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Co-Lead Counsel for Plaintiffs

UNITED STATES DISTRICT COURT
 NORTHERN DISTRICT OF CALIFORNIA
 SAN JOSE DIVISION

In re TRIDENT MICROSYSTEMS, INC.,)
 DERIVATIVE LITIGATION)
 _____)
 This Document Relates To:)
 ALL ACTIONS.)
 _____)

Master File No. C06-3440-JF
~~PROPOSED~~ ORDER PRELIMINARY
 APPROVING DERIVATIVE SETTLEMENT
 AND PROVIDING FOR NOTICE
 EXHIBIT A

[PROPOSED] ORDER PRELIMINARILY APPROVING DERIVATIVE SETTLEMENT AND
 PROVIDING FOR NOTICE
 MASTER FILE NO. C06-3440-JF

1 WHEREAS, the Settling Parties have made application, pursuant to Federal Rule of Civil
2 Procedure 23.1, for an order (i) preliminarily approving the proposed settlement (the “Settlement”)
3 of the above-captioned consolidated shareholder derivative action (the “Action”), in accordance with
4 a Stipulation of Settlement dated February 9, 2011 and the exhibits thereto (the “Stipulation”), and
5 (ii) approving for distribution, the Notice of Proposed Settlement (the “Notice”);

6 WHEREAS, the Stipulation sets forth the terms and conditions for the Settlement;

7 WHEREAS, the Settlement appears to be the product of serious, informed, non-collusive
8 negotiations and falls within the range of possible approval;

9 WHEREAS, all capitalized terms contained herein shall have the same meanings as set forth
10 in the Stipulation (in addition to those capitalized terms defined herein); and

11 WHEREAS, this Court, having considered the Stipulation and the Exhibits annexed thereto
12 and having heard the arguments of the Settling Parties at the preliminary approval hearing:

13 NOW THEREFORE, IT IS HEREBY ORDERED:

14 1. This Court does hereby preliminarily approve, subject to further consideration at the
15 Settlement Hearing described below, the Stipulation and the Settlement set forth therein, including
16 the terms and conditions for: (a) a proposed Settlement and dismissal of the Action with prejudice as
17 to the Released Persons; and (b) an award of attorneys’ fees and costs to Plaintiffs’ Counsel in the
18 Action, upon the terms and conditions set forth in the Stipulation.

19 2. A hearing (the “Settlement Hearing”) shall be held before this Court on
20 April 15, 2011 at 9:00 a.m. in Courtroom 3 of the United States District Court for the
21 Northern District of California San Jose Division, Robert F. Peckham Federal Building and United
22 States Courthouse, 280 South First Street, San Jose, CA 95113, to determine whether:

23 (a) the terms and conditions of the Settlement provided for in the Stipulation are
24 fair, reasonable, adequate and in the best interests of Trident and current Trident stockholders;

25 (b) an order and judgment as provided for in ¶1.5 of the Stipulation should be
26 entered; and

27 (c) to award attorneys’ fees and expenses to Plaintiffs’ Counsel.

1 3. The Court approves, as to form and content, the Notice annexed as Exhibit A-1
2 hereto, and finds that the distribution of the Notice and publication of the Stipulation substantially in
3 the manner and form set forth in paragraph 3.2 of the Stipulation, meets the requirements of Federal
4 Rule of Civil Procedure 23.1 and due process, is the best notice practicable under the circumstances,
5 and shall constitute due and sufficient notice to all Persons entitled thereto of all matters relating to
6 the Settlement.

7 4. Not later than five (5) business days following entry of this Order, Trident shall cause
8 the Stipulation and Notice substantially in the form annexed as Exhibit A-1 hereto to be published on
9 its website, such that visitors to the website home page will readily find a hyperlink to the Notice.

10 5. Not later than five (5) business days following entry of this Order, Trident shall cause
11 the Stipulation to be filed with the Securities and Exchange Commission via a Form 8-K.

12 6. Not later than five (5) business days following entry of this Order, Trident shall cause
13 a copy of the Notice substantially in the form annexed as Exhibit A-1 hereto to be published once in
14 *Investor's Business Daily*.

15 7. All costs incurred in the filing and publication of the Notices shall be paid by Trident
16 and Trident shall undertake all administrative responsibility for filing and publication of the Notice.

