

ALLERGAN INC
Form DEF 14A
March 26, 2014

SCHEDULE 14A INFORMATION

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to § 240.14a-12

Allergan, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

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(1) Title of each class of securities to which transaction applies:

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(3) Filing Party:

(4) Date Filed:

2525 Dupont Drive, Irvine, CA 92612 (714) 246-4500

March 26, 2014

Dear Stockholder:

You are cordially invited to attend our 2014 annual meeting of stockholders, to be held on May 6, 2014 at 10:00 a.m., local time, at our headquarters located at 2525 Dupont Drive, Irvine, California 92612. We hope you will be present to hear management's report to stockholders. The attached notice of meeting and proxy statement describe the matters to be acted upon at the annual meeting. We urge you to read this information carefully.

Whether or not you plan to attend the annual meeting personally, and regardless of the number of shares of Allergan stock you own, it is important that your shares are represented at the annual meeting. We are pleased to take advantage of Securities and Exchange Commission rules that allow companies to furnish their proxy materials over the internet. As a result, we are mailing to most of our stockholders a Notice of Internet Availability of Proxy Materials (the "Notice") instead of a paper copy of our proxy materials, which include the Notice of Annual Meeting, our Proxy Statement, our 2013 Annual Report and a proxy card or voting instruction form. The Notice contains instructions on how to access those documents on the internet and how to cast your vote via the internet. The Notice also contains instructions on how to request a paper copy of our proxy materials. All stockholders who do not receive the Notice will receive a paper copy of the proxy materials by mail. If you receive a paper copy of our proxy materials, you can cast your vote by completing the enclosed proxy card and returning it in the postage-prepaid envelope provided, or by utilizing the telephone or internet voting systems.

David E.I. Pyott

Chairman of the Board

and Chief Executive Officer

2525 Dupont Drive, Irvine, CA 92612

NOTICE OF ANNUAL MEETING OF ALLERGAN, INC. STOCKHOLDERS

TO BE HELD ON MAY 6, 2014

TO OUR STOCKHOLDERS:

The 2014 annual meeting of stockholders of Allergan, Inc. will be held on May 6, 2014 at 10:00 a.m., local time, at our headquarters located at 2525 Dupont Drive, Irvine, California 92612. We will consider and act on the following items of business at the annual meeting:

1. Election of nine directors for a term of office expiring at the 2015 annual meeting of stockholders and until their successors are duly elected and qualified. The nominees for election to our board of directors are David E.I. Pyott, Deborah Dunsire, M.D., Michael R. Gallagher, Trevor M. Jones, Ph.D., Louis J. Lavigne, Jr., Peter J. McDonnell, M.D., Timothy D. Proctor, Russell T. Ray and Henri A. Termeer.
2. Ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for fiscal year 2014;
3. Conduct an advisory vote to approve the compensation of our named executive officers;
4. Approve the amendment and restatement of our Amended and Restated Certificate of Incorporation to provide stockholders with the right to act by written consent;
5. Consider a stockholder proposal, if properly presented at the annual meeting; and
6. Such other business as may properly come before the annual meeting.

The Proxy Statement accompanying this notice describes each of these items of business in more detail. Our board of directors recommends: a vote **FOR** each of the nine nominees for director named in the Proxy Statement, a vote **FOR** items 2, 3 and 4, and a vote **AGAINST** the stockholder proposal, if properly presented at the annual meeting, in item 5.

If you were a holder of record of Allergan common stock at the close of business on March 11, 2014, you are entitled to notice of and to vote at the annual meeting.

By Order of the Board of Directors

Matthew J. Maletta

Vice President,

Associate General Counsel and Secretary

Irvine, California

March 26, 2014

ALLERGAN, INC.

2525 Dupont Drive, Irvine, CA 92612

PROXY STATEMENT
ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON MAY 6, 2014

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ALLERGAN, INC.

2525 Dupont Drive, Irvine, CA 92612

ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD ON MAY 6, 2014

PROXY STATEMENT

INFORMATION CONCERNING VOTING AND SOLICITATION

Solicitation of Proxies is Made by Allergan's Board of Directors

The board of directors (the Board) of Allergan, Inc. (Allergan, the Company, we, our or us) is soliciting proxies to be used at the annual meeting of stockholders, to be held on May 6, 2014 at 10:00 a.m., local time, at our headquarters located at 2525 Dupont Drive, Irvine, California 92612, and at any continuation, adjournment or postponement thereof. Directions to attend the annual meeting can be found on our website at www.allergan.com. References to our website in this Proxy Statement are not intended to function as hyperlinks and the information contained on our website is not incorporated into this Proxy Statement.

As permitted by the Securities and Exchange Commission (SEC), Allergan is providing most stockholders with access to our proxy materials over the internet rather than in paper form. Accordingly, on or about March 26, 2014, we will mail a Notice of Internet Availability of Proxy Materials (the Notice) containing instructions on how to access the proxy materials over the internet to most of our stockholders. We will mail printed copies of the full set of proxy materials to the rest of our stockholders. If you receive the Notice by mail, you will not receive a printed copy of the proxy materials in the mail unless you follow the instructions contained on the Notice for requesting such materials. The Notice instructs you on how to access and review all of the important information contained in our Proxy Statement and our 2013 Annual Report to Stockholders over the internet. The Notice also instructs you on how to submit your proxy via the internet.

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to Be Held on May 6, 2014:

Our Proxy Statement and 2013 Annual Report to Stockholders are Available at www.proxyvote.com. This website address contains the following documents: the Notice of the Annual Meeting, our Proxy Statement and our 2013 Annual Report to Stockholders. You are encouraged to access and review all of the important information contained in the proxy materials before voting.

Who Can Vote, Outstanding Shares

Record holders of our common stock as of March 11, 2014 may vote at the annual meeting. As of the record date, there were 299,108,984 shares of our common stock (exclusive of approximately 8,483,476 shares of common stock held in treasury) outstanding, each entitled to one vote. The shares of common stock held in our treasury will not be voted at the annual meeting. There were approximately 4,319 stockholders of record as of the record date.

How You Can Vote

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You can vote by attending the annual meeting and voting in person or you can vote by submitting a proxy. If you are the record holder of your stock, you can vote by submitting your proxy via the internet, by telephone or through the mail.

To vote via the internet, follow the instructions on the Notice or go to the internet address stated on your proxy card. To vote by telephone, call the number on your proxy card. If you receive only the Notice, you may follow the procedures outlined in the Notice to vote via the internet or request a proxy card.

As an alternative to voting by telephone or via the internet, you may vote by mail. If you receive only the Notice, you may follow the procedures outlined in the Notice to request a paper proxy card to submit your vote by mail. If you receive a paper copy of the proxy materials and wish to vote by mail, simply mark your proxy card, date and sign it and return it in the postage-prepaid envelope. If you do not have the postage-prepaid envelope, please mail your completed proxy card to the following address: Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

If you hold your shares of common stock through a broker, bank or other nominee, then you will receive a notice from such institution or person that includes instructions on how to vote your shares. Your broker, bank or other nominee will allow you to deliver your voting instructions via the internet and may also permit you to submit your voting instructions by telephone. In addition, you may request paper copies of our Proxy Statement and proxy card by following the instructions on the notice provided by your broker, bank or other nominee.

