

EXECUTION VERSION

**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

IN RE: METFORMIN MARKETING AND
SALES PRACTICES LITIGATION

Case No. 2:20-cv-2324-MCA-MAH

Hon. Madeline C. Arleo

Hon. Michael A. Hammer

JURY TRIAL DEMANDED

**STIPULATION AND SETTLEMENT AGREEMENT BETWEEN
PLAINTIFFS AND TEVA PHARMACEUTICALS USA, INC.,
ACTAVIS PHARMA, INC., AND ACTAVIS LLC**

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THIS STIPULATION AND SETTLEMENT AGREEMENT is made and entered into by and between plaintiffs Joseph Brzozowski, Jacqueline Harris, Kristen Weineinger, Michael Hann, and Masao Hendrix (“Consumer Plaintiffs”) and MSP Recovery Claims, Series LLC, County of Monmouth, and Ohio Carpenters’ Health Fund (“TPP Plaintiffs” and collectively, “Plaintiffs”), on behalf of themselves and the other members of the proposed Settlement Class,¹ and defendants Teva Pharmaceuticals USA, Inc., Actavis Pharma, Inc., and Actavis LLC, including subsidiaries, affiliates, officers, and agents of the foregoing including, but not limited to, Teva Pharmaceutical Industries, Ltd. (collectively, “Teva” and together with Plaintiffs, the “Parties”) and embodies the terms and conditions of the settlement between the Parties in the above-captioned Action. Subject to the approval of the Court and the terms and conditions expressly provided herein, this Stipulation is intended to, upon the occurrence of the Effective Date (as defined in Paragraph 1.11 below, fully, finally, and forever compromise, settle, release, resolve, discharge, and dismiss with prejudice the Action as against Teva and release all Released Claims against Teva and all Released Defendants.

WHEREAS, Plaintiffs, on behalf of themselves and as representatives of the proposed classes, allege that, among other things, they were injured as a result of Teva’s alleged manufacturing, sale, and distribution of adulterated and/or misbranded generic metformin-containing drugs, as explained in the Fourth Amended Consolidated Economic Loss Class Action Complaint (Civil No. 20-cv-02324-MCA-MAH, ECF No. 529);

WHEREAS, several other similar class-action complaints were filed by Plaintiffs in this District on behalf of themselves as Plaintiffs and as representatives of the proposed classes against

¹ All capitalized words and terms that are not otherwise defined in text have the meaning ascribed to them below in Paragraph 1, entitled “Definitions.”

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Teva, and those matters were consolidated for pretrial purposes before the United States District Court for the District of New Jersey and captioned *In re Metformin Marketing and Sales Practices Litigation*, Civil Action No. 20-cv-02334-MCA-MAH.

WHEREAS, Plaintiffs contend that they and the proposed classes are entitled to actual damages, attorneys' fees, and injunctive relief for loss or damage as a result of violations of the laws as alleged in the Action arising from Teva's and other Defendants' alleged conduct;

WHEREAS, Teva denies Plaintiffs' allegations, denies any and all wrongdoing in connection with the facts and claims that have been or could have been alleged against it in the Action, asserts that it has several valid defenses to Plaintiffs' claims, denies that Plaintiffs are entitled to any damages as a result of Plaintiffs' allegations and claims, and has not conceded or admitted the propriety of certification of any class for any purposes other than this Settlement;

WHEREAS, counsel for the Parties have engaged in arm's-length negotiations on the terms of this Settlement, and this Stipulation, and the confidential Supplemental Agreement referred to herein embody all of the terms and conditions of this Settlement;

WHEREAS, Plaintiffs, through their counsel, investigated the facts and law regarding the Action and, after carefully considering the circumstances of the Action including the claims asserted directly against Teva and derivatively against Pharmacy Defendants who dispensed Teva metformin-containing drugs and the possible legal and factual defenses thereto, have concluded that resolving the claims against Teva, according to the terms set forth below, is in the best interests of Plaintiffs and the Settlement Class in order to avoid the uncertainties of litigation, particularly complex litigation such as this, and to ensure a benefit to Plaintiffs and the Settlement Class, and further, consider the Settlement set forth herein to be fair, reasonable, and adequate compensation;

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WHEREAS, Plaintiffs and Teva agree that neither this Stipulation, nor the Settlement it embodies, nor any actions taken in furtherance of either the Stipulation or the Settlement shall be deemed or construed to be an admission or evidence of any violation of any statute or law or any liability or wrongdoing by Teva or of the truth of any of the claims or allegations alleged in the Action, or a waiver of any defenses thereto;

WHEREAS, Teva, despite its belief that it is not liable for the claims asserted by Plaintiffs and its belief that it has good defenses thereto, has nevertheless agreed to enter into this Settlement to avoid further expense, exposure, inconvenience, and the distraction of burdensome and protracted litigation, and to obtain the release, order, and Final Judgment contemplated by this Stipulation, and to put to rest with finality all claims that have been or could have been asserted against Teva, as more particularly set out below;

WHEREAS, the Parties wish to preserve all arguments, defenses, and responses to all claims in the Action, including any arguments, defenses, and responses to any litigation class proposed by Plaintiffs if this Settlement does not obtain Final Approval;

WHEREAS, the Parties have had a full opportunity to examine the facts and circumstances surrounding their respective decisions to accept the terms of this Stipulation;

NOW THEREFORE, it is agreed by and among the Parties that the claims of Plaintiffs and the proposed Settlement Class related to Teva's metformin-containing drugs be settled, compromised, and dismissed on the merits with prejudice and without costs as to Teva, subject to Court approval, on and subject to the terms and conditions set forth below.

1. DEFINITIONS

As used in this Stipulation, the following terms shall have the meanings specified below:

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1.1. “Action” means the putative class action initiated and/or pursued by Plaintiffs in the above-captioned proceeding *In re: Metformin Marketing and Sales Practices Litigation*, No. 2:20-cv-02324-MCA-MAH (D.N.J.) and all other actions currently consolidated thereunder.

1.2. “Alternative Judgment” means a form of judgment with terms materially different from those set forth in the form of Judgment agreed to and proposed by the Parties.

1.3. “Attorneys’ Fees and Expenses” means any portion of the Settlement Fund approved by the Court for payment to counsel who have represented Plaintiffs or the Settlement Class, including such counsel’s attorney’s fees, costs, and litigation expenses (excluding Notice and Administration Costs).

1.4. “Authorized Claimant” means a Settlement Class Member who or which submits to the Claims Administrator a timely and valid Claim Form that the Court approves for payment from the Net Settlement Fund.

1.5. “Claim Form” means the proof of claim and release form, which will be sent to members of the Settlement Class along with the Notice.

1.6. “Claimant” means a person or entity who or which submits a Settlement Claim to the Claims Administrator seeking to be eligible to share in the proceeds of the Net Settlement Fund.

1.7. “Claims Administrator” means the claims administration company selected by the Interim Co-Lead Counsel and appointed by the Court to administer the Settlement and effectuate the notice plan approved by the Court.

1.8. “Complaint” means the Fourth Amended Consolidated Economic Loss Class Action Complaint (Civil No. 20-cv-02324-MCA-MAH, ECF No. 529).

1.9. “Court” means the United States District Court for the District of New Jersey.

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1.10. “Defendants” means those Defendants named in the Complaint (*i.e.*, Teva Pharmaceuticals USA, Inc., Actavis Pharma, Inc., Actavis LLC, Heritage Pharmaceuticals, Inc. d/b/a Avet Pharmaceuticals Inc., Granules USA, Inc., Granules Pharmaceuticals, Inc., Amneal Pharmaceuticals, Inc., Amneal Pharmaceuticals LLC, Amneal Pharmaceuticals of New York, LLC, CVS Pharmacy, Inc., incorrectly named as CVS Health Corporation, and Walmart, Inc., incorrectly named as Walmart Stores, Inc.).

1.11. “Downstream Entity” means any entity in the supply chain of the Released Defendants which purchased or obtained any Teva Metformin Product directly or indirectly, from the Released Defendants or one of its repackagers, wholesalers, distributors, or other sellers. As used in this definition, the term “entity” includes any and all affiliated companies affiliated with the purchasing party, including past, present, and future officers, directors, employees, servants, lessors, partnerships, stockholders, consultants, affiliates, personal representatives, legal representatives, subsidiaries, divisions, parent companies, predecessors, successors, agents, insurers, and assigns. The term “Downstream Entity” expressly includes, but is not limited to, CVS Pharmacy, Inc., incorrectly named as CVS Health Corporation, and Walmart Inc., incorrectly named as Walmart Stores, Inc. The term “Downstream Entity” does not include any manufacturer of metformin-containing products.

