

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CASE NO. 16-cv-25298-KMM

**SECURITIES AND EXCHANGE
COMMISSION,**

Plaintiff,

v.

**TEVA PHARMACEUTICAL
INDUSTRIES LTD.,**

Defendant.

**CONSENT OF DEFENDANT TEVA
PHARMACEUTICAL INDUSTRIES LTD.**

1. Defendant TEVA PHARMACEUTICAL INDUSTRIES LTD. (“Defendant”) waives service of a summons and the complaint in this action, enters a general appearance, and admits the Court’s jurisdiction over Defendant and over the subject matter of this action.

2. Defendant will enter into a Deferred-Prosecution Agreement that acknowledges responsibility for criminal conduct relating to certain matters alleged in the complaint in this action. Specifically, in *United States v. Teva Pharmaceutical Industries Ltd.*, Case No. 16-cr-20968-MORENO/O’SULLIVAN Defendant will acknowledge responsibility for conspiring to violate the anti-bribery provisions of the Foreign Corrupt Practices Act of 1977 (“FCPA”), as amended, Title 15, United States Code, Sections 78dd-1 and for violating the Internal Accounting Controls of the FCPA, Title 15, United States Code, Sections 78m(b)(2)(B), 78m(b)(5), and 78ff(a). In addition, in *United States v. Teva LLC*, Case No. 16-cr-20967-WILLIAMS/SIMONTON, Defendant’s subsidiary, Teva LLC,

a/k/a Teva Russia, will plead guilty to one count of conspiracy to violate the anti-bribery provisions of the FCPA, as amended, Title 15, United States Code, Sections 78dd-1. This Consent shall remain in full force and effect regardless of the existence or outcome of any further proceedings in *United States v. Teva Pharmaceutical Industries Ltd.*

3. Defendant acknowledges that the Securities and Exchange Commission did not impose a civil penalty due to Defendant's cooperation and the criminal fine to be paid to the U.S. Department of Justice, Fraud Section in *United States v. Teva Pharmaceutical Industries Ltd.*

4. Defendant hereby consents to the entry of the Final Judgment in the form attached hereto as Exhibit A (the "Final Judgment") and incorporated by reference herein, which, among other things:

- (a) permanently restrains and enjoins Defendant from violation of Sections 30A, 13(b)(2)(A), and 13(b)(2)(B) of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. §§ 78dd-1, 78m(b)(2)(A), and 78m(b)(2)(B)];
- (b) orders Defendant to pay disgorgement in the amount of \$214,596,170, representing profits gained as a result of the conduct alleged in the Complaint, plus prejudgment interest thereon in the amount of \$21,505,654, for a total payment of \$236,101,824 to the Securities and Exchange Commission ("Commission"), as directed in the Final Judgment. Defendant shall pay the disgorgement and prejudgment interest to the Securities and Exchange Commission within sixty (60) days after entry of the final judgment;

- (c) orders Defendant to retain an independent compliance monitor with demonstrated expertise in helping companies comply with the FCPA and not unacceptable to the staff of the Securities and Exchange Commission (the “Commission”) within sixty (60) calendar days of the entry of the Final Judgment for a period of three (3) years pursuant to Paragraphs 5 through 37 of this Consent.

Retention of Monitor and Term of Engagement

5. Defendant shall engage an independent compliance monitor (the “Monitor”) not unacceptable to the staff of the Commission within sixty (60) calendar days of the entry of the Final Judgment. The Monitor shall have, at a minimum, the following qualifications: (i) demonstrated expertise with respect to the FCPA and other applicable anti-corruption laws, including experience counseling on FCPA issues; (ii) experience designing or reviewing corporate compliance policies, procedures, and internal accounting controls, including FCPA and anti-corruption policies and procedures; (iii) the ability to access and deploy resources as necessary to discharge the Monitor’s duties as described in the Consent; and (iv) sufficient independence from Defendant to ensure effective and impartial performance of the Monitor’s duties as described in the Consent. The Commission staff may extend Defendant’s time period to retain the Monitor, in its sole discretion. If the Monitor resigns or is otherwise unable to fulfill the obligations described in the Consent, Defendant shall within forty-five (45) days retain a successor Monitor that has the same minimum qualifications as the original monitor and that is not unacceptable to the Commission staff.

