UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

GREG YOUNG, Individually and on Behalf of All Others Similarly Situated,

Plaintiff,

vs.

PACIFIC BIOSCIENCES OF CALIFORNIA, INC., *et al.*,

Defendants.

Case No. 511-CV-005-668-001 EJD

JOINT STIPULATION AND ~~[PROPOSED ORDER]~~ CONSOLIDATING CASES AND DEFERRING RESPONSES TO COMPLAINTS PENDING MOTION PRACTICE IN CONNECTION WITH REMOVAL AND REMAND

MATTHEW SANDNAS, Individually and on Behalf of All Others Similarly Situated,

Plaintiff,

vs.

PACIFIC BIOSCIENCES OF CALIFORNIA, INC., *et al.*,

Defendants.

Case No. 511-CV-005-669-001 LW

WHEREAS, on October 21, 2011, plaintiff Greg Young filed his Complaint for Violation of the Federal Securities Laws and Jury Demand against Pacific Biosciences of California, Inc. ("PacBio" or the "Company"), several of PacBio's senior executives and directors (Hugh C. Martin, Susan K. Barnes, Brian B. Dow, Brook Byers, William W. Ericson, Michael Hunkapiller, Randall S. Livingston, Susan Siegel, David B. Singer, collectively with PacBio, the "Issuer Defendants") and the underwriters that conducted PacBio's October 26, 2010 initial public stock offering (J.P. Morgan Securities LLC, Morgan Stanley & Co. LLC (formerly Morgan Stanley & Co. Incorporated), Deutsche Bank Securities Inc., and Piper Jaffray & Co.) (the "Underwriter Defendants," collectively with the Issuer Defendants, "Defendants") in the Superior Court of California, County of San Mateo Case No. CIV-509210 (the "*Young* Action");

WHEREAS, on October 24, 2011, plaintiff Matthew Sandnas filed his Complaint for Violation of the Federal Securities Laws against Defendants in the Superior Court of California, County of San Mateo Case No. CIV-509259 (the "*Sandnas* Action");

WHEREAS, as of November 17, 2011, plaintiffs had obtained service of process on some but not all Defendants in the *Young* and *Sandnas* Actions;

WHEREAS, effective November 18, 2011 all Defendants accepted service of process in the *Young* and *Sandnas* Actions and the parties stipulated to a uniform response date;

WHEREAS, on November 23 2011, Defendants removed both the *Young* and *Sandnas* Actions to federal court and believe removal jurisdiction exists and that removal is appropriate;

WHEREAS, plaintiffs have indicated before the removal that they contest the validity of removal jurisdiction, that they consider removal to be frivolous and that they intend to immediately move for remand (which Defendants intend to oppose); and

WHEREAS, the parties have met and conferred to establish uniform service and response dates in federal court that provide counsel for Defendants with sufficient time to prepare their responses, address plaintiffs' stated intent to seek remand of these actions, and recognize that certain Defendants have agreed to

accept service of process and that a uniform briefing schedule would ease the administrative burden on the Court that multiple response dates would entail;

NOW, THEREFORE, it is hereby stipulated and agreed between plaintiffs and Defendants, through their respective counsel listed below, as follows:

A. Acceptance of Service

(i) Service of process in both the *Young* Action and the *Sandnas* Action is accepted by all Defendants effective November 18, 2011;

B. Consolidation

(ii) This action and all later-filed securities class actions that relate to the same subject matter that are subsequently filed in or transferred to this Court are hereby consolidated into one action (the "Consolidated Action") for all purposes;

(iii) The Consolidated Action shall be maintained in one file under Case No. 511-CV-005-668-001. The Clerk shall file all pleadings under Case No. 511-CV-005-668-001;

(iv) An original of this Order shall be filed by the Clerk under Case No. 511-CV-005-668-001;

(v) Every pleading subsequently filed in the Consolidated Action after entry of this Order shall have the following caption:

UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

IN RE PACIFIC BIOSCIENCES OF CALIFORNIA, INC. SECURITIES LITIGATION	Case No. 511-CV-005-668-001 (Consolidated Class Action)
This Document Relates To: ALL ACTIONS.	

