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FILED
ALAMEDA COUNTY

APR 13 2022

CLERK OF THE SUPERIOR COURT
By *Danielle Salasquez*
Deputy

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ALAMEDA

<p>THE PEOPLE OF THE STATE OF CALIFORNIA,</p> <p style="text-align: right;">Plaintiff,</p> <p style="text-align: center;">v.</p> <p>AMERISOURCEBERGEN CORPORATION, CARDINAL HEALTH, INC., MCKESSON CORPORATION,</p> <p style="text-align: right;">Defendants.</p>

Case No. 22CV009543
~~[PROPOSED]~~ STIPULATED JUDGMENT
Dept: 520
Judge: The Honorable Julia Spain
Action Filed: April 7, 2022

Plaintiff, the People of the State of California (“the People,” “Plaintiff,” or “the State”), through its attorney, Rob Bonta, Attorney General of the State of California, by Deputy Attorney General Michelle Burkart, has brought this action pursuant to provisions of California Business and Professions Code sections 17200, et seq. and 17500, et seq. and Civil Code section 3494, having filed a complaint against AmerisourceBergen Corporation, Cardinal Health, Inc., and McKesson Corporation (collectively, “Settling Distributors” or the “Defendants”).

The People and the Settling Distributors (together, the “Parties”) have entered into a consensual resolution of the above-captioned litigation (the “Action”) pursuant to a settlement agreement entitled Distributor Settlement Agreement, dated as of July 21, 2021 (as subsequently

1 updated) (the "Agreement"), a copy of which is attached hereto as Exhibit A. The Agreement
2 shall become effective by its terms upon the entry of this Stipulated Judgment (the "Judgment")
3 by the Court without trial or adjudication of any contested issue of fact or law, and without
4 finding or admission of wrongdoing or liability of any kind.

5 NOW THEREFORE, upon the consent of the Parties hereto, **IT IS HEREBY**
6 **ORDERED, ADJUDGED AND DECREED AS FOLLOWS:**

7 1. PARTIES

8 1.1 Plaintiff is the People of the State of California. "Attorney General" shall refer to
9 Rob Bonta, the Attorney General of the State of California.

10 1.2 Defendant AmerisourceBergen Corporation is a corporation organized under the
11 laws of Delaware and headquartered in Pennsylvania.

12 1.3 Defendant Cardinal Health, Inc. is a corporation organized under the laws of Ohio
13 and headquartered in Ohio.

14 1.4 Defendant McKesson Corporation is a corporation organized under the laws of
15 Delaware and headquartered in Texas.

16 2. JURISDICTION

17 2.1 Pursuant to California Business and Professions Code sections 17200, et seq. and
18 17500, et seq. and Civil Code section 3494, jurisdiction of this Court over the subject matter and
19 over the Defendants for the purpose of entering into and enforcing this Judgment is admitted. The
20 Settling Distributors consent to jurisdiction of this Court as provided in Section VI.B of the
21 Agreement. Defendants waive any defect associated with service of Plaintiff's Complaint and this
22 Judgment and does not require issuance or service of a Summons.

23 3. VENUE

24 3.1 Pursuant to the provisions of California Business and Professions Code
25 sections 17200, et seq. and 17500, et seq. and Civil Code section 3494, venue as to all matters
26 between the Parties relating to or arising out of this Judgment with respect to which jurisdiction is
27 retained for the limited purposes identified in the Agreement shall lie exclusively in Alameda
28 County Superior Court.

1 4. TERMS

2 4.1 The provisions of Exhibit A are incorporated by reference as if fully set forth herein.
3 All references to "Settlement Agreement" in Exhibit A are to this Judgment.

4 5. Paragraphs 9-14 of the Stipulation are incorporated herein and constitute an express term
5 of this Judgment.

6 6. The Parties have entered into a full and final settlement of all Released Claims of
7 Releasors against the Settling Distributors (including but not limited to the People) and the
8 Released Entities pursuant to the terms and conditions set forth in the Agreement.

9 7. The "Definitions" set forth in Section I of the Agreement are incorporated by reference
10 into this Judgment. The People are a "Settling State" within the meaning of the Agreement.
11 Unless otherwise defined herein, capitalized terms in this Judgment shall have the same meaning
12 given to them in the Agreement.

13 8. The Court finds that the Agreement was entered into in good faith.

14 9. The Court finds that entry of this Judgment is in the public interest and reflects a
15 negotiated settlement agreed to by the Parties. The Action is dismissed with prejudice, subject to
16 a retention of jurisdiction by the Court as provided herein and in the Agreement.

