settlement.

Please be advised that the parties have applied to the Court to specifically find that this notice fully complies with CAFA and there will be no supplement to this notice.

If you have questions about this notice, the lawsuit, or the enclosed materials, or if you did not receive any of the above-listed materials, please contact the counsel listed below.

Very truly yours,

/s/ Peter M. Stone
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