6. Defendant shall retain the Monitor for a period of not less than thirty-six (36) months, unless the Commission staff finds, in its sole discretion, that there exists a change in

circumstances sufficient to eliminate the need for the Monitor, in which case the Monitorship may be terminated early (the “Term of the Monitorship”). The term of the Monitorship can be extended as set forth in Paragraph 30, below. Defendant shall provide the Commission staff with a copy of the agreement detailing the scope of the Monitor’s responsibilities within thirty (30) days after the Monitor is engaged.

7. During the Term of the Monitorship and for a period of one year from the conclusion of the Monitorship, neither the Defendant nor any of its then-current or former affiliates, subsidiaries, directors, officers, employees, or agents acting in their capacity as such shall enter into, or discuss the possibility of, any employment, consultant, attorney-client, auditing, or other professional relationship with the Monitor.

Defendant’s Obligations

8. Defendant shall cooperate fully with the Monitor and provide the Monitor with access to all non-privileged information, documents, books, records, facilities, and personnel as reasonably requested by the Monitor; such access shall be provided consistent with Defendant’s and the Monitor’s obligations under applicable local laws and regulations, including but not limited to, applicable data privacy and national security laws and regulations. Defendant shall use its best efforts, to the extent reasonably requested, to provide the Monitor with access to Defendant’s former employees, third party vendors, agents, and consultants. Defendant does not intend to waive the protection of the attorney work product doctrine, attorney-client privilege, or any other privilege applicable as to third parties.

9. The parties agree that no attorney-client relationship shall be formed between the Defendant and the Monitor. In the event that Defendant seeks to withhold from the Monitor access to information, documents, books, records, facilities, current or former personnel of the

Defendant, its third-party vendors, agents, or consultants that may be subject to a claim of attorney-client privilege or to the attorney work-product doctrine, or where Defendant reasonably believes production would otherwise be inconsistent with the applicable law, Defendant shall work cooperatively with the Monitor to resolve the matter to the satisfaction of the Monitor. If, during the Term of the Monitorship, the Monitor believes that Defendant is unreasonably withholding access on the basis of a claim of attorney-client privilege, attorney work-product doctrine, or other asserted applicable law, the Monitor shall notify the Commission staff.

10. Any disclosure by Defendant to the Monitor concerning potential corrupt payments, false books and records, or internal accounting control issues shall not relieve Defendant of any otherwise applicable obligation to truthfully disclose such matters to the Commission staff. During the Term of the Monitorship, should Defendant learn of credible evidence or allegations of corrupt payments, or related false books, records, or accounts, or the related failure to implement adequate internal accounting controls, Defendant shall promptly report such evidence or allegations to the Commission staff.

Monitor's Mandate

11. The Monitor shall review and evaluate the effectiveness of the Defendant's policies, procedures, practices, internal accounting controls, recordkeeping, and financial reporting (collectively, "Policies and Procedures") as they relate to Defendant's current and ongoing compliance with the anti-bribery, books and records, and internal accounting controls provisions of the FCPA and other applicable anti-corruption laws (collectively, "Anti-corruption Laws"), and make recommendations reasonably designed to improve the effectiveness of Defendant's internal accounting controls and FCPA corporate compliance program (the "Mandate"). This Mandate shall include an assessment of the Board of Directors' and senior

management's commitment to, and effective implementation of, the FCPA corporate compliance program. In carrying out the Mandate, to the extent appropriate under the circumstances, the Monitor may coordinate with Defendant personnel, including in-house counsel, compliance personnel, and internal auditors. To the extent the Monitor deems appropriate, it may rely on Defendant's processes, and on sampling and testing methodologies. The Monitor is not expected to conduct a comprehensive review of all business lines, all business activities, and all markets. Any disputes between Defendant and the Monitor with respect to the Work Plan shall be decided by the Commission staff in its sole discretion.

