

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

DENIS MULLIGAN, individually and  
on behalf of all others similarly situated,

Plaintiff,

v.

IMPAX LABORATORIES, INC., LARRY HSU,  
and ARTHUR A. KOCH,

Defendants.

Case No. 3:13-cv-01037-EMC

HAVERHILL RETIREMENT SYSTEM, individually  
and on behalf of all others similarly situated,

Plaintiff,

v.

IMPAX LABORATORIES, INC., LARRY HSU,  
and ARTHUR A. KOCH,

Defendants.

Case No. 3:13-cv-01566-EMC

**NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION**

***IF YOU PURCHASED THE COMMON STOCK OF IMPAX LABORATORIES, INC.  
BETWEEN JUNE 6, 2011 AND MARCH 4, 2013, INCLUSIVE, YOU COULD  
RECEIVE A PAYMENT FROM A CLASS ACTION SETTLEMENT.  
YOUR RIGHTS MAY BE AFFECTED BY THIS CLASS ACTION SETTLEMENT.***

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

**Securities and Time Period:** Impax Laboratories, Inc. (“Impax” or the “Company”) common stock purchased on the NASDAQ between June 6, 2011 and March 4, 2013, inclusive (the “Class Period”).

**Settlement Fund:** \$8,000,000.00 in cash. Your recovery will depend on the number of shares of common stock that you purchased, the price(s) at which those shares were purchased, the timing of your purchases, and any sales. Depending on the number of eligible shares of common stock that participate in the Settlement<sup>1</sup> and when and at what price that common stock was purchased and sold, the estimated average recovery per share of common stock will be approximately \$0.32 before deduction of court-approved fees and expenses and any other awards or payments.

**The Lawsuit:** The Settlement resolves class action litigation over whether Impax and certain of Impax’s former executives made false or misleading statements in connection with securities transactions. The Boilermaker-Blacksmith National Pension Trust was appointed by the Court to represent all Class Members and was designated as the Lead Plaintiff for the case. Cohen Milstein Sellers & Toll PLLC (“Cohen Milstein”) was appointed by the Court to serve as Lead Counsel.

**Attorneys’ Fees and Expenses:** Lead Counsel have litigated this case on a contingent basis. They have conducted this litigation and advanced the expenses of litigation with the expectation that if they were successful in recovering money for the Class, they would receive fees and be reimbursed for their expenses from the Settlement Fund. This is customary in this type of litigation. Lead Counsel will apply to the Court for attorneys’ fees not to exceed 30% of the \$8,000,000 Settlement Fund and reimbursement of out-of-pocket expenses not to exceed \$160,000 (exclusive of ongoing costs from the administration of the Settlement) plus interest on all fees and expenses, all to be paid from the Settlement Fund. If the above amounts are requested and approved by the Court, the average cost per share of common stock for fees and expenses will be \$0.10.

<sup>1</sup> Capitalized terms not defined in this Notice are defined in the Stipulation of Settlement dated November 25, 2014.

**Deadlines:**

Submit Claim: Wednesday, July 15, 2015

Request Exclusion: Thursday, May 21, 2015

File Objection: Thursday, May 21, 2015

Court Hearing on Fairness of Settlement: Thursday, June 11, 2015 at 1:30 p.m.

**For More Information:**

Impax Securities Litigation Claims Administrator

c/o KCC Class Action Services

P.O. Box 43322

Providence, RI 02940-3322

[www.ImpaxSecuritiesLitigation.com](http://www.ImpaxSecuritiesLitigation.com)

**Lead Counsel:**

Daniel S. Sommers

Genevieve O. Fontan

Cohen Milstein Sellers & Toll PLLC

1100 New York Avenue, N.W.

East Tower, Suite 500

Washington, DC 20005

Telephone: (202) 408-4600

Facsimile: (202) 408-4699

Christopher Lometti

Cohen Milstein Sellers & Toll PLLC

88 Pine Street, 14th Floor

New York, New York 10005

Telephone: (212) 838-7797

Facsimile: (212) 838-7745

[www.cohenmilstein.com](http://www.cohenmilstein.com)