The internet and telephone voting facilities will close at 11:59 p.m., Eastern Time, on May 5, 2014. Stockholders who submit a proxy via the internet should be aware that they may incur costs to access the internet, such as usage charges from telephone companies or internet service providers and that these costs must be borne by such stockholders. Stockholders who submit a proxy via the internet or by telephone need not return a proxy card or the form forwarded by your broker, bank or other nominee by mail.

YOUR VOTE IS VERY IMPORTANT. You should submit your proxy even if you plan to attend the annual meeting. If you properly give your proxy and submit it to us in time to vote, the individuals named as your proxy holders will vote your shares as you have directed.

All shares entitled to vote and represented by properly submitted proxies (including those submitted via the internet, by telephone and by mail) received before the polls are closed at the annual meeting, and not revoked or superseded, will be voted at the annual meeting in accordance with the instructions indicated on those proxies. If no direction is indicated on a proxy, such shares will be voted by the proxy holders named in the enclosed proxy according to the recommendation of our Board: **FOR** the election of each of the nine director nominees; **FOR** ratification of the selection of Ernst & Young LLP as our independent registered public accounting firm for fiscal year 2014; **FOR** approval of the compensation of our named executive officers; **FOR** approval of the amendment and restatement of our Amended and Restated Certificate of Incorporation to provide stockholders with the right to act by written consent; and **AGAINST** the stockholder proposal. In their discretion, the proxy holders named in the proxy are authorized to vote on any other matters that may properly come before the annual meeting and at any continuation, postponement or adjournment of the annual meeting. As of the date of this Proxy Statement, our Board is not aware of any other items of business that will be presented for consideration at the annual meeting other than those described in this Proxy Statement.

Voting in Person

If you plan to attend the annual meeting and wish to vote in person, you will be given a ballot at the annual meeting. Please note that if your shares are held of record by a broker, bank or other nominee, and you decide to attend and vote at the annual meeting, your vote in person at the annual meeting will not be effective unless you present a legal proxy, issued in your name from your broker, bank or other nominee. Even if you plan to attend the annual meeting, we encourage you to submit your proxy to vote your shares in advance of the annual meeting.

Stockholders who wish to attend the annual meeting will be required to present verification of ownership of our common stock, such as a bank or brokerage firm account statement, and will be required to present a valid government-issued picture identification, such as a driver's license or passport, to gain admittance to the annual meeting.

No cameras, recording equipment, electronic devices, large bags, briefcases or packages will be permitted in the annual meeting.

How You May Revoke or Change Your Vote

As a stockholder of record, you have the power to revoke your proxy at any time before it is voted. A proxy may be revoked by a stockholder of record by:

delivering a written notice of revocation to our Secretary at or before the annual meeting;

presenting to our Secretary, at or before the annual meeting, a later dated proxy executed by the person who executed the prior proxy;

submitting another proxy by telephone or via the internet (your latest telephone or internet voting instructions are followed); or

attending the annual meeting and voting in person.

Attendance at the annual meeting will not, by itself, revoke a proxy. Any written notice of revocation or delivery of a subsequent proxy by a stockholder of record may be sent to Allergan, Inc., Attn: Secretary, P.O. Box 19534, Irvine, CA 92623, or hand delivered to our Secretary at or before the voting at the annual meeting.

If you hold your shares through a broker, bank or other nominee, you may change your vote by submitting new voting instructions to your broker, bank or other nominee. If you wish to vote in person, you must obtain a legal proxy issued to you by your broker, bank or other nominee.

Quorum and Required Vote

The inspector of elections appointed for the annual meeting will tabulate votes cast by proxy or in person at the annual meeting. The inspector of elections will also determine whether a quorum is present. In order to constitute a quorum for the conduct of business at the annual meeting, a majority of the outstanding shares of our common stock entitled to vote at the annual meeting must be present or represented by proxy at the annual meeting. Shares that abstain from voting on any proposal, or that are represented by broker non-votes (as discussed below), will be treated as shares that are present and entitled to vote at the annual meeting for purposes of determining whether a quorum is present.

A broker holding shares of record for you is not entitled to vote on certain matters unless the broker receives voting instructions from you. Broker non-votes result when shares are held by a broker who has not received voting instructions from the beneficial owner and the broker has so notified us on a proxy form in accordance with industry practice or has otherwise advised us that the broker lacks voting authority.

Election of Directors: Item No. 1. Our Amended and Restated Bylaws provide for a majority voting standard in the election of directors in uncontested elections, which are generally defined as elections in which the number of nominees does not exceed the number of directors to be elected at the meeting. In the election of directors, you may either vote for, against or abstain. Cumulative voting is not permitted. Under our majority voting standard, in uncontested elections of directors, such as this election, each director must be elected by the affirmative vote of a majority of the votes cast by the shares present in person or represented by proxy and entitled to vote. A majority of the votes cast means that the number of votes cast for a director nominee exceeds the number of votes cast against the nominee. Abstentions and broker non-votes will not count as a vote for or against a nominee's election and thus will have no effect in determining whether a director nominee has received a majority of the votes cast.

Our Board has adopted a policy under which, in uncontested elections, an incumbent director nominee who does not receive the required votes for re-election is expected to tender his or her resignation to our Board. The Corporate Governance and Compliance Committee, or another duly authorized committee of our Board, will determine whether to accept or reject the tendered resignation generally within 90 days after certification of the election results. Allergan will publicly disclose the committee's determination regarding the tendered resignation and the rationale behind the decision in a Current Report on Form 8-K filed with the SEC.

Ratification of Independent Registered Public Accounting Firm: Item No. 2. The approval of Item No. 2, ratifying the appointment of Ernst & Young LLP as our independent registered public accounting firm for fiscal year 2014, requires the affirmative vote of a majority of shares present at the annual meeting, in person or by proxy, and entitled to vote on the proposal. Abstentions on Item No. 2 will have the same effect as a vote against Item No. 2. The approval of Item No. 2 is a routine proposal on which a broker or other nominee is generally empowered to vote. Accordingly, no broker non-votes will likely result from this proposal.

Advisory Vote to Approve the Compensation of our Named Executive Officers: Item No. 3. The approval of Item No. 3, regarding the compensation of our named executive officers, requires the affirmative vote of a majority of shares present at the annual meeting, in person or by proxy, and entitled to vote on the proposal. Abstentions will have the same effect as votes against this proposal. Broker non-votes will have no effect on this proposal as brokers are not entitled to vote on such proposal in the absence of voting instructions from the beneficial owner.

Approval of the Amendment and Restatement of our Amended and Restated Certificate of Incorporation: Item No. 4. The approval of Item No. 4, regarding the amendment and restatement of our Amended and Restated Certificate of Incorporation, requires the affirmative vote of a majority of shares outstanding. Abstentions and broker non-votes will have the same effect as votes against this proposal.