12. During the term of the Monitorship, the Monitor shall conduct three reviews (First Review, Second Review, and Third Review), issue a report following each review (First Review Report, Second Review Report, and Third Review Report), and issue a Final Certification Report, as described below. The Monitor's Work Plan for the First Review shall include such steps as are reasonably necessary to conduct an effective First Review. It is not intended that the Monitor will conduct its own inquiry into historical events. In developing each Work Plan and in carrying out the reviews pursuant to such plans, the Monitor is encouraged to coordinate with Defendant's personnel, including auditors and compliance personnel.

First Review and Report

13. The Monitor shall commence the First Review no later than one hundred twenty (120) calendar days from the date of the engagement of the Monitor (unless otherwise agreed by Defendant, the Monitor, and the Commission staff). Promptly upon being retained, the Monitor shall prepare a written Work Plan, which shall be submitted to Defendant and the Commission staff for comment no later than sixty (60) days after being retained.

14. In order to conduct an effective First Review and to understand fully any existing deficiencies in Defendant's internal accounting controls and FCPA corporate compliance program, the Monitor's Work Plan shall include such steps as are reasonably necessary to understand Defendant's business and its global anti-corruption risks. The steps shall include:

- (a) inspection of relevant documents, including the internal accounting controls, recordkeeping, and financial reporting policies and procedures as they relate to Defendant's compliance with the books and records, internal accounting controls, and anti-bribery provisions of the FCPA and other applicable anti-corruption laws;
- (b) onsite observation of selected systems and procedures comprising Defendant's FCPA corporate compliance program, including anti-corruption compliance procedures, internal accounting controls, recordkeeping, due diligence, and internal audit procedures, including at sample sites;
- (c) meetings with, and interviews of, as relevant, Defendant employees, officers, directors, and, where appropriate and feasible, its third-party vendors, agents, or consultants and other persons at mutually convenient times and places; and
- (d) risk-based analyses, studies, and testing of Defendant's FCPA corporate compliance program.

15. The Monitor may take steps as reasonably necessary to develop an understanding of the facts and circumstances surrounding prior FCPA violations that gave rise to this action

or violations of other applicable anti-corruption laws, but shall not conduct his or her own inquiry into those historical events.

16. After receiving the First Review Work Plan, Defendant and Commission staff shall provide any comments concerning the First Review Work Plan within thirty (30) days to the Monitor. Any disputes between Defendant and the Monitor with respect to the First Review Work Plan shall be decided by the Commission staff in its sole discretion. Following comments by Defendant and Commission staff, the Monitor will have fifteen (15) days to submit a Final First Review Work Plan.

17. The First Review shall commence no later than one hundred twenty (120) days from the date of the engagement of the Monitor (unless otherwise agreed by Defendant, the Monitor, and the Commission staff). The Monitor shall issue a written report within one hundred eighty (180) days of commencing the First Review, setting forth the Monitor's assessment and, if necessary, making recommendations reasonably designed to improve the effectiveness of Defendant's internal accounting controls and FCPA corporate compliance program as they relate to Defendant's compliance with the FCPA and other applicable anti-corruption laws. The Monitor should consult with Defendant concerning his or her findings and recommendations on an ongoing basis and should consider Defendant's comments and input to the extent the Monitor deems appropriate. The Monitor may also choose to share a draft of his or her report with Defendant and Commission staff prior to finalizing it. The Monitor shall provide the report to the Board of Directors of Defendant and contemporaneously transmit a copy to Commission staff.

18. Within one hundred eighty (180) days after receiving the Monitor's First Review Report, Defendant shall adopt and implement all recommendations in the report, provided,

however, that as to any recommendation that Defendant considers unduly burdensome, impractical, costly, or inconsistent with applicable law or regulation, Defendant need not adopt that recommendation at that time, but may submit in writing to the Monitor and the Commission staff within thirty (30) days of receiving the report, an alternative policy, procedure, or system designed to achieve the same objective or purpose.