**Your legal rights are affected whether you act or do not act.**

**Please read this Notice carefully.**

**Statement of Recovery**

**Lead Plaintiff's damages consultant estimates that approximately 25,370,808 shares of Impax common stock were traded and allegedly damaged.** This expert estimates that the average recovery per share of Impax common stock under the Settlement will be \$0.32 per share before the deduction of attorneys' fees, costs and expenses, as approved by the Court. The actual recovery per share will depend on: (1) the number of claims filed; (2) when Class Members purchased their shares and at what price; (3) whether and when Class Members sold their shares; (4) administrative costs, including the costs of providing notice to the Class; and (5) the amount awarded by the Court for attorneys' fees, costs, expenses, and any case contribution award to Lead Plaintiff. Distributions to Class Members will be made based on the Plan of Allocation set forth in this Notice. *See* the Plan of Allocation on pages 6-7.

## The Circumstances of the Settlement

The principal reason Lead Plaintiff has agreed to the Settlement is to provide a benefit to the Class Members now. This benefit must be compared to the risk that no recovery might be achieved after contested motions, a contested trial, and likely appeals, possibly years into the future. Although Lead Counsel were prepared to contest the expected motions to be filed by Defendants and go to trial, and were confident in their ability to present a case, they recognize that such motions and trial are risky propositions and that Lead Plaintiff and the Class might not have prevailed. The claims advanced by the Class involve numerous complex legal and factual issues, requiring extensive expert testimony, which would add considerably to the expenses and duration of the litigation. Lead Counsel recognize that there are substantial obstacles that Lead Plaintiff and the Class would have had to overcome to prevail on their liability claims. For example, Lead Plaintiff faced a likelihood that some or all of their claims could have been resolved against them before trial. Had the case proceeded to a motion for summary judgment or gone to trial, Defendants would have asserted that their statements were not materially untrue or misleading, did not cause Lead Plaintiff's loss, and that none of the Defendants made any statement with an intent to mislead investors.

The parties vigorously disagreed on numerous other issues that could affect the outcome of the litigation and on the average amount of damages per share that would be recoverable if Lead Plaintiff were to prevail at trial on each claim. The issues include: (1) the amount by which Impax common stock was allegedly artificially inflated (if at all) by Defendants' alleged misstatements; (2) the extent to which the various statements made by Defendants, which Lead Plaintiff alleged were materially untrue or misleading, influenced (if at all) the trading prices of Impax common stock; (3) whether the statements made or facts allegedly omitted were untrue, misleading, material, or otherwise actionable under the federal securities laws; (4) and whether any of the Defendants made any statement with an intent to mislead investors.

Despite these risks, this Settlement enables the Class to recover a substantial amount now. As a result, Lead Plaintiff and Lead Counsel believe this Settlement is fair and reasonable and provides a reasonable recovery to the Class.

## YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

**SUBMIT A CLAIM FORM** -- The only way to receive a payment.

**EXCLUDE YOURSELF** -- Receive no payment. This is the only option that allows you to participate in another lawsuit against the Defendants or the Released Parties concerning the legal claims being released in this case.

**OBJECT** -- You may write to the Court if you do not like this Settlement, the Plan of Allocation, or the request for attorneys' fees and expenses.

**GO TO A HEARING** -- You may ask to speak in Court about the fairness of the Settlement.

**DO NOTHING** -- Receive no payment.

These rights and options – *and the deadlines to exercise them* – are explained in this Notice.

The Court in charge of this case must decide whether to approve the Settlement. Payments will be made if the Court approves the Settlement and, if there are any appeals, after they are resolved. Please be patient.

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## BASIC INFORMATION

### 1. Why did I receive this Notice package?

You or someone in your family may have purchased shares of Impax common stock between June 6, 2011 and March 4, 2013, inclusive.

If this description applies to you, you have a right to know about a proposed settlement of this class action lawsuit, and about all of your options, before the Court decides whether to approve the Settlement and Plan of Allocation. If the Court approves them, and after any objections or appeals are resolved, the Claims Administrator appointed by the Court will make the payments that the Settlement allows.

