

STATE OF SOUTH DAKOTA)
) :SS:
COUNTY OF HUGHES)

IN CIRCUIT COURT
SIXTH JUDICIAL CIRCUIT

STATE OF SOUTH DAKOTA *ex rel.*
JASON R. RAVNSBORG, South
Dakota Attorney General,

32CIV18-000065

Plaintiff,

v.

PURDUE PHARMA L.P.; PURDUE
PHARMA, INC.; THE PURDUE
FREDERICK COMPANY, INC.;
JOHNSON & JOHNSON; JANSSEN
PHARMACEUTICALS, INC.; ORTHO-
MCNEIL-JANSSEN
PHARMACEUTICALS, INC. n/k/a
JANSSEN PHARMACEUTICALS, INC.;
JANSSEN PHARMACEUTICA INC.
n/k/a JANSSEN
PHARMACEUTICALS, INC.; ENDO
HEALTH SOLUTIONS INC.; ENDO
PHARMACEUTICALS, INC.; PAR
PHARMACEUTICAL, INC.; PAR
PHARMACEUTICAL COMPANIES,
INC. f/k/a PAR PHARMACEUTICAL
HOLDINGS, INC.; ALLERGAN PLC
f/k/a ACTAVIS PLC;
ALLERGAN FINANCE LLC, f/k/a
ACTAVIS INC., f/k/a WATSON
PHARMACEUTICALS, INC.; WATSON
LABORATORIES, INC., ACTAVIS LLC;
ACTAVIS PHARMA, INC. f/k/a
WATSON PHARMA, INC.;
MALLINCKRODT LLC; SPECGX LLC;
McKESSON CORPORATION;
CARDINAL HEALTH, INC.; CARDINAL
HEALTH 105, INC. d/b/a XIROMED,
LLC; CARDINAL HEALTH 108, LLC
f/k/a CARDINAL HEALTH 108, INC.;
CARDINAL HEALTH 110, LLC d/b/a
PARMED PHARMACEUTICALS;
CARDINAL HEALTH 200, LLC;

**JANSSEN
CONSENT JUDGMENT AND
DISMISSAL WITH PREJUDICE**

CARDINAL HEALTH 414, LLC;
CARDINAL HEALTH PHARMACY
SERVICES, LLC;
AMERISOURCEBERGEN DRUG
CORPORATION; WALGREENS
BOOTS ALLIANCE, INC.; WALGREEN
CO.; WALMART INC. f/k/a WAL-
MART STORES, INC; AND DOES 1
THROUGH 100, INCLUSIVE,

Defendants.

JANSSEN FINAL CONSENT JUDGMENT AND DISMISSAL WITH PREJUDICE

The State of South Dakota (“*State*”) and Johnson & Johnson, Janssen Pharmaceuticals, Inc., Ortho-McNeil-Janssen Pharmaceuticals, Inc., and Janssen Pharmaceutica, Inc. (collectively, “*Janssen*” or “*Defendants*”) (together with the State, the “*Parties*,” and each a “*Party*”) have entered into a consensual resolution of the above-captioned litigation (the “*Action*”) pursuant to a settlement agreement entitled Janssen Settlement Agreement, dated as of July 21, 2021 (as subsequently updated) (the “*Agreement*”), a copy of which is attached hereto as Exhibit A. The Agreement shall become effective by its terms upon the entry of this Final Consent Judgment (the “*Judgment*”) by the Court without trial or adjudication of any contested issue of fact or law, and without finding or admission of wrongdoing or liability of any kind.

RECITALS:

1. Each Party warrants and represents that it engaged in arm’s-length negotiations in good faith. In hereby executing the Agreement, the Parties intend to effect a good-faith settlement.
2. The State has determined that the Agreement is in the public interest.
3. Janssen denies the allegations against it and that it has any liability whatsoever to the State, its Subdivisions, and/or (a) any of the State’s or Subdivisions’ departments, agencies, divisions, boards, commissions, districts, instrumentalities of any kind and attorneys, including its

Attorney General and any person in his or her official capacity whether elected or appointed to serve any of the foregoing and any agency, person, or other entity claiming by or through any of the foregoing, (b) any public entities, public instrumentalities, public educational institutions, unincorporated districts, fire districts, irrigation districts, and other Special Districts, and (c) any person or entity acting in a *parens patriae*, sovereign, quasi-sovereign, private attorney general, *qui tam*, taxpayer, or other capacity seeking relief on behalf of or generally applicable to the general public.