1.12. “Effective Date” with respect to the Settlement means the first business day following the occurrence or waiver of all the events and conditions specified in Paragraph 12.1.

1.13. “Escrow Account” means the segregated and separate interest-bearing escrow account to be established with the Escrow Agent as a Qualified Settlement Fund (subject to judicial oversight) into which the Settlement Amount will be deposited for the benefit of Settlement Class

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Members and which will thereafter hold the assets of the Settlement Fund (subject to making such awards, payments, and distributions as authorized herein).

1.14. “Escrow Agent” means Huntington National Bank or its duly appointed successor or such other bank as may be proposed by Interim Co-Lead Counsel and approved by the Court.

1.15. “Execution Date” means the latest date of the execution of this Stipulation.

1.16. “Fairness Hearing” means the hearing scheduled by the Court under Rule 23(e)(2) of the Federal Rules of Civil Procedure to consider Final Approval of the Settlement, and to consider Plaintiffs’ Counsel’s applications for attorneys’ fees, reimbursement of costs and expenses, and service awards as set forth in this Stipulation.

1.17. “Final Approval” means an order and judgment by the Court that finally approves this Stipulation and the Settlement under Federal Rule of Civil Procedure 23 and dismisses Teva with prejudice from the Action.

1.18. “Final Judgment” means a judgment that: (a) has not been appealed or as to which there is no pending stay, motion for reconsideration, motion for rehearing, motion to vacate, appeal, petition for writ of certiorari or similar request for relief; or (b) for which all possible appeals have been exhausted, such that it is no longer subject to judicial review, including upon appeal or review by writ of certiorari.

1.19. “Interim Co-Lead Counsel” or “Co-Lead Counsel” or “Plaintiffs’ Counsel” means the law firms of Carella, Byrne, Cecchi, Brody & Agnello, P.C., Kanner & Whitely, LLC, Bursor & Fisher, P.A., Honik LLC, MSP Recovery Law Firm, Scott+Scott Attorneys at Law LLP, Asherkelly Attorneys at Law, Nigh, Goldenberg, Raso & Vaughn, PLLC, and Levin Sedran & Berman, LLP.

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1.20. “Judgment” means either (a) the proposed judgment to be entered approving the Settlement, substantially in the form agreed to and proposed by the Parties; or (b) an Alternative Judgment, if expressly agreed in writing by the Parties.

1.21. “Net Settlement Fund” means the Settlement Fund less: (i) Taxes; (ii) Notice and Administration Costs as authorized by this Stipulation and any orders of the Court; (iii) Attorneys’ Fees and Expenses as authorized by the Court; (iv) Service Awards as authorized by the Court; and (v) any other fees and expenses as authorized by the Court.

1.22. “Notice and Administration Costs” means the reasonable costs and expenses incurred in connection with locating Settlement Class Members; preparing, printing, mailing, and publishing the Notice and the summary of Notice; soliciting the submission of proofs of claims; assisting with the submission of proofs of claim; processing Claim Forms; administering and distributing the Net Settlement Fund to Authorized Claimants; and paying escrow fees and costs (if any). All such Notice and Administration Costs shall be paid from the Settlement Fund.

1.23. “Notice” means the Notice of Proposed Settlement of Class Action, which is to be sent to members of the Settlement Class.

1.24. “Parties” means the undersigned parties to this Stipulation.

1.25. “Person” means any individual, corporation, partnership, limited liability company or partnership, limited partnership, professional corporation, association, joint stock company, estate, unincorporated association, government or any political subdivision or agency thereof, or any other business or legal entity and (as applicable) their spouses, heirs, predecessors, successors, representatives, or assigns.

1.26. “Plaintiffs’ Released Claims” means all claims that Plaintiffs, Settlement Class Members, and Released Plaintiffs ever had, now have, or hereinafter, can, shall, or may ever have,

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against any Released Defendants and their respective attorneys, whether in their individual or representative capacity, whether arising under federal, state, common, or foreign law, on account of, or any way arising out of, any and all known claims and Unknown Claims, foreseen and unforeseen, suspected and unsuspected, actual or contingent, liquidated or unliquidated claims, causes of action (whether at law or in equity), charges, injuries, liabilities, penalties, demands, obligations, suits, levies, executions, judgments, debts, losses (including, without limitation, all costs, expenses, and attorneys' fees), or damages arising from or in connection with any act or omission through the date of the Preliminary Approval Order relating to or referred to in the Action or arising from the factual predicate of the Action, including, but not limited to, Teva's manufacture, distribution, and/or introduction into the U.S. market by Teva of its generic metformin-containing drugs that were alleged to be contaminated ("Teva's Metformin Product"). This definition is expressly intended to include, and does include, any and all claims that Plaintiffs, Settlement Class Members, and Released Plaintiffs ever had, now have, or hereinafter, can, shall, or may ever have or assert against any Downstream Entity arising out of, by reason of, or in any manner connected with the use of or payment or reimbursement for Teva's Metformin Product. This definition is expressly not intended to include, and does not include, any and all claims that Plaintiffs, Settlement Class Members, and the Released Plaintiffs ever had, now have, or hereinafter, can, shall, or may ever have or assert against any Downstream Entity arising out of, by reason of, or in any manner connected with the use of or payment or reimbursement for any metformin products manufactured by any person other than Teva and the Released Defendants.

1.27. "Plaintiffs" means Joseph Brzozowski, Jacqueline Harris, Kristen Weineinger, Michael Hann, Masao Hendrix, MSP Recovery Claims, Series LLC, County of Monmouth, and Ohio Carpenters' Health Fund.

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1.28. “Plan of Allocation” means the plan for allocating the Net Settlement Fund approved by the Court, whereby the Net Settlement Fund shall be distributed to Authorized Claimants.

1.29. “Preliminary Approval Order” means an order by the Court to preliminarily approve this Stipulation under Rule 23 of the Federal Rules of Civil Procedure.

1.30. “Released Claims” means Teva’s Released Claims and Plaintiffs’ Released Claims.

1.31. “Released Defendants” means whether or not each or all of the following Persons were named, served with process, or appeared in the Action, (a) Teva Pharmaceuticals USA, Inc., Actavis Pharma, Inc., Actavis LLC, and Teva Pharmaceutical Industries, Ltd.; (b) the current, former and future parents (including general or limited partners), owners, affiliates, subsidiaries, divisions, successors, predecessors, affiliates, joint ventures, stockholders, assigns, and assignees of each of Teva Pharmaceuticals USA, Inc., Actavis Pharma, Inc., Actavis LLC, and Teva Pharmaceutical Industries, Ltd.; and (c) all of the former, current or future agents, controlling persons, principals, members, managers, managing members, direct or indirect equity holders, employees, officers, directors, trustees, supervisory boards, predecessors, successors, attorneys, heirs, insurers, reinsurers, co-insurers, underwriters, accountants, auditors, consultants, other representatives, servants, respective past or present family members, spouses, agents, fiduciaries, corporations, bankers, estates, and advisors of each Person listed in (a) and (b), in their capacities as such, and each of their current and former officers, directors, employees, parents, affiliates, subsidiaries, successors, predecessors, assigns, and assignees, in their capacities as such.

1.32. “Released Parties” means Released Defendants and Released Plaintiffs.

1.33. “Released Plaintiffs” means all members of the Settlement Class, including Plaintiffs, each on behalf of themselves and their respective predecessors and successors; their

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current and former, direct and indirect parents, subsidiaries and affiliates; their present and former shareholders, partners, directors, officers, owners of any kind, principals, members, agents, employees, contractors, attorneys (including Interim Co-Lead Counsel), insurers, heirs, executors, administrators, devisees, representatives; the assigns of all such persons or entities, as well as any person or entity acting on behalf of or through any of them in any capacity whatsoever, jointly and severally; and any of their past, present and future agents, officials acting in their official capacities, legal representatives, agencies, departments, commissions, and divisions.

1.34. “Releasing Parties” means Plaintiffs, Settlement Class Members, Released Plaintiffs, Teva and Released Defendants.