19. In the event Defendant and the Monitor are unable to agree on an acceptable alternative proposal, Defendant shall promptly consult with the Commission staff. Any disputes between Defendant and the Monitor with respect to the recommendations shall be decided by the Commission staff in its sole discretion. The Commission staff shall consider the Monitor's recommendation and Defendant's reasons for not adopting the recommendation in determining whether Defendant has fully complied with its obligations. Pending such determination, Defendant shall not be required to implement any contested recommendation(s).

20. With respect to any recommendation that the Monitor determines cannot reasonably be implemented within one hundred and eighty (180) days after receiving the report, the Monitor may extend the time period for implementation with prior written approval of the Commission staff.

Second Review

21. Within one hundred twenty (120) days after the issuance of the First Review Report, the Monitor shall submit a written Work Plan for the Second Review to Defendant and Commission staff. Defendant and Commission staff shall provide any comments concerning the Work Plan within thirty (30) days in writing to the Monitor. Any disputes between Defendant and the Monitor with respect to the written Work Plan shall be decided by the Commission staff

in its sole discretion. Following comments by Defendant and Commission staff, the Monitor will have fifteen (15) days to submit a Final Second Review Work Plan.

22. The Second Review shall commence no later than one hundred eighty (180) days after the issuance of the First Review Report (unless otherwise agreed by Defendant, the Monitor, and the Commission staff). The Monitor shall issue a written Second Review Report within one hundred twenty (120) days of commencing the Second Review. The Second Review Report shall set forth the Monitor's assessment of, and any additional recommendations regarding, Defendant's internal accounting controls and FCPA corporate compliance program as they relate to Defendant's compliance with the FCPA and other applicable anti-corruption laws; the Monitor's assessment of the implementation by Defendant of any recommendations made in the First Review Report; and the Monitor's assessment of the commitment of Defendant's Board of Directors and senior management to compliance with anti-corruption laws.

23. Within one hundred twenty (120) days after receiving the Monitor's Second Review Report, Defendant shall adopt and implement all recommendations in the report, provided, however, that as to any recommendation that Defendant considers unduly burdensome, impractical, costly, or inconsistent with applicable law or regulation, Defendant need not adopt that recommendation at that time, but may submit in writing to the Monitor and the Commission staff within thirty (30) days of receiving the report, an alternative policy, procedure, or system designed to achieve the same objective or purpose.

24. In the event Defendant and the Monitor are unable to agree on an acceptable alternative proposal within thirty (30) days, Defendant shall promptly consult with the Commission staff. Any disputes between Defendant and the Monitor with respect to the recommendations shall be decided by the Commission staff in its sole discretion. The

Commission staff shall consider the Monitor's recommendation and Defendant's reasons for not adopting the recommendation in determining whether Defendant has fully complied with its obligations. Pending such determination, Defendant shall not be required to implement any contested recommendation(s).

Third Review

25. The Monitor shall commence a Third Review no later than one hundred twenty (120) days after the issuance of the Second Review Report (unless otherwise agreed by Defendant, the Monitor, and the Commission staff). The monitor shall issue a written Third Review Report within ninety (90) days of commencing the Third Review, setting forth the Monitor's assessment and, if necessary, making recommendations in the same fashion as with the prior reviews.

26. Within ninety (90) days after receiving the Monitor's Third Review Report, Defendant shall adopt and implement all recommendations in the report, provided, however, that as to any recommendation that Defendant considers unduly burdensome, impractical, costly, or inconsistent with applicable law or regulation, Defendant need not adopt that recommendation at that time, but may submit in writing to the Monitor and the Commission staff within thirty (30) days of receiving the report, an alternative policy, procedure, or system designed to achieve the same objective or purpose.