This package explains the lawsuit, the Settlement, the Plan of Allocation, your legal rights, what benefits are available, who is eligible for them, and how to receive them.

### 2. What is this lawsuit about?

This is a securities class action alleging violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, 15 U.S.C. § 78j(b) and 78t(a) (the “Exchange Act”), and Rule 10b-5 promulgated thereunder by the United States Securities and Exchange Commission. The Parties have opposing views of the legal and factual merits of this lawsuit. Lead Plaintiff alleges that Defendants either knowingly or recklessly made false and/or misleading statements to the public concerning Impax’s ability to correct deficiencies cited by the Food and Drug Administration (“FDA”). Lead Plaintiff alleges further that disclosure of the truth caused a drop in the share price of the Company’s common stock.

Defendants deny Lead Plaintiff’s allegations regarding their statements concerning the FDA and deny that they made any disclosure or omission that violated the Exchange Act. Defendants also deny that any drop in Impax’s stock price was caused by some alleged material misstatement or omission.

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

In a class action, one or more people called class representatives sue on behalf of people who have similar claims. All of these people who have similar claims are referred to collectively as a “Class” or individually as “Class Members.” One court resolves the issues for all Class Members, except for those who exclude themselves from the Settlement. U.S. District Court Judge Edward M. Chen of the United States District Court for the Northern District of California is in charge of this class action. The case is known as *Mulligan v. Impax Laboratories, Inc.*, Case No. 13-cv-01037-EMC (the “Action”). Mr. Mulligan filed the first complaint in this action; the Court later appointed Boiler-maker-Blacksmith National Pension Trust as Lead Plaintiff to litigate the case for the Class.

### 4. Why is there a settlement?

The Court did not decide in favor of Lead Plaintiff or Defendants. Instead, both sides agreed to a settlement. That way, they avoid the cost and risks of further litigation and trial. As explained above, Lead Plaintiff and its attorneys think the Settlement is best for all Class Members.

## WHO IS IN THE SETTLEMENT

To see whether you will receive money from this Settlement, you first have to determine whether you are a Class Member.

### 5. How do I know whether I am part of the Settlement?

The Class includes *all persons or entities who purchased the common stock of Impax Laboratories, Inc. on the NASDAQ during the period between June 6, 2011 and March 4, 2013, inclusive and were purportedly injured by virtue of the misconduct alleged in the Complaint. Excluded from the Class are the persons and entities described immediately below.*

### 6. What are the exceptions to being included?

You are not a Class Member if you are a Defendant; an officer or director of Impax at any time since June 6, 2011; any corporation, trust, or other entity in which Defendants have a controlling interest; a member of the immediate family of any Defendant; or a successor, heir, assign, or legal representative of any Defendant. Also excluded from the Class are any putative Class Members who exclude themselves by filing a request for exclusion in accordance with the requirements set forth in this Notice.

If you own shares of a mutual fund that purchased shares of Impax common stock during the Class Period, that alone does not make you a Class Member.

**7. I am still not sure whether I am included.**

If you are still not sure whether you are included, you can ask for free help. For more information, you can contact the Claims Administrator, KCC Class Action Services, by phone at 1-888-936-9013, by email to [info@ImpaxSecuritiesLitigation.com](mailto:info@ImpaxSecuritiesLitigation.com), visit the website at [www.ImpaxSecuritiesLitigation.com](http://www.ImpaxSecuritiesLitigation.com), or you can fill out and return the claim form described in question 11, to see if you qualify.

**THE SETTLEMENT BENEFITS – WHAT YOU RECEIVE**

**8. What does the Settlement provide?**

Defendants have agreed to pay \$8,000,000 in cash into the Settlement Fund. The balance of this fund, after payment of court-approved attorneys' fees and expenses, taxes, and the costs of claims administration, including the costs of printing and mailing this Notice and the cost of publishing newspaper notice (the "Net Settlement Fund"), will be divided among all Class Members who submit valid claim forms.