1.35. “Service Award” means any Court-approved monetary award for Plaintiffs paid from the Settlement Fund.

1.36. “Settlement Amount” means USD \$3,000,000.00 (three million dollars) in cash.

1.37. “Settlement Claim” means a Claim Form submitted to the Claims Administrator.

1.38. “Settlement Class Member” means any Person who falls within the definition of Settlement Class.

1.39. “Settlement Class” means: All individuals and entities in the United States and its territories and possessions who paid any amount of money for a metformin-containing drug (intended for personal or household use) that was manufactured, distributed, or sold by Teva from July 20, 2015 through June 2, 2020 (the “Class Period”). For purposes of the TPP Plaintiffs, persons or entities “purchased” a metformin-containing drug if they paid or reimbursed some or all of the purchase price. Excluded from the Settlement Class are: (1) Teva and its respective subsidiaries and affiliates; (2) federal governmental entities; (3) State and local governmental entities to the extent their claims may be asserted under applicable state law only by the state

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Attorney General, or are otherwise prohibited by applicable law from being asserted by private counsel on a contingent fee basis; (4) all persons or entities who purchased metformin-containing drugs for purposes of resale or directly from Teva or its affiliates; (5) fully insured health plans (*i.e.*, Plans that purchased insurance from another third-party payer covering 100% of the Plan's reimbursement obligations to its members); (6) pharmaceutical benefit managers; and (7) the judges in this case and any members of their immediate families.

1.40. "Settlement Distribution Order" means an order to be entered by the Court, upon Plaintiffs' application, in accordance with Paragraph 5.11 below, which authorizes the Claims Administrator to distribute the Net Settlement Fund to Authorized Claimants.

1.41. "Settlement Fund" means the Settlement Amount plus any interest earned thereon.

1.42. "Settlement" means the resolution of this Action against Teva and Released Defendants in accordance with the terms and provisions of this Stipulation.

1.43. "Stipulation" means this Stipulation and Settlement Agreement.

1.44. "Taxes" means (i) all federal, state and/or local taxes of any kind (including any interest or penalties thereon) on any income earned by the Settlement Fund; and (ii) the expenses and costs incurred by Interim Co-Lead Counsel in connection with determining the amount of, and paying, any taxes owed by the Settlement Fund (including, without limitation, expenses of tax attorneys and accountants).

1.45. "Teva's Counsel" means Walsh Pizzi O'Reilly Falanga LLP and Greenberg Traurig, LLP.

1.46. "Teva's Released Claims" means all claims and causes of action of every nature and description, whether known claims or Unknown Claims, whether arising under federal, state, common, or foreign law, by Teva or any of the Released Defendants against Plaintiffs, and their

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respective attorneys (including Co-Lead Counsel), and all other Settlement Class Members, that arise out of or relate in any way to the institution, prosecution, or settlement of the claims relating to or referred to in the Action or arising from the factual predicate of the Action against Teva, except for claims relating to the enforcement of the Settlement. No claims unrelated to the institution, prosecution, or settlement of the claims against Teva will be released by Teva.

1.47. “Teva” has the same meaning as Released Defendants as defined above in Paragraph 1.31.

1.48. “Unknown Claims” means (a) any of Plaintiffs’ Released Claims which Plaintiffs, Settlement Class Members, or Released Plaintiffs do not know or suspect to exist in their favor at the time of the release of such claims, which if known, might have affected their decision(s) with respect to the Settlement, including, but not limited to, the decision not to object to the Settlement; (b) any of Teva’s Released Claims which Teva does not know or expect to exist in their favor at the time of the release of such claims, which if known, might have affected their decision(s) with respect to the Settlement, except that Unknown Claims shall not include any claims unrelated to the institution, prosecution, or settlement of the claims against Teva.

2. SETTLEMENT CONSIDERATION

2.1 Monetary Consideration.

(a) In full consideration for the release of claims and dismissal of the Action, Teva shall pay, or cause to be paid, in cash, the Settlement Amount of \$3,000,000.00, with \$1,500,000.00 million to be paid into the Escrow Account on or before April 1, 2025 and an additional \$1,500,000.00 paid into the Escrow Account on or before July 1, 2025. Plaintiffs, through Interim Co-Lead Counsel, will notify Teva of the establishment and identity of the Escrow Account within 14 calendar days before payment of the Settlement Amount is due. In no event shall Teva be obligated to pay anything beyond the Settlement

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Amount. Plaintiffs and all Settlement Class Members shall look solely to the Settlement Fund for full settlement and satisfaction against Teva of all Plaintiffs' Released Claims as defined in Paragraph 1.26, including any costs, fees, or expenses of any of the Plaintiffs or their attorneys, experts, advisors, agents, and representatives, including with respect to the negotiation, execution, and performance of their obligations under this Stipulation. All payments by Teva of the Settlement Amount are conditioned on preliminary approval being granted by the Court in the Action to this Stipulation and Settlement Agreement.

(b) The Settlement is not a claims-made settlement. Upon the Effective Date, neither Teva, nor any other Person or entity who or which funded the Settlement Amount (including, without limitation, any of Teva's insurance carriers), shall have any right to the return of the Settlement Fund or any portion thereof for any reason whatsoever, subject to the provisions of Paragraph 12.7.

(c) In the event the Settlement becomes final under Paragraph 12.1, the Settlement Fund will fully satisfy all Plaintiffs' Released Claims as defined in Paragraph 1.26. Except as provided by order of the Court, no Plaintiff or Settlement Class Member shall have any interest in the Settlement Fund, or any portion thereof. Teva and the Released Defendants shall not be responsible for, and shall have no liability with respect to, disbursements from the Settlement Fund according to any Court-approved Plan of Allocation.

3. USE OF THE SETTLEMENT FUND

3.1 The Settlement Fund shall be used solely for the benefit of Plaintiffs and the Settlement Class, which excludes those who opt out, to pay: (a) Taxes, (b) Notice and Administration Costs as authorized by this Stipulation and other orders of the Court; (c) Attorneys' Fees and Expenses as authorized by the Court; (d) any Service Awards to Plaintiffs as authorized

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by the Court; and (e) other fees, costs, and expenses, if any, as authorized by the Court. The balance of the Settlement Fund remaining after the above payments shall constitute the Net Settlement Fund, which shall be distributed to Authorized Claimants in accordance with this Stipulation and the Plan of Allocation.

3.2 Except as provided herein or under other orders of the Court, the Net Settlement Fund shall remain in the Escrow Account prior to the Effective Date. All funds held by the Escrow Agent shall be deemed to be in the custody of the Court and shall remain subject to the jurisdiction of the Court until the funds shall be distributed or returned under this Stipulation and/or further order of the Court. The Escrow Agent shall not distribute the Settlement Fund except as provided in this Stipulation or by an order of the Court.

3.3 The Escrow Agent shall invest the Settlement Fund solely in accounts that are either (a) backed by the full faith and credit of the United States Government or (b) fully insured by the United States Government or one of its agencies. Permissible accounts include U.S. Treasury Funds or bank accounts that are (i) fully insured by the Federal Deposit Insurance Corporation (“FDIC”) or (ii) secured by instruments backed by the full faith and credit of the United States Government. Upon maturity, the Escrow Agent shall reinvest the proceeds in similar instruments at then-current market rates. Interest earned on the money deposited into the Escrow Account shall be part of the Settlement Fund. The Parties shall have no responsibility for, interest in, or liability whatsoever with respect to the decisions or actions of the Escrow Agent, or any transaction executed by the Escrow Agent.

3.4 Released Defendants shall have no responsibility for, interest in, or liability whatsoever for any aspect of the Plan of Allocation or the implementation of the Plan of Allocation.

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4. SCOPE AND EFFECT OF SETTLEMENT; RELEASES & COVENANTS NOT TO SUE

4.1 The obligations incurred pursuant to this Stipulation shall be in full and final disposition of: (a) any and all Plaintiffs' Released Claims, as more fully set forth herein; and (b) any and all Teva's Released Claims, as more fully set forth herein.