27. In the event Defendant and the Monitor are unable to agree on an acceptable alternative proposal within thirty (30) days, Defendant shall promptly consult with the Commission staff. Any disputes between Defendant and the Monitor with respect to the recommendations shall be decided by the Commission staff in its sole discretion. The Commission staff shall consider the Monitor's recommendation and Defendant's reasons for not

adopting the recommendation in determining whether Defendant has fully complied with its obligations. Pending such determination, Defendant shall not be required to implement any contested recommendation(s).

Certification

28. No later than seventy-five (75) days before the end of the Term of the Monitorship, the Monitor shall certify whether the Defendant's compliance program, including its policies and procedures, is reasonably designed and implemented to prevent and detect violations of the FCPA and is functioning effectively. Such certification shall be supported by a written Final Certification Report that certifies Defendant's compliance with its obligations under the Final Judgment, and which shall set forth an assessment of the sustainability of the Defendant's remediation efforts and may also recommend areas for further follow-up by Defendant.

29. The monitor shall orally notify the Commission staff at least fourteen (14) days prior to the issuance of the Final Certification Report whether he or she expects to be able to certify as provided herein. In the event the Monitor is unable to certify within the three year term of the monitor period, the following extension provisions shall be in effect.

Extension of Monitor Period

30. If, as informed by the Monitor's inability to certify that the Defendant's compliance program, including its policies and procedures, is reasonably designed and implemented to prevent and detect violations of the FCPA and is functioning effectively, the Commission staff concludes that Defendant has not successfully satisfied its obligations under the Monitorship, the Monitor Period shall be extended for a reasonable time.

31. Under such circumstances, the Monitor shall commence a Fourth Review no later than sixty (60) days after the Commission staff concludes that Defendant has not successfully

satisfied its compliance obligations under the Final Judgment (unless otherwise agreed by Defendant, the Monitor, and the Commission staff). The Monitor shall issue a written Fourth Review Report within ninety (90) days of commencing the Fourth Review in the same fashion as set forth in Paragraph 17 with respect to the First Review and in accordance with the procedures for follow-up reports set forth in Paragraphs 21 to 25. A determination to terminate the Monitorship shall then be made in accordance with Paragraph 28.

32. If, after completing the Fourth Review the Monitor is unable to certify, the Monitorship shall be extended, and the Monitor shall commence a Fifth Review (unless otherwise agreed by Defendant, the Monitor, and the Commission staff). The Monitor shall issue a written Fifth Review Report within ninety (90) days of commencing the Fifth Review in the same fashion as set forth in Paragraph 17 with respect to the First Review and in accordance with the procedures for follow-up reports set forth in Paragraphs 21 to 25. These reviews shall continue until the Monitor is able to certify, or unless as otherwise agreed by Defendant and Commission staff.

Monitor's Discovery of Potential or Actual Misconduct

33. Throughout the Term of the Monitorship, the Monitor shall disclose to the Commission staff any credible evidence that corrupt or otherwise suspicious transactions occurred, or payments or things of value were offered, promised, made, or authorized by any entity or person within Defendant, or any entity or person working directly or indirectly for or on behalf of Defendant, or that related false books and records may have been maintained by or on behalf of Defendant or that relevant internal accounting controls were circumvented or were not reasonably designed or implemented. The Monitor shall contemporaneously notify Defendant's

General Counsel, Chief Compliance Officer, or Audit Committee for further action unless at the Monitor's discretion he or she believes disclosure to Defendant would be inappropriate under the circumstances. The Monitor shall address in his or her reports the appropriateness of Defendant's response to all improper activities, whether previously disclosed to the Commission staff or not.

Certification of Completion

34. No later than sixty (60) days from date of the completion of the undertakings with respect to the Monitorship, Defendant shall certify, in writing, compliance with the undertakings set forth above. The certification shall identify the undertakings, provide written evidence of compliance in the form of a narrative, and be supported by exhibits sufficient to demonstrate compliance. The Commission staff may make reasonable requests for further evidence of compliance, and Defendant agrees to provide such evidence.