**PLAN OF ALLOCATION OF NET SETTLEMENT FUND  
AMONG SETTLEMENT CLASS MEMBERS**

**9. How much will my payment be?**

If you are entitled to a payment, your share of the Net Settlement Fund will depend on the number of valid claim forms that Class Members submit, how many shares of Impax common stock you purchased and at what price(s), and when you bought and sold your Impax shares. By following the Plan of Allocation described below, you can calculate your "Recognized Loss." The Claims Administrator will distribute the Net Settlement Fund according to the Plan of Allocation after the deadline for submission of Proof of Claim and Release Forms has passed.

The Claims Administrator will determine each Class Member's *pro rata* share of the Net Settlement Fund based upon each Class Member's valid "Recognized Loss." The Recognized Loss formula is not intended to be an estimate of the amount that a Class Member might have been able to recover after a trial; it also is not an estimate of the amount that will be paid to Class Members pursuant to the Settlement. The Recognized Loss formula is the basis upon which the Net Settlement Fund will be proportionately allocated to the Class Members with valid claims.

**10. The Basis for the Calculation of Your Recognized Loss**

The Net Settlement Fund will be distributed to Class Members who submit valid, timely claim forms ("Authorized Claimants") under the following Plan of Allocation proposed by Lead Plaintiff.

**PLAN OF ALLOCATION**

Lead Counsel has consulted with a damages consultant and developed the Plan of Allocation to calculate how Class Members will share in the Net Settlement Fund. Defendants have had, and will have, no involvement or responsibility for the terms or application of the Plan of Allocation set forth here.

A "Recognized Loss" will be calculated for each Authorized Claimant, as listed in the claim form and for which adequate documentation is provided. To the extent there are sufficient funds in the Net Settlement Fund, each Authorized Claimant will receive an amount equal to the Authorized Claimant's Recognized Loss. If, however, as expected, the amount in the Net Settlement Fund is not sufficient to permit payment of the total Recognized Loss of each Authorized Claimant, then each Authorized Claimant will be paid the percentage of the Net Settlement Fund that each Authorized Claimant's Recognized Loss bears to the total of the Recognized Losses of all Authorized Claimants – thus, the Class Member's *pro rata* share of the Net Settlement Fund. Receipt of these monies by each Authorized Claimant will be deemed full and complete payment from the Settlement of his/her/its Recognized Loss.

Computation of an Authorized Claimant's Recognized Loss reflects price changes of Impax common stock in reaction to certain public announcements regarding Impax, or other Company information unrelated to the alleged fraud, based on the allegations in the Consolidated Class Action Complaint for Violations of the Federal Securities Laws filed on September 13, 2013 and the evidence developed in support thereof.

For Class Members who held shares of Impax common stock at the beginning of the Class Period, or who made multiple purchases, acquisitions or sales during the Class Period, the first-in, first-out (“FIFO”) method will be applied to such holdings, purchases, and sales for purposes of calculating a Recognized Loss. Under the FIFO method, shares of Impax common stock sold during the Class Period will be matched first against shares held at the beginning of the Class Period. The sale of any remaining shares during the Class Period will then be matched in chronological order against shares purchased during the Class Period.

Transactions during the Class Period resulting in a gain will be netted against the Authorized Claimant’s transactions resulting in a loss to arrive at the Recognized Loss. However, the proceeds from sales of stock which have been matched against stock held at the beginning of the Class Period will not be used in the calculation of Recognized Loss.

If a Class Member acquired Impax common stock by way of gift, inheritance, or operation of law, such a claim will be computed by using the date and price of the original purchase and not the date and price of transfer. In such instances, the recipient must provide documentation of the original purchase in addition to the transfer.

A payment to any Class Member that would amount to less than \$10.00 in total will not be included in the calculation of the Net Settlement Fund, and no payment to these Class Members will be distributed.