Stockholder Proposal: Item No. 5. The approval of the non-binding stockholder proposal under Item No. 5, if properly presented at the annual meeting, requires the affirmative vote of a majority of the shares present at the annual meeting, in person or by proxy, and entitled to vote on the stockholder proposal. Abstentions will have the same effect as votes against the stockholder proposal. Broker non-votes will have no effect on this proposal as brokers are not entitled to vote on such proposals in the absence of voting instructions from the beneficial owner.

Costs of Solicitation

The total cost of this solicitation, including preparing, printing and mailing this Proxy Statement, will be borne by us. In addition to solicitation by mail, our officers and employees may solicit proxies by telephone, by internet or in person. We have retained Georgeson Inc. to assist in the solicitation of proxies for a fee estimated to be approximately \$9,000, plus the reimbursement of out-of-pocket expenses incurred on our behalf. We will also reimburse brokers, nominees, fiduciaries and other custodians for reasonable expenses incurred by them in sending proxy soliciting materials to the beneficial owners of our common stock.

Stockholder List

A list of stockholders entitled to vote at the annual meeting will be available for examination by any stockholder for any purpose germane to the annual meeting during ordinary business hours at our corporate headquarters located at 2525 Dupont Drive, Irvine, California 92612 for the ten days prior to the annual meeting, and also at the annual meeting.

Confidentiality

It is our policy that all proxies, ballots and voting materials that identify the particular vote of a stockholder be kept confidential, except in the following circumstances:

to allow the independent inspector of elections appointed for the annual meeting to certify the results of the vote;

as necessary to meet applicable legal requirements, including the pursuit or defense of a judicial action;

where we conclude in good faith that a bona fide dispute exists as to the authenticity of one or more proxies, ballots or votes, or as to the accuracy of the tabulation of such proxies, ballots or votes;

where a stockholder expressly requests disclosure or has made a written comment on a proxy card;

where contacting stockholders by us is necessary to obtain a quorum, the names of stockholders who have or have not voted (but not how they voted) may be disclosed to us by the independent inspector of elections appointed for the annual meeting;

aggregate vote totals may be disclosed to us from time to time and publicly announced at the meeting of stockholders at which they are relevant; and

in the event of any solicitation of proxies or written consents with respect to any of our securities by a person other than us of which solicitation we have actual notice.

Item No. 1

ELECTION OF DIRECTORS

Our Board currently consists of nine members. The current term of office of each of our directors shall expire at the 2014 annual meeting of stockholders. Each of the nine directors are being nominated for a term expiring the date of our 2015 annual meeting of stockholders and until their successors are duly elected and qualified. Our Board appoints directors to fill vacancies on our Board, as they occur, as well as vacancies resulting from newly created directorships, in each instance upon the recommendation of the Corporate Governance and Compliance Committee. A director appointed to fill a vacancy shall serve a term that expires at the next annual meeting of stockholders.

Upon the recommendation of the Corporate Governance and Compliance Committee, our Board has nominated each of the following nine persons to be elected to serve for a one-year term expiring at the annual meeting of stockholders in 2015 and until his or her successor is duly elected and qualified. Each of the nominees for election currently serves as a director and has consented to serve for a new term. Each nominated director was elected by our stockholders to his or her present term of office, with the exception of Henri A. Termeer, who was appointed to our Board effective January 24, 2014. On March 7, 2014, Ms. Hudson notified the Company of her decision to resign from the Board effective March 13, 2014. Upon Ms. Hudson's resignation, the Board appointed Mr. Gallagher as Chair of the Organization and Compensation Committee and transitioned Dr. Dunsire from the Corporate Governance and Nomination Committee to the Audit and Finance Committee. Effective immediately prior to the 2014 annual meeting of stockholders, the nominees serve on the following committees:

Nominee	Position with Us	Audit and Finance	Corporate Governance and Compliance	Organization and Compensation	Science & Technology
David E.I. Pyott	Chairman of the Board and Chief Executive Officer				
Michael R. Gallagher	Lead Independent Director		C	C	
Deborah Dunsire, M.D.	Director	M			M
Trevor M. Jones, Ph.D.	Director		M		C
Louis J. Lavigne, Jr.	Director	M			M
Peter J. McDonnell, M.D.	Director		M		M
Timothy D. Proctor.	Director	M		M	
Russell T. Ray.	Director	C		M	
Henri A. Termeer	Director		M	M	

C indicates Chair and M indicates Member of the respective committee.

Board Recommendation

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE FOR THE ELECTION OF EACH OF THE NINE NAMED DIRECTOR NOMINEES.

Although it is anticipated that each nominee will be able to serve as a director, should any nominee become unavailable to serve, the shares of our common stock represented by the proxies will be voted for such other person or persons as may be designated by our Board, unless our Board reduces the number of directors accordingly. As of the date of this Proxy Statement, our Board is not aware of any nominee who is unable or will decline to serve as a director.

Information About Director Nominees

Set forth below are descriptions of the backgrounds of each nominee, their principal occupations for at least the past five years and their public-company directorships as of the record date as well as those held during the past five years. There are no relationships among any of our directors or among any of our directors and executive officers.

DAVID E.I. PYOTT, 60, has been our Chief Executive Officer since January 1998 and in 2001 became Chairman of the Board. Mr. Pyott also served as our President from January 1998 until February 2006, and again from March 2011 until June 2013. Mr. Pyott has driven the growth of Allergan by fueling internal development through significant investment in Research & Development while also identifying and leveraging unique, synergistic external opportunities. Allergan's investment in Research & Development has increased from less than \$100 million in 1998 to over \$1 billion in 2013. Allergan is currently the fastest growing and second largest global ophthalmic pharmaceutical company and holds leadership positions in other specialty areas including neurosciences, medical aesthetics and medical dermatology. In addition to internally driven innovation, Allergan acquired Inamed Corp. for over \$3 billion in 2006 and Groupe Laboratoires Cornéal in France in 2007 primarily for their breast implant and dermal filler technologies. In adding these products to BOTOX® Cosmetic, Allergan created a new global category: medical aesthetics, and is the world's largest medical aesthetics company.

Before joining Allergan, Mr. Pyott served as the Head of the Novartis Nutrition Division and as a member of the Executive Committee of the Switzerland-based Novartis AG, working over 17 years in several positions in strategic planning, marketing and general management in five countries around the world.

Mr. Pyott is also the lead independent director of the board of Avery Dennison Corporation, a publicly-traded company focused on pressure-sensitive technology and self-adhesive solutions, where he serves as Chairman of its Compensation and Executive Personnel Committee and as a member of its Governance and Social Responsibility Committee, and a member of the board of directors of Edwards Lifesciences Corporation, a publicly-traded company focused on products and technologies to treat advanced cardiovascular diseases, where he serves on its Audit and Public Policy Committee. Mr. Pyott is a former member of the board of Pacific Life Corp and Pacific Mutual Holding Company, the parent companies of Pacific Life Insurance Company. Mr. Pyott is a member of the Directors' Board of The Paul Merage School of Business at the University of California, Irvine. Mr. Pyott serves on the board and Executive Committee of the Biotechnology Industry Organization. Mr. Pyott also serves as a member of the board of the Pan-American Ophthalmological Foundation, President of the International Council of Ophthalmology Foundation and as a member of the Advisory Board for the Foundation of The American Academy of Ophthalmology. Mr. Pyott also serves as Vice Chairman of the Board of Trustees of Chapman University. Mr. Pyott was recognized in the Queen's Birthday Honors List in 2006 and holds the title of Commander of the British Empire.

