

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

CHRISTOPHER SPEAKES, Individually and on  
Behalf of All Others Similarly Situated,

Plaintiff,

vs.

TARO PHARMACEUTICAL INDUSTRIES,  
LTD., MICHAEL KALB, AND  
KALYANASUNDARAM SUBRAMANIAN,

Defendants.

Case No. 16-cv-08318-ALC-OTW

Hon. Andrew L. Carter Jr., U.S.D.J.

Hon. Ona T. Wang, U.S.M.J.

**NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION  
AND MOTION FOR ATTORNEYS' FEES AND EXPENSES**

**If you purchased Taro Pharmaceutical Industries Ltd. common stock on the open market on a United States stock exchange from July 2, 2014 through November 3, 2016, both dates inclusive, and were damaged thereby, you may be entitled to a payment from a class action settlement.**

*A Court authorized this Notice. This is not a solicitation from a lawyer.*

- This Notice describes important rights you may have and what steps you must take if you wish to participate in the Settlement of this securities class action, wish to object, or wish to be excluded from the Class.<sup>1</sup>
- The Settlement resolves claims by Court-appointed Lead Plaintiff City of Atlanta Firefighters' Pension Fund ("Lead Plaintiff" or "Atlanta Firefighters"), on behalf of themselves and all other members of the Class (defined below) against Taro Pharmaceutical Industries Ltd. ("Taro" or the "Company"), Michael Kalb, and Kalyanasundaram Subramanian (collectively, "Individual Defendants," and, together with Taro, "Defendants," and, together with both Taro and Lead Plaintiff, the "Parties"). It avoids the costs and risks of continuing the litigation; pays money to eligible investors; and releases the Released Defendant Parties (defined below) from liability.
- If approved by the Court, the Settlement will create a \$36 million cash fund, plus earned interest, for the benefit of eligible Class Members, before the deduction of attorneys' fees and expenses awarded by the Court, Notice and Administration Expenses, and Taxes. According to Lead Plaintiff's damages expert, this is an average recovery of approximately \$2.53 per allegedly damaged share, before these deductions.

**PLEASE READ THIS NOTICE CAREFULLY. It explains important rights you may have, including the possible receipt of cash from the Settlement. If you are a Class Member, your legal rights will be affected by this Settlement whether you act or do not act.**

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<sup>1</sup> The terms of the Settlement are in the Stipulation and Agreement of Settlement, dated April 10, 2024 (the "Stipulation"), which can be viewed at [www.TaroSecuritiesLitigation.com](http://www.TaroSecuritiesLitigation.com). All capitalized terms not defined in this Notice have the same meanings as defined in the Stipulation.

If you have any questions about this Notice, the Settlement, or your eligibility, please do not contact Taro or its counsel. All questions should be directed to Lead Counsel or the Claims Administrator (see ¶¶ 7–8 below).

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>	
<b>SUBMIT A CLAIM FORM ON OR BEFORE AUGUST 16, 2024</b>	The <u>only</u> way to be eligible to receive a payment from the Settlement. See Question 8 below for details. If you are a Class Member and you remain in the Class, it is in your best interest to submit a Claim Form, because, even if you do not submit a Claim Form, you will be bound by the Settlement approved by the Court and will give up all Released Claims against the Released Defendant Parties (defined in ¶ 27 below).
<b>EXCLUDE YOURSELF FROM THE CLASS ON OR BEFORE AUGUST 2, 2024</b>	If you exclude yourself from the Class, you will not be eligible to receive any payment from the Settlement. This is the only option that, assuming your claim is timely brought, might allow you to ever bring or be part of any other lawsuit against Defendants and/or the other Released Defendant Parties concerning the Released Claims. See Question 11 below for details.
<b>OBJECT ON OR BEFORE AUGUST 2, 2024</b>	If you do not like the Settlement, the Plan of Allocation, or Lead Counsel’s Fee and Expense Application, you may write to the Court and explain why you do not like them. You cannot object if you are not a Class Member or if you have requested exclusion. See Question 15 below for details.
<b>GO TO A HEARING ON AUGUST 23, 2024 AND FILE A NOTICE OF INTENTION TO APPEAR SO THAT IT IS RECEIVED BY NO LATER THAN AUGUST 2, 2024</b>	Ask to speak to the Court at the Settlement Hearing about the Settlement, the Plan of Allocation, or Lead Counsel’s Fee and Expense Application. See Questions 17-19 below for details.
<b>DO NOTHING</b>	If you are a member of the Class and you do not submit a valid Claim Form, you will not be eligible for a payment from the Settlement. You will, however, be bound by the Judgment and orders entered by the Court, which means that you will give up your right to sue about the claims that are resolved by the Settlement.

- These rights and options—**and the deadlines to exercise them**—are explained in this Notice.
- The Court in charge of this case still must decide whether to approve the Settlement. Payments will be made to all Class Members who timely submit valid Claim Forms, if the Court approves the Settlement and after any appeals are resolved. Please be patient, as this process can take some time to complete.

## SUMMARY OF THE NOTICE

### **Statement of the Class's Recovery**

1. Subject to Court approval, Lead Plaintiff, on behalf of the Class, has agreed to settle the Action in exchange for a payment of \$36,000,000 in cash (the "Settlement Amount"), which will be deposited into an interest-bearing Escrow Account (the "Settlement Fund"). Based on Lead Plaintiff's damages expert's estimate of the number of shares of Taro common stock eligible to participate in the Settlement, and assuming that all investors eligible to participate in the Settlement do so, it is estimated that the average recovery, before deduction of any Court-approved fees and expenses, such as attorneys' fees, Litigation Expenses, Taxes, and Notice and Administration Expenses, would be approximately \$2.53 per allegedly damaged share. If the Court approves Lead Counsel's Fee and Expense Application (discussed below), the average recovery would be approximately \$1.75 per allegedly damaged share (according to Lead Plaintiff's damages expert). **These average recovery amounts are only estimates and Class Members may recover more or less than these estimated amounts.** A Class Member's actual recovery will depend on, for example: (i) the total number and value of claims submitted; (ii) the amount of the Net Settlement Fund; and (iii) when and how many shares of Taro common stock the Class Member purchased during the Class Period; and (iv) whether and when the Class Member sold Taro common stock. *See* the Plan of Allocation beginning on page 21 for information on the calculation of your Recognized Claim.