Extensions of Time

35. Upon request by the Monitor or Defendant, the Commission staff may extend any procedural time period set forth above for good cause shown.

Confidentiality of Reports

36. The reports submitted by the Monitor and the periodic reviews and reports submitted by Defendant will likely include confidential financial, proprietary, competitive business, or commercial information. Public disclosure of the reports could discourage cooperation, impede pending or potential government investigations, or undermine the objective of the reporting requirement. For these reasons, among others, the reports and the contents thereof are intended to remain and shall remain non-public, except (i) pursuant to court order, (ii) as agreed to by the parties in writing, (iii) to the extent that the Commission determines in its

sole discretion that disclosure would be in furtherance of the Commission's discharge of its duties and responsibilities, or (iv) as is otherwise required by law.

Address for All Written Communications and Reports

37. All reports or other written communications by the Monitor or Defendant directed to the Commission staff shall be transmitted to Thierry Olivier Desmet, Assistant Regional Director, FCPA Unit, Division of Enforcement, U.S. Securities and Exchange Commission, 801 Brickell Avenue, Suite 1800, Miami, Florida, 33131. A copy of the Certification of Completion and supporting materials shall also be transmitted to the Office of Chief Counsel of the Enforcement Division at the same address.

38. Defendant waives the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure.

39. Defendant waives the right, if any, to a jury trial and to appeal from the entry of the Final Judgment.

40. Defendant enters into this Consent voluntarily and represents that no threats, offers, promises, or inducements of any kind have been made by the Commission or any member, officer, employee, agent, or representative of the Commission to induce Defendant to enter into this Consent.

41. Defendant agrees that this Consent shall be incorporated into the Final Judgment with the same force and effect as if fully set forth therein.

42. Defendant will not oppose the enforcement of the Final Judgment on the ground, if any exists, that it fails to comply with Rule 65(d) of the Federal Rules of Civil Procedure, and hereby waives any objection based thereon.

43. Defendant waives service of the Final Judgment and agrees that entry of the Final Judgment by the Court and filing with the Clerk of the Court will constitute notice to Defendant of its terms and conditions. Defendant further agrees to provide counsel for the Commission, within thirty (30) days after the Final Judgment is filed with the Clerk of the Court, with an affidavit or declaration stating that Defendant has received and read a copy of the Final Judgment.

44. Consistent with 17 C.F.R. 202.5(f), this Consent resolves only the claims asserted against Defendant in this civil proceeding. Defendant acknowledges that no promise or representation has been made by the Commission or any member, officer, employee, agent, or representative of the Commission with regard to any criminal liability that may have arisen or may arise from the facts underlying this action or immunity from any such criminal liability. Defendant waives any claim of Double Jeopardy based upon the settlement of this proceeding, including the imposition of any remedy or civil penalty herein. Defendant further acknowledges that the Court's entry of a permanent injunction may have collateral consequences under federal or state law and the rules and regulations of self-regulatory organizations, licensing boards, and other regulatory organizations. Such collateral consequences include, but are not limited to, a statutory disqualification with respect to membership or participation in, or association with a member of, a self-regulatory organization. This statutory disqualification has consequences that are separate from any sanction imposed in an administrative proceeding. In addition, in any disciplinary proceeding before the Commission based on the entry of the injunction in this action, Defendant understands that it shall not be permitted to contest the factual allegations of the Complaint in this action.