4. The Parties recognize that the outcome of the Action is uncertain and a final resolution through the adversarial process likely will require protracted litigation.

5. The Parties agree to the entry of the injunctive relief terms pursuant to Exhibit P of the Agreement.

6. Therefore, without any admission of liability or wrongdoing by Janssen or any other Released Entities (as defined in the Agreement), the Parties now mutually consent to the entry of this Judgment and agree to dismissal of the claims with prejudice pursuant to the terms of the Agreement to avoid the delay, expense, inconvenience, and uncertainty of protracted litigation.

NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

In consideration of the mutual promises, terms, and conditions set forth in the Agreement, the adequacy of which is hereby acknowledged by all Parties, it is agreed by and between Defendants and the State, and adjudicated by the Court, as follows:

1. The foregoing Recitals are incorporated herein and constitute an express term of this Judgment.

2. The Parties have entered into a full and final settlement of all Released Claims of Releasers against Janssen (including but not limited to the State) and the Released Entities pursuant to the terms and conditions set forth in the Agreement.

3. The “Definitions” set forth in Section I of the Agreement are incorporated by reference into this Judgment. The State is a “Settling State” within the meaning of the Agreement. Unless otherwise defined herein, capitalized terms in this Judgment shall have the same meaning given to them in the Agreement.

4. The Parties agree that the Court has jurisdiction over the subject matter of the Action and over the Parties with respect to the Action and this Judgment. This Judgment shall not be construed or used as a waiver of any jurisdictional defense Janssen or any other Released Entity may raise in any other proceeding.

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

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

7. By this Judgment, the Agreement, a copy of which is attached hereto as Exhibit A, is hereby approved by the Court, and the Court hereby adopts the Agreement’s terms as its own determination of this matter and the Parties’ respective rights and obligations.

8. The Court shall have authority to resolve disputes identified in Section XII.F.2 of the Agreement, governed by the rules and procedures of the Court.

9. The Parties have satisfied the Condition to Effectiveness of Agreement set forth in Section VIII of the Agreement and the Release set forth in Sections IV.A, D, and E of the Agreement, as follows:

- a. The Attorney General of the State exercised the fullest extent of his or her powers to release Janssen and all other Released Entities from all Released Claims pursuant to the release attached hereto as Exhibit B (the “Release”).
- b. Janssen has determined that there is sufficient State participation and sufficient resolution of the Claims of the Litigating Subdivisions in the Settling States to proceed with the Agreement.

- c. The Settlement Participation Form for each Initial Participating Subdivision in the State has been delivered to Janssen. As stated in the Settlement Participation Form, and for the avoidance of doubt, nothing in the Settlement Participation Form executed by the Participating Subdivisions is intended to modify in any way the terms of the Agreement to which the Participating Subdivisions agree. As stated in the Settlement Participation Form, to the extent the executed version of the Settlement Participation Form differs from the Agreement in any respect, the Agreement controls.
- d. Pursuant to the Settlement Participation Form, each Participating Subdivision in the State is dismissing with prejudice any Released Claims that it has filed against Janssen and the Released Entities.

10. Release. The Parties acknowledge that the Release, which is incorporated by reference herein, is an integral part of this Judgment. Pursuant to the Agreement and the Release and without limitation and to the maximum extent of the power of the State's Attorney General, Janssen and the other Released Entities are, as of the Effective Date, hereby released from any and all Released Claims of (a) the State and its Participating Subdivisions and any of their departments, agencies, divisions, boards, commissions, Subdivisions, districts, instrumentalities of any kind and attorneys, including the State's Attorney General, and any person in his or her official capacity whether elected or appointed to serve any of the foregoing, and any agency, person, or other entity claiming by or through any of the foregoing, (b) any public entities, public instrumentalities, public educational institutions, unincorporated districts, fire districts, irrigation districts, water districts, law enforcement districts, emergency services districts, school districts, hospital districts and other Special Districts in the State, and (c) any person or entity acting in a *parens patriae*, sovereign, quasi-sovereign, private attorney general, *qui tam*, taxpayer, or other capacity seeking relief on behalf of or generally applicable to the general public with respect to the State or any Subdivision in the State, whether or not any of them participate in the Agreement. Pursuant to the Agreement and the Release and to the maximum extent of the State's power, Janssen and the other Released Entities are, as of the Effective Date, hereby released from any and all Released Claims of (1) the