(vi) The operative complaint in the Consolidated Actions is that in the *Young* Action. Defendants have no obligation to respond to any complaint other than the operative complaint.

(vii) When a case that is related to the same subject matter of the Consolidated Action is hereinafter filed in this Court or transferred from another Court, the Clerk of this Court shall:

1. File a copy of this Order in the separate file for such action;

2. Mail a copy of this Order to the attorneys for the plaintiff(s) in the newly-filed or transferred case and to any new defendant(s) in the newly-filed or transferred case; and

3. Make the appropriate entry in the docket for the Consolidated Action.

(viii) Each new case that is related to the subject matter of the Consolidated Action which is filed in this Court or transferred to this Court, shall be consolidated with the Consolidated Action and this Order shall apply thereto, unless a party objects to consolidation, as provided for herein, or any provision of this Order, within 10 days after the date upon which a copy of this Order is served on counsel for such party, by filing an application for relief and this Court deems it appropriate to grant such application. Nothing in the foregoing shall be construed as a waiver of the Defendants' right to object to consolidation of any subsequently filed or transferred related action.

C. Extension of Response Dates

Defendants shall have an extension of time to respond to the operative complaint to within 45 days of a decision by this Court on plaintiffs' anticipated remand motion.

D. Briefing Schedule on Defendants' Anticipated Motions to Dismiss

(i) In the event any Defendant moves to dismiss the operative complaint, plaintiffs' opposition(s) to those motion(s) shall be filed within forty-five (45) days of that filing;

(ii) Any replies in support of motions to dismiss shall be filed within fifteen (15) days of the filing of plaintiffs' opposition(s); and

(iii) The Court will hear the motion(s) to dismiss on a date to be selected.

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E. Further Terms

Plaintiffs and Defendants agree that neither the existence or filing of this stipulation, the terms thereof, nor the entry of any party into this stipulation may be used as evidence either in support of or against any argument or defense that may be raised in connection with the anticipated motion to remand or in connection with the parties' claims or defenses, including but not limited to personal jurisdiction.

IT IS SO STIPULATED.

DATED: November 23, 2011

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Counsel for Plaintiffs

DATED: November 23, 2011

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Counsel for Defendants Pacific Biosciences of California, Inc., Hugh C. Martin, Susan K. Barnes, Brian B. Dow, Brook Byers, William W. Ericson, Michael Hunkapiller, Randall S. Livingston, Susan Siegel and David B. Singer

DATED: November 23, 2011

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Counsel for Defendants J.P. Morgan Securities LLC, Morgan Stanley & Co. LLC (formerly Morgan Stanley & Co. Incorporated), Deutsche Bank Securities Inc., and Piper Jaffray & Co.

GOOD CAUSE APPEARING, IT IS SO ORDERED.

DATED: **12/2/2011**

UNITED STATES DISTRICT JUDGE

CERTIFICATE OF SERVICE BY NEXT-DAY DELIVERY

I, Elizabeth J. Blackey, declare:

I am employed in Santa Clara County. I am over the age of 18 years and not a party to the within action. My business address is Wilson Sonsini Goodrich & Rosati, 650 Page Mill Road, Palo Alto, California 94304-1050. I am readily familiar with Wilson Sonsini Goodrich & Rosati's practice for collection and processing of correspondence for next-day delivery by an express mail service. In the ordinary course of business, correspondence would be consigned to an express mail service on this date.

On this date, I served **JOINT STIPULATION AND [PROPOSED] ORDER CONSOLIDATING CASES AND DEFERRING RESPONSES TO COMPLAINTS PENDING MOTION PRACTICE IN CONNECION WITH REMOVAL AND REMAND** on the person(s) listed below by placing the document(s) described above in an envelope addressed as indicated below, which I sealed. I consigned the envelope(s) to an express mail service by placing it/them for collection and processing on this day, following ordinary business practices at Wilson Sonsini Goodrich & Rosati.

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I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed at Palo Alto, California on November 28, 2011.

Elizabeth J. Blackey