

1 1. On or about June 17, 2008, the Court approved the Preliminary Order For Notice
2 And Hearing In Connection With Settlement Proceedings, directing that Notice of the Settlement
3 to be sent to all class members and further providing for a deadline of August 18, 2008 for class
4 members to object or opt out of the Settlement.

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6 2. The Court’s order provided that the Claims Administrator shall send the Notice to
7 nominee purchasers such as brokerage firms and other persons or entities who purchased Chiron
8 common stock during the Class Period as record owners but not as beneficial owners, and that
9 such nominee purchasers were directed, within seven (7) days of their receipt of the Notice, to
10 either forward copies of the Notice to their beneficial owners or to provide the Claims
11 Administrator with lists of names and addresses of beneficial owners for mailing of the Notice
12 by the Claims Administrator. Pursuant to the Order, the Claims Administrator mailed the Notice
13 on July 9, 2008 to nominee purchasers of Chiron stock during the Class Period, including
14 Citigroup Global Markets.

15 3. On September 15, 2008 the Claims Administrator, Gilardi & Co. LLC, received a
16 list containing some 10,022 names and addresses of participants in the Chiron Employee Stock
17 Purchase Plan (“CESPP”), who may be members of the proposed Class herein, from Citigroup
18 Global Markets, successor to Smith Barney, which apparently acted as the broker and record
19 holder for shares that were purchased through the CESPP. Citigroup Global Markets had
20 previously provided the Claims Administrator, on July 8, 2008,¹ with a list of the names and
21 addresses of 55,513 of its brokerage clients for whom it acted as record holder and Notice was
22 mailed to those individuals on or about July 17, 2008; in addition, Citigroup Global Markets

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25 ¹ Gilardi has frequent contacts with most of the nominees in connection with various class
26 action mailings, and when possible advises brokers of upcoming requests. Citigroup Global
27 Markets submitted this list prior to Gilardi’s formal notification to them, apparently in response
28 to such an alert or to the posting of the Notices on Gilardi’s website.

1 provided the Claims Administrator, on July 15, 2008, with 18 additional names and addresses
2 and Notice was mailed to those individuals on or about July 16, 2008.

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4 4. The parties hereto submit that, in order to allow the recently identified potential
5 Class Member who participated in the CESPP to receive the Notices and to have an opportunity
6 to determine whether they wish to request exclusion, or to object or comment on the proposed
7 Settlement and/or Motion for Attorneys' fees and expenses, that, subject to the Court's approval,
8 it is appropriate to mail copies of the Cover Notice, Settlement Notice and Proof of Claim,
9 together with an insert to these notices advising the CESPP participants that they may submit
10 exclusion requests, or objections or comments, within thirty days after the date of mailing and to
11 adjourn the Settlement Fairness Hearing to a date, at the Court's convenience, sufficiently after
12 the extended exclusion and objection/comment deadline to allow counsel for the parties to
13 respond to any additional submissions received from these CESPP participants.

14 5. No Class Member has submitted a notice of intention to appear at the previously
15 scheduled October 6, 2008 Settlement Fairness Hearing, and the Settlement Notice specifically
16 provides: "You should be aware that the Court may change the date and time of the Settlement
17 Fairness Hearing. Thus, if you want to come to the hearing, you should check with Lead
18 Plaintiff's Counsel before coming to be sure that the date and/or time has not changed." Thus,
19 adjourning the hearing should not result in any Class Member inconvenience.

20 6. The parties are advised that the Claims Administrator can print and mail copies of
21 the Notices and new Insert within no less than five (5) business days from being notified of the
22 new deadlines and hearing date.

23
24 NOW THEREFORE, the parties stipulate, agree and jointly respectfully request that the
25 Court enter the attached[proposed] Order adjourning the Settlement Fairness Hearing,
26 establishing a new deadline for CESPP participants who are Class Members to submit exclusion

1 requests or objections or comments concerning on the proposed Settlement and/or Motion for
2 Attorneys' fees and expenses, and approving the mailing of the Notices and an Insert,
3 substantially in the form attached to the Order as Exhibit 1 to the recently identified CESPP
4 participants.

5 DATED: September 18, 2008

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/s/ Jeff S. Westerman

JEFF S. WESTERMAN

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Counsel for Lead Plaintiff

1 DATED: September 18, 2008

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9 *Counsel for Defendant Novartis Vaccines and
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10 DATED: September 18, 2008

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14 /s/ Amy S. Park
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20 *Counsel for Defendants Novartis Vaccines and
21 Diagnostics, Inc. (formerly known as Chiron
22 Corporation), Howard H. Pien, John A.
23 Lambert and David V. Smith*

24 * * *

ORDER

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The above stipulation having been considered and good cause appearing therefore, the Court directs and authorizes the Claims Administrator to mail copies of the Cover Notice, Settlement Notice and the Proof of Claim, together with a an Insert, substantially in the form attached to this Order as Exhibit 1, to the recently identified CESPP participants.

The Notices and Insert shall advise the recently identified CESPP participants who are Class Members that the deadline for them to request exclusion, or to object or comment on the proposed Settlement and/or Motion for Attorneys' fees and expenses, is set as [**Oct. 29**2008] [five (5) business days **plus** thirty (30) calendar days after entry of this Order].