An Authorized Claimant’s Recognized Loss will be calculated as follows:

For each share of Impax common stock purchased or otherwise acquired during the period June 6, 2011 through March 4, 2013, and:

- i. sold on or before March 4, 2013, the Recognized Loss will be zero.<sup>2</sup>
- ii. sold between March 5, 2013 and May 31, 2013, inclusive, the Recognized Loss will be the lesser of: (a) \$5.36 per share; or (b) the difference between the purchase price per share and the mean closing price per share up to the date of sale as set forth in Table A below.
- iii. retained at the close of trading on May 31, 2013, the Recognized Loss will be the lesser of: (a) \$5.36 per share; or (b) the difference between the purchase price per share and \$16.86.

TABLE A							
Date	Mean Closing Price		Date	Mean Closing Price		Date	Mean Closing Price
3/5/2013	\$14.80		4/4/2013	\$15.81		5/3/2013	\$16.29
3/6/2013	\$15.29		4/5/2013	\$15.83		5/6/2013	\$16.31
3/7/2013	\$15.52		4/8/2013	\$15.84		5/7/2013	\$16.31
3/8/2013	\$15.80		4/9/2013	\$15.85		5/8/2013	\$16.31
3/11/2013	\$16.02		4/10/2013	\$15.88		5/9/2013	\$16.31
3/12/2013	\$16.14		4/11/2013	\$15.90		5/10/2013	\$16.33
3/13/2013	\$16.17		4/12/2013	\$15.92		5/13/2013	\$16.36
3/14/2013	\$16.18		4/15/2013	\$15.92		5/14/2013	\$16.39
3/15/2013	\$16.14		4/16/2013	\$15.93		5/15/2013	\$16.42
3/18/2013	\$16.09		4/17/2013	\$15.94		5/16/2013	\$16.47
3/19/2013	\$16.04		4/18/2013	\$15.95		5/17/2013	\$16.50
3/20/2013	\$16.03		4/19/2013	\$15.97		5/20/2013	\$16.54
3/21/2013	\$15.99		4/22/2013	\$16.00		5/21/2013	\$16.57
3/22/2013	\$15.96		4/23/2013	\$16.05		5/22/2013	\$16.61
3/25/2013	\$15.93		4/24/2013	\$16.09		5/23/2013	\$16.65
3/26/2013	\$15.91		4/25/2013	\$16.13		5/24/2013	\$16.68
3/27/2013	\$15.88		4/26/2013	\$16.17		5/28/2013	\$16.73
3/28/2013	\$15.85		4/29/2013	\$16.20		5/29/2013	\$16.78
4/1/2013	\$15.82		4/30/2013	\$16.23		5/30/2013	\$16.82
4/2/2013	\$15.80		5/1/2013	\$16.26		5/31/2013	\$16.86
4/3/2013	\$15.80		5/2/2013	\$16.28			

<sup>2</sup> A purchase or sale of shares of Impax common stock shall be deemed to have occurred on the “contract” or “trade” dated as opposed to the “settlement” or “payment” date.

## HOW YOU RECEIVE A PAYMENT – SUBMITTING A CLAIM FORM

### 11. How will I receive a payment?

To qualify for payment, you must be an eligible Class Member and you must submit a Proof of Claim and Release Form. This form is enclosed with this Notice. Read the instructions carefully, fill out the form, include all the documents the form requests, sign it, and mail it in an envelope postmarked no later than Wednesday, July 15, 2015. Retain a copy of everything you mail, in case the materials are lost or destroyed during shipping.

### 12. When will I receive my payment?

The Court will hold a hearing on Thursday, June 11, 2015 at 1:30 p.m., to decide whether to approve the Settlement. If the Court approves the Settlement, there may be appeals. It is always uncertain whether appeals, if any are filed, can be resolved, and resolving them can take time, perhaps several years. In addition, the Claims Administrator must process all of the Proof of Claim and Release Forms. The processing is complicated and will take many months. Please be patient.

### 13. What am I giving up by staying in the Class?

Unless you exclude yourself, you are staying in the Class, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against the Defendants or the Released Persons (defined below) about the claims being released in this Settlement. It also means that all of the Court's orders in this case will apply to you and legally bind you and you will release your claims in this case against the Defendants and the other Released Persons.