17 10. By this Judgment, the Agreement is hereby approved by the Court, and the Court hereby
18 adopts the Agreement's terms as its own determination of this matter and the Parties' respective
19 rights and obligations.

20 11. The Court shall have authority to resolve disputes identified in Section VI.F.1 of the
21 Agreement, governed by the rules and procedures of the Court.

22 12. By this Judgment, the California State-Subdivision Agreement Regarding Distribution and
23 Use of Settlement Funds – Distributor Settlement, a copy of which is attached hereto as Exhibit B
24 and as incorporated into the Agreement pursuant to Exhibit O of the Agreement, is hereby
25 approved by the Court as the means by which relevant funds paid pursuant to the Agreement will
26 be divided within the State of California, subject to the full acceptance by any Subdivision
27 receiving such funds of the terms of the Agreement, including the releases provided therein.

28 Funds due to the State, and not to a subdivision, shall be paid pursuant to wire transfer or other

1 payment instructions provided by the People and deposited in the Litigation Deposit Fund. The
2 first \$10 million of the Additional Restitution Amount paid to the State of California shall be
3 deposited in the Public Rights Law Enforcement Special Fund, and used to reimburse the cost of
4 opioid-related investigations and litigation, subject to Sections V.B.1 and V.B.2 of the Agreement.

5 13. The Parties have satisfied the Condition to Effectiveness of Agreement set forth in Section
6 VIII of the Agreement and the Release set forth in Sections XI.A, F, and G of the Agreement, as
7 follows:

8 a. The Attorney General of the State of California exercised the fullest extent of his
9 powers to release the Settling Distributors and all other Released Entities from all
10 Released Claims pursuant to the release attached hereto as Exhibit C (the "AG
11 Release").

12 b. The Settling Distributors have determined that there is sufficient State participation
13 and sufficient resolution of the Claims of the Litigating Subdivisions in the Settling
14 States to proceed with the Agreement.

15 c. The Participation Form for each Initial Participating Subdivision in the State has
16 been delivered to the Settling Distributors. As stated in the Participation Form, and
17 for the avoidance of doubt, nothing in the Participation Form executed by the
18 Participating Subdivisions is intended to modify in any way the terms of the
19 Agreement to which the Participating Subdivisions agree. As stated in the
20 Participation Form, to the extent the executed version of the Participation Form
21 differs from the Agreement in any respect, the Agreement controls.

22 d. Pursuant to Section VIII.B of the Agreement, each Participating Subdivision in the
23 State is dismissing with prejudice any Released Claims that it has filed against the
24 Settling Distributors and the Released Entities.

25 14. Release. Pursuant to the Agreement and the AG Release and without limitation and to
26 the maximum extent of the power of the California Attorney General, the Settling Distributors
27 and the other Released Entities are, as of the Effective Date, hereby released from any and all
28 Released Claims of (a) the State and its Participating Subdivisions and any of their departments,

1 agencies, divisions, boards, commissions, Subdivisions, districts, instrumentalities of any kind
2 and attorneys, including the California Attorney General, and any person in his or her official
3 capacity whether elected or appointed to serve any of the foregoing, and any agency, person, or
4 other entity claiming by or through any of the foregoing, (b) any public entities, public
5 instrumentalities, public educational institutions, unincorporated districts, fire districts, irrigation
6 districts, and other Special Districts in the State, and (c) any person or entity acting in a parens
7 patriae, sovereign, quasi-sovereign, private attorney general, qui tam, taxpayer, or other capacity
8 seeking relief on behalf of or generally applicable to the general public with respect to the State or
9 any Subdivision in the State, whether or not any of them participate in the Agreement. Pursuant
10 to the Agreement and the AG Release and to the maximum extent of the State's power, the
11 Settling Distributors and the other Released Entities are, as of the Effective Date, hereby released
12 from any and all Released Claims of (1) the State, (2) all past and present executive departments,
13 state agencies, divisions, boards, commissions and instrumentalities with the regulatory authority
14 to enforce state and federal controlled substances acts, and (3) any of the State's past and present
15 executive departments, agencies, divisions, boards, commissions and instrumentalities that have
16 the authority to bring Claims related to Covered Conduct seeking money (including abatement
17 and/or remediation) or revocation of a pharmaceutical distribution license. For the purposes of
18 clause (3) above, executive departments, agencies, divisions, boards, commissions, and
19 instrumentalities are those that are under the executive authority or direct control of the California
20 Governor. Further, the provisions set forth in Section XI of the Agreement are incorporated by
21 reference into this Judgment as if fully set forth herein. The Court finds, that those provisions are
22 an integral part of the Agreement and this Judgment, and shall govern the rights and obligations
23 of all participants in the settlement. Any modification of those rights and obligations may be
24 made based only on a writing signed by all affected parties and approved by the Court.

