

Exhibit 3

**Declaration of Jeffrey Davis,
Ontario Teachers' Pension Plan Board, in
Support of Final Approval of Class Settlement
and Approval of Plan of Allocation, Awards of
Attorneys' Fees and Litigation Expenses, and
Awards of Reasonable Costs and Expenses to
Class Representatives**

**UNITED STATES DISTRICT COURT
DISTRICT OF CONNECTICUT**

IN RE TEVA SECURITIES LITIGATION	:	No. 3:17-cv-00558 (SRU)
	:	
THIS DOCUMENT RELATES TO:	:	All Class Actions
	:	

DECLARATION OF JEFFREY DAVIS, ONTARIO TEACHERS’ PENSION PLAN BOARD, IN SUPPORT OF FINAL APPROVAL OF CLASS SETTLEMENT AND APPROVAL OF PLAN OF ALLOCATION, AWARDS OF ATTORNEYS’ FEES AND LITIGATION EXPENSES, AND AWARDS OF REASONABLE COSTS AND EXPENSES TO CLASS REPRESENTATIVES

I, Jeffrey Davis, hereby declare pursuant to section 1746 of title 28 of the United States Code:

1. I am Chief Legal & Corporate Affairs Officer for Ontario Teachers’ Pension Plan Board (“Ontario Teachers”), one of the Court-appointed Class Representatives in this action (the “Action”).¹ I have been employed by Ontario Teachers’ continuously since May 2004.

2. I submit this declaration in support of (a) Class Representatives’ motion for final approval of the proposed settlement and approval of the Plan of Allocation; and (b) Lead Counsel’s motion for awards of attorneys’ fees and litigation expenses, and awards to Class Representatives, including Ontario Teachers’, pursuant to 15 U.S.C. § 78u-4(a)(4) of the Private Securities Litigation Reform Act of 1995 (the “PSLRA”), of Ontario Teachers’ costs and expenses directly related to its representation of the Settlement Class in the amount of \$49,213.02.²

¹ Unless otherwise indicated, capitalized terms used herein have the meanings contained in the Stipulation of Settlement, dated January 18, 2022. (ECF 919-2.)

² As used herein, “Class Counsel” refers collectively to Bleichmar Fonti & Auld LLP, Bleichmar Fonti & Auld Canada, The Law Offices of Susan R. Podolsky, and Carmody Torrance Sandak & Hennessey LLP.

3. I have been one of the primary Ontario Teachers' personnel involved in overseeing Class Counsel's prosecution of the Action and the negotiations leading to the proposed settlement. The matters set forth herein are based on my personal knowledge and/or discussion with Ontario Teachers' personnel and Class Counsel.

I. ONTARIO TEACHERS' OVERSIGHT OF THE LITIGATION

4. Headquartered in Toronto, Ontario Teachers' is the largest single-profession pension plan in Canada, representing approximately 331,000 active and retired teachers in Ontario. Ontario Teachers' manages more than C\$220 billion in net assets on behalf of its beneficiaries.

5. As a large institutional investor, Ontario Teachers' investment portfolios include shareholder positions in numerous publicly traded companies. We believe strongly in the integrity of the securities markets and in improving corporate governance, which are issues that have been raised by lawsuits such as the Action. Since the enactment of the PSLRA, we have been highly selective in choosing the cases in which we have sought to participate as a lead plaintiff or class representative. Beyond the significant losses suffered by Ontario Teachers' and other Teva investors, we believe the allegations in this Action—including that Defendants engaged in alleged price-fixing and large price increases on generic drugs used for serious health conditions—have a significant impact on the integrity of the markets in which we invest and accepted standards of corporate governance.

6. In seeking appointment as Lead Plaintiff and as Class Representative in this Action, Ontario Teachers' understood its responsibility to serve the best interests of the Class by supervising the effective prosecution of this litigation, and has diligently done so at all times.