45. Defendant understands and agrees to comply with the terms of 17 C.F.R. § 202.5(e), which provides in part that it is the Commission's policy "not to permit a defendant or respondent to consent to a judgment or order that imposes a sanction while denying the allegations in the complaint or order for proceedings." As part of Defendant's agreement to comply with the terms of Section 202.5(e), Defendant acknowledges the Deferred Prosecution Agreement for related conduct described in paragraph 2 above, and: (i) will not take any action or make or permit to be made any public statement denying, directly or indirectly, any allegation in the Complaint or creating the impression that the Complaint is without factual basis; (ii) will not make or permit to be made any public statement to the effect that Defendant does not admit the allegations of the Complaint, or that this Consent contains no admission of the allegations; and (iii) upon the filing of this Consent, Defendant hereby withdraws any papers filed in this action to the extent that they deny, directly or indirectly, any allegation in the Complaint. If Defendant breaches this agreement, the Commission may petition the Court to vacate the Final Judgment and restore this action to its active docket. Nothing in this paragraph affects Defendant's: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which the Commission is not a party.

46. Defendant hereby waives any rights under the Equal Access to Justice Act, the Small Business Regulatory Enforcement Fairness Act of 1996, or any other provision of law to seek from the United States, or any agency, or any official of the United States acting in his or her official capacity, directly or indirectly, reimbursement of attorney's fees or other fees, expenses, or costs expended by Defendant to defend against this action. For these purposes, Defendant agrees that Defendant is not the prevailing party in this action since the parties have reached a good faith settlement.

47. Defendant agrees that the Commission may present the Final Judgment to the Court for signature and entry without further notice.

48. Defendant agrees that this Court shall retain jurisdiction over this matter for the purpose of enforcing the terms of the Final Judgment.

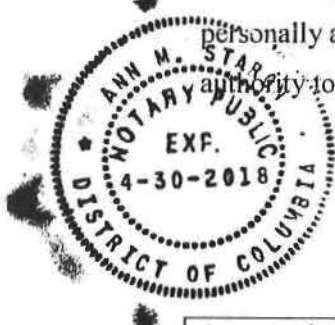
Dated: 12/2/16

TEVA PHARMACEUTICAL
INDUSTRIES LTD.

By: M. J. Weinstein

MARTIN JAMES WEINSTEIN (PRINT NAME), as duly authorized pursuant to attached board resolution to execute this consent on behalf of Teva Pharmaceutical Industries Ltd.

On December 2, 2016, Martin James Weinstein person known to me,
personally appeared before me and acknowledged executing the foregoing Consent with full
authority to do so on behalf of Teva Pharmaceutical Industries, Limited.



Ann M. Staron
Notary Public Ann M. Staron
Commission expires: April 30, 2018

Approved as to form:

M. J. Weinstein
Attorney for Defendant
Martin J. Weinstein
Robert J. Meyer
Willkie Farr & Gallagher LLP
1875 K Street, N.W.
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Approved as to form:

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EXHIBIT

A

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CASE NO. 16-cv-25298-KMM

**SECURITIES AND EXCHANGE
COMMISSION,**

Plaintiff,

v.

**TEVA PHARMACEUTICAL
INDUSTRIES LTD.,**

Defendant.

FINAL JUDGMENT AS TO DEFENDANT
TEVA PHARMACEUTICAL INDUSTRIES LTD.

The Securities and Exchange Commission having filed a Complaint and Defendant Teva Pharmaceutical Industries Ltd. (“Defendant”) having entered a general appearance; consented to the Court’s jurisdiction over Defendant and the subject matter of this action; consented to entry of this Final Judgment; waived findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant’s officers, agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are permanently restrained and enjoined from violating, directly or indirectly, Section 30A of the Securities Exchange Act of 1934 (the “Exchange Act”) [15 U.S.C. § 78dd-1] by use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of

any offer, payment, promise to pay, or authorization of the payment of any money, or offer, gift, promise to give, or authorization of the giving of anything of value to—

