

**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA  
SOUTHERN DIVISION**

IN RE ALLERGAN, INC. PROXY VIOLATION  
SECURITIES LITIGATION

Case No. 8:14-cv-2004-DOC (KES)

CLASS ACTION

Honorable David O. Carter

**NOTICE OF PENDENCY OF CLASS ACTION**

**To:** All persons who sold Allergan, Inc. ("Allergan" or the "Company") common stock during the period February 25, 2014 through April 21, 2014, inclusive (the "Class Period"), and were damaged thereby.

***A federal court has authorized this notice. It is not junk mail, an advertisement, or a solicitation from a lawyer.***

**PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. IF YOU ARE A CLASS MEMBER, YOUR RIGHTS WILL BE AFFECTED BY A CLASS ACTION LAWSUIT PENDING IN THIS COURT. THIS NOTICE ADVISES YOU OF YOUR OPTIONS REGARDING THE CLASS ACTION.**

**PLEASE DO NOT CALL OR WRITE THE COURT. IF YOU HAVE ANY QUESTIONS AFTER READING THIS NOTICE, YOU SHOULD CONTACT THE ADMINISTRATOR OR CLASS COUNSEL, AS DISCUSSED FURTHER BELOW.**

This Notice is being sent pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Central District of California, Southern Division (the "Court") to inform you: (i) of a class action lawsuit that is now pending in the Court under the caption *In re Allergan, Inc. Proxy Violation Securities Litigation*, Case No. 8:14-cv-2004-DOC (KES) (the "Action") against Defendants Pershing Square Capital Management, L.P., PS Management GP, LLC, William Ackman, PS Fund 1, LLC, Pershing Square, L.P., Pershing Square II, L.P., Pershing Square GP, LLC, Pershing Square International, and Pershing Square Holdings, Ltd. (collectively, "Pershing Square") and Michael Pearson, Valeant Pharmaceuticals International, Inc., and Valeant Pharmaceuticals International (collectively, "Valeant" and collectively with Pershing Square, "Defendants"), and (ii) that the Action has been certified by the Court to proceed as a class action on behalf of the Class.

1. The "Class," as certified by the Court, consists of:

All persons who sold Allergan common stock contemporaneously with purchases of Allergan common stock made or caused by Defendants during the period February 25, 2014 through April 21, 2014, inclusive (the "Class Period")<sup>1</sup> and were damaged thereby.

Excluded from the Class by definition are:

Defendants; their officers and directors during the Class Period; members of the immediate family of the individual Defendants and of the excluded officers and directors; any entity in which any of the foregoing has or had a controlling interest; any affiliates, parents or subsidiaries of the Defendants; the legal representatives, agents, affiliates, heirs, successors or assigns of any of the foregoing, in their capacities as such; and Nomura International plc, and any of its affiliates, parents, or subsidiaries.

2. This Notice is directed to you because you may be a member of the Class ("Class Member"). If you are a Class Member, your rights will be affected by this Action. If you are uncertain whether you are a Class Member, contact Class Counsel listed in paragraph 21 below, or your own attorney.

3. This Notice is not an admission by Defendants or an expression of any opinion of the Court concerning the merits of the Action, or a finding by the Court that the claims asserted by the Class Representatives (the claims are described in paragraphs 6 through 8 below; "Class Representatives" is defined in paragraph 11 below) are valid. This Notice is intended solely to advise you of the pendency of the Action and of your rights in connection with it.

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<sup>1</sup> The Court has determined that sales within a day of Defendants' acquisitions are sufficiently proximate to be considered contemporaneous. For purposes of this Notice, you may consider yourself to have sold "contemporaneously" if you sold Allergan common stock on a trading day during the Class Period.

There is no judgment, settlement or monetary recovery at this time. Defendants have denied Class Representatives' claims and contend that they are not liable for the alleged harm.