Mr. Pyott's in-depth knowledge of our operations and the markets and industries in which we compete, combined with his entrepreneurial leadership experience in the healthcare industry, position him well to serve as our Chairman and Chief Executive Officer and provide a critical link between management and our Board, enabling our Board to provide its oversight function with the benefit of management's perspective of the business. For these reasons, and given Mr. Pyott's substantial public company governance experience from serving on the boards of several large public companies, our Board has concluded that Mr. Pyott should serve as one of our directors.

MICHAEL R. GALLAGHER, 68, was Chief Executive Officer and a Director of Playtex Products, Inc., a publicly-traded personal care and consumer products manufacturer, from July 1995 through his retirement in December 2004. Prior to that, Mr. Gallagher was Chief Executive Officer of North America for Reckitt & Colman plc, a consumer products company based in London. Mr. Gallagher was President and Chief Executive Officer of Eastman Kodak's subsidiary L&F Products, a cleaning products company, from 1988 until the subsidiary was sold to Reckitt & Colman plc in 1994. Mr. Gallagher held various executive positions with the Lehn & Fink Products group of Sterling Drug, maker of *Lysol*® and other household cleaning products, from 1984 until its sale to Eastman Kodak in 1988. Mr. Gallagher held various general management and brand management positions with The Clorox Company and The Procter & Gamble Company.

Mr. Gallagher is a member of and past Chairman of the Board of Advisors of the Haas School of Business, University of California, Berkeley. Mr. Gallagher was elected to our Board in 1998, is Chairman of the Corporate Governance and Compliance Committee, Chairman of the Organization and Compensation Committee and serves as our Board's lead independent director.

Our Board has concluded that, with more than three decades of experience in key leadership roles at public and private personal care and consumer products companies, including as the former Chief Executive Officer of Playtex Products, Mr. Gallagher provides our Board with a wealth of business and management experience, as well as invaluable broad-based personal care and consumer products experience and should serve as one of our directors and as our Board's lead independent director.

DEBORAH DUNSIRE, M.D., 51, has served as President and Chief Executive Officer of EnVivo Pharmaceuticals, a company dedicated to developing a broad range of novel therapies for central nervous system diseases since July 2013. Prior to joining EnVivo, she served as President and Chief Executive Officer of Millennium Pharmaceuticals, Inc., The Takeda Oncology Company, from July 2005 to July 2013. Prior to joining Millennium Pharmaceuticals, Dr. Dunsire was Senior Vice President, Head of North American Oncology Operations from July 2000 to July 2005, and Vice President, Oncology Business Unit from August 1996 to June 2000, of Novartis AG, a publicly-traded company focused on the research and development of products to protect and improve health and well-being. At Novartis, she helped increase the North American oncology revenues from approximately \$50 million to over \$2.1 billion in 10 years. From April 1988 to August 1996, Dr. Dunsire held various positions with Sandoz Laboratories, a pharmaceutical company, in the areas of product management, scientific development and clinical research.

Dr. Dunsire is a member of the boards of numerous nonprofit organizations, such as Gabrielle's Angels Foundation for Cancer Research, CancerCare, the Museum of Science, Boston, and the Massachusetts General Hospital Research Advisory Council. Dr. Dunsire was the 2001 recipient of the American Cancer Society's Excalibur Award and was the 2009 recipient of The Healthcare Businesswomen's Association's Woman of The Year. Dr. Dunsire is a graduate of the medical school of the University of the Witwatersrand, South Africa. Dr. Dunsire was appointed to our Board in December 2006 and is a member of the Audit and Finance Committee and the Science & Technology Committee.

Dr. Dunsire brings to our Board considerable pharmaceutical management and operations experience. Dr. Dunsire also brings to our Board valuable insights as both a clinical researcher and a physician. Our Board has concluded that, with over 22 years of leadership experience in the scientific, clinical, operational and commercial aspects of the biological/pharmaceutical business, including as President and Chief Executive Officer of EnVivo Pharmaceuticals, President and Chief Executive Officer of Millennium Pharmaceuticals, Inc. and the head of the Novartis North American oncology operations, Dr. Dunsire should serve as one of our directors.

TREVOR M. JONES, PH.D., 71, served as the Director General of the Association of the British Pharmaceutical Industry, an association representing the interests of approximately 75 British and international pharmaceutical companies, from 1994 through his retirement in August 2004. From 1987 to 1994, Prof. Jones was a director at Wellcome plc, a major healthcare business that merged with GlaxoSmithKline plc, where he was responsible for all research and development activities. At Wellcome, Prof. Jones led the successful development of numerous pharmaceutical compounds, as well as a number of over-the-counter medicines. Prof. Jones received his bachelor of pharmacy degree and Ph.D. from the University of London and is currently a visiting professor at King's College London. He has also gained an honorary doctorate from the University of Athens as well as honorary doctorates in science from the Universities of Strathclyde, Nottingham, Bath and Bradford in the United Kingdom. Prof. Jones was recognized in the Queen's Honors List and holds the title of Commander of the British Empire. He is also a fellow of the Royal Society of Chemistry, a fellow of the Royal Society of Medicine, a fellow of the Royal Pharmaceutical Society, an honorary fellow of the Royal College of Physicians and of its Faculty of Pharmaceutical Medicine and an honorary fellow of the British Pharmacological Society.

Prof. Jones is a member of the board of Arthurian Life Sciences Ltd., an investment fund established by the government of Wales with the objective of supporting and growing employment in life sciences and wealth

creation in Wales, Simbec Research Ltd, a leading clinical research organization in the United Kingdom and one of the longest established Contract Research Organizations in Europe, Synexus Ltd., a clinical study recruitment and management specialist organization, and Verona Pharma plc, a public biotechnology company dedicated to research in respiratory diseases. Prof. Jones is a founder of the Geneva-based public-private partnership, Medicines for Malaria Venture and a founder and board member of the UK Stem Cell Foundation. Prof. Jones is a former chairman of the boards of ReNeuron Group plc and Synexus Ltd. Prof. Jones is also a former member of the boards of NextPharma Technologies Holdings Ltd., Sigma-Tau Industrie Farmaceutiche Riunite S.p.A, ReNeuron Group plc, Tecnogen S.p.A., Sigma-Tau Finanziaria S.p.A. and Sigma-Tau Pharmaceuticals, Inc. Prof. Jones was appointed to our Board in July 2004 and is a member of the Corporate Governance and Compliance Committee and is Chairman of the Science & Technology Committee.

With over 43 years of experience in research and development, and experience in the European and global pharmaceutical industry, Prof. Jones brings to our Board valuable insights in the areas of global pharmaceutical management and operations, as well as drug development. Serving as a member of the UK Government Regulatory Agency-The Medicines Commission, a member of the Prime Minister's Task Force on the Competitiveness of the Pharmaceutical Industry, and as Chair of the Government Advisory Group on Genetics Research, Prof. Jones also brings to our Board in-depth government relations experience. For these reasons, our Board has concluded that Prof. Jones should serve as one of our directors.

