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David H. Yamasaki  
Chief Executive Officer/Clerk  
Superior Court of CA, County of Santa Clara  
Case #1-15-CV-278055 Filing #G-81165  
By R. Walker, Deputy

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11 SUPERIOR COURT OF THE STATE OF CALIFORNIA

12 COUNTY OF SANTA CLARA

13 In re PHARMACYCLICS, INC.  
14 SHAREHOLDER LITIGATION

) Lead Case No. 115-CV-278055

) (Consolidated with Nos. 1-15-CV-278088;  
) 1-15-CV-278215 and 1-15-CV-278260)

15 This Document Relates To:

) CLASS ACTION

16 ALL ACTIONS.

) ~~[PROPOSED]~~ ORDER PRELIMINARILY  
) APPROVING SETTLEMENT AND  
) PROVIDING FOR NOTICE

) EXHIBIT A

) Judge: Hon. Peter H. Kirwan  
) Dept: 1

) Date Action Filed: March 13, 2015

) Hearing Date: February 19, 2016  
) Hearing Time: 9:00 a.m.

1 WHEREAS, a consolidated action is pending before the Court captioned *In re Pharmacyclics,*  
2 *Inc. Shareholder Litigation*, Lead Case No. 1-15-CV-28055 (collectively, the “Actions”);

3 WHEREAS, the parties having made application for an order approving the settlement of this  
4 Action, in accordance with a Stipulation of Settlement dated as of January 22, 2016 (the “Stipulation”),  
5 which, together with the Exhibits annexed thereto, sets forth the terms and conditions for a proposed  
6 settlement of the Action and for dismissal of the Action with prejudice upon the terms and conditions  
7 set forth therein; and the Court having read and considered the Stipulation and the Exhibits annexed  
8 thereto; and

9 WHEREAS, all defined terms contained herein shall have the same meanings as set forth in the  
10 Stipulation.

11 NOW, THEREFORE, IT IS HEREBY ORDERED:

12 1. Pursuant to §382 of the California Code of Civil Procedure, the Court certifies, for  
13 settlement purposes only, a non-opt-out class, defined as all Persons who owned Pharmacyclics stock,  
14 either of record or beneficially, at any time between and including March 4, 2015, and May 26, 2015,  
15 the date of the closing of the Acquisition, including any and all of their respective successors in interest,  
16 predecessors, representatives, trustees, executors, administrators, heirs, agents, assigns and transferees,  
17 immediate and remote, and any person or entity acting for or on behalf of, or claiming under, any of  
18 them, and each of them. Excluded from the Class are Defendants, members of the immediate family of  
19 any Defendant, any entity in which a Defendant has or had a controlling interest, officers of  
20 Pharmacyclics and the legal representatives, heirs, successors or assigns of any such excluded Person.

21 2. With respect to the Class, this Court finds and concludes that: (a) the members of the  
22 class are so numerous that joinder of all class members in the Action is impracticable; (b) there are  
23 questions of law and fact common to the class which predominate over any individual questions; (c) the  
24 claims of the Plaintiffs are typical of the claims of the Class; (d) the Plaintiffs and their counsel have  
25 fairly and adequately represented and protected the interests of all of the Class Members; and (e) a class  
26 action is superior to other methods for the fair and efficient adjudication of the matter. Moreover, the  
27 prosecution of separate actions by individual members of the Class would create a risk of inconsistent  
28 adjudications which would establish incompatible standards of conduct for Defendants, and, as a

1 practical matter, the disposition of this Action will influence the disposition of any pending or future  
2 identical cases brought by other members of the Class, and there were allegations that defendants acted  
3 or refused to act on grounds generally applicable to the Class.

4 3. The Court does hereby preliminarily approve the Stipulation and the settlement set forth  
5 therein, subject to further consideration at the Settlement Hearing described below.

6 4. A hearing (the "Settlement Hearing") shall be held before this Court on June 3, 2016, at  
7 9:00 a.m., at the Superior Court of the State of California, County of Santa Clara, Civil Division, 191  
8 North First Street, San Jose, California 95113, to determine whether the proposed settlement of the  
9 Action on the terms and conditions provided for in the Stipulation is fair, reasonable and adequate to the  
10 Class and should be approved by the Court; and whether a Judgment as provided in ¶1.9 of the  
11 Stipulation should be entered herein. The Court may continue or adjourn the Settlement Hearing  
12 without further notice to Members of the Class.