4. The Class definition is subject to change by the Court, pursuant to Rule 23 of the Federal Rules of Civil Procedure.
5. **PLEASE NOTE:** This Action is brought only on behalf of investors who sold Allergan **COMMON STOCK** during the Class Period and were damaged thereby. **IF YOU TRADED PRICE-INTERDEPENDENT DERIVATIVE SECURITIES OF ALLERGAN (I.E., DERIVATIVE SECURITIES WITH A VALUE THAT IS A FUNCTION OF OR RELATED TO THE VALUE OF ALLERGAN COMMON STOCK) ("ALLERGAN DERIVATIVE SECURITIES"), YOUR TRANSACTIONS IN THOSE SECURITIES ARE NOT COVERED BY THE ACTION. THE COURT HAS NOT DETERMINED, AND THIS NOTICE DOES NOT EXPRESS ANY OPINION AS TO, WHETHER TRADING IN ALLERGAN DERIVATIVE SECURITIES GIVES RISE TO ANY CLAIMS. BUT BECAUSE DEFENDANTS' LIABILITY FOR DAMAGES IS LIKELY CAPPED AT THEIR GAINS OR LOSSES AVOIDED FROM THE SECURITIES LAW VIOLATIONS ALLEGED IN THIS ACTION, IT IS POSSIBLE THAT PLAINTIFFS WILL RECOVER THE ENTIRETY OF THE DAMAGES POOL AVAILABLE TO PERSONS ALLEGEDLY HARMED BY THE DEFENDANTS' CONDUCT. IF SO, IT IS POSSIBLE THAT THERE WILL BE NOTHING LEFT FOR OTHERS TO RECOVER FROM DEFENDANTS ON ANY SIMILAR CLAIMS AGAINST DEFENDANTS THAT THEY MAY HAVE AND THOSE CLAIMS MAY BE EFFECTIVELY PRECLUDED.** If you engaged in transactions with respect to Allergan Derivative Securities and wish to determine whether you have a cause of action with respect to those transactions, you should consult with your own attorney as soon as possible. Also, please see paragraphs 24 through 26 below.

#### **OVERVIEW AND STATUS OF THIS ACTION**

6. This case arises out of allegations that Defendants violated Sections 14(e), 20A, and/or 20(a) of the Securities Exchange Act of 1934. Specifically, the Action alleges that, during the Class Period from February 25, 2014 through April 21, 2014, Pershing Square acquired or caused the acquisition of a 9.7% stake in Allergan while in possession of material nonpublic information relating to a tender offer to be made by Valeant for Allergan. On April 21 and 22, 2014, Valeant announced its takeover bid and Pershing Square disclosed its stake. Allergan's stock price increased about 15% in the immediate aftermath of that announcement. Pershing Square's profits from its Class Period transactions grew to well over \$2 billion after a "white knight," Actavis plc, agreed to acquire Allergan for cash and stock valued at approximately \$219 per Allergan share. Of this amount, Pershing Square paid approximately \$400 million to Valeant pursuant to a February 2014 agreement that Pershing Square would share its gains with Valeant in the event that a competing offer for Allergan was successful.
7. The Action was commenced in December 2014. On May 5, 2015, the Court issued an Order appointing the State Teachers Retirement System of Ohio ("Ohio STRS") and the Iowa Public Employees Retirement System ("IPERS") as "Lead Plaintiffs" pursuant to the Private Securities Litigation Reform Act of 1995. In the same Order, the Court approved Lead Plaintiffs' selection of Bernstein Litowitz Berger & Grossmann LLP and Kessler Topaz Meltzer & Check, LLP as "Co-Lead Counsel" for the Class, and consolidated all related actions.
8. The operative complaint in the Action, the Second Amended Complaint (the "Second Amended Complaint" or "Complaint"), was filed on April 20, 2016. The Complaint asserts, among other things, claims under Sections 14(e) and 20A of the Securities Exchange Act of 1934 and Rule 14e-3 promulgated thereunder, which, with certain exceptions, prohibits insider trading by a person while in possession of material nonpublic information relating to a tender offer, after a person (the "offering person") has taken a substantial step or steps toward commencement of a tender offer. Lead Plaintiffs seek damages arising from Defendants' alleged violation of these provisions based on the difference between the selling price actually received by the Class for their Allergan shares and the true value of the shares had there been no material omissions and misconduct by Defendants.
9. Defendants deny that they violated the applicable statutes or Rule 14e-3. Among other things, Defendants assert that Pershing Square was an "offering person" under Rule 14e-3 and therefore did not violate the Rule. Defendants further assert that Valeant had not taken any substantial step or steps to commence a tender offer during or before the Class Period. Finally, Defendants deny that the Class Representatives or members of the Class suffered damages.
10. On August 7, 2015, Defendants moved to dismiss the First Amended Complaint. On November 9, 2015, the Court issued an Order denying Defendants' motion to dismiss. On May 23, 2016, Defendants moved to dismiss the Second Amended Complaint. On August 5, 2016, the Court denied Defendants' second motion to dismiss.