25 15. Release of Unknown Claims. The State expressly waives, releases, and forever discharges
26 any and all provisions, rights, and benefits conferred by any law of any state or territory of the
27 United States or other jurisdiction, or principle of common law, which is similar, comparable, or
28 equivalent to § 1542 of the California Civil Code, which reads:

1 **General Release; extent.** A general release does not extend to claims that the creditor or
2 releasing party does not know or suspect to exist in his or her favor at the time of
3 executing the release that, if known by him or her, would have materially affected his or
4 her settlement with the debtor or released party.

5 16. The People may hereafter discover facts other than or different from those which it knows,
6 believes, or assumes to be true with respect to the Released Claims, but the People expressly
7 waived and fully, finally, and forever settled, released and discharged, through the Agreement and
8 AG Release, any and all Released Claims that may exist as of the Effective Date but which the
9 People do not know or suspect to exist, whether through ignorance, oversight, error, negligence or
10 through no fault whatsoever, and which, if known, would have materially affected the People's
11 decision to enter into the Agreement.

12 17. Costs and Fees. The Parties will bear their own costs and attorneys' fees except as
13 otherwise provided in the Agreement.

14 18. No Waiver. This Judgment is entered based on the Agreement without trial or
15 adjudication of any contested issue of fact or law or finding of liability of any kind. This
16 Judgment shall not be construed or used as a waiver of any Settling Distributor's right, or any
17 other Released Entity's right, to defend itself from, or make any arguments in, any other
18 regulatory, governmental, private individual, or class claims or suits relating to the subject matter
19 or terms of this Judgment. Notwithstanding the foregoing, the People may enforce the terms of
20 this Judgment as expressly provided in the Agreement.

21 19. Retention of Jurisdiction. The Court shall retain jurisdiction of the Parties for the limited
22 purpose of the resolution of disputes identified in Section VI.F.1 of the Agreement. The Court
23 shall have jurisdiction over Participating Subdivisions in the State for the limited purposes
24 identified in the Agreement.

25 20. Successors and Assigns. This Judgment is binding on each of the Settling Distributor's
26 successors and assigns.

27 21. Modification. This Judgment shall not be modified (by the Court, by any other court, or
28 by any other means) without the consent of the People and the Settling Distributors, or as
provided for in Section XIV.U of the Agreement.

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IT IS SO ORDERED, ADJUDGED, AND DECREED.

Dated: 4-13-22


The Honorable Julia Spain
Judge of the Superior Court

SUPERIOR COURT OF CALIFORNIA COUNTY OF ALAMEDA	Reserved for Clerk's File Stamp
COURTHOUSE ADDRESS: Hayward Hall of Justice 24405 Amador Street, Hayward, CA 94544	FILED Superior Court of California County of Alameda 04/13/2022 Chad Finke, Executive Officer / Clerk of the Court By: <u><i>Dominic Labrecque</i></u> Deputy D. Labrecque
PLAINTIFF/PETITIONER: THE PEOPLE OF THE STATE OF CALIFORNIA	
DEFENDANT/RESPONDENT: AMERISOURCEBERGEN CORPORATION et al	
CERTIFICATE OF MAILING	CASE NUMBER: 22CV009543

I, the below-named Executive Officer/Clerk of the above-entitled court, do hereby certify that I am not a party to the cause herein, and that on this date I served the Judgment upon each party or counsel named below by placing the document for collection and mailing so as to cause it to be deposited in the United States mail at the courthouse in Hayward, California, one copy of the original filed/entered herein in a separate sealed envelope to each address as shown below with the postage thereon fully prepaid, in accordance with standard court practices.

Michiyo Michelle Burkart
Department of Justice
300 S. Spring Street, Suite 1702
Los Angeles, CA 90013

THE PEOPLE OF THE STATE OF CALIFORNIA
300 S. Spring Street
Suite 1702
Los Angeles, CA 90013

Dated: 04/13/2022

Chad Finke, Executive Officer / Clerk of the Court

By:

Dominic Labrecque

D. Labrecque, Deputy Clerk

CERTIFICATE OF MAILING