13 5. The Court approves, as to form and content, the Notice of Settlement of Class Action  
14 (the "Notice") annexed as Exhibit A-1 hereto, and finds that the mailing and distribution of the Notice  
15 substantially in the manner and form set forth in ¶¶6 and 7 of this Order meet the requirements of §382  
16 of the California Code of Civil Procedure, California Rules of Court, Rule 3.766, and due process, and  
17 is the best notice practicable under the circumstances and shall constitute due and sufficient notice to all  
18 Persons entitled thereto.

19 6. Gilardi & Co. LLC ("Gilardi") is appointed to act as Notice Administrator to supervise  
20 and administer the notice procedure subject to such supervision and direction of Lead Counsel or the  
21 Court as may be necessary or the circumstances require as more fully set forth below. Defendants shall  
22 pay all reasonable costs and expenses in providing notice to the Class, including the costs of Gilardi and  
23 providing Lead Counsel or Gilardi with Pharmacyclics' relevant transfer records.

24 7. Not later than March 10, 2016 (the "Notice Date"), the Notice Administrator shall cause  
25 a copy of the Notice substantially in the form annexed hereto as Exhibit A-1 to be mailed by first class  
26 mail to all Class Members who can be identified with reasonable effort; and

27 8. At least seven (7) calendar days prior to the Settlement Hearing, Lead Counsel shall file  
28 with the Court proof, by affidavit or declaration, of such mailing.

1           9.       Nominees who held Pharmacyclics common stock at any time between and including  
2 March 4, 2015, and May 26, 2015, the date of the closing of the Acquisition for the beneficial  
3 ownership of another shall mail the Notice to all such beneficial owners of such common stock within  
4 ten (10) days after receipt thereof or send a list of the names and addresses of such beneficial owners to  
5 the Notice Administrator with ten (10) days of receipt, in which event the Notice Administrator shall  
6 promptly mail the Notice to such beneficial owners.

7           10.       All Members of the Class shall be bound by all determinations and judgments in the  
8 Actions concerning the settlement, whether favorable or unfavorable to the Class.

9           11.       Any Class Member may enter an appearance in the Action, at their own expense,  
10 individually or through counsel of their own choice. If they do not enter an appearance, they will be  
11 represented by Lead Counsel.

12           12.       Pending final determination of whether the Settlement should be approved, Plaintiffs and  
13 all Members of the Class, and any of them, are barred and enjoined from commencing, prosecuting,  
14 continuing to prosecute, instigating or in any way participating in the commencement, prosecution or  
15 continued prosecution of any action asserting any Released Claims against any Released Persons. All  
16 proceedings in the Actions except for settlement-related proceedings are stayed until the settlement-  
17 related proceedings are concluded.

18           13.       Any Member of the Class may appear and show cause, if he, she or it has any reason  
19 why the settlement of the Action should or should not be approved as fair, reasonable and adequate, or  
20 why the Judgment should or should not be entered thereon provided, however, that no Class Member  
21 shall be heard or entitled to contest the approval of the terms and conditions of the proposed settlement,  
22 or, if approved, the Judgment to be entered thereon approving the same unless that Person has delivered  
23 by hand or sent by first class mail written objections and copies of any papers and briefs, such that they  
24 are received on or before May 20, 2016, by Jeffrey D. Light, Robbins Geller Rudman & Dowd LLP,  
25 655 West Broadway, Suite 1900, San Diego, CA 92101; Stephen J. Oddo, Robbins Arroyo LLP, 600 B  
26 Street, Suite 1900, San Diego, CA 92101, and filed said objections, papers and briefs with the Santa  
27 Clara County Superior Court, Civil Division, 191 North First Street, San Jose, California 95113, on or  
28

1 before May 20, 2016. A Class Member who does not file a written objection may appear and object at  
2 the Settlement Hearing.

3 14. All papers including memoranda or briefs in support of the settlement or attorneys' fees  
4 and expenses shall be filed and served fourteen (14) calendar days prior to the objection deadline in ¶13  
5 and any reply papers shall be filed and served seven (7) calendar days before the Settlement Hearing.

6 15. Neither the Stipulation, nor any of its terms or provisions, nor any of the negotiations or  
7 proceedings connected with it, shall be construed as an admission or concession by Defendants of the  
8 truth of any of the allegations in the Action, or of any liability, fault, or wrongdoing of any kind.

9 16. The Court reserves the right to adjourn the date of the Settlement Hearing without further  
10 notice to the Members of the Class, and retains jurisdiction to consider all further applications arising  
11 out of or connected with the proposed settlement. The Court may approve the settlement, with such  
12 modifications as may be agreed to by the Settling Parties, if appropriate, without further notice to the  
13 Class.