Pursuant to the proposed Settlement, and on the Effective Date, Lead Plaintiff and other members of the Class who do not exclude themselves will release and forever discharge, and will forever be enjoined from prosecuting, the Released Claims (defined below) against the Released Parties (also defined below).

The "Defendants" include Impax Laboratories, Inc., Larry Hsu, and Arthur A. Koch, each of whom will be released from all Released Claims. The proposed Settlement will release all Class Members' Released Claims against each Defendant, their past or present agents, employees, officers, directors, managers, attorneys and legal representatives, spouses and any person, firm, trust, corporation, officer, director or other individual or entity in which any Defendant has a controlling interest and successors-in-interest or assigns of Defendants (collectively, the "Related Parties"). The Released Persons are Defendants, their Related Parties, and their insurers, insurers' affiliates, and reinsurers and their related parties.

"Released Claims" means any and all claims, suits, actions, appeals, causes of action, damages (including, without limitation, compensatory, punitive, exemplary, rescissory, direct, consequential or special damages, and restitution and disgorgement), demands, rights, debts, penalties, costs, expenses, fees, injunctive relief, attorneys' fees, expert or consulting fees, prejudgment interest, indemnities, duties, liability, losses, or obligations of every nature and description whatsoever, known or unknown, whether or not concealed or hidden, fixed or contingent, direct or indirect, anticipated or unanticipated, asserted or that could have been asserted by Lead Plaintiff or any Class Member, whether legal, contractual, rescissory, statutory, or equitable in nature, whether arising under federal, state, common, or foreign law, that are based upon, arise from, are in connection with, or relate to (a) the purchase, acquisition, sale, or holding of Impax securities for the time period between June 6, 2011 and March 4, 2013, inclusive; (b) the subject matter of the *Mulligan* action for the time period between June 6, 2011 and March 4, 2013, inclusive; or (c) the facts alleged or that could have been alleged in the *Mulligan* action for the time period between June 6, 2011 and March 4, 2013, inclusive. "Released Claims" does not include the claims that are the subject of those currently pled in *Aruliah v. Impax Laboratories, Inc.*, No. 14-cv-03673-JD (N.D. Cal.), which are separate and apart from the claims subject to this Stipulation and Settlement.

"Unknown Claims" means any and all Released Claims which Lead Plaintiff or any Class Member does not know or suspect to exist in his, her, or its favor at the time of the release of the Released Persons, and any Settled Defendants' Claims which Defendants do not know or suspect to exist in their favor, which if known by him, her, or it, might have affected his, her, or its decision(s) with respect to the Settlement. With respect to any and all Released Claims and Settled Defendants' Claims, the Parties stipulate and agree that upon the Effective Date, the Parties expressly waive, and each Class Member and Released Person shall be deemed to have waived, and by operation of the Order and Final Judgment shall have expressly waived, any and all provisions, rights and benefits conferred by any law of any state or territory of the United States, 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 which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."



If the proposed Settlement is approved by the Court and becomes final, all Released Claims will be dismissed on the merits and with prejudice as to all Class Members who do not exclude themselves from the Class.

If the Settlement becomes final, all Defendants will release all claims they hold against Lead Plaintiff, Class Members, and their counsel.

### **EXCLUDING YOURSELF FROM THE SETTLEMENT**

If you do not want a payment from this Settlement, and you want to keep the right to sue or continue to sue the Defendants on your own about the same claims being released in this Settlement, then you must take steps to exclude yourself from the Settlement. This is referred to as “opting out” of the Class.

#### **14. How do I exclude myself from the Settlement?**

To exclude yourself from the Settlement, you must send a letter by mail stating that you want to be excluded from *Mulligan v. Impax Laboratories, Inc.*, Case No. 3:13-CV-01037-EMC. You must include your name, address, telephone number, your signature, and proof of the number of shares of Impax common stock purchased during the Class Period, the number sold, if any, the dates of such purchases and sales, and the price paid or received per share for each such purchase, acquisition, or sale. Your Request for Exclusion must be sent to:

#### **Impax Securities Litigation Claims Administrator**

#### ***EXCLUSIONS***

c/o KCC Class Action Services

P.O. Box 43322

Providence, RI 02940-3322

Please keep a copy of everything you send by mail, in case it is lost or destroyed during shipping.