4.2 Upon the Effective Date of this Settlement and in consideration of the Settlement Amount, Plaintiffs, each Settlement Class Member, and Released Plaintiffs, on behalf of themselves and their respective past and present parents, subsidiaries, and affiliates, general and limited partners, officers, directors, employees, agents, attorneys, servants, predecessors, successors, heirs, executors, administrators, and representatives (the "Releasing Plaintiffs"), shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, waived, relinquished and discharged, and shall forever be enjoined from commencing, instituting, prosecuting, or continuing to prosecute any action or other proceeding in any forum whatsoever, including any court of law or equity, arbitration tribunal, or administrative forum, all Plaintiffs' Released Claims against Released Defendants, whether or not such Plaintiff, Settlement Class Member, or Released Plaintiff executes and delivers a Claim Form.

4.3 With respect to any and all Released Claims, the Parties, on behalf of themselves and all other Releasing Parties, stipulate and agree that by operation of the Final Judgment, the Releasing Parties shall hereby expressly waive, release, and forever discharge, upon Final Judgment, any and all provisions, rights, and benefits conferred by Section 1542 of the California Civil Code, which states:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY;

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or by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to Section 1542 of the California Civil Code. The Releasing Parties may hereafter discover facts other than or different from those which they know or believe to be true with respect to the Released Claims, but the Releasing Parties hereby expressly waive and fully, finally, and forever settle and release, upon Final Judgment, any known or unknown, suspected or unsuspected, contingent or non-contingent claim that they have agreed to release, whether or not concealed or hidden, without regard to the subsequent discovery or existence of such different or additional facts.

4.4 Upon the Effective Date of this Settlement, Teva shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, waived, relinquished and discharged, and shall forever be enjoined from prosecuting, each and every one of the Teva's Released Claims against each Plaintiff and Settlement Class Member.

4.5 The releases provided in this Stipulation shall become effective immediately upon the Effective Date without the need for any further action, notice, condition, or event.

5. ISSUANCE OF NOTICE, ADMINISTRATION AND CALCULATION OF CLAIMS, FINAL AWARDS, AND DISTRIBUTION OF NET SETTLEMENT FUND

5.1 The Claims Administrator shall (a) administer the issuance of Notice to the Settlement Class in accordance with the terms of any orders of the Court, (b) determine the validity of the Claim Forms submitted and calculate the recognized loss amounts of Authorized Claimants that shall be allowed, (c) administer the distribution of the Net Settlement Fund to Authorized Claimants, and (d) otherwise provide such claims administration services as are customary in settlements of this type, subject to such supervision of Interim Co-Lead Counsel and (as appropriate or as circumstances may require) the Court. The Claims Administrator shall be retained subject to the condition that it agrees to be subject to the Court's jurisdiction.

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5.2 Notwithstanding the fact that the Effective Date has not yet occurred, Interim Co-Lead Counsel may pay from the Escrow Account the actual and reasonable Notice and Administration Costs, as approved by the Court. In the event that the Settlement is not consummated, such Notice and Administration Costs up to \$250,000 will not be returned or repaid to Teva, nor any other Person or entity who or which funded the Settlement Amount (including, without limitation, any of Teva's insurance carriers).

5.3 Following the filing of this Stipulation with the Court, Teva shall serve the notice required under the Class Action Fairness Act, 28 U.S.C. §1715 *et seq.* ("CAFA") within the time required therein, and shall confirm to Interim Co-Lead Counsel that such notices have been sent. Teva shall be solely responsible for the costs of the CAFA notice and administering the CAFA notice.

5.4 Released Defendants shall have no role in, or any liability, obligation, or responsibility for, the dissemination of Notice (other than as provided in Paragraphs 5.2-5.3 above), the administration of the Settlement, or the distribution of the Settlement Fund, including with respect to: (a) any act, omission, or determination by Interim Co-Lead Counsel, or the Claims Administrator, or any of their respective designees or agents, in connection with the administration of the Settlement or otherwise; (b) the determination, administration, calculation, or payment of any claims asserted against the Settlement Fund; or (c) the payment or withholding of Taxes (including interest and penalties), expenses, and/or costs incurred with the taxation of the Settlement Fund or the filing of any federal, state, or local returns.

5.5 Plaintiffs will seek Court approval of a notice plan and claims process, and Released Defendants shall take no position on such a motion. Each Settlement Class Member wishing to participate in the Settlement shall be required to submit to the Claims Administrator a

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Claim Form, which, *inter alia*, will provide for the release of all Plaintiffs' Released Claims as against Released Defendants pursuant to Paragraph 4.2. Each Claim Form must be signed under penalty of perjury and supported by such documents as specified in the instructions in the Claim Form or otherwise given by the Claims Administrator.

5.6 The Claims Administrator must receive all Claim Forms within the time prescribed by order of the Court. Any Settlement Class Member who fails to submit a properly completed Claim Form within such period as shall be authorized by the Court shall be forever barred from receiving any payments pursuant to this Stipulation or from the Net Settlement Fund (unless Interim Co-Lead Counsel in its discretion deems such late submission to be a formal or technical defect and waives the lateness of the submission in the interest of achieving substantial justice, or unless by order the Court approves that Settlement Class Member's untimely submitted Claim Form), but will in all other respects be subject to the provisions of this Stipulation and Judgment (or any Alternative Judgment), including, without limitation, the release of Plaintiffs' Released Claims and dismissal of the Action. Claim Forms shall be deemed to have been submitted when actually received by the Claims Administrator.

5.7 Each Claim Form shall be submitted to and reviewed by the Claims Administrator who shall determine, under the supervision of Interim Co-Lead Counsel, in accordance with this Stipulation, Plan of Allocation, and any applicable orders of the Court, the extent, if any, to which each claim shall be allowed, subject to review by the Court pursuant to Paragraph 5.14 below.

5.8 Settlement Claims that do not meet the submission requirements may be rejected. Prior to rejecting a Settlement Claim, the Claims Administrator shall communicate with the Claimant to permit the Claimant to remedy any curable deficiencies in the Settlement Claim submitted. The Claims Administrator, under the supervision of Interim Co-Lead Counsel, shall

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notify in a timely fashion and in writing, all Claimants whose Settlement Claims they propose to reject in whole or in part, setting forth the reasons thereof, and shall indicate in such deficiency notice that the Claimant whose claims are to be rejected has the right to review by the Court if the Claimant so desires and complies with the requirement of Paragraph 5.10 below.

5.9 If any Claimant whose Settlement Claim has been rejected in whole or in part desires to contest such rejection, the Claimant must, within 20 calendar days after the date of mailing of the Notice required by Paragraph 5.9 above, serve upon the Claims Administrator a written statement of reasons indicating the Claimant's ground for contesting the rejection along with copies of any supporting documentation, and requesting a review thereof by the Court. If a dispute concerning a Settlement Claim cannot be otherwise resolved, Interim Co-Lead Counsel shall thereafter present the request for review to the Court.

5.10 Plaintiffs shall present the administrative determination of the Claims Administrator accepting and rejecting Settlement Claims to the Court in a motion for approval of the Settlement Distribution Order.

5.11 Without regard to whether a Settlement Claim is allowed, each Claimant who declines to be excluded from the Settlement Class shall be deemed to have submitted to the jurisdiction of the Court with respect to such Claimant's Settlement Claim, and such Claimant's Settlement Claim will be subject to investigation and discovery under the Federal Rules of Civil Procedure, provided that such investigation and discovery shall be limited to that Claimant's status as a Settlement Class Member and the validity and amount of the Claimant's Settlement Claim. No discovery shall be allowed on the merits of the Action or Settlement in connection with processing of Settlement Claims.

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5.12 Payment pursuant to this Stipulation shall be deemed final and conclusive against all Settlement Class Members. All Settlement Class Members whose claims are not approved by the Court shall be barred from participating in distributions from the Net Settlement Fund, but shall otherwise be bound by all the terms of the Judgment (or Alternative Judgment) to be entered in the Action and the releases provided for in this Stipulation, and will be barred from bringing any action against Released Defendants arising out of or relating to Plaintiffs' Released Claims.

5.13 All proceedings with respect to the administration, processing, and determination of Settlement Claims described in this Stipulation and the determination of all controversies relating thereto, including disputed questions of law and fact with respect to the validity of Settlement Claims, shall be subject to the jurisdiction of and decided by the Court. All Plaintiffs, Settlement Class Members, Claimants, and Released Plaintiffs expressly waive trial by jury (to the extent any such right may exist) and any right of appeal or review with respect to such Settlement Claim determinations as provided herein. The decision of the Court with respect to objections to the Claims Administrator's Settlement Claim determinations shall be final and binding on all Plaintiffs, Settlement Class Members, Claimants, and Released Plaintiffs, and there shall be no appeal to any court, including the United States Court of Appeals for the Third Circuit, such right of appeal having been knowingly and intentionally waived by each Plaintiff, Settlement Class Member, Claimant, and Released Plaintiff.