14 IT IS SO ORDERED.

15 DATED: 2/19/16

  
16 THE HONORABLE PETER KIRWAN  
17 SUPERIOR COURT JUDGE

18 Submitted by:

19 ROBBINS ARROYO LLP  
20 BRIAN J. ROBBINS  
21 STEPHEN J. ODDO

22 /s/ Stephen J. Oddo  
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# EXHIBIT A-1

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10 Co-Lead Counsel for Plaintiffs

11 SUPERIOR COURT OF THE STATE OF CALIFORNIA

12 COUNTY OF SANTA CLARA

13 In re PHARMACYCLICS, INC.  
14 SHAREHOLDER LITIGATION

) Lead Case No. 115-CV-278055  
)  
) (Consolidated with Nos. 1-15-CV-278088;  
) 1-15-CV-278215 and 1-15-CV-278260)

15 This Document Relates To:

16 ALL ACTIONS.

) CLASS ACTION  
)  
) NOTICE OF SETTLEMENT OF CLASS  
) ACTION

18 EXHIBIT A-1

19 Judge: Hon. Peter H. Kirwan  
20 Dept: 1  
21 Date Action Filed: March 13, 2015



1 TO: ALL PERSONS OR ENTITIES WHO OWNED PHARMACYCLICS, INC.  
2 ("PHARMACYCLICS" OR THE "COMPANY") COMMON STOCK AT ANY TIME  
3 BETWEEN AND INCLUDING MARCH 4, 2015, THROUGH AND INCLUDING THE  
4 CONSUMMATION OF THE ACQUISITION OF PHARMACYCLICS BY ABBVIE, INC.  
5 ("ABBVIE") ON MAY 26, 2015

6 PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR  
7 RIGHTS MAY BE AFFECTED BY PROCEEDINGS IN THIS LITIGATION.

8 This Notice has been sent to you pursuant to an Order of the Santa Clara County Superior Court  
9 (the "Court"). The purpose of this Notice is to inform you of the proposed settlement of this class  
10 action litigation and of the hearing to be held by the Court to consider the fairness, reasonableness, and  
11 adequacy of the settlement. The terms of the Settlement are set forth in the Stipulation of Settlement  
12 dated as of January 22, 2016, which can be viewed at [www.\\_\\_\\_\\_\\_.com](http://www._____.com). This Notice describes  
13 the rights you may have in connection with the settlement and what steps you may take in relation to the  
14 settlement and this class action litigation.

15 This Notice is not an expression of any opinion by the Court about the merits of any of the  
16 claims or defenses asserted by any party in this Action or the fairness or adequacy of the proposed  
17 settlement.

18 **I. THE LITIGATION**

19 Beginning on March 13, 2015, the following class action lawsuits: *Evangelista v. Duggan, et al.*,  
20 No. 115CV278055 (the "*Evangelista Action*"); *Treppel v. Duggan, et al.*, No. 115CV278088 (the  
21 "*Treppel Action*"); *Wang v. Pharmacyclics, Ind., et al.*, No. 115CV278215 (the "*Wang Action*"); and  
22 *Wallach v. Pharmacyclics, Inc., et al.*, No. 115CV278260 (the "*Wallach Action*") (collectively, the  
23 "*Actions*"), were filed in the Superior Court of the State of California for the County of Santa Clara (the  
24 "*Court*").<sup>1</sup> These Actions were brought on behalf of classes of stockholders of Pharmacyclics, Inc.  
25 ("Pharmacyclics" or the Company") against the Company, the members of its Board of Directors,  
26 AbbVie Inc. ("Parent"), Oxford Amherst Corporation, a Delaware corporation and direct wholly owned  
27 subsidiary of Parent ("Purchaser"), and Oxford Amherst LLC, a Delaware limited liability company and  
28 direct wholly owned subsidiary of Parent ("Merger Sub") (Merger Sub, Parent and Purchaser are  
collectively referred to as "AbbVie").

<sup>1</sup> The Actions were consolidated by the Court on January 19, 2016.

1 The Actions challenge the sale of Pharmacyclics to AbbVie pursuant to which AbbVie has  
2 commenced a tender offer to acquire all of the outstanding stock of Pharmacyclics for \$261.25 per  
3 share, which was first announced on March 4, 2015 (the "Acquisition").