The Settlement Fairness Hearing is hereby adjourned and re-scheduled for at 10:00 a.m. [**Dec. 3** 2008] [date at the Court's convenience 60 or more calendar days after entry of this Order]. The Claims Administrator shall add a prominent notice on the *www.chironlitigation.com* website alerting all visitors to that site of the adjourned date of the Settlement Fairness Hearing. Counsel for the parties to the stipulation shall advise any Class Member who hereafter inquires about the Settlement, of the adjourned hearing date, and shall notify all persons who sent an e-mail to the website a notice of the adjourned hearing date. No further notice of the adjournment is necessary.

IT IS SO ORDERED.

DATED: Sept. 22 2008

HONORABLE VAUGHN R. WALKER
JUDGE OF THE DISTRICT COURT

STIPULATION REGARDING MAILING NOTICES TO RECENTLY IDENTIFIED PARTICIPANTS IN CHIRON EMPLOYEE STOCK PURCHASE PLAN AND ADJOURNING DEADLINES AND DATE OF SETTLEMENT HEARING; [PROPOSED] ORDER CASE NO.:C-04-4293-VRW	- 5 -
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EXHIBIT 1

NOTICE TO CESPP PARTICIPANTS RE: NEW DEADLINES FOR CESPP PARTICIPANTS FOR EXCLUSION REQUESTS, OBJECTIONS OR COMMENTS ON SETTLEMENT OR MOTION FOR ATTORNEYS' FEES AND EXPENSES, AND NOTICE OF CHANGE OF HEARING DATE

This Notice relates to the accompanying notices from the *In re Chiron Corporation Securities Litigation*, pending before the Honorable Vaughn R. Walker in the United States District Court for the Northern District of California, San Francisco Division, as Case No. C-04-4293-VRW.

This Notice is being directed to participants in the Chiron Employee Stock Purchase Plan ("CESPP") who may have purchased Chiron Corporation common stock through the CESPP during the period from July 23, 2003 through October 5, 2004 and may therefore be members of the settlement Class in the above-referenced Litigation. The deadlines listed in the accompanying "Notice of Pendency of Class Action and Proposed Settlement Thereof, Motion for Attorneys' Fees and Settlement Fairness Hearing" (the "Settlement Notice"), are being extended for the addressees of this Notice because a large number of CESPP participants have only recently been identified.

Please note that the date for the Settlement Fairness Hearing previously announced in the Settlement Notice has been changed to **[INSERT NEW DATE: _____ at _____ a.m.]** The deadline for you to request exclusion from the Class or to object to or comment on the Settlement, the Plan of Allocation, the Motion for Attorneys' fees and expenses has been extended to **[INSERT NEW DATE: _____, 2008.]** The Settlement Notice, which contains important information about Class Members' rights, is otherwise unchanged.

If you have any questions about the Settlement or the litigation, you may contact the

Claims Administrator: Chiron Corporation Securities Litigation Settlement
c/o Gilardi & Co. LLC, Claims Administrator
P.O. Box 8040
San Rafael, CA 94912-8040

Copies of the full Settlement Notice and other information may be viewed or downloaded at www.chironlitigation.com

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SIGNATURE ATTESTATION

I hereby attest that I have on file all holograph signatures for any signatures indicated by a “conformed” signature (/s/) within this e-filed document.

I declare under penalty of perjury of the laws of the State of California that the foregoing is true and correct.

/s/ Jeff S. Westerman

JEFF S. WESTERMAN

DECLARATION OF SERVICE BY MAIL

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I, the undersigned, declare:

1. That declarant is and was, at all times herein mentioned, employed in the County of Los Angeles, over the age of 18 years, and not a party to or interest in the within action; that declarant's business address is One California Plaza, 300 South Grand Avenue, Suite 3900, Los Angeles, California 90071-3149.

2. That on September 18, 2008, declarant served the **STIPULATION REGARDING MAILING NOTICES TO RECENTLY IDENTIFIED PARTICIPANTS IN CHIRON EMPLOYEE STOCK PURCHASE PLAN AND ADJOURNING DEADLINES AND DATE OF SETTLEMENT HEARING; [PROPOSED] ORDER** by depositing a true copy thereof in a United States mailbox at Los Angeles, California in a sealed envelope with postage thereon fully prepaid and addressed to the parties listed on the attached Service List.

3. That there is a regular communication by mail between the place of mailing and the places so addressed.

4. That on the above date, declarant served via e-mail to: scac@law.stanford.edu.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 18th day of September, 2008, at Los Angeles, California.


ELIZABETH VILLALOBOS

SERVICE LIST

Richard Gregory v. Chiron Corporation, et al.
 USDC ~ San Francisco - Case No.C-04-4293-VRW

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STIPULATION REGARDING MAILING NOTICES TO RECENTLY IDENTIFIED PARTICIPANTS
 IN CHIRON EMPLOYEE STOCK PURCHASE PLAN AND ADJOURNING DEADLINES AND DATE
 OF SETTLEMENT HEARING; [PROPOSED] ORDER
 CASE NO.:C-04-4293-VRW

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<i>Other Counsel</i>	
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STIPULATION REGARDING MAILING NOTICES TO RECENTLY IDENTIFIED PARTICIPANTS IN CHIRON EMPLOYEE STOCK PURCHASE PLAN AND ADJOURNING DEADLINES AND DATE OF SETTLEMENT HEARING; [PROPOSED] ORDER CASE NO.:C-04-4293-VRW	-4 -
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