### **Statement of Potential Outcome of Case if the Action Continued to Be Litigated**

2. The Parties disagree about both liability and damages and do not agree about the amount of damages that would be recoverable if Lead Plaintiff were to prevail on each claim alleged. Among other things, Defendants do not agree with the assertion that they violated the federal securities laws or that any damages were suffered by any Class Members (at all, or in the amount contended by plaintiffs). The issues on which the Parties disagree also include, for

example, whether: (i) Defendants made any statements or omitted any facts that were materially false or misleading, or otherwise actionable under the federal securities laws; (ii) any such statements or omissions were made with the requisite level of intent or recklessness; (iii) the amounts by which the price of Taro common stock was allegedly artificially inflated, if at all, during the Class Period; and (iv) the extent to which factors, such as general market, economic and industry conditions, influenced the prices of Taro common stock during the Class Period.

3. Defendants have denied and continue to deny any and all allegations of wrongdoing or fault asserted in the Action, deny that they have committed any act or omission giving rise to any liability or violation of law, and deny that Lead Plaintiff and the Class have suffered any loss attributable to Defendants' actions or omissions. While Lead Plaintiff believes they have meritorious claims, they recognize that there are significant obstacles in the way to recovery.

#### **Statement of Attorneys' Fees and Expenses Sought**

4. Lead Counsel will apply to the Court for an award of attorneys' fees from the Settlement Fund in an amount not to exceed 30% of the Settlement Fund, which includes any accrued interest. Lead Counsel will also apply for payment of Litigation Expenses incurred by Lead Counsel in prosecuting the Action in an amount not to exceed \$395,000, plus accrued interest at the same rate earned by the Settlement Fund, which may include an application pursuant to the Private Securities Litigation Reform Act of 1995 ("PSLRA") for the reasonable costs and expenses of Lead Plaintiff directly related to their representation of the Class. If the Court approves Lead Counsel's Fee and Expense Application in full, the average amount of fees and expenses, assuming claims are submitted for all shares eligible to participate in the Settlement, will be approximately \$.79 per allegedly damaged share of Taro common stock (according to Lead Plaintiff's damages

expert). A copy of the Fee and Expense Application will be posted on [www.TaroSecuritiesLitigation.com](http://www.TaroSecuritiesLitigation.com) after it has been filed with the Court.

### **Reasons for the Settlement**

5. For Lead Plaintiff, the principal reason for the Settlement is the guaranteed cash benefit to the Class. This benefit must be compared to the uncertainty of being able to prove the allegations in the Complaint; the risk that the Court may grant some or all of the anticipated summary judgment motions to be filed by Defendants; the uncertainty of a greater recovery after a trial and appeals; the risks of litigation, especially in complex actions like this; as well as the difficulties and delays inherent in such litigation (including any trial and appeals).

6. For Defendants, who deny all allegations of wrongdoing or liability and deny that Class Members were damaged, the reason for entering into the Settlement is to avoid and eliminate the burden, expense, uncertainty, and risk of further litigation. Accordingly, the Settlement may not be construed as an admission of any wrongdoing by Defendants in this or any other action or proceeding.

### **Identification of Attorneys' Representatives**

7. Lead Plaintiff and the Class are represented by Lead Counsel, Michael S. Bigin, Bernstein Liebhart LLP, 10 East 40<sup>th</sup> Street, New York, NY 10016, [www.bernlieb.com](http://www.bernlieb.com).

8. Further information regarding the Action, the Settlement, and this Notice may be obtained by contacting the Claims Administrator: *Taro Pharmaceutical Industries Ltd. Securities Litigation*, c/o JND Legal Administration, P.O. Box 91388, Seattle, WA 98111, (855) 208-4121, [www.TaroSecuritiesLitigation.com](http://www.TaroSecuritiesLitigation.com); or Lead Counsel.

**Please Do Not Call the Court with Questions About the Settlement.**

### **BASIC INFORMATION**

#### **1. Why did I get this Notice?**

9. The Court authorized that this Notice be sent to you because you or someone in your family or an investment account for which you serve as a custodian may have purchased Taro common stock on the open market on a United States stock exchange from July 2, 2014 through November 3, 2016, both dates inclusive, and may be a Class Member. **Receipt of this Notice does not mean that you are a member of the Class or that you are entitled to receive a payment. If you wish to be eligible for a payment, you are required to submit the Claim Form that is distributed with this Notice. See Question 8 below.**

10. The purpose of this Notice is to inform you of the existence of this class action, how you might be affected by it, and how to exclude yourself from the Class, if you wish to do so. This Notice is also being sent to inform you of the terms of the Settlement, and of a hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement, the Plan of Allocation, and Lead Counsel's Fee and Expense Application.

11. The Court in charge of the Action is the United States District Court for the Southern District of New York, and the case is known as *Speakes v. Taro Pharm. Indus., Ltd.*, Case No. 16-cv-08318-ALC-OTW. The Action is assigned to the Honorable Andrew L. Carter Jr., U.S.D.J., and the Honorable Ona T. Wang, U.S.M.J. This Notice is not an expression of any opinion by the Court concerning the merits of any claim in the Action, and the Court still has to decide whether to approve the Settlement. If the Court approves the Settlement, then payments will be made after any appeals are resolved and after the completion of all claims processing.

## **2. What is this case about and what has happened so far?**

12. On June 19, 2017, Lead Plaintiff filed the Corrected Amended Class Action Complaint (the "Complaint") asserting claims against all Defendants under Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") and Rule 10b-5 promulgated thereunder, and against the Individual Defendants under Section 20(a) of the Exchange Act. ECF No. 36.

Among other things, the Complaint alleged that Defendants made certain materially false and misleading statements and omissions during the Class Period.

13. On October 11, 2017, Defendants Taro and Kalb filed and served their motion to dismiss the Complaint. ECF No. 45. On December 11, 2017, Lead Plaintiff filed and served their memorandum of law in opposition to the motion to dismiss. ECF No. 50. On January 10, 2018, Defendants Taro and Kalb filed and served their reply papers. ECF No. 51. On May 24, 2018, Defendant Subramanian filed and served his motion to dismiss. ECF No. 56. On June 7, 2018, Lead Plaintiff filed and served their memorandum of law in opposition to that motion to dismiss. ECF No. 58. On September 24, 2018, the Court denied in part Defendants' motions to dismiss, finding that the Complaint sufficiently alleged certain claims for violations of Sections 10(b) and 20(a) of the Exchange Act. ECF No. 61.

14. After the Court denied in part Defendants' motion to dismiss, Lead Plaintiff agreed to track their discovery to certain discovery in a multi-district litigation involving civil antitrust cases against various generic pharmaceutical companies, including Taro's affiliate. Lead Plaintiff began over four-and-half years of intense discovery, including reviewing millions of pages of documents as well as several deposition transcripts.