4 On or about March 23, 2015, the Company caused to be filed with the United States Securities  
5 and Exchange Commission ("SEC") a Solicitation and Recommendation Statement on Schedule 14D-9  
6 (the "Recommendation Statement"), which included, *inter alia*, information concerning the background  
7 of the Acquisition, the process leading to the agreement to sell Pharmacyclics to AbbVie, and the  
8 financial analysis performed by the Company's financial advisor.

9 On April 1, 2015, defendants provided to plaintiffs' counsel for settlement purposes only certain  
10 confidential documents that were prepared in connection with the Acquisition.

11 On April 3, 2015, counsel for plaintiff Treppel sent a letter on behalf of plaintiffs in all of the  
12 Actions ("Plaintiffs") to defendants' counsel demanding disclosure of allegedly material information  
13 contained in confidential documents produced by defendants (the "Treppel Demand Letter").

14 On April 9, 2015, defendants' counsel sent proposed supplemental disclosures to Plaintiffs'  
15 counsel, and engaged in arm's-length negotiations over the proposed supplemental disclosures  
16 thereafter.

17 Counsel for all parties to the Actions have reached an agreement providing for the settlement of  
18 the Actions between and among Plaintiffs, on behalf of themselves and the Class (as defined below),  
19 and all defendants named in each of the Actions ("Defendants"), on the terms and subject to the  
20 conditions set forth below in this Stipulation.

21 Plaintiffs' Counsel conducted an extensive investigation regarding Plaintiffs' claims for  
22 injunctive and declaratory relief. Plaintiffs' Counsel also reviewed and analyzed the documents  
23 produced by Defendants in consultation with their financial expert. Counsel for Plaintiffs and counsel  
24 for Defendants also engaged in arm's-length negotiations regarding a possible resolution of the Actions.  
25 As a result of those negotiations, the parties entered into an agreement-in-principle to resolve the  
26 Actions. Thereafter, on April 16, 2015, the parties to the Actions executed a Memorandum of  
27 Understanding ("MOU"). On or about April 17, 2015, in connection with the contemplated settlement  
28

1 of the Actions, Pharmacyclics issued the supplemental disclosures previously negotiated with Plaintiffs  
2 on SEC Schedule 14D-9 Amendment No. 1 (the “Supplemental Disclosures”).

3 Prior to entering into the Stipulation, Plaintiffs conducted substantial confirmatory analysis,  
4 which included the review of additional documents produced by Defendants, and the depositions of  
5 Daniel Faga from Centerview Partners LLC (“Centerview”) and Mike Gaito from J.P. Morgan.  
6 Centerview and J.P. Morgan each issued fairness opinions in connection with the Acquisition.

7 The settlement set forth in the Stipulation reflects the results of the parties’ negotiations and the  
8 terms of the MOU. An agreement-in-principle was reached only after arm’s-length negotiations  
9 between the parties who were all represented by counsel with extensive experience and expertise in  
10 shareholder class action litigation. During the negotiations, all parties had a clear view of the strengths  
11 and weaknesses of their respective claims and defenses. Plaintiffs and their counsel have concluded  
12 that the additional disclosures provided Pharmacyclics shareholders with material information sufficient  
13 to make an informed decision whether to vote their shares in favor of the Acquisition or seek appraisal  
14 of their Pharmacyclics shares. As a result, Plaintiffs and their counsel believe that the settlement is in  
15 the best interest of the Class.

16 **II. TERMS OF THE PROPOSED SETTLEMENT**

17 1. As a direct result of the prosecution of the Actions and the extensive ongoing  
18 negotiations between the Settling Parties, a settlement has been reached under the following terms:

19 (a) Pharmacyclics has made additional disclosures concerning the Acquisition by  
20 filing a Schedule 14D-9 with the SEC on or about April 17, 2015 (the “Supplemental Disclosures”),<sup>2</sup>  
21 which included additional information regarding the Acquisition, including:

22 (i) potential conflicts of interest of Pharmacyclics directors and executive  
23 officers in connection with the Acquisition;

24 (ii) the reasons for the Pharmacyclics board of directors recommendation of  
25 the Acquisition;

26  
27 <sup>2</sup> The entire Schedule 14D-9 is attached to the Stipulation as Exhibit C and can be viewed at  
28 www.\_\_\_\_\_.com.