7. On July 11, 2017, the Court appointed Ontario Teachers' as Lead Plaintiff (ECF 124). As the Court-appointed Lead Plaintiff, Ontario Teachers' determined that it would be in the best interests of the proposed Class for Anchorage Police & Fire Retirement System

(“Anchorage”) to be added as a named plaintiff to pursue Securities Act claims on behalf of Class members who invested in Teva Notes. On March 9, 2021, the Court appointed Ontario Teachers’ and Anchorage as Class Representatives, and granted class certification (ECF 736).

8. Attorneys in Ontario Teachers’ General Counsel’s office were dedicated to the oversight of the Action, have directly supervised Class Counsel, and have been extensively involved in the prosecution and settlement of the Action, as discussed below. The tasks that Ontario Teachers’ has performed include, but are not limited to:

- a. Regularly communicating with Class Counsel concerning the status, progress, and major strategy decisions regarding the Action;
- b. Reviewing major motions and pleadings to provide comments and direction as needed;
- c. Attending hearings before the Court (either in person or by Zoom and/or telephone) with respect to the lead plaintiff motions (on April 26, 2017), Defendants’ motions to dismiss (on April 3, 2018 and March 12, 2019), the Rule 16 conference (on November 13, 2019), the class certification hearing (on January 29, 2021), and several status conferences regarding discovery disputes;
- d. Assisting in locating, collecting, and preserving potentially relevant documents;
- e. Responding to discovery requests, including requests for production, interrogatories, and requests for admission, and voluntarily producing information regarding Ontario Teachers’ transactions in Teva securities;
- f. Preparing for and testifying during my Rule 30(b)(6) deposition, which was taken remotely on August 25, 2021, and thereafter preparing and submitting a declaration

regarding the domesticity of Ontario Teachers' transactions in Teva Preferred Shares; and

- g. Preparing for and participating in the mediation sessions with former United States District Judge Layn R. Phillips and extensive further negotiations, including attendance at formal mediation sessions on July 13, 2020, September 17, 2021, and September 27, 2021; attendance at various presentations to the mediator regarding the evidence and Teva's financial condition; and participation in numerous subsequent conferences with Class Counsel and Anchorage as negotiations continued, leading to the parties' acceptance of Judge Phillips's recommendation on December 2, 2021.

II. ONTARIO TEACHERS' STRONGLY ENDORSES APPROVAL OF THE SETTLEMENT

9. Ontario Teachers' has served as lead plaintiff in seven securities class actions which (including this Action) have recovered nearly \$2.4 billion for investors. In addition to the Action, these cases are: *In re Computer Sciences Corp. Sec. Litig.*, No. 1:11-cv-00610 (E.D. Va.) (\$97.5 million settlement approved Sept. 20, 2013); *In re Washington Mutual, Inc. Sec. Litig.*, No. 2:08-md-01919 (W.D. Wash.) (\$208.5 million settlement approved Nov. 4, 2011); *In re Bristol-Myers Squibb Co. Sec. Litig.*, No. 1:07-cv-05867 (S.D.N.Y.) (\$125 million settlement approved Dec. 9, 2009); *In re Biovail Corp. Sec. Litig.*, No. 03-cv-08917 (S.D.N.Y.) (\$138 million settlement approved Aug. 8, 2008); *In re Williams Companies, Inc. Sec. Litig.*, No. 4:02-00072 (N.D. Okla.) (\$311 million settlement approved Feb. 12, 2007); and *In re Nortel Networks Corp. Sec. Litig. II*, No. 05-md-1659 (S.D.N.Y.) (\$1,074,265,298 settlement approved Dec. 26, 2006).

10. This Action is the longest running securities class action Ontario Teachers' has led, requiring five years of vigorous litigation by Class Representatives and Class Counsel. The proposed settlement of this Action is the second-largest recovery Ontario Teachers' has achieved.

11. The proposed settlement is the product of Ontario Teachers' and Anchorage's hard-fought negotiation and careful consideration on behalf of the Settlement Class. Ontario Teachers' personnel and Edward Jarvis, Director of Anchorage, were actively involved in settlement strategy and participated in all mediation sessions and settlement negotiations, as set forth below.