15. On August 2, 2023, the Parties participated in an all-day mediation with David Murphy of Phillips ADR. In advance of the session, the Parties provided detailed mediation statements and exhibits to the mediator which addressed issues of liability, scienter, causation, and damages. The mediation session ended without a settlement. In the weeks that followed, the Parties continued their negotiations. On September 26, 2023, the Parties accepted the mediator's recommendation and reached an agreement in principle to settle the Action for \$36,000,000, subject to the execution of a customary "long form" stipulation and agreement of settlement and related papers. The Parties executed the Stipulation, which sets forth the terms and conditions of

the Settlement, on April 10, 2024. On May 8, 2024, the Court preliminarily approved the Settlement, authorized this Notice to be disseminated to Class Members, and scheduled the Settlement Hearing to consider whether to grant final approval to the Settlement.

### **3. Why is this a class action?**

16. In a class action, one or more persons or entities (in this case, Lead Plaintiff), pursue a lawsuit on behalf of people and entities who have similar claims. Together, these people and entities are a “class,” and each is a “class member.” Class actions allow the adjudication of many individuals’ similar claims that might be too small economically to bring as individual actions. One court resolves the issues for all class members at the same time, except for those who exclude themselves, or “opt out,” from the class.

### **4. What are the reasons for the Settlement?**

17. The Court did not finally decide in favor of Lead Plaintiff or Defendants. Instead, both sides agreed to a settlement. Lead Plaintiff and Lead Counsel believe that the claims asserted in the Action have merit. They recognize, however, the expense and length of continued proceedings needed to pursue the claims through trial and appeals, as well as the difficulties in establishing liability. In the absence of a settlement, the Parties would present factual and expert testimony on each of these issues, and there is a risk that the Court or jury would resolve these issues unfavorably against Lead Plaintiff and the Class. Lead Plaintiff and Lead Counsel believe that the proposed Settlement is fair, reasonable, and adequate, and in the best interests of the Class.

18. Defendants have denied and continue to deny each and every one of the claims alleged by Lead Plaintiff in the Action, including all claims in the Complaint. Defendants have agreed to the Settlement to avoid and eliminate the burden, expense, uncertainty, and risk of further litigation. Accordingly, the Settlement may not be construed as an admission of any wrongdoing by any Defendant in this or any other action or proceeding.



## WHO IS IN THE SETTLEMENT

### 5. How do I know if I am part of the Class?

19. If you are a member of the Class, you are subject to the Settlement, unless you timely take steps to exclude yourself (*see* Question 11 below). The Class consists of:

*All Persons who purchased Taro common stock on the open market on a United States stock exchange from July 2, 2014 through November 3, 2016, both dates inclusive, and who were damaged thereby.*

20. If one of your mutual funds purchased Taro common stock during the Class Period that does not make you a Class Member, although your mutual fund may be. You are a Class Member only if you individually purchased Taro common stock on the open market on a United States stock exchange during the Class Period. Check your investment records or contact your broker to see if you have any eligible purchases. The Parties do not independently have access to your trading information. **PLEASE NOTE: RECEIPT OF THIS NOTICE DOES NOT MEAN THAT YOU ARE A CLASS MEMBER OR THAT YOU WILL BE ENTITLED TO RECEIVE A PAYMENT.**

21. **If you wish to be eligible for a payment from the Settlement, you must submit the Claim Form that is being distributed with this Notice. *See* Question 8, below.**

### 6. Are there exceptions to being included?

22. Yes. There are some individuals and entities who are excluded from the Class by definition. Excluded from the Class are: Defendants, Taro Pharmaceuticals USA, Inc., Sun Pharmaceutical Industries Ltd., and Defendants' officers, directors, Immediate Family members, predecessors, successors and assigns, and any entity in which any of them have a majority

ownership interest. Also excluded from the Class are any Persons who or which exclude themselves by submitting a timely and valid request for exclusion that is accepted by the Court.

### **THE SETTLEMENT BENEFITS**

#### **7. What does the Settlement provide?**

23. In exchange for the Settlement and the release of the Released Claims against the Released Defendant Parties (*see* Question 10 below), Taro has agreed to cause a \$36 million cash payment to be made, which, along with any interest earned, will be distributed after deduction of Court-awarded attorneys' fees and Litigation Expenses, Notice and Administration Expenses, Taxes, and any other fees or expenses approved by the Court (the "Net Settlement Fund"), to Class Members who send in valid and timely Claim Forms.

#### **8. How can I receive a payment?**

24. To qualify for a payment from the Net Settlement Fund, you must submit a timely and valid Claim Form. A Claim Form is included with this Notice. You may also obtain one from the website dedicated to the Settlement: [www.TaroSecuritiesLitigation.com](http://www.TaroSecuritiesLitigation.com), or from Lead Counsel's website: [www.bernlieb.com](http://www.bernlieb.com). You can also request that a Claim Form be mailed to you by calling the Claims Administrator toll-free at (855) 208-4121.

25. Please read the instructions contained in the Claim Form carefully. Fill out the Claim Form, include all the documents the form requests, sign it, and either mail it to the Claims Administrator using the address listed in the Claim Form or submit it online at [www.TaroSecuritiesLitigation.com](http://www.TaroSecuritiesLitigation.com). Claim Forms must be **postmarked (if mailed) or received no later than August 16, 2024**.

#### **9. When will I receive my payment?**

26. The Court will hold a Settlement Hearing on **August 23, 2024** to decide, among other things, whether to finally approve the Settlement. Even if the Settlement is approved, there

Questions? Visit [www.TaroSecuritiesLitigation.com](http://www.TaroSecuritiesLitigation.com) or call toll-free at 1-855-208-4121

may be appeals, which can take time to resolve, perhaps more than a year. It also takes a long time for all Claim Forms to be accurately reviewed and processed. Please be patient.

#### **10. What am I giving up to receive a payment and by staying in the Class?**

27. If you are a Class Member, and do not timely and validly exclude yourself from the Class (*see* Question 11 below), you will remain in the Class and be bound by all orders issued by the Court. If the Settlement is approved, the Court will enter the Judgment. The Judgment will dismiss the Action with prejudice and will provide that, upon the Effective Date of the Settlement (*see* ¶ 28 below), Lead Plaintiff and each of the other Class Members, on behalf of themselves and each of their respective heirs, executors, trustees, administrators, legal representatives, predecessors, successors, and assigns, in their capacities as such, will have fully, finally, and forever compromised, settled, released, relinquished, waived, and discharged any and all of the Released Claims (as defined in ¶ 27(a) below) against the Defendants and the other Released Defendant Parties (as defined in ¶ 27(b) below), and shall forever be barred and enjoined from prosecuting any and all of the Released Claims against any of the Released Defendant Parties.