Your Request for Exclusion must be *received* no later than Thursday, May 21, 2015. You cannot exclude yourself by phone or by email. If you ask to be excluded, you are not eligible to receive any Settlement payment, and you cannot object to the Settlement. You will not be legally bound by anything that happens in this lawsuit and you will be able to pursue the claims that are being released in this Settlement.

#### **15. If I do not exclude myself, can I sue the Defendants for the same thing later?**

No. Unless you exclude yourself, you give up any right to sue the Defendants or the other Released Persons for the claims being released by this Settlement. If you have a pending lawsuit relating to the claims being released in this case against any of the Defendants, speak to your lawyer in that case immediately and give him/her this packet. Remember, the exclusion deadline is Thursday, May 21, 2015.

#### **16. If I exclude myself, can I receive a payment from this Settlement?**

No. If you exclude yourself, you cannot send in a Proof of Claim and Release Form. But, you may sue, continue to sue, or be part of a different lawsuit asserting the claims being released in this Settlement against the Defendants or the other Released Persons.

### **THE LAWYERS REPRESENTING YOU**

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

The Court appointed Cohen Milstein to represent you and the other Class Members as Lead Counsel. You will not be individually charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

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

Lead Counsel will apply to the Court for attorneys' fees not to exceed 30% of the \$8,000,000 Settlement Fund and for reimbursement of Lead Plaintiff's counsel's out-of-pocket expenses up to \$160,000 (exclusive of costs for notice and administration of the Settlement), which they paid or are payable in this litigation, plus interest on these two amounts at the same rate as earned by the Settlement Fund. *The amounts approved by the Court will be paid from the Settlement Fund.* Class Members are not personally liable for any fees or expenses of Lead Counsel or other Lead Plaintiff's counsel.

The attorneys' fees and expenses requested will be the only payment to Lead Counsel and other Plaintiff's counsel for their efforts in achieving this Settlement and for their risk in undertaking this representation on a wholly contingent basis. To date, these counsel have not been paid for their services of conducting this litigation on behalf of Lead Plaintiff and the Class nor for their substantial out-of-pocket expenses. The fee requested will compensate Lead Plaintiff's counsel for their work in litigating the case and reaching the Settlement. The request is well within the range of fees awarded to class counsel under similar circumstances in other cases of this type. The Court may, however, award less than this amount.

If the above amounts for fees and expenses are requested and approved by the Court, the average cost per share of common stock will be \$0.10.

### OBJECTING TO THE SETTLEMENT

You can tell the Court that you do not agree with the Settlement or some part of it.

#### 19. How do I tell the Court that I do not like the Settlement?

If you are a Class Member, you can object to the Settlement if you do not like any part of it. To object, you must state in writing that you object to the Settlement in *Mulligan v. Impax Laboratories, Inc.*, Case No. 13-cv-01037-EMC. You must include your name, address, telephone number, your signature, the reasons you object to the settlement and proof of the number of shares of Impax common stock you purchased during the Class Period, the number you sold, and the dates of the purchases and sales. Any objection to the Settlement must be mailed or delivered such that it is **received** by each of the following no later than Thursday, May 21, 2015:

**Court:**

Clerk of the Court  
UNITED STATES  
DISTRICT COURT  
NORTHERN DISTRICT  
OF CALIFORNIA  
450 Golden Gate Avenue  
Box 36060  
San Francisco, CA 94102-3489

**Lead Counsel:**

Daniel S. Sommers  
Christopher Lometti  
Genevieve O. Fontan  
COHEN MILSTEIN  
SELLERS & TOLL PLLC  
1100 New York Avenue, N.W.  
East Tower, Suite 500  
Washington, DC 20005

**Defendants' Counsel:**

Peter A. Wald  
Patrick E. Gibbs  
Marcy C. Priedeman  
LATHAM & WATKINS LLP  
505 Montgomery St.  
Suite 2000  
San Francisco, CA 94111

#### 20. What is the difference between objecting to the Settlement and excluding myself from the Class?

Objecting is simply telling the Court that you do not like something about the Settlement, the Plan of Allocation, or the application for attorneys' fees and expenses. 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 Settlement. If you exclude yourself, you have no basis to object because the case no longer affects you.