5.14 After the Claims Administrator calculates the claim value of each Authorized Claimant, Interim Co-Lead Counsel shall file a motion for distribution of the Net Settlement Fund with the Court, requesting the Court to: (a) authorize the payment from the Settlement Fund of any as yet unpaid Notice and Administration Costs; (b) resolve (if it has not previously done so or been asked to do so) any objections with respect to any rejected or disallowed Settlement Claims; and

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(c) approve the distribution of the Net Settlement Fund to the Authorized Claimants upon final resolution of any rejected or disallowed Settlement Claims. Such motion shall not be filed until after all of the following conditions have been met: (a) the Effective Date has occurred; (b) all Settlement Claims have been processed, and all Claimants whose Settlement Claims have been rejected or disallowed, in whole or in part, have been notified and provided the opportunity to be heard by the Claims Administrator concerning such rejection or disallowance; and (c) all matters with respect to Attorneys' Fees and Expenses have been resolved by the Court, and any appeals therefrom have been resolved or the time therefor has expired.

5.15 If any balance remains in the Net Settlement Fund six months after the date of the initial distribution of the Net Settlement Fund (by reason of tax refunds, uncashed checks, or otherwise), Interim Co-Lead Counsel shall request the Claims Administrator, if economically feasible and reasonable, to reallocate such balance among those Authorized Claimants who have cashed their checks, in an equitable fashion, after payment of any unpaid Notice and Administration Costs incurred in administering the Net Settlement Fund for such redistribution. These redistributions shall be repeated until the remaining balance in the Net Settlement Fund is *de minimis* and such remaining balance shall be donated to an appropriate 501(c)(3) non-profit organization selected by Interim Co-Lead Counsel and approved by the Court.

5.16 No Person shall have any claim against Teva, Teva's Counsel, Plaintiffs, Co-Lead Counsel, or the Claims Administrator based on determinations or distributions made substantially in accordance with this Stipulation and the Settlement contained herein, the Plan of Allocation, or any orders of the Court.

6. TAX TREATMENT

6.1 The Parties agree that the Settlement Fund is intended at all times to be and shall to the maximum extent permitted by law be treated as a Qualified Settlement Fund within the

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meaning of Treasury Regulation §1.468B-1 and §468B of the Internal Revenue Code of 1986, as amended (the “Code”), for the taxable years of the Settlement Fund, beginning with the date it is created. In addition, Clas Counsel shall timely make such elections as are necessary or advisable to carry out the provisions of this paragraph, including the “relation-back election” (as defined in Treasury Regulation §1.468B-1(j)(2)(ii)) back to the earliest permitted date; provided that no election under Treasury Regulation §1.468B-1(k) to treat a Qualified Settlement Fund as a subpart E trust shall be made. Such elections shall comply with the procedures and requirements contained in such regulations. It shall be the responsibility of the Claims Administrator to timely and properly prepare and deliver the necessary documentation for signature by all necessary parties, and thereafter to cause the appropriate filing to occur.

6.2 For purposes of §468B of the Code and the regulations promulgated thereunder, the “administrator” shall be the Claims Administrator. The Claims Administrator shall timely and properly file all tax returns necessary or advisable with respect to the Settlement Fund, and make all required payments of Taxes, including deposits of estimated Tax payments in accordance with Treas. Reg. §1.468B-2(k). Such tax returns (as well as the elections described in Paragraph 6.1 above) shall be consistent with this §6 and reflect that all Taxes (including any estimated Taxes and tax expenses, interest or penalties) on the income earned by the Settlement Fund shall be paid out of the Settlement Fund as provided herein.

6.3 All Taxes shall be paid out of the Settlement Fund. In all events, Teva shall have no liability for Taxes. Further, Taxes shall be timely paid by the Escrow Agent out of the Settlement Fund without prior order from the Court as directed by Class Counsel. The Escrow Agent, as directed by Class Counsel shall be obligated (notwithstanding anything in this Stipulation to the contrary) to withhold from distribution any funds necessary to pay such Taxes

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or any other amounts required to be withheld by applicable laws, including under Treasury Regulation §1.468B-2(l), including the establishment of adequate reserves for any Taxes. Plaintiffs and Teva agree to cooperate with the Escrow Agent, each other, and their tax attorneys and accountants to the extent reasonably necessary to carry out the provisions of this paragraph.

6.4 Teva and Teva's Counsel shall not be responsible for and shall have no liability for or obligations with regard to Taxes, including with respect to acts or omissions of the Claims Administrator or its agents with respect thereto. The Escrow Agent, through the Settlement Fund, shall indemnify and hold Teva and Teva's Counsel harmless for any Taxes (including, without limitation, taxes payable by reason of such indemnification).

7. ALLOCATION OF NET SETTLEMENT FUND

7.1 The Claims Administrator shall determine each Authorized Claimant's share of the Net Settlement Fund based on the Plan of Allocation, or in such other Plan of Allocation as the Court approves.

7.2 The Plan of Allocation is not a necessary term of this Stipulation, and it is not a condition of this Stipulation that any particular Plan of Allocation be approved. The Plan of Allocation shall be prepared and proposed (subject to Court approval) by Interim Co-Lead Counsel. Teva will have no involvement in or responsibility for preparing the Plan of Allocation and will take no position with respect to the proposed Plan of Allocation or such Plan of Allocation as may be approved by the Court. The Plan of Allocation, and any changes thereto, is a matter separate and apart from the Settlement between the Parties, and any decision by the Court concerning the Plan of Allocation, or any changes thereto, and any appeal of any order relating thereto or reversal or modification thereof, shall not operate to, or be grounds to, terminate, modify or cancel, or affect the enforceability of, this Stipulation, or affect or delay the validity or finality of the Judgment (or Alternative Judgment) approving the Settlement.

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7.3 Teva shall have no liability for or involvement in the solicitation or review of Claim Forms and shall have no liability for or involvement in the administration process itself, which shall be conducted by the Claims Administrator, under the supervision of Interim Co-Lead Counsel, in accordance with this Stipulation, the Plan of Allocation, and any orders that may be entered by the Court. No Claimant or Authorized Claimant shall have any claim against Teva and Teva's Counsel based on, or in any way relating to, the distributions from the Settlement Fund.

8. ATTORNEYS' FEES AND EXPENSES AND SERVICE AWARDS

8.1 Interim Co-Lead Counsel may submit an application to the Court (the "Fee and Expense Application") for an award of Attorneys' Fees and Expenses, up to 34% of the Settlement Fund, including for (a) attorneys' fees and payment of incurred and anticipated litigation costs and expenses in connection with the investigation, filing, prosecution, and settlement of the Action, plus interest on such amounts awarded at the same rate as earned on the Settlement Fund until paid; and (b) Service Awards to Plaintiffs not to exceed \$3,500 for each Plaintiff.

8.2 Attorneys' Fees and Expenses awarded by the Court shall be payable solely from the Settlement Fund immediately upon entry by the Court of an order awarding such amounts, notwithstanding the existence of any timely filed objections thereto, or potential for appeal or collateral attack on the Settlement or any part thereof. Teva will take no position, nor object to, the manner in which Interim Co-Lead Counsel shall thereafter allocate the Attorneys' Fees and Expenses among Co-Lead Counsel. However, if and when, as a result of any appeal and/or further proceedings on remand, or successful collateral attack, any Attorneys' Fees and Expense award is overturned or reduced, or if the Settlement is terminated or is not approved by the Court, or if there is an appeal and any order approving the Settlement does not become final and binding on the Settlement Class, then, within 15 business days after receiving such an order from a court of appropriate jurisdiction, each Co-Lead Counsel law firm that has received any fees or expenses

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shall refund to the Settlement Fund such funds previously paid to it, plus interest at the same rate as earned on the Settlement Fund, in an amount consistent with such reversal or reduction. Each law firm that serves as Co-Lead Counsel, as a condition of receiving a portion of the Attorneys' Fees and Expense award, on behalf of itself and each partner, shareholder, or member of it, agrees that the law firm and its partners, shareholders, and/or members are subject to the Court's jurisdiction for purposes of enforcing the provisions of this paragraph. Any Service Awards authorized by the Court may be paid only after the Effective Date.