(a) **“Released Claims”** means any and all claims and causes of action of every nature and description, whether known or Unknown Claims (as defined below), contingent or absolute, mature or not mature, liquidated or unliquidated, accrued or not accrued, concealed or hidden, regardless of legal or equitable theory and whether arising under federal, state, common, or foreign law, or any other law, rule, or regulation, whether class or individual in nature that (i) Lead Plaintiff or any other Class Member asserted in the Action or in any complaint filed in the Action; (ii) Lead Plaintiff or any other Class Member could have asserted in the Action or in any other action or in any other forum that arise out of, are based upon, are related to, or are in consequence of, both (a) the allegations, transactions, facts, matters, events, occurrences, representations, disclosures, non-disclosures, statements, acts or omissions or failures to act that were involved, set forth, alleged,

could have been alleged, or referred to in any of the complaints or documents and other discovery in the Action, or that otherwise would have been barred by *res judicata* had the Action been fully litigated to a final judgment, and (b) the purchase, acquisition, holding, sale, or disposition of Taro common stock during the Class Period; or (iii) arise out of, are based upon, or relate in any way to the Settlement, except claims to enforce the Settlement.

(b) **“Released Defendant Party”** or **“Released Defendant Parties”** means Defendants, Insurers, Defendants’ Counsel, and each of their respective former, present, or future predecessors, successors, parent corporations, sister corporations, subsidiaries, affiliates, as well as each of the respective former, present, or future principals, assigns, assignees, assignors, legatees, devisees, executors, administrators, estates, heirs, Immediate Family members, receivers, trustees, trusts, settlors, beneficiaries, officers, directors, members, shareholders, employees, independent contractors, agents, partners, partnerships, joint ventures, insurers, reinsurers, personal representatives, attorneys, legal representatives, auditors, accountants, advisors, underwriters, and successors-in-interest in their capacities as such, of each and all of the foregoing.

(c) **“Unknown Claims”** means any and all claims that Lead Plaintiff or any other member of the Class does not know or suspect to exist in his, her, or its favor at the time of the release of the Released Defendant Parties, and any and all Released Defendants’ Claims that any Defendant does not know or suspect to exist in his, her, or its favor at the time of the release of the Released Plaintiff Parties, which if known by him, her, or it might have affected his, her, or its decision(s) with respect to the Settlement, including the decision to object to the terms of the Settlement or to exclude himself, herself, or themselves from the Class. With respect to any and all Released Claims and Released Defendants’ Claims, the Parties stipulate and agree that, upon the Effective Date, Lead Plaintiff and Defendants shall expressly, and each Class Member shall be deemed to have, and by operation of the Judgment or Alternative Judgment shall have expressly

waived and relinquished any and all provisions, rights and benefits conferred by any law of any state or territory of the United States or any other jurisdiction, or principle of common law, which is similar, comparable, or equivalent to Cal. Civ. Code § 1542, which provides:

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.

Lead Plaintiff, other Class Members, or Defendants may hereafter discover facts, legal theories, or authorities in addition to or different from those which any of them now knows, suspects, or believes to be true with respect to the Action, the Released Claims, or the Released Defendants' Claims, but Lead Plaintiff and Defendants expressly, fully, finally, and forever settle and release, and each Class Member shall be deemed to have fully, finally, and forever settled and released, and upon the Effective Date and by operation of the Judgment or Alternative Judgment shall have settled and released, fully, finally, and forever, any and all Released Claims and Released Defendants' Claims as applicable, without regard to the subsequent discovery or existence of such different or additional facts, legal theories, or authorities. Lead Plaintiff and Defendants acknowledge, and all Class Members by operation of law shall be deemed to have acknowledged, that the inclusion of "Unknown Claims" in the definition of Released Claims and Released Defendants' Claims was separately bargained for and was a material element of the Settlement.

28. The "Effective Date" will occur when a Judgment entered by the Court approving the Settlement becomes Final and is not subject to appeal. If you remain a member of the Class, all of the Court's orders, whether favorable or unfavorable, will apply to you and legally bind you.

29. Upon the "Effective Date," Defendants will also provide a release of any claims against Lead Plaintiff and the Class arising out of or related to the institution, prosecution, or settlement of the claims in the Action.

30. Additionally, among other things, the Preliminary Approval Order entered by the Court provides that all proceedings in the Action, other than proceedings necessary to carry out or enforce the terms and conditions of the Stipulation are stayed, and pending a final determination of whether the Settlement should be finally approved, Lead Plaintiff and all other members of the Class are barred and enjoined from asserting, commencing, prosecuting, instituting, instigating, or participating in the commencement or prosecution of any action or other proceeding, in any forum, asserting any and all of the Released Claims against any of the Released Defendant Parties.

### **EXCLUDING YOURSELF FROM THE CLASS**

31. If you want to keep any right you may have to sue or continue to sue Defendants and the other Released Defendant Parties on your own concerning the Released Claims, then you must take steps to remove yourself from the Class. This is called excluding yourself or “opting out.” Defendants have the right to terminate the Settlement if the number of valid requests for exclusion exceeds an amount agreed to by Lead Plaintiff and Defendants. **Please note:** If you decide to exclude yourself, there is a risk that any lawsuit you may file to pursue claims alleged in the Action may be dismissed, including because the suit is not filed within the applicable time periods required for filing suit.

### **11. How do I exclude myself from the Class?**

32. To exclude yourself from the Class, you must mail a signed letter stating that you request to be “excluded from the Class in *Speakes v. Taro Pharm. Indus., Ltd.*, Case No. 16-cv-08318-ALC-OTW.” You cannot exclude yourself by telephone or e-mail. Each request for exclusion must also: (i) state the name, address, e-mail 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 purchased, acquired, and sold on the open market on a United States stock exchange during the Class Period, as well as the date(s),

price(s), and number(s) of each such purchase, acquisition, and sale; and (iii) be signed by the person or entity requesting exclusion or an authorized representative. Only members of the Class can request exclusion. A request for exclusion must be sent by first-class mail so that it is **received no later than August 2, 2024** at:

*Taro Pharmaceutical Industries Ltd. Securities Litigation*  
c/o JND Legal Administration  
P.O. Box 91388  
Seattle, WA 98111

You will not be able to exclude yourself after this date, unless allowed by the Court.

33. This information is needed to determine whether you are a member of the Class. **Remember, you are only a Class Member if you purchased Taro common stock on the open market on a United States stock exchange during the Class Period and were damaged.** Your exclusion request must comply with all of these requirements in order to be valid, and be received within the time stated above, unless otherwise allowed by the Court.