11. On October 11, 2016, Lead Plaintiffs Ohio STRS and IPERS and plaintiff Patrick T. Johnson (“Johnson”) filed a motion for class certification. Following briefing on the motion and oral argument, on March 15, 2017, the Court issued an Order granting the class certification motion, certifying the Class as defined above, appointing Ohio STRS, IPERS, and Johnson as “Class Representatives,” and appointing Co-Lead Counsel as “Class Counsel.” The Court also denied another motion to dismiss by Defendants, which argued that the Action should be dismissed because the Class includes only those who sold Allergan common stock and not those who traded other price-interdependent derivative securities. In its Order, the Court noted that Plaintiffs can provide derivative sellers with notice of this lawsuit at the same time as the Class, meaning they will have notice and opportunity to intervene or bring their own claims before the case is resolved.
12. On March 28, 2017, Defendants filed a petition with the Court of Appeals for the Ninth Circuit (the “Ninth Circuit”) seeking permission to appeal the Court’s Order granting class certification. Class Representatives opposed the petition. The Ninth Circuit denied the motion on June 12, 2017.
13. The parties are currently conducting discovery. Trial in this Action is currently scheduled for January 30, 2018 under a schedule ordered by the Court.

### **YOUR RIGHTS AS A CLASS MEMBER**

14. A class action is a type of lawsuit in which one or several individuals or entities prosecute claims on behalf of all members of a group of similarly situated persons and entities (*i.e.*, the class) to obtain monetary or other relief for the benefit of the entire group. Class actions avoid the necessity of each member of a class having to file his, her, or its own separate lawsuit to obtain relief. Class actions are used to decide legal and factual issues that are common to all members of a class.
15. If you sold Allergan common stock during the period February 25, 2014 through April 21, 2014, inclusive, contemporaneously with Defendants’ purchases, and were damaged thereby, and you are not excluded from the Class by definition, you are a member of the Class. If you are a member of the Class, you have the right to decide whether to remain a member of the Class.
16. If you wish to be excluded from the Class, you must request exclusion in accordance with the procedure set forth in paragraph 18 below. ***If you want to remain a member of the Class, you do not need to do anything at this time other than to retain your documentation reflecting your transactions and holdings in Allergan common stock, as discussed in paragraph 17 below.*** If you do nothing, and you are a member of the Class, you will stay in the Class. Your decision is important for the following reasons:
  - a. **If you remain a member of the Class**, you will be bound by all past, present and future orders and judgments in the Action, whether favorable or unfavorable. If any money is awarded to the Class, either through a settlement with Defendants or a judgment of the Court after a trial, you may be eligible to receive a share of that award. However, if you remain a member of the Class, you may not pursue a lawsuit on your own behalf with regard to any of the issues in this Action. Pursuant to Rule 23(e)(4) of the Federal Rules of Civil Procedure, it is within the Court’s discretion whether to allow a second opportunity to request exclusion from the Class if there is a settlement or judgment in the Action after a trial. Please note that if you remain a member of the Class, you will not be personally responsible for Class Counsel’s attorneys’ fees or costs. Class Counsel have agreed to represent the Class on a contingent fee basis, which means that they will be awarded fees and costs to be approved by the Court only if they succeed in obtaining a recovery from one or more Defendants. Any attorneys’ fees for Class Counsel will be awarded by the Court from the settlement or judgment, if any, obtained on behalf of the Class. As a member of the Class, you will be represented by Class Counsel. Alternatively, you may remain a member of the Class and elect to be represented by counsel of your own choosing. If you do retain separate counsel, you will be responsible for attorneys’ fees and expenses and that attorney must enter an appearance on your behalf by filing a Notice of Appearance with the Court and mailing it to representative Class Counsel at the addresses set forth in paragraph 22 below **on or before September 11, 2017.**
  - b. **If you choose to be excluded from the Class**, you will not be bound by any judgment in this Action, nor will you be eligible to share in any recovery that might be obtained in this Action. You will retain any right you have to individually pursue any legal rights, if any, that you may have against any Defendants with respect to the claims asserted in the Action. ***Please note, if you decide to exclude yourself from the Class, you may be time-barred from asserting the claims covered by the Action by a statute of repose.*** Please refer to paragraphs 18 through 20 below if you would like to be excluded from the Class.