LOUIS J. LAVIGNE, JR., 65, is Managing Director of Lavrite, LLC, a management consulting firm in the areas of corporate finance, accounting, management and strategy since March 2005. Prior to these consulting activities, Mr. Lavigne served as Executive Vice President and Chief Financial Officer of Genentech, Inc., a publicly-traded biotechnology company, from March 1997 through his retirement in March 2005. Mr. Lavigne joined Genentech in July 1982, was named controller in 1983 and, in that position, built Genentech's operating financial functions. In 1986, he was promoted to Vice President and assumed the position of Chief Financial Officer in September of 1988. Mr. Lavigne was named Senior Vice President in 1994 and was promoted to Executive Vice President in 1997. Prior to joining Genentech, he held various financial management positions with Pennwalt Corporation, a pharmaceutical and chemical company.

Mr. Lavigne serves on the board of Accuray Incorporated, a publicly-traded company specializing in the design, development and sale of the CyberKnife System, an image-guided robotic radiosurgery system used for the treatment of solid tumors, and is Chairman of the Board and serves on its Organization and Compensation Committee. He also serves on the board and Audit Committee of Depomed, Inc., a publicly-traded specialty pharmaceutical company focused on treating pain and other central nervous system conditions. Mr. Lavigne also serves on the boards of and is the Chairman of the Audit Committee for DocuSign, Inc., a privately-held digital transaction management company, SafeNet Inc., a privately-held computer security company, and Novocure Limited, a privately-held oncology company. Mr. Lavigne is a board member of Children's Hospital Oakland, where he serves as Chairman of the Board of the Hospital and Foundation at the Children's Enterprise Executive Council with the University of California, San Francisco and is a member of the Audit Committee. Mr. Lavigne is a faculty member of the Babson College Executive Education's Bio-Pharma: Mastering the Business of Science program. Mr. Lavigne is also a Trustee of Babson College and Babson Global. Mr. Lavigne is a former member of the board and Chairman of the Audit Committees of Arena Pharmaceuticals, BMC Software, Inc., Equinix, Inc. and Kyphon, Inc. Mr. Lavigne is also a former Trustee of the California Institute of Technology and the Seven Hills School. Mr. Lavigne was appointed to our Board in July 2005 and is a member of the Audit and Finance Committee and the Science & Technology Committee.

As the former Executive Vice President and Chief Financial Officer of Genentech, where Mr. Lavigne was a member of Genentech's Executive Committee and was responsible for Genentech's financial, corporate relations and information technology functions, Mr. Lavigne brings to our Board a wealth of management, business operations, finance and accounting and business strategy experience in the biotechnology and pharmaceutical industries, which has led our Board to conclude that Mr. Lavigne should serve as one of our directors. Serving on the boards of several large public companies and as a member of the West Audit Committee Chair Networks, Mr. Lavigne also brings to our Board substantial public company corporate governance experience. Given his expertise in finance and accounting, Mr. Lavigne has been determined to be an audit committee financial expert by our Board.

PETER J. McDONNELL, M.D., 55, has served as the Director and William Holland Wilmer Professor of the Wilmer Eye Institute of the Johns Hopkins University School of Medicine since 2003, where he leads the Wilmer Eye Institute, the largest academic ophthalmology department in the country. Dr. McDonnell has also served as the Chief Medical Editor of *Ophthalmology Times* since 2004, and has served on the editorial boards of numerous ophthalmology journals. He served as a consultant to the United States Department of Health and Human Services in 1996 and also served as the Assistant Chief of Service at the Wilmer Eye Institute from 1987 to 1988.

Dr. McDonnell is a Member of the American Academy of Ophthalmology, American University Professors of Ophthalmology, Association for Research in Vision and Ophthalmology, Maryland Society of Eye Physicians and Surgeons, and Pan American Association of Ophthalmology. In 1999, Dr. McDonnell was named the Irving H. Leopold Professor and Chair of the Department of Ophthalmology at the University of California, Irvine. Dr. McDonnell is the recipient of research grants from the National Eye Institute, Research to Prevent Blindness, and other funding agencies. The American Academy of Ophthalmology honored Dr. McDonnell with the Honor Award in 1991 and the Senior Achievement Award in 2001. Dr. McDonnell is the elected president of the National Alliance for Eye and Vision Research, a board member of the Doheny Eye Institute, and a former member of the board of Tissue Banks International. Dr. McDonnell was appointed to our Board in January 2013, and is a member of the Corporate Governance and Compliance Committee and Science & Technology Committee.

Our Board has concluded that Dr. McDonnell should serve as one of our directors because he provides our Board with wide-ranging expertise in ophthalmology and is widely recognized as an international leader in corneal transplantation, laser refractive surgery and the treatment of dry eye. Dr. McDonnell's depth of expertise in one of our most important specialty areas and the foundation of our success will benefit our Board and Allergan.

TIMOTHY D. PROCTOR, 64, served as General Counsel of Diageo plc, the world's leading premium drinks business with a broad range of beverage alcohol brands across spirits, beer and wine, from January 2000 to June 2013. Prior to joining Diageo, Mr. Proctor served as the Director, Worldwide Human Resources, of Glaxo Wellcome, plc (now GlaxoSmithKline plc), a British multinational pharmaceutical company, from 1998 to 1999. From 1993 to 1998, Mr. Proctor held various roles with the United States operation subsidiary of Glaxo Wellcome, plc, including Senior Vice President, Human Resources, General Counsel and Secretary. Prior to that, Mr. Proctor served in senior legal roles at Merck & Co., a publicly-traded pharmaceutical company, from 1980 to 1993.

Mr. Proctor is a member of the several notable legal associations, including the American Bar Association, Association of Corporate Counsel and the International Bar Association. Mr. Proctor has previously served on the boards of Wachovia Corporation and Northwestern Mutual Life and on the charitable boards for the Association of Corporate Counsel, CARE USA, Duke Law School, and the North Carolina Symphony Orchestra. Mr. Proctor was appointed to our Board in February 2013 and is a member of the Audit and Finance Committee and the Organization and Compensation Committee.

Mr. Proctor brings to our Board a depth of international expertise and is a well-respected leader in the area of international law. Our Board has concluded that, with more than 35 years of domestic and international corporate legal experience, Mr. Proctor should serve as one of our directors.

RUSSELL T. RAY, 66, has served as a Special Advisor to HLM Venture Partners, a private equity firm that provides venture capital to health care information technology, health care services and medical technology companies, since January 1, 2014 and Partner from September 1, 2003 to December 31, 2013. Mr. Ray was Founder, Managing Director and President of Chesapeake Strategic Advisors, a firm specializing in providing advisory services to health care and life sciences companies, from April 2002 to August 2003. From June 1999 to March 2002, Mr. Ray was Managing Director and Global Co-Head of the Credit Suisse First Boston Health Care Investment Banking Group, where he focused on providing strategic and financial advice to life sciences, health care services and medical device companies. Prior to joining Credit Suisse First Boston, Mr. Ray spent 12 years at Deutsche Bank, and its predecessor entities BT Alex. Brown and Alex. Brown & Sons, Inc., and most recently as Global Head of Health Care Investment Banking.