34. If you do not want to be part of the Class, you must follow these instructions for exclusion even if you have pending, or later file, another lawsuit, arbitration, or other proceeding relating to any of the Released Claims against any of the Released Defendant Parties.

35. If you ask to be excluded, do not submit a Claim Form because you cannot receive any payment from the Net Settlement Fund. Also, you cannot object to the Settlement because you will not be a Class Member. If you submit a valid exclusion request, you will not be legally bound by anything that happens in the Action, and you may be able to sue (or continue to sue) Defendants and the other Released Defendant Parties in the future.

**12. If I do not exclude myself, can I sue Defendants and the other Released Defendant Parties for the same thing later?**

36. No. If you are a member of the Class, unless you properly exclude yourself, you will give up any rights to sue Defendants and the other Released Defendant Parties for any and all

Released Claims. If you have a pending lawsuit against any of the Released Defendant Parties, **speak to your lawyer in that case immediately**. You must exclude yourself from this Class to continue your own lawsuit. Remember, the exclusion deadline is **August 2, 2024**.

### **THE LAWYERS REPRESENTING YOU**

#### **13. Do I have a lawyer in this case?**

37. Bernstein Liebhard LLP is Lead Counsel in the Action. Lead Counsel represents all Class Members. The Court will determine the amount of attorneys' fees and Litigation Expenses, which will be paid from the Settlement Fund.

38. If you want to be represented by your own lawyer, you may hire one at your own expense. You are not required to retain your own counsel, but if you choose to do so, such counsel must file a notice of appearance on your behalf and must serve copies of his or her appearance on the attorneys listed in the section entitled, "How do I tell the Court that I do not like something about the proposed Settlement?"

#### **14. How will the lawyers be paid?**

39. Lead Counsel has been prosecuting the Action on a contingent basis since 2017 and has not been paid for any of their work. Lead Counsel will seek an attorneys' fee award of no more than 30% of the Settlement Fund, which will include accrued interest. Payment to Lead Counsel will in no way increase the other fees that are deducted from the Settlement Fund. Lead Counsel will also seek payment of Litigation Expenses incurred by Lead Counsel in the prosecution of the Action of no more than \$395,000, plus accrued interest, which may include an application in accordance with the PSLRA for the reasonable costs and expenses of Lead Plaintiff directly related to their representation of the Class. As explained above, any attorneys' fees and expenses awarded by the Court will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or expenses.



## OBJECTING TO THE SETTLEMENT, THE PLAN OF ALLOCATION, OR THE FEE AND EXPENSE APPLICATION

### 15. How do I tell the Court that I do not like something about the proposed Settlement?

40. If you are a Class Member, you can object to the Settlement or any of its terms, the proposed Plan of Allocation, and/or Lead Counsel's Fee and Expense Application. You may write to the Court about why you think the Court should not approve any or all of the Settlement terms or related relief. If you would like the Court to consider your views, you must file a proper objection within the deadline, and according to the following procedures.

41. To object, you must file and send a signed letter stating that you object to the proposed Settlement, the Plan of Allocation, and/or the Fee and Expense Application in "*Speakes v. Taro Pharm. Indus., Ltd.*, Case No. 16-cv-08318-ALC-OTW." The objection must also: (i) state the name, address, email address and telephone number of the objector and must be signed by the objector; (ii) contain a statement of the Class Member's objection or objections and the specific reasons for each objection, including whether it applies only to the objector, to a specific subset of the Class, or the entire Class, any legal and evidentiary support (including witnesses) the Class Member wishes to bring to the Court's attention; (iii) include documents sufficient to show the objector's membership in the Class, including the number of shares purchased and sold on the open market on a United States stock exchange during the Class Period, as well as the dates and prices of each such purchase and sale. You must also provide documentation establishing membership in the Class through copies of brokerage confirmation slips or monthly brokerage account statements, or an authorized statement from the objector's broker containing the transactional information found in a broker confirmation slip or account statement. Your objection must be filed with the Court at the address below **no later than August 2, 2024** and be mailed or delivered to the following counsel so that it is **received no later than August 2, 2024**.

<b>Court</b>	<b>Lead Counsel</b>	<b>Defendants' Counsel</b>
<b>Clerk of the Court</b> Thurgood Marshall United States Courthouse 40 Foley Square New York, NY 10007	<b>Bernstein Liebhard LLP</b> Michael S. Bigin 10 East 40 <sup>th</sup> Street New York, NY 10006	<b>Shearman &amp; Sterling LLP</b> Jeffrey D. Hoschander Joshua T. Ebersole 599 Lexington Avenue New York, NY 10022

42. You do not need to attend the Settlement Hearing to have your written objection considered by the Court. However, any Class Member who has complied with the procedures described in this Question 15 and below in Question 19 may appear at the Settlement Hearing and be heard, to the extent allowed by the Court. An objector may appear in person or arrange, at his, her, or its own expense, for a lawyer to represent him, her, or it at the Settlement Hearing.

43. Unless the Court orders otherwise, any Class Member who does not object in the manner described above will be deemed to have waived any objection and shall be forever foreclosed from making any objection to the proposed Settlement, the proposed Plan of Allocation, or Lead Counsel's Fee and Expense Application.

**16. What is the difference between objecting and seeking exclusion?**

44. Objecting is telling the Court that you do not like something about the proposed Settlement, Plan of Allocation, or Lead Counsel's Fee and Expense Application. You can still recover money from the Settlement. You can object *only* if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Class. If you exclude yourself, you have no basis to object because the Settlement and the Action no longer affect you.

**THE SETTLEMENT HEARING**

**17. When and where will the Court decide whether to approve the proposed Settlement?**

45. The Court will hold the Settlement Hearing on **August 23, 2024 at 11:00 a.m.**, in Courtroom 1306 of the Thurgood Marshall United States Courthouse, 40 Foley Square, New York,

NY 10007, or remotely using directions that will be posted in advance on the Settlement website, at the Court's discretion.

46. At this hearing, the Court will consider whether: (i) the Settlement is fair, reasonable, adequate, and should be approved and (ii) the application of Lead Counsel for an award of attorneys' fees and payment of Litigation Expenses is reasonable and should be approved. The Court will take into consideration any written objections filed in accordance with the instructions in Question 15 above. We do not know how long it will take the Court to make these decisions.

47. You should be aware that the Court may change the date and time of the Settlement Hearing without another notice being sent to Class Members. If you want to attend the hearing, you should check with Lead Counsel or visit the settlement website, [www.TaroSecuritiesLitigation.com](http://www.TaroSecuritiesLitigation.com), beforehand to be sure that the hearing date and/or time has not changed.