1 (iii) the background of the Acquisition including why the board of directors  
2 believed that combining with a larger company might be the most effective way to maximize value to  
3 Pharmacyclics shareholders;

4 (iv) discussions Pharmacyclics and its financial advisors had with other  
5 potential bidders or strategic partners;

6 (v) Pharmacyclics' board of directors' consideration of strategic alternatives  
7 for Pharmacyclics including partnership with other participants in the pharmaceuticals industry,  
8 strategic licensing transactions and possible mergers with other pharmaceutical companies;

9 (vi) the effect of the Acquisition on options held by Pharmacyclics directors  
10 and executives;

11 (vii) the financial projections of Pharmacyclics for calendar years 2015-2028,  
12 and how those projections were calculated;

13 (viii) the fairness opinion of Centerview Partners LLC ("Centerview"), one of  
14 the financial advisors to the Pharmacyclics Board, including its Selected Comparable Public Company  
15 Analysis, Selected Precedent Transactions Analysis, and Discounted Cash Flow Analysis;

16 (ix) the fairness opinion of J.P. Morgan, Pharmacyclics' financial advisor,  
17 including its Public Trading Analysis Implied Equity Value for Pharmacyclics, Selected Transaction  
18 Analysis, and Discounted Cash Flow Analysis.

19 (b) Pharmacyclics or its successor(s) has also agreed to pay, or cause to be paid to,  
20 Plaintiffs' Counsel \$725,000, for their attorneys' fees and expenses, subject to Court approval. This  
21 negotiated amount was agreed to after the MOU was executed. The settlement, however, is not  
22 conditioned on the Court awarding such an amount, or any particular amount, of attorneys' fees and  
23 expenses.

### 24 **III. REASONS FOR THE SETTLEMENT**

25 Plaintiffs and their counsel believe that the claims asserted in the Actions have merit. However,  
26 Plaintiffs' Counsel recognize and acknowledge the expense and length of continued proceedings  
27 necessary to prosecute the Actions against Defendants through trial and through appeals. Plaintiffs'  
28 Counsel have also taken into account the uncertain outcome and the risk of any litigation, especially in

1 complex cases such as the Actions, as well as the difficulties and delays inherent in such litigation.  
2 Plaintiffs' Counsel are also mindful of the inherent problems of proof and possible defenses to the  
3 claims asserted in the Actions. Plaintiffs' Counsel believe that the Settlement set forth in this  
4 Stipulation confers substantial benefits upon the Class. Based on their evaluation, Plaintiffs' Counsel  
5 have determined that the Settlement set forth in this Stipulation is in the best interests of Plaintiffs and  
6 the Class.

7 Defendants have denied and continue to deny each and all of the claims and contentions alleged  
8 by the Plaintiffs in the Actions. Defendants have expressly denied and continue to deny all charges of  
9 wrongdoing or liability against them as alleged in the complaints and the Actions, and specifically deny  
10 any breach of fiduciary duty, or that the Acquisition materials provided to Pharmacyclics shareholders  
11 were incomplete or in any way misleading, or that any additional disclosure was required under the  
12 SEC rules or any applicable legal principle. Defendants do not concede that the information contained  
13 in the Supplemental Disclosure is material. Defendants have also denied and continue to deny, *inter*  
14 *alia*, the allegations that Plaintiffs or the Class have suffered damage or that Plaintiffs or the Class were  
15 harmed by the conduct alleged in the Actions.

16 Nonetheless, Defendants have concluded that further litigation could be protracted and  
17 expensive, and, to avoid the distraction, costs, and disruption of such litigation, Defendants concluded  
18 that it is desirable that the Actions be fully and finally settled in the manner and upon the terms and  
19 conditions set forth in this Stipulation. Defendants have also taken into account the uncertainty and  
20 risks inherent in any litigation, especially in complex cases like the Actions. Defendants have,  
21 therefore, determined that it is desirable and beneficial to them that the Actions be settled in the manner  
22 and upon the terms and conditions set forth in this Stipulation.

#### 23 **IV. NOTICE OF HEARING ON PROPOSED SETTLEMENT**

24 A settlement hearing will be held on June 3, 2016, at 9:00 a.m., before the Honorable Peter  
25 Kirwan, Superior Court Judge, at the Santa Clara County Superior Court, 191 North First Street, San  
26 Jose, CA 95113 (the "Settlement Hearing"). The purpose of the Settlement Hearing will be to  
27 determine: (a) whether the settlement should be approved as fair, reasonable and adequate; and (b)  
28

1 whether the Judgment should be entered. The Court may adjourn or continue the Settlement Hearing  
2 without further notice of any kind.

3 **V. DEFINITIONS USED IN THIS NOTICE**

4 1. "AbbVie" means AbbVie, Inc. and any of its predecessors, successors, parents,  
5 subsidiaries, divisions, or affiliates.