8.3 Teva and Teva's Counsel shall have no responsibility for or liability with respect to any payment or allocation of any award of Attorneys' Fees and Expenses from the Settlement Fund.

8.4 It is agreed that the procedure for and the allowance or disallowance by the Court of any Fee and Expense Application or Service Awards shall be considered by the Court separate and apart from its consideration of the fairness, reasonableness, and adequacy of the Settlement, and any order or proceeding relating to the Fee and Expense Application or Service Awards, and any appeal of any order relating thereto or reversal or modification thereof, shall not operate to, or be grounds to, terminate, modify, or cancel this Stipulation or affect or delay its finality, and shall have no effect on the terms of this Stipulation or the validity or enforceability of this Settlement. The approval, finality, and effectiveness of the Settlement shall not be contingent on an award of Attorneys' Fees and Expenses, or on any Service Awards to Plaintiffs.

9. THE PRELIMINARY APPROVAL ORDER

9.1 Within 45 days of the execution of this Stipulation (or later should the Parties mutually agree), the Parties shall submit the Stipulation together with any exhibits to the Court, and Interim Co-Lead Counsel shall apply for entry of a Preliminary Approval Order in connection with settlement proceedings. Teva agrees solely for the purposes of settlement that it will consent

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to, and shall not oppose, entry of the Preliminary Approval Order. However, within a reasonable period of time not less than 14 days in advance of submission to the Court, the papers in support of the motion for entry of a Preliminary Approval Order shall be provided by Interim Co-Lead Counsel to Teva for its review. To the extent that Teva objects to any aspect of the motion, it shall communicate such objection to Interim Co-Lead Counsel and the Parties shall meet and confer to resolve any such objection. The Parties shall take all reasonable actions as may be necessary to obtain a Preliminary Approval Order, which will provide for: (i) the preliminary approval of the Settlement set forth in this Stipulation because it is in the range of what is fair, reasonable, and adequate, and in the best interests of the Plaintiffs and Settlement Class; (ii) preliminary approval of the Plan of Allocation; (iii) approval of the Notice and any proposed notice plan; (iv) a schedule for providing Teva and the Court with a complete list of any Settlement Class Member who opts out or seeks exclusion from the Settlement Class and for a Fairness Hearing by the Court after the notice period has expired; (v) a stay of all proceedings in the Action against Teva until such time as the Court renders a final decision regarding approval of the Stipulation and Settlement; (vi) certification of the Settlement Class, as defined in Paragraph 1.39, for purposes of settlement; (vii) appointment of a Notice and Claims Administrator; and (viii) appointment of an Escrow Agent, as defined in Paragraph 1.14.

9.2 Though the Parties agree that it is not practical to establish a timeline or to create the detailed contents of a Notice at this time, the eventual Notice, to also be approved by the Court prior to distribution, will provide for the best notice practicable to the proposed Settlement Class, including at least notice by publication to consumers and individual notice to third-party payors in the proposed Settlement Class that can be identified with reasonable effort, and it will set forth a summary of the terms of the Stipulation (including the Released Claims); the proposed Plan of

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Allocation, and application for Attorneys' Fees and Expenses; the date and time of the Fairness Hearing; the right to object to the Settlement, proposed Plan of Allocation, application for Attorneys' Fees and Expenses or Service Awards; the right to appear at the Fairness Hearing; and the right to request exclusion from the Settlement Class.

9.3 Any Settlement Class Member who or which wishes to be exclude from or "opt out" of the Settlement must submit a timely written request for exclusion (including any required documentation), which shall be signed by the member of the Settlement Class who is opting-out, or by its, his, or her authorized representative (subject to documentation evidencing the representative's legal authority and authorization to act and request exclusion on behalf of each Settlement Class Member), such that it is received on or before the deadline set by the Court (the "Exclusion Deadline"), in accordance with the entered Preliminary Approval Order and the Notice (a "Request for Exclusion"). Requests for Exclusion on behalf of groups, including "mass" or "class" opt-outs, will not be permitted. Third-party payors seeking exclusion must submit with their opt-out request all data reflecting their purchases of, and payments for, Teva's Metformin Products to enable the Parties to make a full assessment in connection with the opt-out threshold referred to in the following Paragraph 9.4. Consumer identities shall not be made public as part of the exclusion process; rather identifying information shall be kept confidential and, absent a consumer's consent, Interim Co-Lead Counsel shall file under seal any such opt-out requests. Any Settlement Class Members who or which do not submit a timely and valid written request for exclusion will be bound by all Court proceedings, orders, and judgments, whether or not they timely submit a Claim Form.

9.4 As set forth in a separate confidential Supplemental Agreement between the Parties as defined below in paragraph 12.5, Teva shall have the discretion to terminate the Settlement if a

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threshold percentage, as defined in the Supplemental Agreement, of potential Settlement Class Members exclude themselves as provided in Paragraph 9.3 above. The confidential Supplemental Agreement will be provided to the Court, *in camera*, upon request.

9.5 Any Settlement Class Member who wishes to object to the fairness, reasonableness, or adequacy of this Settlement or any aspect of the Plan of Allocation or the Fee and Expense Application or Service Awards must do so in the manner specified and within the deadlines specified in the Preliminary Approval Order and the Notice.

9.6 The Claims Administrator shall provide copies of all Requests for Exclusion and materials submitted therewith (including untimely requests and revocations of requests) to Interim Co-Lead Counsel and Teva's Counsel within three business days of receipt.

10. SETTLEMENT CLASS CERTIFICATION

10.1 Concurrently with their motion for Preliminary Approval, and solely for purposes of this Settlement, Plaintiffs shall file, and Teva shall not oppose, a motion to: (i) certify the Settlement Class pursuant to Rules 23(a) and 23(b)(3) of the Federal Rules of Civil Procedure; (ii) appoint Plaintiffs as representatives of the Settlement Class; and (iii) appoint Interim Co-Lead Counsel as class counsel under Rule 23(g) of the Federal Rules of Civil Procedure.

10.2 The Parties' agreement as to certification of the Settlement Class is only for purposes of effectuating this Settlement, and for no other purpose. Teva retains all of its objections, arguments, and defenses, and reserves all rights to contest class certification if the Settlement set forth in this Stipulation does not receive the Court's Final Approval, if the Court's approval is reversed or vacated on appeal, if this Stipulation is terminated as provided herein, or if the Settlement set forth in this Stipulation otherwise fails to proceed for any reason. The Parties acknowledge that there has been no stipulation to a class or certification of a class for any purpose other than effectuating the Settlement, and that, if the Settlement set forth in this Stipulation does

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not receive the Court's Final Approval, if the Court's approval is reversed or vacated on appeal, if this Stipulation is terminated as provided herein, or if the Settlement set forth in this Stipulation otherwise fails to close for any other reason, then this agreement as to certification of the Settlement Class becomes null and void *ab initio*, and neither this Stipulation nor any other Settlement-related statement or document may be cited in support of an argument for certifying a class related to the Action and all Settlement-related statements or documents shall not constitute, be construed as, or be deemed to be evidence of or an admission or concession by Teva as to whether any class, in this Action or others, may be certified for purposes of litigation and trial.

11. FINAL APPROVAL AND JUDGMENT

11.1 After the certification of the Settlement Class by the Court for purposes of Settlement, the Court's entry of a Preliminary Approval Order, and issuance of Notice, Plaintiffs shall file with the Court a motion for final approval of the Settlement and entry of a Judgment agreed to and proposed by the Parties, which shall be substantially in the form preliminarily approved by the Court. However, within a reasonable time not less than 14 days before submission to the Court, the papers supporting the motion for Final Approval shall be provided by Interim Co-Lead Counsel to Teva for its review. To the extent that Teva objects to any aspect of the motion, they shall communicate such objection to Interim Co-Lead Counsel and the Parties shall meet and confer to resolve any such objection. The Parties agree to take all reasonable best efforts, including undertaking all actions contemplated by and any steps necessary to effectuate this Stipulation and to take all actions as may be necessary to carry out the terms of this Stipulation and obtain Final Approval and entry of a Final Judgment and Order.