- (1) any foreign official for purposes of-
 - (A)(i) influencing any act or decision of such foreign official in his official capacity,
 - (ii) inducing such foreign official to do or omit to do any act in violation of the lawful duty of such official, or (iii) securing any improper advantage; or
 - (B) inducing such foreign official to use his influence with a foreign government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality, in order to assist Defendant in obtaining or retaining business for or with, or directing business to, any person;
- (2) any foreign political party or official thereof or any candidate for foreign political office for purposes of-
 - (A)(i) influencing any act or decision of such party, official, or candidate in its or his official capacity, (ii) inducing such party, official, or candidate to do or omit to do an act in violation of the lawful duty of such party, official, or candidate, or
 - (iii) securing any improper advantage; or
 - (B) inducing such party, official, or candidate to use its or his influence with a foreign government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality, in order to assist Defendant in obtaining or retaining business for or with, or directing business to, any person; or
- (3) any person, while knowing that all or a portion of such money or thing of value will be offered, given, or promised, directly or indirectly, to any foreign official, to any foreign political party or official thereof, or to any candidate for foreign political

office for purposes of-

(A)(i) influencing any act or decision of such foreign official, political party, party official, or candidate in his or its official capacity, (ii) inducing such foreign official, political party, party official, or candidate to do or omit to do any act in violation of the lawful duty of such foreign official, political party, party official, or candidate, or (iii) securing any improper advantage;

(B) inducing such foreign official, political party, party official, or candidate to use his or its influence with a foreign government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality, in order to assist Defendant in obtaining or retaining business for or with, or directing business to, any person.

II.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's officers, agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are permanently restrained and enjoined from violating, directly or indirectly, Section 13(b)(2)(A) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. § 78m(b)(2)(A)], by failing to make and keep books, records, and accounts, which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Defendant.

III.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's officers, agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are permanently restrained and enjoined from violating, directly or indirectly, Section 13(b)(2)(B) of the Exchange Act [15 U.S.C. § 78m(b)(2)(B)], by failing to devise and maintain a system of internal accounting controls sufficient to provide reasonable assurances that: (i) transactions are executed in accordance with management's general or specific authorization; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

IV.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is liable for disgorgement in the amount of \$214,596,170, representing profits gained as a result of the conduct alleged in the Complaint, plus prejudgment interest thereon in the amount of \$21,505,654, for a total of \$236,101,824. Defendant shall pay the disgorgement to the Securities and Exchange Commission within 60 days of the entry of the Final Judgment.

Defendant may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request. Payment may also be made directly from a bank account via Pay.gov through the SEC website at

<http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission, which shall be delivered or mailed to:

Enterprise Services Center
Accounts Receivable Branch
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

and shall be accompanied by a letter identifying the case title, civil action number, and name of this Court; identifying Teva Pharmaceutical Industries Ltd. as a defendant in this action; and specifying that payment is made pursuant to this Final Judgment.

Defendant shall simultaneously transmit photocopies of evidence of payment and case-identifying information to the Commission's counsel in this action. By making this payment, Defendant relinquishes all legal and equitable right, title, and interest in such funds and no part of the funds shall be returned to Defendant. The Commission shall send the funds paid pursuant to this Final Judgment to the United States Treasury.

The Commission may enforce the Court's judgment for disgorgement by moving for civil contempt (and/or through other collection procedures authorized by law) at any time after 60 days following entry of this Final Judgment. Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961.

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is incorporated herein with the same force and effect as if fully set forth herein, and that Defendant shall comply with all of the undertakings and agreements set forth therein, including, but not limited to, the undertakings to retain an independent monitor pursuant to paragraphs 5 through 33 of the Consent, and to certify, in writing, compliance with the undertakings set forth in the

Consent. The certification shall identify the undertaking(s), provide written evidence of compliance in the form of a narrative, and be supported by exhibits sufficient to demonstrate compliance. The Commission staff may make reasonable requests for further evidence of compliance, and Defendant agrees to provide such evidence. Defendant shall submit the certification and supporting material to Thierry Olivier Desmet, Assistant Director, FCPA Unit, Division of Enforcement, U.S. Securities and Exchange Commission, 801 Brickell Avenue, Suite 1800, Miami, Florida, 33131, no later than sixty (60) days from the date of the completion of the undertakings.

VI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.

Dated: _____

K. MICHAEL MOORE
CHIEF UNITED STATES DISTRICT COURT JUDGE