12. Mediation efforts began in 2020. Sharon Chilcott (currently Ontario Teachers' Chief of Staff, and formerly Managing Director and Associate General Counsel, Employment Law & Litigation) and Tara Rosenblatt (former Managing Director and Associate General Counsel, Investments) participated in a caucus session with the Honorable Layn R. Phillips (Ret.) and (along with Mr. Jarvis) attended a financial presentation in advance of the formal mediation session.

13. On July 13, 2020, Ms. Chilcott, Ms. Rosenblatt, and Mr. Jarvis participated in a formal full-day mediation session with Judge Phillips, Class Counsel, counsel for Defendants, and representatives of Teva and various insurance carriers. The July 13, 2020 mediation was unsuccessful. At the time, discovery was in its early stages; no depositions had occurred, and no class had been certified.

14. Given these circumstances, Ontario Teachers', in consultation with Anchorage, elected to forgo further settlement discussions at that time, knowing that Class Counsel were prepared to invest the necessary time and financial resources to vigorously pursue the merits by completing document discovery, taking fact depositions, and completing expert discovery. We believed that these efforts to advance the Action would potentially achieve a greater recovery for

the Class by ensuring full consideration of the merits and increasing Defendants' risk. At the same time, a number of variables remained unknown, including the outcome of the recently filed class certification motion, the strength of the full documentary record, the testimony and credibility of fact witnesses who had yet to be deposed, and the complete results of expert analysis.

15. Between July 2020 and September 2021, Class Representatives were in regular contact with Class Counsel regarding the progress of the Action and recent developments. Among other things, Ontario Teachers' received regular litigation status updates from Class Counsel, including with regard to class certification, the U.S. Department of Justice's motion to intervene, Defendants' numerous discovery requests (including to Ontario Teachers' current and former employees and investment managers), and the status of fact and expert discovery; received drafts of motions, submissions, and briefs; and attended the January 29, 2021 class certification hearing, and the March 3, March 31, and April 16, 2021 status conferences.

16. Mediation resumed in September 2021, after the Court had certified the Class and fact discovery was complete, and as the parties concluded the final stages of expert discovery. I was involved in preparing for and attending the extensive mediation sessions and settlement negotiations in fall 2021, as were Ms. Rosenblatt and Mr. Jarvis. Specifically, in advance of the September 2021 mediation sessions, Class Representatives conferred with Class Counsel regarding the strength of the merits and updated expert damages analyses.

17. On September 17, 2021, Ms. Rosenblatt, Mr. Jarvis, and I participated in a full-day mediation session with Judge Phillips.

18. Following that session, Class Representatives further conferred with Class Counsel regarding potential damages and additional presentations to be made to Judge Phillips, conferred with a consulting expert to further understand Teva's financial risks and constraints, and

considered Defendants' insurance coverage, including various complexities and the fact that coverage would diminish as litigation (and Defendants' substantial legal fees) continued. In this regard, Class Representatives also considered analysis of complex insurance issues by Carmody Torrance Sandak & Hennessey LLP ("Carmody").

19. On September 27, 2021, Ms. Rosenblatt, Mr. Jarvis, and I participated in an additional full-day mediation session with Judge Phillips.

20. No resolution was reached on September 27, and extensive negotiations (through Judge Phillips) continued over the ensuing weeks. Throughout this period, Class Representatives continuously conferred with Class Counsel regarding settlement strategy. Ontario Teachers' also conferred with Anchorage, separately from meeting with Class Counsel, to discuss settlement negotiations.

21. On November 14, 2021, Judge Phillips issued a mediator's recommendation to settle the Action in exchange for \$420,000,000.

22. Ontario Teachers' carefully and extensively considered Judge Phillips's recommendation in consultation with Anchorage and Class Counsel. In doing so, Ontario Teachers' considered (among other things) consulting expert analyses of Teva's financial situation, including its large debt burden, exposure to opioids litigation, and potential liability in pending antitrust actions. Moreover, while Class Representatives and Class Counsel believed strongly in the merits of the Action, Class Representatives also recognized that further litigation would expose the Class to significant delay and other risks, including that Teva's financial condition could further decline before any recovery could be secured.