During Mr. Ray's investment banking career he successfully completed over 175 acquisitions and financing transactions for health care companies in the United States, Europe and Israel. Mr. Ray is a Director of Prism Education Group, Inc., a closely-held post-secondary career education company and SWP Media, Inc., a closely-held distributor of digital content. Mr. Ray served as a director of InfoMedics, Inc., a closely-held healthcare information technology company, from December 2009 through December 2012 when the company was acquired. Mr. Ray is also a director of the Midwest Peregrine Society. Mr. Ray is a former director of Socios Mayores en Salud. Mr. Ray was elected to our Board in April 2003, is Chairman of the Audit and Finance Committee and is a member of the Organization and Compensation Committee.

Mr. Ray is a leading expert with extensive knowledge and experience in the banking and health care industries. He contributes to our Board over 30 years of business strategy, finance and investment banking experience for life sciences, health care services and medical device companies. For these reasons, our Board has concluded that Mr. Ray should serve as one of our directors. Given his expertise in finance and accounting, Mr. Ray has been determined to be an audit committee financial expert by our Board.

HENRI A. TERMEER, 68, served as President and a director of Genzyme Corporation, a global biotechnology company, beginning October 1983, as Chief Executive Officer beginning 1985 and as Chairman of the Board beginning May 1988. Mr. Termeer resigned from Genzyme in June 2011 following the acquisition of Genzyme by Sanofi in a transaction valued at more than \$20 billion. In 2008, he was appointed to Massachusetts Governor Deval Patrick's Council of Economic Advisors.

Mr. Termeer is Chairman of the Board of Aveo Pharmaceuticals, a publicly-traded cancer therapeutics company, and a member of the boards of ABIOMED Inc., a publicly-traded medical device company, Verastem, Inc., a publicly-traded biopharmaceutical company, Medical Simulation Corporation, a privately-held healthcare industry consulting service provider and Moderna Therapeutics, a privately-held biotechnology company. Mr. Termeer is a director of Massachusetts General Hospital, a board member of Partners HealthCare and a member of the board of fellows of Harvard Medical School. Mr. Termeer is also a member of the board of the Massachusetts Institute of Technology and serves on its Executive Committee, is a board member of the Biotechnology Industry Organization, the Life Sciences Foundation, WGBH and Boston Ballet. He is Chairman Emeritus of the New England Healthcare Institute, a nonprofit, applied research health policy organization he was instrumental in founding. Mr. Termeer was a former member of the board of the Federal Reserve Bank of Boston from 2007 to 2011 and its chairman from 2010 to 2011, and a former member of the board of Pharmaceutical Research and Manufacturers of America. In 2010, Mr. Termeer was inducted into the Academy of Distinguished Entrepreneurs, which was established by Babson College to recognize the economic and social contributions of business pioneers. Mr. Termeer received the Pharmaceuticals and Biotechnology Lifetime Achievement Award from Frost and Sullivan in 2009, and was selected by Ernst & Young for its Master Entrepreneur Award in 2007 for the role he has played in guiding the overall development of the biotech industry. Mr. Termeer has also been inducted as a Fellow in the American Academy of Arts and Sciences and was elected in 2005 to Honorary Fellowship at the British Royal College of Physicians. Mr. Termeer was appointed to our Board in January 2014, is a member of the Corporate Governance and Compliance Committee and the Organization and Compensation Committee.

Mr. Termeer brings to our Board over 30 years of experience in key leadership roles at Genzyme, a global biotechnology company dedicated to making a major impact on the lives of people with serious diseases. Mr. Termeer provides our Board with a wealth of expertise in the pharmaceutical and biotechnology industries, having served as a director of several public and private healthcare companies and organizations. For these reasons, our Board has concluded that Mr. Termeer should serve as one of our directors.

Item No. 2

RATIFICATION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit and Finance Committee of our Board is responsible for the appointment, compensation, retention and oversight of the work of our independent registered public accounting firm. The Audit and Finance Committee has selected Ernst & Young LLP (Ernst & Young) as our independent registered public accounting firm for fiscal year 2014 and has further directed that management submit the selection of the independent registered public accounting firm for ratification by our stockholders at the annual meeting. Ernst & Young has audited our financial statements since June 24, 2005.

Although ratification by our stockholders is not a prerequisite to the Audit and Finance Committee's ability to select Ernst & Young as our independent registered public accounting firm, the Audit and Finance Committee believes such ratification is advisable and in the best interests of our stockholders. Accordingly, stockholders are being requested to ratify, confirm and approve the selection of Ernst & Young as our independent registered public accounting firm to conduct the annual audit of our consolidated financial statements and our internal controls over financial reporting for fiscal year 2014. If the stockholders do not ratify the selection of Ernst & Young, the selection of our independent registered public accounting firm will be reconsidered by the Audit and Finance Committee; provided, however, the Audit and Finance Committee may select Ernst & Young notwithstanding the failure of our stockholders to ratify its selection. If the appointment of Ernst & Young is ratified, the Audit and Finance Committee will continue to conduct an ongoing review of Ernst & Young's scope of engagement, pricing and work quality, among other factors, and will retain the right to replace Ernst & Young at any time.

Board Recommendation

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE FOR THE RATIFICATION OF ERNST & YOUNG LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR FISCAL YEAR 2014.

Audit Matters**Independent Registered Public Accounting Firm's Fees**

Aggregate fees billed to us for the fiscal years ended December 31, 2013 and December 31, 2012 by our independent registered public accounting firm, Ernst & Young, are as follows:

Type of Fees	2013	2012
Audit Fees(1)	\$ 5,552,211	\$ 5,040,053
Audit-Related Fees(2)	109,516	14,950
Tax Fees(3)	179,844	133,815
All Other Fees(4)	509,624	440,650
Total	\$ 6,351,195	\$ 5,629,468

- (1) Represents the aggregate fees billed to us by Ernst & Young for professional services rendered for the audit of our annual consolidated financial statements and our internal controls over financial reporting, for the reviews of our consolidated financial statements included in our Form 10-Q filings for each fiscal quarter, for statutory audits of our international operations, and procedures with respect to registration statements.
- (2) Represents the aggregate fees billed to us by Ernst & Young for assurance and related services that are reasonably related to the performance of the audit and review of our consolidated financial statements that are not already reported in Audit Fees. These services include accounting consultations and attestation services that are not required by statute.
- (3) Represents the aggregate fees billed to us by Ernst & Young for professional services relating to tax compliance and tax advice.

- (4) Represents the aggregate fees billed to us by Ernst & Young for other professional services primarily relating to procedures performed in the role of independent review organization as required by our Corporate Integrity Agreement.

Independent Registered Public Accounting Firm's Independence and Attendance at the Annual Meeting

The Audit and Finance Committee has considered whether the provision of the above noted services by Ernst & Young is compatible with maintaining the independent registered public accounting firm's independence and has determined that the provision of such services by Ernst & Young has not adversely affected the independent registered public accounting firm's independence.

