



Kessler Topaz Represents Investors in \$290 Million Total Settlement Recovery Reached with Valeant Pharmaceuticals and Bill Ackman's Pershing Square Over Insider Trading Claims

Leading investor rights law firm represents co-lead plaintiff the Iowa Public Employees' Retirement System

NEW YORK (December 29, 2017) – Lawyers representing shareholders of **Allergan Inc. (NYSE: AGN)** announced they had settled a lawsuit resolving insider trading claims against **Valeant Pharmaceuticals International, Inc.**, Bill Ackman and his **Pershing Square** family of hedge funds stemming from Valeant's 2014 attempt to takeover **Allergan, Inc.** In settling the claims, Valeant and Pershing Square agreed to jointly pay a total of \$290 million for all involved investors.

Allergan stockholders alleged that in February 2014, Valeant tipped Pershing Square founder Bill Ackman about its plan to launch a hostile bid for Allergan. Armed with this nonpublic information, Pershing then bought 29 million shares of Allergan stock from unsuspecting investors, who were unaware of the takeover bid that Valeant was preparing in concert with the hedge fund. When Valeant publicized its bid in April 2014, Allergan stock shot up by \$20 per share, earning Pershing \$1 billion in profits in a single day.

Valeant's bid spawned a bidding war for Allergan. The company was eventually sold to Actavis PLC for approximately \$66 billion.

Stockholders filed suit in 2014 in federal court in the Central District of California, where Judge David O. Carter presided over the case. Judge Carter appointed the Iowa Public Employees Retirement System ("Iowa") and the State Teachers Retirement System of Ohio ("Ohio") as lead plaintiffs, and appointed **Kessler Topaz Meltzer & Check, LLP** and **Bernstein Litowitz Berger & Grossmann, LLP** as lead counsel.

The court denied motions to dismiss the litigation in 2015 and 2016, and in 2017 certified a class of Allergan investors who sold common stock during the period when Pershing was buying.

Earlier in December, the Court held a four-day hearing on dueling motions for summary judgment, with investors arguing that the Court should enter a liability judgment against Defendants, and Defendants arguing that the Court should throw out the case. A ruling was expected on those motions within coming days.

The settlement reached this week resolves both the certified stockholder class action, which was set for trial on February 26, 2018, and a more recently-filed action brought on behalf of investors who traded in Allergan derivative instruments. Defendants are paying \$250 million to resolve the certified common stock class action, and an additional \$40 million to resolve the derivative case.

Lee Rudy, a partner at Kessler Topaz and co-lead counsel for the common stock class, commented: "This settlement not only forces Valeant and Pershing to pay back hundreds of

millions of dollars, it strikes a blow for the little guy who often believes, with good reason, that the stock market is rigged by more sophisticated players. Although we were fully prepared to present our case to a jury at trial, a pre-trial settlement guarantees significant relief to our class of investors who played by the rules.”

Note: Kessler Topaz is one of the world’s leading advocates for institutional investors from around the world. The firm has recovered billions of dollars for clients resulting from securities class actions, shareholder derivative suits, antitrust litigation and other complex litigation in jurisdictions around the globe. For more, visit www.ktmc.com.