12. EFFECTIVE DATE OF SETTLEMENT; TERMINATION; FINALITY OF SETTLEMENT; STAY OF PROCEEDINGS

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12.1 The Effective Date of the Settlement shall be the date on which all of the following events or conditions have occurred:

- (a) the Court has entered the Preliminary Approval Order in all material respects;
- (b) the full amount of the Settlement Amount has been paid into the Escrow Account pursuant to Paragraph 2.1(a);
- (c) Teva has not validly exercised its right (if applicable) to terminate the Settlement pursuant to Paragraph 12.4 or pursuant to Paragraph 12.5 and the Supplemental Agreement, and its right (if applicable) to do so has expired in accordance with the terms of the Stipulation and/or the Supplemental Agreement;
- (d) Plaintiffs have not exercised their right (if applicable) to terminate the Settlement pursuant to Paragraphs 12.4 and 12.6, and their option (if applicable) to do so has expired in accordance with the terms of the Stipulation;
- (e) the Court has entered the Judgment (or Alternative Judgment), following issuance of Notice to the Settlement Class, that approves the Settlement, and such Judgment (or Alternative Judgment) has become a Final Judgment; and
- (f) the time for appeal from the Court's Preliminary Approval Order and the Judgment (or Alternative Judgment) has expired or, if appealed, either such appeal has been dismissed before resolution by the appellate court or approval of the Stipulation and Settlement and the Judgment (or Alternative Judgment) has been affirmed in its entirety by the court of last resort to which such appeal has been taken and such affirmance has become no longer subject to further appeal or review.

12.2 Upon the occurrence of all of the events referenced in Paragraph 12.1, Plaintiffs shall have, and each Settlement Class Member and Released Plaintiff shall hereby be deemed to

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have, and by operation of the Final Judgment shall have, fully, finally, and forever released, waived, settled, and discharged, the Released Defendants from and with respect to Plaintiffs' Released Claims, whether or not such Plaintiffs, Settlement Class Members, or Released Plaintiffs have executed a Claim Form.

12.3 Upon the occurrence of all of the events and conditions referenced in Paragraph 12.1, any obligation (if otherwise applicable) of the Escrow Agent to return any funds from the Settlement Fund to Teva pursuant to Paragraph 12.7 or any other provision of this Stipulation shall be absolutely and forever extinguished.

12.4 Teva, and Plaintiffs, through their respective counsel, shall each, in their respective discretions, but in all events subject to Paragraph 12.5 herein, have the right to terminate the Settlement and this Stipulation by providing written notice of their election to do so ("Termination Notice") to all other counsel for the Parties within 30 calendar days of:

- (a) the Court's Final non-appealable refusal to enter the Preliminary Approval Order in any material respect;
- (b) the Court's Final non-appealable refusal to approve this Stipulation or any material part of it (except with respect to any decision by the Court concerning the Fee and Expense Application, Service Awards, and Plan of Allocation);
- (c) the Court's Final non-appealable refusal to enter the Judgment (or an Alternative Judgment) in any material respect; or
- (d) the date on which the Judgment (or an Alternative Judgment) is modified or reversed in any material respect by a Court of Appeals or the United States Supreme Court and such modification or reversal has become Final.

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12.5 If, before the Fairness Hearing, Persons who otherwise would be Settlement Class Members have timely submitted valid Requests for Exclusion from the Settlement Class in accordance with the provisions of the entered Preliminary Approval Order and the Notice issued pursuant thereto, and who have not retracted their Requests for Exclusion before the Fairness Hearing, and such Persons account for an amount greater than the amount specified in a separate Supplemental Agreement between the Parties (the “Supplemental Agreement”), then Teva shall have the option to terminate this Stipulation and Settlement in accordance with the requirements and procedures set forth in the Supplemental Agreement. Interim Co-Lead Counsel shall, however, have the opportunity to seek retraction of any Requests for Exclusion before the Fairness Hearing. The Supplemental Agreement shall not be filed with the Court unless and until a dispute among the Parties concerning its interpretation or application arises, or as otherwise ordered by the Court, nor shall the Supplemental Agreement otherwise be disclosed unless ordered by the Court. The Court may examine the Supplemental Agreement if so requested by the Court, and if the Court requires that it be filed, the Parties shall request that it be filed under seal.

12.6 If Teva (or its successor) does not pay or cause to be paid the Settlement Amount in full within the time period specified in Paragraph 2.1(a) of this Stipulation, then Interim Co-Lead Counsel, in its sole discretion, may, at any time before the Court entering the Judgment (or an Alternative Judgment): (a) terminate the Settlement by providing written notice to Teva’s Counsel; (b) seek to enforce the terms of the Settlement and this Stipulation and seek entry of a judgment and/or order to effectuate and enforce the terms of this Stipulation; and/or (c) pursue such other rights as Plaintiffs and the Settlement Class may have arising out of the failure to timely pay the Settlement Amount in full into the Escrow Account.

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12.7 Except as otherwise provided herein, in the event that the Settlement is terminated in accordance with its terms, the Judgment (or Alternative Judgment) is vacated, or the Effective Date fails to occur, then (a) the Parties shall be deemed to have reverted to their respective statuses and positions in the Action as of January 2, 2025, and the fact and terms of the Settlement shall not be admissible in any trial of the Action and, except as otherwise expressly provided, the Parties shall proceed in all respects as if this Stipulation and any related orders had not been entered, and (b) any portion of the Settlement Amount previously paid by or on behalf of Teva, together with any interest earned thereon (and, if applicable, repayment of any award of Attorneys' Fees and Expenses), less any actual and reasonable Notice and Administration Costs incurred and any Taxes paid or due up to \$250,000, shall be returned to Teva within 30 business days after the date of the event causing termination. Notwithstanding anything to the contrary in this Agreement, however, Paragraphs 1.1-1.48, 3.2, 5.2, 12.7, 12.8, and 13.19 shall survive termination. If the Action against Teva is to resume, the Parties agree that any such resumption will take place in a reasonable manner and be approved by the Court upon joint application by the Parties.

12.8 If this Stipulation is terminated pursuant to its terms at the request of Teva or the Plaintiffs, then the Escrow Agent or the Escrow Agent's designee shall (a) apply for any tax refund owed to the Settlement Fund and (b) pay the proceeds of any tax refund to Teva.

12.9 No order of the Court or modification or reversal of any order of the Court concerning the Plan of Allocation, Attorneys' Fees and Expenses, or Service Awards shall constitute grounds for termination of the Stipulation.

12.10 Pending entry of the Preliminary Approval Order, the Parties agree as of January 2, 2025, to stay any and all proceedings against Teva in the Action other than those incident to the

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settlement process and agree to extensions of time with respect to any and all court filings, if any, necessary to effectuate such stays.

13. MISCELLANEOUS PROVISIONS

13.1 The Parties acknowledge that it is their intent to consummate the Settlement contemplated by this Stipulation.

13.2 The Parties shall use their reasonable best efforts and take all reasonably necessary steps to consummate the Settlement contemplated herein.

13.3 The administration and consummation of the Settlement as embodied in this Stipulation shall be under the authority of the Court, and the Court shall also retain jurisdiction for purposes of, *inter alia*, entering orders relating to the Fee and Expense Application, Notice and Administration Costs, the Plan of Allocation, distribution of the Net Settlement Fund, and the enforcement of the terms of this Stipulation.

13.4 The Parties agree that the Settlement Amount, and the other terms of the Settlement, were negotiated at arm's-length by experienced and competent legal counsel and in good faith by the Parties.

13.5 By executing this Stipulation, each of the Parties represents that they have the right, legal capacity, power, and authority to enter into this Stipulation and to perform their obligations hereunder, without requiring additional consent, approval, or authorization of any other person, board, entity, tribunal, or other regulatory or governmental authority.

13.6 Each Party agrees that no representations, warranties, inducements, covenants, or promises of any kind or character have been made by any other Party, Released Parties, or anyone else to induce the execution of this Stipulation except as expressly provided in this Stipulation, and that this Stipulation, together with the Supplemental Agreement, constitutes the entire agreement between the Parties.

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13.7 Each Party represents and warrants that they have had the opportunity to be represented by counsel of their choice throughout the negotiations that preceded the execution of this Stipulation and in connection with the preparation and execution of this Stipulation, and that they have been afforded sufficient time and opportunity to review this Stipulation with counsel of their choice.