17. Members of the Class will be eligible to participate in any recovery that might be obtained in the Action. While this Notice is not intended to suggest any likelihood that members of the Class will recover any money, should there be a recovery, Class Members will be required to submit a claim form demonstrating their membership in the Class and documenting their sales, purchases and/or holdings of Allergan common stock, and their resulting damages. **For this reason, please be sure to keep all records of your transactions and holdings in Allergan common stock. DO NOT mail them to Class Counsel or the Administrator at this time.** No money or benefits are available now and there is no guarantee that money or benefits will be obtained. If they are, Class Members will be notified regarding how to obtain a share.

#### **HOW TO BE EXCLUDED FROM THE CLASS**

18. If you wish to be excluded from the Class, you must specifically request exclusion in accordance with the following procedures. To exclude yourself from the Class, you must send a letter by first-class mail stating that you “request exclusion from the Class in *In re Allergan, Inc. Proxy Violation Securities Litigation*, Case No. 8:14-cv-2004-DOC (KES).” Your request must: (i) state the name, address and telephone number of the person or entity requesting exclusion, and, in the case of entities, the name and telephone number of the appropriate contact person; (ii) state the number of shares of Allergan common stock that the person or entity requesting exclusion (a) held as of the opening of trading on February 25, 2014, and (b) sold and/or purchased during the Class Period (February 25, 2014 through April 21, 2014, inclusive), as well as the dates, number of shares, and prices of each such sale and/or purchase; and (iii) be signed by the person or entity requesting exclusion or an authorized representative, accompanied by proof of authorization. You must mail your exclusion request, **postmarked by no later than September 11, 2017**, to:

Allergan Proxy Violation Securities Litigation  
c/o GCG  
PO Box 10436  
Dublin, OH 43017-4036

You cannot exclude yourself from the Class by telephone or by e-mail, and a request for exclusion shall not be effective unless it contains all the information called for by this paragraph and is postmarked by the date stated above, or is otherwise accepted by the Court.

19. If your request for exclusion complies with the requirements set forth above, the Court will exclude you from the Class, you will not be bound by any orders or judgment in this Action, and you will not be eligible to share in any recovery that might be obtained in this Action.
20. Do not request exclusion from the Class if you wish to participate in this Action as a member of the Class.

#### **CLASS COUNSEL**

21. As a member of the Class, you will be represented by Class Counsel, who are:

Richard D. Gluck  
**BERNSTEIN LITOWITZ  
BERGER & GROSSMANN LLP**  
12481 High Bluff Drive, Suite 300  
San Diego, CA 92130  
(858) 793-0070

Mark Lebovitch  
Jeremy P. Robinson  
Michael D. Blatchley  
Edward G. Timlin  
**BERNSTEIN LITOWITZ BERGER  
& GROSSMANN LLP**  
1251 Avenue of the Americas, 44th Floor  
New York, NY 10020  
(800) 380-8496  
(212) 554-1400

Eli R. Greenstein  
Stacey M. Kaplan  
Rupa Nath Cook  
**KESSLER TOPAZ MELTZER  
& CHECK, LLP**  
One Sansome Street; Suite 1850  
San Francisco, CA 94104  
(415) 400-3000

Lee Rudy  
Josh D’Ancona  
Justin O. Reliford  
**KESSLER TOPAZ MELTZER  
& CHECK, LLP**  
280 King of Prussia Road  
Radnor, PA 19087  
(888) 299-7706  
(610) 667-7706