23. Based on Ontario Teachers' experience as a court-appointed lead plaintiff and class representative in other cases, its active involvement throughout the Action, its participation in three

mediation sessions and subsequent discussions, and its understanding of the strength of the merits, the amount of damages, and numerous risks (including Teva's financial condition), as outlined above, Ontario Teachers', in consultation with Anchorage, determined that the proposed settlement was fair, reasonable, and adequate to the Settlement Class.

24. On December 2, 2021, only hours before summary judgment and *Daubert* motions were to be filed, the mediator advised that all parties had accepted his recommendation. The parties then negotiated the terms of the Stipulation of Settlement and its exhibits, which was executed and filed on January 18, 2022.

25. Ontario Teachers' believes the settlement represents an outstanding result, particularly in light of the size of the recovery and the substantial risks and uncertainties outlined above. Based on Ontario Teachers' extensive involvement in negotiating the proposed settlement of the Action, and with the benefit of its extensive experience acting as lead plaintiff and class representative in other matters, Ontario Teachers' strongly endorses approval of the settlement by the Court.

III. ONTARIO TEACHERS' SUPPORTS LEAD COUNSEL'S MOTION FOR AWARDS OF ATTORNEYS' FEES AND LITIGATION EXPENSES

26. Ontario Teachers' understands that the PSLRA provides the lead plaintiff the primary role in retaining and overseeing counsel, and Ontario Teachers' has carefully discharged that role in the Action.

27. In retaining Bleichmar Fonti & Auld LLP ("BFA") for this matter, Ontario Teachers' determined that BFA was particularly well-qualified based on Ontario Teachers' extensive work with BFA's named partners in prior securities actions. Ontario Teachers' understood that a core team of BFA attorneys would devote a majority of their time to prosecuting the Action and that BFA would devote the resources necessary to fully prepare the Class's claims

for trial, including by investing heavily in time and expenses to retain leading experts. In addition to BFA, Ontario Teachers' worked closely with, and relied on valuable strategic counsel from, Carmody and Ms. Podolsky throughout the Action, particularly in responding to Defendants' discovery demands and in considering and analyzing the various proposals and counter-proposals to resolve this case.

28. Ontario Teachers' recognizes that the Court must approve any fee award. Together with Anchorage, Ontario Teachers' has engaged in arm's-length negotiation with Lead Counsel, which led to Ontario Teachers' authorization of and support for the requested fee of 23.70% of the Settlement Fund.

29. In particular, Ontario Teachers' considered the quality and amount of Class Counsel's work in the Action, which ultimately resulted in the parties' agreement to the proposed settlement only hours before summary judgment and *Daubert* motions were to be filed; the substantial recovery Class Counsel's efforts achieved for the Settlement Class; the complexity and duration of the Action; the significant risks and uncertainties Class Counsel faced for an extended period; and fees awarded in other cases, including other cases in which Ontario Teachers' has served as lead plaintiff and class representative. Ultimately, in authorizing the requested fee, Ontario Teachers' concluded that Class Counsel delivered on their commitments to forcefully and efficiently litigate the Action and have demonstrated superior skill and ability. I have witnessed the tenacious manner in which Class Counsel litigated against formidable defense counsel and Teva to achieve a highly significant settlement.

30. Ontario Teachers' also considered, and placed significant weight on, the independent opinion of former Judge Christopher Droney in deciding to authorize Lead Counsel's

fee request. Judge Droney's Declaration provides empirical data and analysis that informed Ontario Teachers' consideration of the requested fee.

31. Ontario Teachers' understands that the Court may consider Class Counsel's hourly rates as one component of its analysis of the requested fee. In this regard, Ontario Teachers' regularly retains leading law firms in Canada and the U.S. I have personal experience managing the work of these outside attorneys and I am familiar with their billing rates. Based on this experience, Ontario Teachers' views Class Counsel's hourly rates as comparable to rates charged by other leading complex litigation firms. This is a conservative comparison, as I am mindful that those hourly rates (for attorneys who are paid on a regular basis irrespective of the result) in no way account for the risk that Class Counsel undertook here in litigating a large case for five years, continuously exposed to the real possibility of no recovery at all.