13.8 This Stipulation was negotiated in good faith and reflects a Settlement reached voluntarily and was not the result of coercion or duress.

13.9 The Supplemental Agreement is hereby incorporated by reference as though fully set forth in this Stipulation.

13.10 Plaintiffs have ceased and shall continue to cease all litigation activities against Teva and its former employees. Teva has ceased and shall continue to cease all litigation activities against Plaintiffs in the Action, including seeking discovery from Plaintiffs or their counsel. This provision shall not be construed to prohibit Plaintiffs from seeking appropriate discovery from non-settling defendants or any other person other than Teva.

13.11 No amendment or modification of this Stipulation shall be effective unless in writing and signed by, or on behalf of, all of the Parties.

13.12 Whenever this Stipulation requires or contemplates that Teva shall or may give notice to Plaintiffs (or Interim Co-Lead Counsel), or that Plaintiffs shall or may give notice to a Teva (or Teva's Counsel), unless otherwise specified, such notice shall be provided by email and next business day express delivery service, as set forth below, to the below-listed counsel:

If to Plaintiffs or Interim Co-Lead Counsel:

James E. Cecchi
Donald A. Ecklund
Carella Byrne Cecchi Brody Agnello, P.C.
5 Becker Farm Road

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Roseland, NJ 07068
(973) 994-1700

If to Teva or Teva's Counsel:

Liza M. Walsh
Christine I. Gannon
Walsh Pizzi O'Reilly Falanga LLP
Three Gateway Center
100 Mulberry Street, 15th Floor
Newark, NJ 07102
(973) 757-1100

Any of the Parties may, from time to time, change the address to which such notices are to be delivered, by giving the other Parties prior written notice of the changed address, in the manner provided above, at least 10 calendar days before the change is effective.

13.13 Teva shall bear its own costs and expenses, including costs, expenses, and fees of its counsel. Any award of Attorneys' Fees and Expenses to Co-Lead Counsel shall be paid out of the Settlement Fund, subject to Court approval, and Teva shall have no obligation with respect to the payment of said Attorneys' Fees and Expenses.

13.14 Interim Co-Lead Counsel, on behalf of the Settlement Class, is expressly authorized to take all appropriate action required or permitted to be taken by the Settlement Class pursuant to this Stipulation to effectuate its terms and to enter into any written modifications or amendments to this Stipulation on behalf of the Settlement Class.

13.15 This Stipulation shall be binding upon, and inure to the benefit of, the Parties, the Released Parties, and the successors, assigns, executors, administrators, heirs, and representatives of the Parties and the Released Parties. Without limiting the generality of the foregoing, each and every covenant and agreement in this Stipulation by the Plaintiffs and Interim Co-Lead Counsel shall be binding upon all members of the Settlement Class except those who requested and were

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granted exclusion from the Settlement Class, and the Released Plaintiffs and their respective successors and assigns. No assignment shall relieve any Party hereto of any obligations hereunder.

13.16 This Stipulation shall be governed by, construed, performed, and enforced in accordance with New Jersey law without regard to conflicts of law provisions, except to the extent that federal law requires that federal law governs.

13.17 Plaintiffs, on behalf of themselves and each Settlement Class Member, as well as the other Parties, hereby irrevocably submit to the Court's jurisdiction for any suit, action, proceeding, or dispute arising out of or relating to this Stipulation, the applicability of this Stipulation, or the enforcement of this Stipulation.

13.18 The Parties acknowledge that each Party has participated jointly and equally in negotiating and preparing this Stipulation. In the event an ambiguity or question of intent or interpretation arises, such ambiguity or question shall not be construed against any Party, and no presumption or burden of proof shall arise from favoring or disfavoring any Party solely by virtue of the authorship of any provision in this Stipulation, and instead this Stipulation shall be construed as if each Party participated equally in the drafting of all such provisions.

13.19 Whether or not Final Judgment is entered or this Settlement is terminated, neither this Stipulation, nor the fact of the Settlement, or any and all statements, negotiations, documents, or discussions associated with it, are an admission or concession by Teva of any liability or wrongdoing whatsoever. This Stipulation shall not constitute a finding of the validity or invalidity of any factual allegation or any claims in the Action or of any liability or wrongdoing by Teva. This Stipulation, the fact of settlement, the settlement proceedings, the settlement negotiations, and any related documents, shall not be used or construed as an admission of any factual allegation, fault, liability, or wrongdoing by any Person, and shall in no event be offered or received in

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evidence as an admission, concession, presumption, or inference against any party in any action or proceeding of any nature, or otherwise referred to or used in any manner in or before any court or other tribunal, except in such proceeding as may be necessary to enforce this Stipulation. The Parties expressly reserve all of their rights if the Settlement does not become final in accordance with the terms of this Stipulation. Upon the Settlement becoming final, nothing in this paragraph shall prevent Teva from asserting any release or using this Stipulation to offset or dispute any liability to any other party.

13.20 The headings in this Stipulation are used for purposes of convenience and ease of reference only and are not meant to have legal effect.

13.21 The waiver by one Party of any breach of this Stipulation by any other Party shall not be deemed a waiver by any other Party of such breach, nor shall it be deemed a waiver of any other breach of this Stipulation, including any prior or subsequent breach of this Stipulation. The provisions of this Stipulation may not be waived except in writing signed by the affected Party or counsel for that Party. No failure or delay on the part of any Party in exercising any right, remedy, power, or privilege under this Stipulation shall operate as a waiver thereof or of any other right, remedy, power, or privilege of such Party under this Stipulation; nor shall any single or partial exercise of any right, remedy, power, or privilege under this Stipulation on the part of any Party operate as a waiver thereof or of any other right, remedy, power, or privilege of such Party under this Stipulation, or preclude further exercise thereof or the exercise of any other right, remedy, power, or privilege.

13.22 Each of the Plaintiffs and Teva represents and warrants that he, she, or it is authorized to enter into this Stipulation, or any related Settlement documents, that he, she, or it has authorized his, her, or its counsel to enter into the Stipulation on his, her, or its behalf, and that he,

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she, or it warrants and represents that he, she, or it has full authority to do so on behalf of his, her, or its respective clients, and that he, she, or it similarly has the authority to take all appropriate actions required or permitted to be taken pursuant to the Stipulation to effectuate its terms.

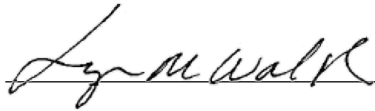
13.23 This Stipulation may be executed in one or more original, photocopied, PDF copies, or facsimile counterparts, and facsimile or scanned signatures shall have the same force and effect as original signatures, and the exchange of fully executed copies of this Stipulation may similarly be effectuated by emailed PDF to the email addresses shown below for the Parties' respective counsel. All executed counterparts and each of them shall be deemed to be one and the same instrument. A copy of the complete set of executed counterparts of this Stipulation shall be electronically filed with the Court as an exhibit to the motion for Preliminary Approval.

13.24 The Parties agree to maintain the confidentiality of all settlement discussions, and materials exchanged during the settlement negotiation. The Parties further agree to keep any settlement details confidential until the earlier of (a) the motion for a Preliminary Approval Order, or (b) the Parties' mutual agreement that such information can be disclosed and to whom such information can be disclosed. However, Teva can inform other Defendants that it has reached a settlement agreement with Plaintiffs. Likewise, Plaintiffs may inform other plaintiffs that they have reached a settlement agreement with Teva. Aside from these agreed upon disclosures, the Stipulation and the Settlement contemplated herein shall be kept confidential until the Stipulation is filed with the Court for purposes of obtaining a Preliminary Approval Order except (a) as otherwise required by law (including any applicable court order) or regulation or administrative guidance, request, ruling or proceeding or stock exchange rule, and as necessary to prepare tax, securities, and other required documents and disclosure; or (b) to enforce this Stipulation. This provision does not impact the Parties' obligations to continue to abide by the terms of the

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Stipulated Discovery Protective Order of Confidentiality approved and entered by the Court on March 29, 2022 (ECF No. 154).

IN WITNESS WHEREOF, the Parties, intending to be legally bound by this Stipulation, have caused this Stipulation to be executed, by their duly authorized attorneys, as of March 26 2025.

A handwritten signature in dark ink, appearing to read "Liza M. Walsh", is written over a horizontal line.

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