22. If you want to be represented by your own lawyer, you may hire one at your own expense. If you do retain your own lawyer, such counsel must enter an appearance on your behalf by filing a Notice of Appearance with the Clerk of the Court at the United States District Court for the Central District of California, Southern Division, Ronald Reagan Federal Building and U.S. Courthouse, 411 West Fourth Street, Santa Ana, CA 92701-4516, **on or before September 11, 2017**. Your Notice of Appearance must also be mailed to representative Class Counsel: Jeremy P. Robinson, Bernstein Litowitz Berger & Grossmann LLP, 1251 Avenue of the Americas, 44th Floor, New York, NY 10020; and Lee Rudy, Kessler Topaz Meltzer & Check, LLP, 280 King of Prussia Road, Radnor, PA 19087, **on or before September 11, 2017**.
23. As noted above, unless you elect to retain your own personal lawyer, if you remain in the Class, you will not have any direct obligations to pay the costs of the litigation. If there is a recovery by the Class, all costs and expenses of the Action, including Class Counsel's attorneys' fees, will be paid from that recovery in an amount approved by the Court.
- TO: ALL PERSONS WHO TRADED PRICE-INTERDEPENDENT DERIVATIVE SECURITIES OF ALLERGAN, INCLUDING OPTIONS, FORWARDS, PUTS, CALLS, OR OTHER DERIVATIVE CONTRACTS VALUED BASED ON THE PRICE OF ALLERGAN COMMON STOCK**
24. As set forth above, the Class that has been certified in this case includes only those who sold Allergan common stock and *not* those who traded other price-interdependent derivative securities.
25. In this Action, the amount of Defendants' damages is likely capped at their gains or losses avoided on their purchases of Allergan securities during the Class Period. In the event that the Class succeeds in whole or part on its claims and recovers an amount of damages that meets or exceeds the Defendants' gains or losses avoided, it is possible that other parties, such as derivatives traders who traded in Allergan securities other than common stock, may be barred from recovering on any similar claims against Defendants that they may have. In other words, it is possible that Plaintiffs in this Action will recover the entirety of the damages pool available to persons allegedly harmed by Defendants' conduct. To be clear, however, the Court has not determined, and this Notice does not express any opinion as to, whether trading in Allergan Derivative Securities gives rise to any claims.
26. The Court is providing this notice to all traders of any price-interdependent Allergan securities during the Class Period. You may have a right to seek to intervene in this Action or bring your own claims.

**PLEASE KEEP YOUR ADDRESS CURRENT**

27. In order to make sure that you receive any further notices in this Action, you are requested to mail notice of any changes in your address to:

Allergan Proxy Violation Securities Litigation  
c/o GCG  
PO Box 10436  
Dublin, OH 43017-4036

28. If this Notice was forwarded to you by the postal service, or if it was otherwise sent to you at an address that is not current, you should immediately contact the Administrator, GCG, at the address in paragraph 27 above or by calling the Administrator toll free at 1-855-474-3851, and provide them with your correct address. If the Administrator does not have your correct address, you may not receive any future notices that may be disseminated in this Action.

**WHERE YOU CAN FIND ADDITIONAL INFORMATION**

29. This Notice only provides a summary of the lawsuit and the claims asserted by Class Representatives. For more detailed information regarding the Action, including a copy of the Complaint, you may contact Class Counsel or visit [www.AllerganProxyViolationSecuritiesLitigation.com](http://www.AllerganProxyViolationSecuritiesLitigation.com).

**PLEASE DO NOT CALL OR WRITE THE COURT.**

**NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES**

30. If, during the period February 25, 2014 through April 21, 2014, inclusive, you sold Allergan common stock for the beneficial interest of persons or organizations other than yourself, you must either: (i) within seven (7) calendar days of receipt of this Notice, request from the Administrator sufficient copies of the Notice to forward to all such

beneficial owners and within seven (7) calendar days of receipt of those Notices forward them to all such beneficial owners; or (ii) within seven (7) calendar days of receipt of this Notice, provide a list of the names and addresses of all such beneficial owners to the Administrator at Allergan Proxy Violation Securities Litigation, c/o GCG, PO Box 10436, Dublin, OH 43017-4036. If you choose the first option, you must send a statement to the Administrator confirming that the mailing was made and **you must retain your mailing records for use in connection with any further notices that may be provided in the Action.** If you choose the second option, the Administrator will send a copy of the Notice to the beneficial owners. Upon full compliance with these directions, such nominees may seek reimbursement of their reasonable expenses actually incurred by providing the Administrator with proper documentation supporting the expenses for which reimbursement is sought. Copies of this Notice may also be obtained from the website maintained by the Administrator, [www.AllerganProxyViolationSecuritiesLitigation.com](http://www.AllerganProxyViolationSecuritiesLitigation.com), or by calling the Administrator toll free at 1-855-474-3851.

Dated: July 13, 2017

BY ORDER OF THE COURT:  
United States District Court  
For the Central District of California  
Southern Division