32. Ontario Teachers' is aware that hourly rates for some counsel within the District of Connecticut may be lower than BFA's hourly rates. However, we believe this complex securities class action with antitrust components required special expertise to achieve the best possible result for the Settlement Class. Ontario Teachers' understands that BFA specializes in complex securities and antitrust actions, and Ontario Teachers' is familiar with the high quality of BFA's work from Ontario Teachers' prior experience with BFA's founding partners.

33. Moreover, it is our experience that securities class actions under the PSLRA are a specialized, national practice, with leading class counsel and defense firms concentrated in New York. For these reasons, in every prior securities class action in which Ontario Teachers' has served as lead plaintiff and/or class representative (including cases in the Eastern District of Virginia, Western District of Washington, and Northern District of Oklahoma), Ontario Teachers' selected and retained New York-based counsel and viewed their rates as appropriate to obtain the

best representation for the proposed classes. Consistent with that practice, Ontario Teachers' selected BFA to ensure the highest-caliber representation and the best possible result in this complex and specialized matter.

34. In light of the result achieved, the work performed, and the risks faced over five years of litigation, Ontario Teachers' supports Lead Counsel's request for a fee award of 23.70% of the Settlement Fund and believes the requested amount represents a reasonable attorneys' fee award in the Action.

35. Ontario Teachers' further believes that the litigation expenses for which Lead Counsel is seeking an award are reasonable, and represent costs and expenses necessary for the prosecution and resolution of this complex action, which required significant expert analysis regarding generic drug pricing, the impact of the alleged price increases on Teva's reported financial results, and damages and loss causation, among other matters, as well as expenses for the hosting and analysis of voluminous document productions and conducting numerous fact and expert depositions. I am aware that the analysis by the Class's experts was incorporated into the presentations made in connection with the September 2021 mediation efforts. This analysis significantly advanced the Class's position and maximized the settlement result by demonstrating that Class Counsel were prepared to prove the Class's claims based on rigorous analysis of Teva's price increases and other key merits issues.

36. Based on the foregoing, Ontario Teachers' supports Lead Counsel's motion for awards of attorneys' fees and litigation expenses.

IV. ONTARIO TEACHERS' REQUEST FOR AN AWARD OF REASONABLE COSTS AND EXPENSES

37. Ontario Teachers' understands that the PSLRA authorizes the award of class representatives' reasonable costs and expenses, including lost wages. *See* 15 U.S.C. § 78u-4(a)(4).

Accordingly, Ontario Teachers' seeks an award of its reasonable costs and expenses incurred in connection with its representation of the Settlement Class.

38. Ontario Teachers' costs and expenses in the Action total \$49,213.02, consisting of (a) the estimated cost of 274.5 hours of time that Ontario Teachers' staff devoted to the Action in place of their regular duties, in the amount of \$32,940; and (b) Ontario Teachers' out-of-pocket expenses incurred in its role as Lead Plaintiff and Class Representative in the amount of \$16,273.02. Both categories are further described below.

A. Time Devoted by Ontario Teachers' Personnel to Prosecuting the Action

39. Appendix A hereto identifies the three Ontario Teachers' attorneys who devoted at least 20 hours of time to the Action: myself, Sharon Chilcott, and Tara Rosenblatt. Based on a review of Ontario Teachers' records, these Ontario Teachers' personnel collectively devoted 274.5 hours to the prosecution and settlement of the Action. This is a conservative estimate because (a) it excludes the time of individuals who devoted fewer than 20 hours of time to the Action, and (b) it is based only on time spent attending Court hearings, depositions, mediation sessions, and meetings with Class Counsel and does not include other time devoted by Ontario Teachers' personnel, including time spent reviewing pleadings, discovery responses, motion papers, and other submissions, or working to collect and analyze information at Class Counsel's direction. Further information regarding the work performed by the individuals listed in Appendix A is provided below.

40. My work here was dedicated to overseeing Class Counsel and the litigation and resolution of the Action. This time was primarily spent: consulting and strategizing with Class Counsel; telephonically attending the March 12, 2019 hearing on Defendants' motions to dismiss; preparing for and providing testimony during my August 25, 2021 deposition as

Ontario Teachers' Rule 30(b)(6) witness; attending and participating in mediation sessions and extensive settlement negotiations in fall of 2021, described above; and reviewing settlement-related documents. This work consumed at least 55.50 hours of my time.