#### **18. Do I have to come to the Settlement Hearing?**

48. No. You can participate in the Settlement without attending the Settlement Hearing. Lead Counsel will answer any questions the Court may have. But, you are welcome to attend at your own expense. If you submit a valid and timely objection, the Court will consider it and you do not have to come to Court to discuss it. You may have your own lawyer attend (at your own expense), but it is not required. If you do hire your own lawyer, he or she must file and serve a Notice of Appearance in the manner described in the answer to Question 19 below **no later than August 2, 2024**.

#### **19. May I speak at the Settlement Hearing?**

49. If you are a member of the Class, you may ask the Court for permission to speak at the Settlement Hearing. To do so, you must, **no later than August 2, 2024**, submit a statement to the Court, Lead Counsel, and Defendants' Counsel that you, or your attorney, intend to appear in "*Speakes v. Taro Pharm. Indus., Ltd.*, Case No. 16-cv-08318-ALC-OTW (S.D.N.Y.)." Persons who intend to present evidence at the Settlement Hearing must also include in their objections

(prepared and submitted in accordance with the answer to Question 15 above) the identities of any witnesses they may wish to call to testify and any exhibits they intend to introduce into evidence at the Settlement Hearing. You may not speak at the Settlement Hearing if you exclude yourself from the Class or if you have not provided written notice of your intention to speak in accordance with the procedures described in this Question 19 and Question 15 above.

### **IF YOU DO NOTHING**

#### **20. What happens if I do nothing at all?**

50. If you do nothing and you are a member of the Class, you will receive no money from this Settlement, and you will be precluded from starting a lawsuit, continuing with a lawsuit, or being part of any other lawsuit against Defendants and the other Released Defendant Parties concerning the Released Claims. To share in the Net Settlement Fund, you must submit a Claim Form (*see* Question 8 above). To start, continue, or be a part of any other lawsuit against Defendants and the other Released Defendant Parties concerning the Released Claims, you must exclude yourself from the Class (*see* Question 11 above).

### **GETTING MORE INFORMATION**

#### **21. Are there more details about the Settlement?**

51. This Notice contains only a summary of the proposed Settlement. More details are contained in the Stipulation. For more information about the matters involved in this case, you may review the papers on file with the Court. You may review the Stipulation and other documents filed with the Court during business hours at the Office of the Clerk of the Court, United States District Court for the Southern District of New York, Thurgood Marshall United States Courthouse, 40 Foley Square, New York, NY 10007 (Please check the Court's website, [www.nysd.uscourts.gov](http://www.nysd.uscourts.gov) for information about Court closures before visiting). Subscribers to

PACER, a fee-based service, can also view the papers filed publicly in the Action through the Court's on-line Case Management/Electronic Case Files System at <https://www.pacer.gov>.

52. You can also get a copy of the Stipulation, and other documents related to the Settlement, as well as additional information about the Settlement by visiting the website dedicated to the Settlement, [www.TaroSecuritiesLitigation.com](http://www.TaroSecuritiesLitigation.com), or the website of Lead Counsel, [www.bernlieb.com](http://www.bernlieb.com). You may also call the Claims Administrator toll free at (855) 208-4121 or write to the Claims Administrator at *Taro Pharmaceutical Industries Ltd. Securities Litigation*, c/o JND Legal Administration, P.O. Box 91388, Seattle WA, 98111. **Please do not call the Court with questions about the Settlement.**

#### **PLAN OF ALLOCATION OF THE NET SETTLEMENT FUND**

##### **22. How will my claim be calculated?**

53. The Plan of Allocation (the "Plan of Allocation" or "Plan") set forth below is the plan for the distribution of the Settlement proceeds created by Lead Plaintiff's economic expert. The Court may modify this Plan of Allocation without additional notice to the Class. Any order modifying the Plan of Allocation will be posted on the Settlement website at: [www.TaroSecuritiesLitigation.com](http://www.TaroSecuritiesLitigation.com) and at [www.bernlieb.com](http://www.bernlieb.com).

54. The Settlement Amount and the interest it earns is the "Settlement Fund." The Settlement Fund, after deduction of Court-approved attorneys' fees and expenses, Notice and Administration Expenses, Taxes, and any other fees or expenses approved by the Court is the "Net Settlement Fund." The Net Settlement Fund will be distributed to members of the Class who timely submit valid Claim Forms that show a Recognized Claim according to the Plan of Allocation.

55. The Claims Administrator shall determine each Authorized Claimant's *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant's "Recognized Claim." The Recognized Claim formula is not intended to be an estimate of the amount a Class Member

might have been able to recover after a trial; nor is it an estimate of the amount that will be paid to Authorized Claimants pursuant to the Settlement. The Recognized Claim formula is the basis upon which the Net Settlement Fund will be proportionately allocated to the Authorized Claimants.

56. The objective of this Plan of Allocation is to equitably distribute the Net Settlement Fund among Authorized Claimants who suffered economic losses as a result of the alleged violations of the federal securities laws during the Class Period (July 2, 2014 through November 3, 2016). To design this Plan, Lead Counsel conferred with their damages expert. The Plan of Allocation, however, is not a formal damages analysis.

57. The Plan of Allocation generally measures the amount of loss that a Class Member can claim for purposes of making *pro rata* allocations of the Net Settlement Fund to Authorized Claimants. For losses to be compensable damages under the federal securities laws, the disclosure of the allegedly misrepresented information must be the cause of the decline in the price of the securities at issue. In this case, Lead Plaintiff alleges that Defendants issued false statements and omitted material facts during the Class Period which allegedly artificially inflated the price of Taro common stock. It is alleged that corrective information released to the market on September 9, 2016 after the market closed and during afternoon trading on November 3, 2016 resulting in statistically significant stock-price declines and removed alleged artificial inflation from Taro's common stock price. Accordingly, in order to have a compensable loss in this Settlement, shares of Taro common stock must have been purchased on the open market, on a U.S. exchange, during the Class Period and held through one or both of the alleged corrective disclosures.

#### **CALCULATION OF RECOGNIZED LOSS AMOUNTS**

58. For purposes of determining whether a Claimant has a Recognized Claim, purchases and sales of Taro common stock will first be matched on a First In/First Out ("FIFO") basis.

59. A “Recognized Loss Amount” will be calculated as set forth for each purchase of Taro common stock during the Class Period from July 2, 2014 through and including November 3, 2016 that is listed in the Claim Form and for which adequate documentation is provided. To the extent that the calculation of a Claimant’s Recognized Loss Amount results in a negative number, that number shall be set to zero. The sum of a Claimant’s Recognized Loss Amounts will be the Claimant’s “Recognized Claim.”