17 8. At least fourteen (14) days prior to the Settlement Hearing, Trident's counsel shall
18 serve on Plaintiffs' Counsel and file with the Court proof, by affidavit or declaration, of such filing
19 and publication of the Notice.

20 9. All current Trident stockholders shall be bound by all orders, determinations and
21 judgments in the Action concerning the Settlement, whether favorable or unfavorable to current
22 Trident shareholders.

23 10. Pending final determination of whether the Settlement should be approved, no current
24 Trident shareholder shall commence or prosecute against any of the Released Persons any action or
25 proceeding in any court or tribunal asserting any of the Released Claims.

1 11. All papers in support of the Settlement and the award of attorneys' fees and expenses
2 shall be filed with the Court and served at least twenty-one (21) calendar days prior to the Settlement
3 Hearing.

4 12. Any current record holders and beneficial owners of common stock of Trident as of
5 February 9, 2011 may appear and show cause, if he, she or it has any reason why the terms of the
6 Settlement should not be approved as fair, reasonable and adequate, or why a Judgment should not
7 be entered thereon, provided, however, unless otherwise ordered by the Court, no current Trident
8 stockholder shall be heard or entitled to contest the approval of all or any of the terms and conditions
9 of the Settlement, or, if approved, the Judgment to be entered thereon approving the same, unless
10 that Person has, at least fourteen (14) days prior to the Settlement Hearing, filed with the Clerk of the
11 Court and served on the following counsel (delivered by hand or sent by first class mail) appropriate
12 proof of stock ownership, along with written objections, including the basis therefore, and copies of
13 any papers and briefs in support thereof:

14 Clerk of the Court
15 UNITED STATES DISTRICT COURT
16 NORTHERN DISTRICT OF CALIFORNIA
17 SAN JOSE DIVISION
18 Robert F. Peckham Federal Building
19 and United States Courthouse
20 280 South First Street
21 San Jose, CA 95113

22 *Counsel for Lead Plaintiffs*

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Counsel for Trident by Its Special Litigation Committee

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1 Any current Trident stockholder who does not make his, her or its objection in the manner provided
2 herein shall be deemed to have waived such objection and shall forever be foreclosed from making
3 any objection to the fairness, reasonableness or adequacy of the Settlement as incorporated in the
4 Stipulation and to the award of attorney fees and expenses to Plaintiffs' Counsel, unless otherwise
5 ordered by the Court, but shall otherwise be bound by the Judgment to be entered and the releases to
6 be given.

7 13. Neither the Stipulation nor the Settlement, nor any act performed or document
8 executed pursuant to or in furtherance of the Stipulation or the Settlement: (a) is or may be deemed
9 to be or may be offered, attempted to be offered or used in any way by the Settling Parties as a
10 presumption, a concession or an admission of, or evidence of, any fault, wrongdoing or liability of
11 the Settling Parties or of the validity of any Released Claims; or (b) is intended by the Settling
12 Parties to be offered or received as evidence or used by any other person in any other actions or
13 proceedings, whether civil, criminal or administrative. The Released Persons may file the
14 Stipulation and/or the Judgment in any action that may be brought against them in order to support a
15 defense or counterclaim based on principles of *res judicata*, collateral estoppel, full faith and credit,
16 release, standing, good faith settlement, judgment bar or reduction or any other theory of claim
17 preclusion or issue preclusion or similar defense or counterclaim; and any of the Settling Parties may
18 file the Stipulation and documents executed pursuant and in furtherance thereto in any action to
19 enforce the Settlement.

20 14. The Court reserves the right to adjourn the date of the Settlement Hearing or modify
21 any other dates set forth herein without further notice to the current Trident stockholders, and retains
22 jurisdiction to consider all further applications arising out of or connected with the Settlement. The
23 Court may approve the Settlement, with such modifications as may be agreed to by the Settling
24 Parties, if appropriate, without further notice to the current Trident stockholders.

25 IT IS SO ORDERED.

26 DATED: 2/17/2011

27 THE HONORABLE ELLIOTT FOGEL
28 UNITED STATES DISTRICT JUDGE



1 Submitted by,

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3 **MELTZER & CHECK, LLP**

4 /s/ Robin Winchester
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