41. Sharon Chilcott and Tara Rosenblatt of Ontario Teachers' General Counsel's office were responsible for day-to-day oversight of Class Counsel. Ms. Chilcott's and Ms. Rosenblatt's time was primarily spent: consulting and strategizing with Class Counsel on a regular basis; reviewing pleadings, motion papers, and other filings (including drafts of Class Representatives' filings and documents filed by Defendants); attending to Ontario Teachers' document collection; reviewing and responding to Defendants' discovery requests; attending Court hearings, including in-person attendance at the April 26, 2017 hearing on the lead plaintiff motions and the April 3, 2018 hearing on Defendants' motions to dismiss, and telephonic attendance at the November 13, 2019 Rule 16 conference, January 29, 2021 class certification hearing, and several status conferences; assisting with preparation for my deposition as Ontario Teachers' Rule 30(b)(6) witness; and attending and participating in mediation sessions in summer 2020 and fall 2021, as described above. Ms. Chilcott and Ms. Rosenblatt dedicated at least 219 hours to this work.

42. Using a reasonable overall hourly rate of \$120, Ontario Teachers' requests an award of \$32,940 in respect of the 274.5 hours of time set forth in Appendix A that its personnel devoted to the prosecution and settlement of the Action in place of their regular duties.³

³ In Ontario Teachers' most recent securities litigation (in 2013), Ontario Teachers' applied an estimated hourly rate of \$119 for my time and \$90 for the time of other in-house counsel. The court granted Ontario Teachers' request for costs and expenses. *See In re Computer Sciences Corp. Sec. Litig.*, No. 1:11-cv-00610 (E.D. Va.), ECF 324-2.

B. Expenses Incurred by Ontario Teachers' as Lead Plaintiff and Class Representative

43. The expenses incurred by Ontario Teachers' as Lead Plaintiff and Class Representative are summarized in Appendix B, which is based on expense reports and documentation prepared and maintained by Ontario Teachers' in the ordinary course of business.

44. In connection with its representation of the Settlement Class, Ontario Teachers' incurred \$3,421.02 in travel expenses, including transportation, accommodations, and business meals. This travel was necessary for Ms. Chilcott and Ms. Rosenblatt to attend the April 26, 2017 hearing on the competing lead plaintiff motions and the April 3, 2018 hearing on Defendants' motions to dismiss, and for me to attend the mediation sessions in September 2021.

45. Ontario Teachers' incurred \$8,805 in expenses in compensating two former Ontario Teachers' personnel, Ms. Lefebvre and Mr. Di Re, for their time spent responding to Defendants' subpoenas.

46. Finally, Ontario Teachers' incurred \$4,047 in expenses to provide counsel for an external investment manager and its personnel in connection with subpoenas served by Defendants.

V. CONCLUSION

47. As a Court-appointed Lead Plaintiff and Class Representative, Ontario Teachers' strongly endorses the proposed settlement as fair, reasonable, and adequate, and believes it represents an outstanding result for the Settlement Class.

48. Ontario Teachers' further supports Lead Counsel's request for awards of attorneys' fees and litigation expenses and believes that it represents fair and reasonable compensation for Class Counsel in light of the result achieved and the quality and amount of work performed, in the

face of significant risks and uncertainties, over an extended period. Ontario Teachers' also requests an award of its reasonable costs and expenses in the Action, as set forth above.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Dated: April 22, 2022



Jeffrey Davis

Appendix A – Time Devoted by Ontario Teachers’ Personnel to Prosecuting the Action

NAME	HOURS
Chilcott, Sharon	88.50
Davis, Jeffrey	55.50
Rosenblatt, Tara	130.50
TOTAL	274.5

Appendix B – Expenses Incurred by Ontario Teachers’

EXPENSE	AMOUNT
Travel Expenses	\$3,421.02
Compensation for Former Internal Asset Managers	\$8,805
Counsel for External Investment Manager	\$4,047
TOTAL	\$16,273.02