6 2. "Acquisition" means the sale of Pharmacyclics to AbbVie pursuant to which AbbVie  
7 acquired all of the outstanding stock of Pharmacyclics for \$261.25 per share.

8 3. "Class" means, for settlement purposes only, a non-opt-out class, defined as all Persons  
9 who owned Pharmacyclics stock, either of record or beneficially, at any time between and including  
10 March 4, 2015, and May 26, 2015, the date of the closing of the Acquisition, including any and all of  
11 their respective successors in interest, predecessors, representatives, trustees, executors, administrators,  
12 heirs, agents, assigns and transferees, immediate and remote, and any person or entity acting for or on  
13 behalf of, or claiming under, any of them, and each of them. Excluded from the Class are Defendants,  
14 members of the immediate family of any Defendant, any entity in which a Defendant has or had a  
15 controlling interest, officers of Pharmacyclics and the legal representatives, heirs, successors or assigns  
16 of any such excluded Person.

17 4. "Class Member" or "Member of the Class" mean a Person who falls within the definition  
18 of the Class as set forth in ¶1.3 of this Stipulation.

19 5. "Defendants" means Pharmacyclics, AbbVie, Oxford, Amherst Corporation, Oxford  
20 Amherst LLP, Robert W. Duggan, Eric H. Halverson, Kenneth Clark, Minesh Mehta, David D. Smith  
21 and Richard A. van den Broek.

22 6. "Effective Date" means the first date by which all of the events and conditions specified  
23 in ¶6.1 hereof have been met and have occurred.

24 7. "Final" means: (i) the date of final affirmance on an appeal of the Judgment, the  
25 expiration of the time for a petition for or a denial of a writ of certiorari to review the Judgment and, if  
26 certiorari is granted, the date of final affirmance of the Judgment following review pursuant to that  
27 grant; or (ii) the date of final dismissal of any appeal from the Judgment or the final dismissal of any  
28 proceeding on certiorari to review the Judgment; or (iii) if no appeal is filed, the expiration date of the

1 time for the filing or noticing of any appeal from the Court's Judgment approving the Stipulation,  
2 substantially in the form of Exhibit B attached hereto.

3 8. "Individual Defendants" means Robert W. Duggan, Eric H. Halverson, Kenneth Clark,  
4 Minesh Mehta, David D. Smith and Richard A. van der Broek.

5 9. "Judgment" means the judgment to be rendered by the Court, substantially in the form  
6 attached hereto as Exhibit B.

7 10. "Lead Counsel" means Robbins Geller Rudman & Dowd LLP, David T. Wissbroecker,  
8 655 West Broadway, Suite 1900, San Diego, CA 92101 and Robbins Arroyo LLP, Stephen J. Oddo,  
9 600 B Street, Suite 1900, San Diego, CA 92101.

10 11. "Person" means an individual, corporation, partnership, limited partnership, limited  
11 liability company or partnership, association, joint stock company, estate, legal representative, trust,  
12 unincorporated association, government or any political subdivision or agency thereof, and any business  
13 or legal entity and their spouses, heirs, predecessors, successors, representatives, or assignees.

14 12. "Pharmacyclics" means Pharmacyclics and any of its predecessors, successors, parents,  
15 subsidiaries, divisions, or affiliates.

16 13. "Plaintiffs" means any plaintiff who appeared in the Actions.

17 14. "Plaintiffs' Counsel" means any counsel who has appeared for any plaintiff in the  
18 Actions.

19 15. "Released Claims" shall collectively mean the complete discharge, dismissal with  
20 prejudice on the merits, release, bar and settlement, to the fullest extent permitted by law, of all known  
21 and Unknown Claims (as defined below), demands, rights, actions, causes of action, liabilities,  
22 damages, losses, obligations, judgments, duties, suits, costs, expenses, matters and issues of every  
23 nature and description whatsoever, whether or not concealed or hidden, contingent or absolute,  
24 suspected or unsuspected, disclosed or undisclosed, liquidated or unliquidated, matured or unmatured,  
25 accrued or unaccrued, apparent or unapparent, against any Released Person that have been, could have  
26 been or in the future can or might be asserted in the Actions or in any other court, tribunal or other  
27 proceeding by or on behalf of any of the Plaintiffs or any member of the Class, whether class,  
28 individual, direct, derivative, representative, legal, equitable or any other type or in any other capacity,