Representatives of Ernst & Young are expected to be present at the annual meeting, will have the opportunity to make a statement if they so request, and will be available to respond to appropriate questions.

Policy on Audit and Finance Committee Pre-Approval

As part of its required duties, the Audit and Finance Committee pre-approves audit and non-audit services performed by our independent registered public accounting firm to assure that the provision of such services does not impair the independent registered public accounting firm's independence. The Audit and Finance Committee has adopted a policy for the pre-approval of audit and non-audit services rendered by our independent registered public accounting firm. The policy generally provides that services are to be pre-approved, up to specified amounts, in the defined categories of audit services, audit-related services, tax services and other related services, and sets requirements for specific case-by-case pre-approval of discrete projects that are not otherwise pre-approved or for services over the pre-approved amounts. Pre-approval may be given as part of the Audit and Finance Committee's approval of the scope of the engagement of the independent registered public accounting firm or on an individual basis. The pre-approval of services may be delegated to one or more of the Audit and Finance Committee's members, but the decision must be presented to the full Audit and Finance Committee at its next scheduled meeting. The policy prohibits retention of the independent registered public accounting firm to perform the prohibited non-audit functions defined in Section 201 of the Sarbanes-Oxley Act of 2002 or the rules of the SEC and also considers whether proposed services are compatible with the independence of the independent registered public accounting firm. All services provided by our independent registered public accounting firm in 2013 were pre-approved in accordance with the Audit and Finance Committee's pre-approval requirements.

Item No. 3

ADVISORY VOTE TO APPROVE THE COMPENSATION

OF OUR NAMED EXEC 4,193,440 \$ 6,140,607

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NOTES TO FINANCIAL STATEMENTS

*December 31, 2013 and 2012***NOTE F PARTY-IN-INTEREST TRANSACTIONS**

Certain investments of the Plan are managed by the trustee, and, therefore, all transactions involving these investments qualify as party-in-interest transactions. The Plan also invests in shares of common stock of the Company. All transactions involving shares of the Company also qualify as party-in-interest transactions. All of these transactions are exempt from the prohibited transactions rules.

NOTE G VANGUARD RETIREMENT SAVINGS TRUSTS IV AND VIII

Prior to July 1, 2013, a portion of the Plan's investments were in the Vanguard Retirement Savings Trust VIII and, effective July 1, 2013, a portion of the Plan's investments are in the Vanguard Retirement Savings Trust IV. These trusts were included in Vanguard Retirement Master Trust (Trust) which was established for the investment of assets of eligible VFTC trusts and tax-qualified pension plans. Each participating retirement plan has an undivided interest in the Trust. The assets of the Trust are held by VFTC (the Trustee). At December 31, 2013 and 2012, the Plan's interest in the net assets of the Trust was approximately 196%. Investment income and administrative expenses relating to the Trust are allocated to the individual plans based upon average monthly balances invested by each plan.

The fair values of investments for the Trust are as follows:

	2013	2012
INVESTMENTS AT FAIR VALUE		
Investment contracts	\$ 17,449,703,000	\$ 18,383,190,000
Insurance contracts	452,439,000	580,665,000
Mutual funds	865,253,000	1,207,945,000
	\$ 18,767,395,000	\$ 20,171,800,000

Investment income for the Trust is as follows:

	2013	2012
INVESTMENT INCOME		
Net depreciation in fair value of investment contracts	\$ (1,182,922,000)	\$ (699,590,000)
Interest	411,805,000	535,169,000
Dividends	130,000	165,000
	\$ (770,987,000)	\$ (164,256,000)

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NOTES TO FINANCIAL STATEMENTS

*December 31, 2013 and 2012***NOTE H RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500**

A reconciliation of net assets available for benefits per the financial statements to Schedule H of Form 5500 is as follows:

	2013	2012
TOTAL ASSETS AND NET ASSETS AVAILABLE FOR BENEFITS PER FINANCIAL STATEMENTS	\$ 291,918,181	\$ 245,419,838
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	(980,619)	(1,946,265)
ASSETS AVAILABLE FOR BENEFITS, FORM 5500	\$ 290,937,562	\$ 243,473,573

NOTE I FAIR VALUE MEASUREMENTS

FASB ASC 820 establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

Quoted prices for similar assets or liabilities in active markets;

Quoted prices for identical or similar assets or liabilities in inactive markets;

Inputs other than quoted prices that are observable for the asset or liability;

Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

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Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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NOTES TO FINANCIAL STATEMENTS

December 31, 2013 and 2012

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

A summary by level within the fair value hierarchy of the Plan's investments measured at fair value on a recurring basis is as follows:

	Quoted Prices in Active Markets (Level 1)	2013 Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Bond funds	\$ 10,789,666	\$ -	\$ -
Short-term reserves	3,607,025	-	-
Domestic stock funds	70,573,814	-	-
International stock funds	15,391,047	-	-
Balanced funds	90,345,888	-	-
Common collective trust	-	-	36,168,594
Company common stock fund	-	58,562,743	-
	\$ 190,707,440	\$ 58,562,743	36,168,594
	Quoted Prices in Active Markets (Level 1)	2012 Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Bond funds	\$ 11,899,134	\$ -	\$ -
Short-term reserves	2,771,930	-	-
Domestic stock funds	51,489,894	-	-
International stock funds	10,624,848	-	-
Balanced funds	70,643,832	-	-
Common collective trust	-	-	38,660,518
Non-participant directed Company common stock fund	-	51,372,216	-
	\$ 147,429,638	\$ 51,372,216	\$ 38,660,518

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NOTES TO FINANCIAL STATEMENTS

December 31, 2013 and 2012

Level 3 investments make up 12.4% and 15.8% of total plan assets as of December 31, 2013 and 2012, respectively.

Investments in the bond, short-term reserves, domestic stock, international stock and balanced funds have quoted prices for identical assets in active markets; therefore, the investments are measured at fair value using these readily available Level 1 inputs.

The Company common stock fund is a unitized fund managed by a nonregistered investment company and does not have quoted prices readily available. The fund is priced daily by fund accountants. The fund's inputs are derived principally from observable market data and are classified within Level 2 of the valuation hierarchy.

The common collective trust is an over-the-counter security with no quoted readily available Level 1 inputs and, therefore, is measured at fair value using inputs that are directly observable in active markets. These shares are redeemable at contract value and are classified within Level 3 of the valuation hierarchy using the income approach.

The following is a summary of changes in the fair value of the Plan's Level 3 investment for the years ended December 31, 2013 and 2012:

	Common Collective Trust
BALANCE AS OF DECEMBER 31, 2011	\$ 40,980,178
Interest and dividends	852,598
Unrealized gains	4,860,085
Contributions	1,371,860
Benefit payments	(6,781,977)
Loan activity, net	(235,210)
Assets transferred from Plan	(19,266)
Interfund transfers, net	(2,367,750)
BALANCE AS OF DECEMBER 31, 2012	38,660,518
Interest and dividends	621,473
Unrealized losses	(808,570)
Contributions	1,540,523
Benefit payments	(5,333,630)
Loan activity, net	29,376
Other deductions	(11,691)
Interfund transfers, net	1,470,595
BALANCE AS OF DECEMBER 31, 2013	\$ 36,168,594

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TELEFLEX 401(k) SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2013 and 2012

NOTE J PLAN AMENDMENTS

The Plan was amended during the Plan year ended December 31, 2010, for the timing of the nonvested portion of participant accounts to be forfeited, effective January 1, 2011. The second and third amendments to the Plan were adopted on March 7 and August 12, 2011, respectively. These amendments had no effect on the operation of the Plan. The fourth amendment to the Plan was signed on August 30, 2012, and documents the removal of a participating employer that was sold by the Company and the inclusion of newly acquired subsidiaries as participating employers for purposes of eligibility and vesting and merges the VasoNova, Inc. 401(k) Plan with and into the Plan, effective as of September 4, 2012.