### THE COURT'S FAIRNESS HEARING

#### 21. When and where will the Court decide whether to approve the Settlement?

The Court will hold a hearing on Thursday, June 11, 2015, at 1:30 p.m., at the United States Courthouse, 450 Golden Gate Avenue, San Francisco, CA 94102-3489. At this hearing the Court will consider whether the Settlement and the Plan of Allocation are fair, reasonable, and adequate and should be approved. The Court may change the date and time of the hearing without further notice. If there are objections, the Court will consider them. The Court will listen to people who have requested in writing by Thursday, May 21, 2015, to speak at the hearing. The Court may also consider Lead Counsel's application for attorneys' fees and reimbursement of expenses.

#### 22. Do I have to come to the hearing?

No. Lead Counsel will answer any questions the Court may have. But, you are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as your written objection is received on time, the Court will consider it. You may also pay your own lawyer to attend, but this is not required.

**23. May I speak at the hearing?**

You may ask the Court for permission to speak at the hearing. To do so, you must send a letter stating your intention to appear in *Mulligan v. Impax Laboratories, Inc.*, Case No. 13-cv-01037-EMC. Be sure to include your name, address, telephone number, your signature, the number of shares of Impax common stock you purchased during the Class Period, the number you sold, and the dates of the purchases and sales. Your notice of intention to appear must be **received** no later than Thursday, May 21, 2015, and be sent to the Clerk of the Court, Lead Counsel, and Defendants' Counsel, at the addresses listed in Question 19. You cannot speak at the hearing if you exclude yourself from the Settlement.

**IF YOU DO NOTHING**

**24. What happens if I do nothing at all?**

If you do nothing, you will receive no money from this Settlement. But, unless you exclude yourself, you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against the Defendants or the other Released Persons about the same claims being released in this Settlement.

**OBTAINING MORE INFORMATION**

**25. Are there more details about the Settlement?**

This Notice summarizes the proposed Settlement. More details are in the Stipulation of Settlement dated November 25, 2014. You can view and print the Stipulation of Settlement at [www.ImpaxSecuritiesLitigation.com](http://www.ImpaxSecuritiesLitigation.com), or obtain a copy of the Stipulation or more information about the Settlement by contacting the Claims Administrator by email to [info@ImpaxSecuritiesLitigation.com](mailto:info@ImpaxSecuritiesLitigation.com) or by phone at 1-888-936-9013. You also can obtain a copy of the Stipulation from the Clerk's Office at the United States District Court for the Northern District of California, 450 Golden Gate Avenue, San Francisco, CA 94102-3489, during regular business hours.

**PLEASE DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE**

**SPECIAL NOTICE TO NOMINEES**

If you purchased Impax common stock during the Class Period for the beneficial interest of a person or organization other than yourself, the Court has directed that within ten (10) days after you receive this Notice, you must either: (1) send a copy of this Notice by first class mail to all such persons or entities, or (2) provide a list of the names and addresses of such persons or entities to the Claims Administrator:

**Impax Securities Litigation Claims Administrator**  
c/o KCC Class Action Services  
P.O. Box 43322  
Providence, RI 02940-3322  
[Nominees@ImpaxSecuritiesLitigation.com](mailto:Nominees@ImpaxSecuritiesLitigation.com)

If you choose to mail the Notice and Proof of Claim yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing.

In either case, you may obtain reimbursement for reasonable administrative costs actually incurred in connection with forwarding the Notice and which would not have been incurred but for the obligation to forward the Notice, upon submission of appropriate documentation to the Claims Administrator.

DATED: January 16, 2015

BY ORDER OF THE COURT  
UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA