

GAR. DEPTHE, J

UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

SHIRE LLC,

Plaintiff,

v.

TARO PHARMACEUTICAL INDUSTRIES
LTD., TARO PHARMACEUTICALS U.S.A.,
INC.

Defendants.

CIVIL ACTION NO. 10-CV-5631-PGG

JUDGMENT AND ORDER OF PERMANENT INJUNCTION

This action for patent infringement (the "Action") having been brought by Plaintiff Shire LLC ("Shire") against Defendants Taro Pharmaceuticals U.S.A., Inc., and Taro Pharmaceutical Industries Ltd. ("Taro") for infringement of United States Patent Nos. 5,326,570 ("the '570 Patent") and 5,912,013 ("the '013 Patent") (collectively, the "Patents");

Taro and Shire having entered into a Settlement Agreement, under which Shire will grant Taro a license to the Patents (the "License"), pursuant to the terms and conditions in the Settlement Agreement and License, which resolve all claims in this Action;

Shire having granted Taro a covenant not to sue with respect to the Patents pursuant to the Settlement Agreement;

Taro and Shire having agreed to dismiss without prejudice this Action with respect to the '013 Patent;

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DATE FILED: 9/16/10

Taro acknowledges that all the claims in the '570 Patent are valid and enforceable in all respects; and

Taro acknowledges that the filing of Abbreviated New Drug Application ("ANDA") No. 78-986 (together with any supplements or amendments thereto, the "Taro ANDA") technically infringed the '570 Patent under 35 U.S.C. § 271(e)(2)(A) and, in the absence of a license, that selling, offering for sale, using and/or importing into the United States a product under or described in the Taro ANDA (the "Taro Product") would infringe the '570 Patent.

Shire and Taro now consent to this Judgment and Order.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED:

1. This Court has jurisdiction over the parties and subject matter of this action.
2. Taro admits that the '570 Patent is valid and enforceable in all respects.
3. All affirmative defenses, claims and counterclaims, which have been or could have been raised by Taro in this Action with respect to the validity, enforceability, or infringement of the '570 Patent, are dismissed with prejudice.
4. Taro is hereby enjoined and estopped during the term of the '570 Patent from making any challenge to the validity or enforceability of the '570 Patent.
5. Taro admits that the sale, use or import of the Taro Product would infringe the '570 Patent other than as permitted by the License from Shire under the Settlement Agreement.
6. Taro is hereby also enjoined and estopped during the term of the '570 Patent from making any challenge as to infringement by the Taro Product of the '570 Patent.

7. The foregoing injunctions against Taro shall take effect immediately upon entry of this Judgment and Order by the Court, and shall continue generally until the expiration of the '570 Patent.

8. This Judgment and Order is binding upon and constitutes claim preclusion and issue preclusion with respect to validity and enforceability of the '570 Patent and infringement by the Taro Product of the '570 Patent.

9. This Judgment and Order shall apply to Taro and Taro's officers, agents, servants, employees, and attorneys and any other persons who are in active concert or participation with Taro.

10. The parties waive all right to appeal from this Judgment and Order.

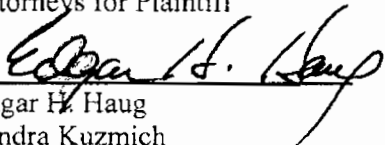
11. This Court shall retain jurisdiction of this action and over the parties for purposes of enforcement of the provisions of this Judgment and Order, the Settlement Agreement and the License.

12. Each party is to bear its own costs and attorneys' fees.

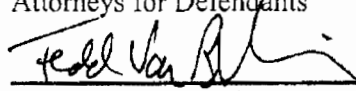
Dated: September 10, 2010

New York, N.Y.

Attorneys for Plaintiff

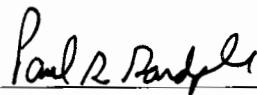

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SO ORDERED

Dated: Sept. 13, 2010



THE HON. PAUL G. GARDEPHE
UNITED STATES DISTRICT JUDGE

THIS DOCUMENT WAS ENTERED
ON THE DOCKET ON _____