The fifth amendment to the Plan was signed on December 26, 2012. In addition to adding newly acquired entities as participating employers in the Plan and granting service credit to certain employees of the new participating employers for purposes of eligibility and vesting, the fifth amendment to the Plan includes the following provisions:

Clarification of the employees who are eligible to participate

A participant whose vested account balance exceeds \$5,000 must file a claim for benefits in order to receive payment of his or her benefit before his or her required beginning date

Employer matching and profit sharing contributions and qualified matching and qualified non-elective contributions made in cash are no longer required to be invested in Company stock, effective January 1, 2013

Consistent with the applicable collective bargaining agreement, the formula for employer matching contributions for the Arrow union employees participating in the Plan changes to 100% of the employees elective deferral contributions up to 5% of compensation, effective January 1, 2013

Incorporation of the Plan's loan policy into the Plan

A Special Amendment to the Plan was signed on September 19, 2013, and reflects the merger of the Hudson Respiratory Care, Inc. Profit Sharing Plan and Hudson Respiratory Care, Inc. 401(k) Plan with and into the Plan effective as of July 3, 2006, and preserves the annuity forms of payment available for participant account balances attributable to the merger of the Hudson Respiratory Care, Inc. Profit Sharing Plan with and into the Plan. Pursuant to a Voluntary Compliance Program submission, the IRS issued a Compliance Statement dated August 14, 2013, approving the request to adopt this Special Amendment to the Plan.

The IRS determination letter dated November 20, 2013, was conditioned on the adoption of a Special Amendment to the Plan that was submitted to the IRS in connection with the request for the determination letter. This Special Amendment contains technical clarifications to the Plan that have no effect on the operation of the Plan and was signed on December 12, 2013.

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TELEFLEX 401(k) SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2013 and 2012

The sixth amendment to the Plan was signed on December 13, 2013, and (i) amended the definition of spouse to be consistent with applicable IRS guidance and (ii) permitted participants to diversify the investment of their entire Plan accounts, including the portion invested in the Company stock fund, before they are 100% vested, effective as of July 1, 2013. The seventh amendment to the Plan was signed on March 31, 2014, and added a participating employer in the Plan effective as of April 1, 2014, and granted service credit to certain employees of the new participating employer for purposes of eligibility, participation and vesting. The eighth amendment to the Plan was adopted on May 22, 2014, effective as of January 1, 2014, and clarified the definition of compensation in the Plan.

NOTE K SUBSEQUENT EVENTS

Management has evaluated subsequent events occurring between December 31, 2013, and June 23, 2014, the date the financial statements were issued, and has determined that all subsequent events that require recognition or disclosure have been disclosed.

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SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

Year Ended December 31, 2013

Plan EIN# 23-1147939, Plan 010

(b)		(c)	(d)	(e)
(a)	Identity of Issuer, Borrower, Lessor, or Similar Party	Description of Investment	Cost	Current Value
	PIMCO Total Return Fund II, Institutional Class	Registered Investment Company	\$ **	\$ 408,458
	Royce Total Return	Registered Investment Company	**	3,227,560
*	Teleflex Stock Fund	Unitized Stock Fund	**	58,562,743
*	Vanguard 500 Index	Registered Investment Company	**	12,549,234
*	Vanguard Explorer	Registered Investment Company	**	6,780,023
*	Vanguard Extended Market Index Fund Signal Shares	Registered Investment Company	**	1,051,036
*	Vanguard International Growth	Registered Investment Company	**	13,391,477
*	Vanguard Morgan Growth	Registered Investment Company	**	22,350,576
*	Vanguard Prime Money Market	Registered Investment Company	**	379,465
*	Vanguard Retirement Savings Trust VIII	Common Collective Trust	**	36,168,594
*	Vanguard Strategic Equity	Registered Investment Company	**	10,037,910
*	Vanguard Target Retirement 2010	Registered Investment Company	**	785,650
*	Vanguard Target Retirement 2015	Registered Investment Company	**	6,296,225
*	Vanguard Target Retirement 2020	Registered Investment Company	**	6,518,859
*	Vanguard Target Retirement 2025	Registered Investment Company	**	12,772,032
*	Vanguard Target Retirement 2030	Registered Investment Company	**	7,831,274
*	Vanguard Target Retirement 2035	Registered Investment Company	**	12,953,225
*	Vanguard Target Retirement 2040	Registered Investment Company	**	5,163,885
*	Vanguard Target Retirement 2045	Registered Investment Company	**	6,954,274
*	Vanguard Target Retirement 2050	Registered Investment Company	**	2,355,331
*	Vanguard Target Retirement 2055	Registered Investment Company	**	529,229
*	Vanguard Target Retirement 2060	Registered Investment Company	**	91,008
*	Vanguard Target Retirement Income	Registered Investment Company	**	1,725,631
*	Vanguard Total Bond Market Index	Registered Investment Company	**	10,381,208
*	Vanguard Total International Stock Index Fund	Registered Investment Company	**	1,999,570
*	Vanguard Wellington	Registered Investment Company	**	26,369,265
*	Vanguard Windsor	Registered Investment Company	**	17,805,035
*	Participant Loans, 5% to 11.5%	Participant Loans	-	6,479,004
				\$ 291,917,781

*Party-in-interest.

**Cost information not required for participant-directed investments and therefore is not included.

Table of Contents**TELEFLEX 401(k) SAVINGS PLAN**

SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS

(Single Transaction or Series of Transactions in One Issue)

Aggregating More Than 5% of the Current Value of Plan Assets)

Year Ended December 31, 2013

Plan EIN# 23-1147939, Plan 010

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Investment on Transaction Date	(i) Net Gain
Vanguard	Vanguard Retire Svgs Trust IV	\$ 39,875,163	\$ -	\$ -	\$ 39,875,163	\$ -
Vanguard	Vanguard Retire Svgs Trust IV	-	4,687,188	4,687,188	4,687,188	-
Vanguard	Teleflex Stock Fund	8,871,549	-	-	8,871,549	-
Vanguard	Teleflex Stock Fund	-	17,185,082	12,432,634	17,185,082	4,752,448

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: June 27, 2014

Teleflex 401(k) Savings Plan

By: /s/ Douglas R. Carl

Name: Douglas R. Carl

Title: Member, Financial Benefit Plans Committee

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INDEX TO EXHIBITS

<u>Exhibit No.</u>	<u>Description</u>
23.1	- Consent of Independent Registered Public Accounting Firm