State, (2) all past and present executive departments, state agencies, divisions, boards, commissions and instrumentalities with the regulatory authority to enforce state and federal controlled substances acts, (3) any of the State's past and present executive departments, agencies, divisions, boards, commissions and instrumentalities that have the authority to bring Claims related to Covered Conduct seeking money (including abatement and/or remediation) or revocation of a pharmaceutical distribution license, and (4) any Participating Subdivision. For the purposes of clause (3) above, executive departments, agencies, divisions, boards, commissions, and instrumentalities are those that are under the executive authority or direct control of the State's Governor. Further, the provisions set forth in Section IV of the Agreement are incorporated by reference into this Judgment as if fully set forth herein. The Parties acknowledge, and the Court finds, that those provisions are an integral part of the Agreement and this Judgment, and shall govern the rights and obligations of all participants in the settlement. Any modification of those rights and obligations may be made based only on a writing signed by all affected parties and approved by the Court.

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

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

12. The State may hereafter discover facts other than or different from those which it knows, believes, or assumes to be true with respect to the Released Claims, but the State expressly waived and fully, finally, and forever settled, released and discharged, through the Agreement and

Release, any and all Released Claims that may exist as of the Effective Date but which the State does not know or suspect to exist, whether through ignorance, oversight, error, negligence or through no fault whatsoever, and which, if known, would have materially affected the State's decision to enter into the Agreement.

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

14. No Admission of Liability. Defendants are consenting to this Judgment solely for the purpose of effectuating the Agreement, and nothing contained herein may be taken as or construed to be an admission or concession of any violation of law, rule, or regulation, or of any other matter of fact or law, or of any liability or wrongdoing, all of which Defendants expressly deny. No Defendant or Released Entity admits that it caused or contributed to any public nuisance, and no Defendant or Released Entity admits any wrongdoing that was or could have been alleged by the State, its Participating Subdivisions and/or Participating Special Districts, or any other person or entity. No part of this Judgment shall constitute evidence of any liability, fault, or wrongdoing by Defendants or any other Released Entity. The Parties acknowledge that payments made under the Agreement are not a fine, penalty, or payment in lieu thereof and are properly characterized as described in Section VI.F of the Agreement.

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


20. Retention of Jurisdiction. The Court shall retain jurisdiction of the Parties for the limited purpose of the resolution of disputes identified in Section XII.F.2 of the Agreement. The Court shall have jurisdiction over Participating Subdivisions in the State for the limited purposes identified in the Agreement.

21. Successors and Assigns. This Judgment is binding on Defendants' successors and assigns.

22. Modification. This Judgment shall not be modified (by the Court, by any other court, or by any other means) without the consent of the State and Defendants, or as provided for in Section XIII.S of the Agreement.

So ORDERED this 1st day of April, 2022.

BY THE COURT:


The Honorable Kathleen Trandahl,
Circuit Court Judge, Retired

Attest:
Deuter-Cross, TaraJo
Clerk/Deputy



APPROVED, AGREED TO AND PRESENTED BY:

FOR THE STATE OF SOUTH DAKOTA

/s/ Thomas J. Deadrick

Thomas J. Deadrick
Assistant Attorney General
1302 East Highway 14, Suite 1
Pierre, SD 57501-8501
Telephone: (605) 773-3215
Email: Tom.Deadrick@state.sd.us

For the Janssen Defendants:

Date:

By: _____

Marc Larkins
Assistant Corporate Secretary, Johnson & Johnson

Approved as to form:


Date:

By: _____

Charles C. Lifland
O'Melveny & Myers
Counsel for Defendants

Date: March 17, 2022

By: _____



Jeffery D. Collins
Lynn, Jackson, Shultz & Lebrun
Local Counsel for Defendants

FOR THE JANSSEN DEFENDANTS,

Date: _____ By: Marc Larkins
Marc Larkins
Assistant Corporate Secretary, Johnson & Johnson

Approved as to form:

Date: _____ By: _____
Charles C. Lifland
O'Melveny & Myers
Counsel for Defendants

Date: _____ By: _____
[Name]
[Law Firm]
Local Counsel for Defendants

For the Janssen Defendants:

Date:


By:

Marc Larkins
Assistant Corporate Secretary, Johnson & Johnson

Approved as to form:

Date:

By:



Charles C. Lifland
O'Melveny & Myers
Counsel for Defendants

Date:

By:

[Name]
[Law Firm]
Local Counsel for Defendants