1 whether arising under state, federal, foreign, statutory, common law or regulatory law (including, but  
2 not limited to, the federal securities laws and any state disclosure law), that relates to, is in connection  
3 with, or are based upon or otherwise concern in any manner, directly or indirectly: (i) the claims or  
4 allegations in the Actions; (ii) the Acquisition, any agreements related to the Acquisition and the  
5 transactions contemplated therein; (iii) any compensation, consideration or other payments made to any  
6 Released Person in connection with the Acquisition; (iv) any disclosures or alleged failure to disclose,  
7 with or without scienter, with respect to the Acquisition, including, but not limited to, claims or  
8 allegations based upon, arising from, or related to the Schedule 14D-9, Schedule TO, related Offer to  
9 Purchase, the Recommendation Statement and other tender offer documents, in each case as amended,  
10 as well as the Supplemental Disclosures; and (v) any alleged aiding and abetting of the foregoing  
11 (collectively, the "Settled Claims"); provided, however, that the Settled Claims shall not include the  
12 right of the Plaintiffs or any members of the Class to enforce in the Court the terms of the Stipulation or  
13 any properly perfected claims for appraisal in connection with the Acquisition, provided such an  
14 appraisal right is otherwise available to them under 8 Del. Code §262.

15       16. "Released Persons" shall collectively mean any Defendant and any Defendant's  
16 respective past, present and future predecessors, successors-in-interest, parents, subsidiaries, controlling  
17 persons, partners, members, stockholders, affiliates, funds, representatives, agents, trustees, insurers,  
18 executors, heirs, spouses, marital communities, families, assigns or transferees and any past, present and  
19 future person or entity acting for or on behalf of any of them and each of them, and each and all of their  
20 past, present and future predecessors, successors-in-interest, parents, subsidiaries, partners, members,  
21 stockholders, affiliates, funds, representatives, agents, trustees, insurers, executors, heirs, spouses,  
22 marital communities, families, assigns or transferees and any person or entity acting for or on behalf of  
23 any of them and each of them (including, without limitation, any investment bankers, accountants,  
24 insurers, reinsurers or attorneys and any past, present or future officers, directors, employees and  
25 stockholders of any of them).

26       17. "Settling Parties" means, collectively, each of the Defendants and the Plaintiffs on behalf  
27 of themselves and the Members of the Class.

28



1           18.     “Unknown Claims” means any claim, cause of action, damage or harm with respect to  
2 the Released Claims which Plaintiffs and/or Class Members do not know or suspect to exist at the time  
3 of the release of the Released Persons which, if known by him, her or it, might have affected his, her or  
4 its settlement with and release of the Released Persons, or might have affected his, her or its decision  
5 not to object to this Settlement. With respect to any and all Released Claims, the Settling Parties  
6 stipulate and agree that, upon the Effective Date, Plaintiffs shall expressly, and each of the Class  
7 Members shall be deemed to have, and by operation of the Judgment shall have, waived and  
8 relinquished, to the fullest extent permitted by law, the provisions, rights, and benefits of California  
9 Civil Code §1542, which provides:

10                   A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE  
11                   CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR  
12                   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.

13 Upon the Effective Date, Plaintiffs and each of the Class Members shall be deemed to have, and by  
14 operation of the Judgment shall have, expressly waived any and all provisions, rights, and benefits  
15 conferred by any law of any state or territory of the United States, any federal law or regulation, or any  
16 principle of common law or international or foreign law, which is similar, comparable or equivalent to  
17 California Civil Code §1542. Plaintiffs and Class Members may hereafter discover facts in addition to  
18 or different from those which he, she or it now knows or believes to be true with respect to the subject  
19 matter of the Released Claims, but Plaintiffs shall expressly have and each Class Member, upon the  
20 Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and  
21 forever settled and released any and all Released Claims, known or unknown, suspected or unsuspected,  
22 contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have  
23 existed, upon any theory of law or equity now existing or coming into existence in the future, including,  
24 but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any  
25 duty, law or rule, without regard to the subsequent discovery or existence of such different or additional  
26 facts. The Settling Parties acknowledge, and the Class Members shall be deemed by operation of the  
27 Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a material  
28 element of the Settlement of which this release is a part.

1 **VI. ORDER CERTIFYING A CLASS FOR PURPOSES OF SETTLEMENT**

2 On \_\_\_\_\_, 2016, the Court certified the Class for purposes of settlement as defined  
3 above.

4 **VII. DISMISSAL AND RELEASES**

5 If the proposed settlement is approved, the Court will enter the Judgment. The Judgment will  
6 release the Released Claims as to the Released Persons.