60. For each share of Taro common stock purchased during the Class Period and sold before the close of trading on February 1, 2017, an “Out of Pocket Loss” will be calculated. Out of Pocket Loss is defined as the purchase price (excluding all fees, taxes, and commissions) minus the sale price (excluding all fees, taxes, and commissions). To the extent that the calculation of the Out of Pocket Loss results in a negative number, that number shall be set to zero.

61. **For each share of Taro common stock purchased on the open market on a United States stock exchange from July 2, 2014, through and including September 9, 2016, and:**

- A. Sold on or before September 9, 2016, the Recognized Loss Amount for each such share shall be zero.
- B. Sold during the period from September 10, 2016, through and including November 2, 2016, the Recognized Loss Amount for each such share shall be *the lesser of*:
  - i. \$7.30; or
  - ii. the Out of Pocket Loss.
- C. Sold during the period from November 3, 2016, through and including February 1, 2017, the Recognized Loss Amount for each such share shall be *the least of*:
  - i. \$10.98; or
  - ii. the actual purchase price of each such share minus the average closing price from November 4, 2016, up to the date of sale as set forth in **Table 1** below; or

iii. the Out of Pocket Loss.<sup>2</sup>

D. Held as of the close of trading on February 1, 2017, the Recognized Loss Amount for each such share shall be *the lesser of*:

i. \$10.98; or

ii. the actual purchase price of each such share minus \$104.45.<sup>3</sup>

62. **For each share of Taro common stock purchased on the open market on a United States stock exchange from September 10, 2016, through and including November 3, 2016, and:**

A. Sold on or before November 2, 2016, the Recognized Loss Amount for each such share shall be zero.

B. Sold during the period from November 3, 2016, through and including February 1, 2017, the Recognized Loss Amount for each such share shall be *the least of*:

i. \$3.68; or

ii. the actual purchase price of each such share minus the average closing price from November 4, 2016, up to the date of sale as set forth in **Table 1** below; or

iii. the Out of Pocket Loss.<sup>4</sup>

C. Held as of the close of trading on February 1, 2017, the Recognized Loss Amount for each such share shall be *the lesser of*:

i. \$3.68; or

ii. the actual purchase price of each such share minus \$104.45.

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<sup>2</sup> For shares of Taro common stock sold on November 3, 2016 at a price that is greater than \$99.50, the Recognized Loss Amount will equal the lesser of: i) \$7.30; or ii) the Out of Pocket Loss. For shares of Taro common stock sold on November 3, 2016 at a price that is less than \$99.50, the Recognized Loss Amount will equal the lesser of: i) \$10.98; or ii) the Out of Pocket Loss.

<sup>3</sup> Pursuant to Section 21D(e)(1) of the Exchange Act, “in any private action arising under this title in which the plaintiff seeks to establish damages by reference to the market price of a security, the award of damages to the plaintiff shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the subject security and the mean trading price of that security during the 90-day period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated to the market.” Consistent with these requirements, Recognized Loss Amounts are reduced to an appropriate extent by taking into account the closing prices of Taro common stock during the “90-day look-back period,” November 4, 2016, through February 1, 2017. The mean (average) closing price for Taro common stock during this 90-day look-back period was \$104.45.

<sup>4</sup> For shares of Taro common stock sold on November 3, 2016 at a price that is greater than \$99.50, the Recognized Loss Amount will equal zero.



**TABLE 1****Taro Common Stock Closing Price and Average Closing Price  
November 4, 2016 – February 1, 2017**

<b>Date</b>	<b>Closing Price</b>	<b>Average Closing Price Between November 4, 2016 and Date Shown</b>		<b>Date</b>	<b>Closing Price</b>	<b>Average Closing Price Between November 4, 2016 and Date Shown</b>
11/4/2016	\$96.68	\$96.68		12/19/2016	\$105.88	\$104.34
11/7/2016	\$97.81	\$97.25		12/20/2016	\$105.78	\$104.38
11/8/2016	\$98.34	\$97.61		12/21/2016	\$105.62	\$104.42
11/9/2016	\$110.81	\$100.91		12/22/2016	\$105.28	\$104.45
11/10/2016	\$108.53	\$102.43		12/23/2016	\$107.31	\$104.53
11/11/2016	\$105.34	\$102.92		12/27/2016	\$106.64	\$104.59
11/14/2016	\$107.57	\$103.58		12/28/2016	\$105.21	\$104.60
11/15/2016	\$103.95	\$103.63		12/29/2016	\$104.70	\$104.61
11/16/2016	\$101.59	\$103.40		12/30/2016	\$105.27	\$104.62
11/17/2016	\$104.13	\$103.48		1/3/2017	\$107.66	\$104.70
11/18/2016	\$102.57	\$103.39		1/4/2017	\$108.21	\$104.79
11/21/2016	\$102.22	\$103.30		1/5/2017	\$107.98	\$104.86
11/22/2016	\$100.50	\$103.08		1/6/2017	\$107.34	\$104.92
11/23/2016	\$103.82	\$103.13		1/9/2017	\$107.00	\$104.97
11/25/2016	\$107.50	\$103.42		1/10/2017	\$107.22	\$105.02
11/28/2016	\$105.98	\$103.58		1/11/2017	\$104.43	\$105.00
11/29/2016	\$105.44	\$103.69		1/12/2017	\$105.28	\$105.01
11/30/2016	\$102.16	\$103.61		1/13/2017	\$104.85	\$105.01
12/1/2016	\$100.31	\$103.43		1/17/2017	\$104.92	\$105.00
12/2/2016	\$103.78	\$103.45		1/18/2017	\$104.46	\$104.99
12/5/2016	\$105.12	\$103.53		1/19/2017	\$101.34	\$104.92
12/6/2016	\$105.46	\$103.62		1/20/2017	\$100.00	\$104.83
12/7/2016	\$104.95	\$103.68		1/23/2017	\$100.99	\$104.75
12/8/2016	\$105.66	\$103.76		1/24/2017	\$100.01	\$104.67
12/9/2016	\$106.49	\$103.87		1/25/2017	\$102.13	\$104.62
12/12/2016	\$106.34	\$103.96		1/26/2017	\$100.66	\$104.55
12/13/2016	\$107.37	\$104.09		1/27/2017	\$102.45	\$104.51
12/14/2016	\$107.55	\$104.21		1/30/2017	\$100.75	\$104.45
12/15/2016	\$105.18	\$104.25		1/31/2017	\$104.49	\$104.45
12/16/2016	\$105.49	\$104.29		2/1/2017	\$104.25	\$104.45

### **ADDITIONAL PROVISIONS**

63. If a Class Member has more than one purchase or sale of Taro common stock during the Class Period, all purchases and sales shall be matched on a FIFO basis. Class Period sales will be matched first against any holdings at the beginning of the Class Period and then against purchases in chronological order, beginning with the earliest purchase made during the Class Period.

64. Purchases and sales of Taro common stock shall be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” or “sale” date. The receipt or grant by gift, inheritance or operation of law of Taro common stock during the Class Period shall not be deemed a purchase or sale of these shares of Taro common stock for the calculation of an Authorized Claimant’s Recognized Claim, nor shall the receipt or grant be deemed an assignment of any claim relating to the purchase of such shares of such Taro common stock unless (i) the donor or decedent purchased such shares of Taro common stock during the Class Period; (ii) no Claim Form was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to such shares of Taro common stock; and (iii) it is specifically so provided in the instrument of gift or assignment.

65. In accordance with the Plan of Allocation, the Recognized Loss Amount on any portion of a purchase that matches against (or “covers”) a “short sale” is zero. The Recognized Loss Amount on a “short sale” that is not covered by a purchase is also zero.

66. In the event that a Claimant has an opening short position in Taro common stock at the start of the Class Period, the earliest Class Period purchases shall be matched against such opening short position in accordance with the FIFO matching described above and any portion of such purchases that covers such short sales will not be entitled to recovery. In the event that a claimant newly establishes a short position during the Class Period, the earliest subsequent Class

Period purchase shall be matched against such short position on a FIFO basis and will not be entitled to a recovery.

67. Taro common stock purchased on the open market on a United States stock exchange is the only security eligible for recovery under the Plan of Allocation.

68. An Authorized Claimant's Recognized Claim shall be the amount used to calculate the Authorized Claimant's *pro rata* share of the Net Settlement Fund. If the sum total of Recognized Claims of all Authorized Claimants who are entitled to receive payment out of the Net Settlement Fund is greater than the Net Settlement Fund, each Authorized Claimant shall receive his, her, or its *pro rata* share of the Net Settlement Fund. The *pro rata* share shall be the Authorized Claimant's Recognized Claim divided by the total of Recognized Claims of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund. If the Net Settlement Fund exceeds the sum total amount of the Recognized Claims of all Authorized Claimants entitled to receive payment out of the Net Settlement Fund, the excess amount in the Net Settlement Fund shall be distributed *pro rata* to all Authorized Claimants entitled to receive payment.

69. The Net Settlement Fund will be allocated among all Authorized Claimants whose prorated payment is \$10.00 or greater. If the prorated payment to any Authorized Claimant calculates to less than \$10.00, it will not be included in the calculation and no distribution will be made to that Authorized Claimant.

70. Class Members who do not submit acceptable Claim Forms will not share in the distribution of the Net Settlement Fund, however, they will nevertheless be bound by the Settlement and the Order and Final Judgment of the Court dismissing this Action unless they have timely and validly sought exclusion.

71. Distributions will be made to Authorized Claimants after all claims have been processed and after the Court has finally approved the Settlement. If there is any balance remaining

in the Net Settlement Fund (whether by reason of tax refunds, uncashed checks or otherwise) after a reasonable amount of time from the date of initial distribution of the Net Settlement Fund, and after payment of outstanding Notice and Administration Expenses, Taxes, attorneys' fees and expenses, and any awards to Lead Plaintiff, the Claims Administrator shall, if economically feasible, reallocate (which reallocation may occur on multiple occasions) such balance among Authorized Claimants who have cashed their checks in an equitable and economic fashion. Thereafter, any *de minimis* balance that still remains in the Net Settlement Fund after re-distribution(s) and after payment of outstanding Notice and Administration Expenses, Taxes, and attorneys' fees and expenses and any awards to Lead Plaintiff, shall be donated to the Consumer Federation of America, or a non-profit and non-sectarian organization(s).

72. Payment pursuant to the Plan of Allocation or such other plan as may be approved by the Court shall be conclusive against all Authorized Claimants. No person shall have any claim against Lead Plaintiff, Lead Counsel, their damages expert, Claims Administrator, or other agent designated by Lead Counsel, arising from determinations or distributions to Claimants made substantially in accordance with the Stipulation, the Plan of Allocation, or further orders of the Court.

73. Lead Plaintiff, Defendants, their respective counsel, and all other Released Parties shall have no responsibility for or liability whatsoever for the investment or distribution of the Settlement Fund, the Net Settlement Fund, the Plan of Allocation or the determination, administration, calculation, or payment of any Claim Form or non-performance of the Claims Administrator, the payment or withholding of taxes owed by the Settlement Fund or any losses incurred in connection therewith.

#### **SPECIAL NOTICE TO SECURITIES BROKERS AND NOMINEES**

74. If you purchased Taro common stock on the open market on a United States stock exchange during the Class Period for the beneficial interest of a person or entity other than

yourself, the Court has directed that **WITHIN TEN (10) CALENDAR DAYS OF YOUR RECEIPT OF THIS NOTICE, YOU MUST EITHER:** (a) provide to the Claims Administrator the name and last known address of each person or entity for whom or which you purchased Taro common stock on the open market on a United States stock exchange during the Class Period; or (b) request additional copies of this Notice and the Claim Form from the Claims Administrator, which will be provided to you free of charge, and **WITHIN TEN (10) CALENDAR DAYS** of receipt, mail the Notice and Claim Form directly to all such beneficial owners of those securities. Nominees shall also provide email addresses for all such beneficial owners to the Claims Administrator, to the extent they are available. If you choose to follow procedure (b), the Court has also directed that, upon making that mailing, **YOU MUST SEND A STATEMENT** to the Claims Administrator confirming that the mailing was made as directed and keep a record of the names and mailing addresses used. You are entitled to reimbursement from the Settlement Fund of your reasonable out-of-pocket expenses actually incurred in connection with the foregoing, including reimbursement of postage expense and the cost of ascertaining the names and addresses of beneficial owners. Those expenses will be paid upon request and submission of appropriate supporting documentation and timely compliance with the above directives. All communications concerning the foregoing should be addressed to the Claims Administrator:

*Taro Pharmaceutical Industries Ltd. Securities Litigation*  
c/o JND Legal Administration  
P.O. Box 91388  
Seattle, WA 98111

Dated: May 30, 2024

BY ORDER OF THE UNITED STATES  
DISTRICT COURT FOR THE SOUTHERN  
DISTRICT OF NEW YORK