7 The Judgment will provide that all Class Members shall be deemed to have released and forever  
8 discharged all Released Claims against all Released Persons, and will be barred from asserting any of  
9 the Released Claims in the future, unless the settlement is canceled or terminated pursuant to the terms  
10 of the Stipulation.

11 **VIII. CONDITIONS FOR SETTLEMENT**

12 The settlement is conditioned upon the occurrence of certain events. Those events include,  
13 among other things: (1) entry of the Judgment by the Court, as provided for in the Stipulation; and (2)  
14 expiration of the time to appeal from or alter or amend the Judgment. If, for any reason, any one of the  
15 conditions described in the Stipulation is not met, the Stipulation might be terminated and, if  
16 terminated, will become null and void, and the parties to the Stipulation will be restored to their  
17 respective positions prior to the settlement.

18 **IX. THE RIGHT TO BE HEARD AT THE HEARING**

19 Any Class Member may, but is not required to, enter an appearance in the Action and be  
20 represented by counsel of his, her or its choice and at his, her or its expense. Any Class Member who  
21 does not enter an appearance will be represented by the attorneys for the Plaintiffs listed below. Any  
22 Class Member who objects to any aspect of the settlement including the award of attorneys' fees and  
23 expenses must either appear and be heard at the Settlement Hearing *or* submit a written notice of  
24 objection, mailed or hand delivered such that it is *filed* on or before May 20, 2016, with the:

25 CLERK OF THE COURT  
26 Superior Court of California  
27 County of Santa Clara  
191 North First Street  
San Jose, CA 95113

1 The written notice of objection must also be received no later than May 20, 2016, by the  
2 following counsel:

3 ROBBINS GELLER RUDMAN  
4 & DOWD LLP  
5 JEFFREY D. LIGHT  
6 655 West Broadway, Suite 1900  
7 San Diego, CA 92101

8 ROBBINS ARROYO LLP  
9 STEPHEN J. ODDO  
10 600 B Street, Suite 1900  
11 San Diego, CA 92101

12 Counsel for Plaintiffs

13 The notice of objection must demonstrate the objecting Person's membership in the Class, and contain a  
14 statement of the reasons for objection. A Class Member who *does not* file a written objection may  
15 appear and object at the Settlement Hearing.

16 **X. NOTICE TO PERSONS OR ENTITIES HOLDING RECORD OWNERSHIP  
17 ON BEHALF OF OTHERS**

18 If you hold or held any Pharmacyclics common stock at any time between and including March  
19 4, 2015 and including May 26, 2015, the date of the closing of the Acquisition, as nominee for a  
20 beneficial owner, then, within ten (10) calendar days after you receive this Notice, you must either:  
21 (1) send a copy of this Notice by first class mail to all such Persons; or (2) provide a list of the names  
22 and addresses of such Persons to the Notice Administrator:

23 *Pharmacyclics Shareholder Litigation*  
24 Notice Administrator  
25 c/o Gilardi & Co. LLC  
26 P.O. Box 8040  
27 San Rafael, CA 94912-8040

28 If you choose to mail the Notice yourself, you may obtain from the Notice Administrator  
(without cost to you) as many additional copies of these documents as you will need to complete the  
mailing.

Regardless of whether you choose to complete the mailing yourself or elect to have the mailing  
performed for you, you may obtain reimbursement for, or advancement of, reasonable administrative  
costs actually incurred or expected to be incurred in connection with forwarding the Notice and which

1 would not have been incurred but for the obligation to forward the Notice, upon submission of  
2 appropriate documentation to the Notice Administrator.

3 **XI. EXAMINATION OF PAPERS**

4 This Notice is a summary and does not describe all of the details of the Stipulation. For full  
5 details of the matters discussed in this Notice, you may desire to review the Stipulation filed with the  
6 Court, which may be inspected during business hours, at the office of the Clerk of the Court, Santa  
7 Clara County Superior Court, 191 North First Street, San Jose, CA 95113.

8 For further information regarding this settlement you may contact: Robbins Geller Rudman &  
9 Dowd LLP, c/o Shareholder Relations, 655 West Broadway, Suite 1900, San Diego, California 92101,  
10 Telephone: 800-449-4900 or you may view the Stipulation and all of its exhibits on  
11 www.\_\_\_\_\_.com.

12 **DO NOT TELEPHONE THE COURT OR THE CLERK'S OFFICE REGARDING THIS**  
13 **NOTICE.**

14 DATED: \_\_\_\_\_

BY ORDER OF THE COURT  
STATE OF CALIFORNIA  
COUNTY OF SANTA CLARA

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