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11 **SUPERIOR COURT OF ARIZONA**

12 **IN MARICOPA COUNTY**

13 STATE OF ARIZONA, *ex rel.* MARK  
14 BRNOVICH, Attorney General,

Case No.: CV2022-007393

15 Plaintiff,

16 v.

17 **CONSENT JUDGMENT**

18 JOHNSON & JOHNSON; JANSSEN  
19 PHARMACEUTICALS, INC.; ORTHO-  
20 MCNEIL-JANSSEN PHARMACEUTICALS,  
21 INC.; and JANSSEN PHARMACEUTICA,  
22 INC.,

(Assigned to the Hon. Randall Warner)

Defendants.

23 The State of Arizona (“*State*”) and Johnson & Johnson, Janssen Pharmaceuticals, Inc.,  
24 Ortho-McNeil-Janssen Pharmaceuticals, Inc., and Janssen Pharmaceutica, Inc. (collectively,  
25 “*Janssen*” or “*Defendants*”) (together with the State, the “*Parties*,” and each a “*Party*”) have  
26 entered into a consensual resolution of the above-captioned litigation (the “*Action*”) pursuant to  
27 a settlement agreement entitled Janssen Settlement Agreement, dated as of July 21, 2021 (as  
28 subsequently updated) (the “*Agreement*”), a copy of which is attached hereto as Exhibit A. The

1 Agreement shall become effective by its terms upon the entry of this Consent Judgment (the  
2 “*Judgment*”) by the Court without trial or adjudication of any contested issue of fact or law, and  
3 without finding or admission of wrongdoing or liability of any kind.

4 **RECITALS:**

5 Each Party warrants and represents that it engaged in arm’s-length negotiations in good  
6 faith. In hereby executing the Agreement, the Parties intend to effect a good-faith settlement.

7 1. The State has determined that the Agreement is in the public interest.

8 2. The State is authorized to bring this action under the Arizona Consumer Fraud  
9 Act, A.R.S. §§ 44-1521 to -1534.

10 3. This Court has jurisdiction over the subject matter of the Action and over the  
11 Parties with respect to the Action and this Judgment. This Judgment shall not be construed or  
12 used as a waiver of any jurisdictional defense Defendants or any other Released Entities may  
13 raise in any other proceeding.

14 4. Venue is proper in Maricopa County pursuant to A.R.S. § 12-401.

15 5. Janssen denies the allegations against it and that it has any liability whatsoever to  
16 the State, its Subdivisions, and/or (a) any of the State’s or Subdivisions’ departments, agencies,  
17 divisions, boards, commissions, districts, instrumentalities of any kind and attorneys, including  
18 its Attorney General and any person in his or her official capacity whether elected or appointed  
19 to serve any of the foregoing and any agency, person, or other entity claiming by or through  
20 any of the foregoing, (b) any public entities, public instrumentalities, public educational  
21 institutions, unincorporated districts, fire districts, irrigation districts, and other Special  
22 Districts, and (c) any person or entity acting in a *parens patriae*, sovereign, quasi-sovereign,  
23 private attorney general, *qui tam*, taxpayer, or other capacity seeking relief on behalf of or  
24 generally applicable to the general public.

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

27 7. The Parties agree to the entry of the injunctive relief terms pursuant to Exhibit P  
28 of the Agreement.

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

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

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

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

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

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

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

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

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

27 ...

28 ...

1           7.     By this Judgment, the Agreement is hereby approved by the Court, and the Court  
2 hereby adopts the Agreement’s terms as its own determination of this matter and the Parties’  
3 respective rights and obligations.

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

6           9.     By this Judgment, the *One Arizona Distribution of Opioid Settlement Funds*  
7 *Agreement*, a copy of which is attached hereto as Exhibit B and is incorporated into the  
8 Agreement pursuant to Exhibit O of the Agreement, is hereby approved by the Court as the  
9 means by which relevant funds paid pursuant to the Agreement will be divided within the  
10 State,<sup>1</sup> subject to the full acceptance by any Subdivision receiving such funds of the terms of  
11 the Agreement, including the releases provided therein.

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

- 15           a.     The Attorney General of the State exercised the fullest extent of his or her powers  
16                 to release Janssen and all other Released Entities from all Released Claims  
17                 pursuant to the release attached hereto as Exhibit C (the “*Release*”).
- 18           b.     Janssen has determined that there is sufficient State participation and sufficient  
19                 resolution of the Claims of the Litigating Subdivisions in the Settling States to  
20                 proceed with the Agreement.
- 21           c.     The Settlement Participation Form for each Initial Participating Subdivision in the  
22                 State has been delivered to Janssen. As stated in the Settlement Participation  
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24 <sup>1</sup> Payments made to the State of Arizona shall be deposited by the Arizona Attorney General into an  
25 interest-bearing account within the Consumer Restitution and Remediation Revolving Fund pursuant to  
26 A.R.S. § 44-1531.02(C). With the advice and consent of the Arizona Legislature, pursuant to A.R.S.  
27 § 44-1531.02(C), the Attorney General shall direct how and when the funds paid by Janssen are used,  
28 provided that any such uses shall conform to the requirements of Sections VI.B.1 and VI.B.2 of the  
Agreement and the One Arizona Distribution of Opioid Settlement Funds Agreement.

1 Form, and for the avoidance of doubt, nothing in the Settlement Participation  
2 Form executed by the Participating Subdivisions is intended to modify in any way  
3 the terms of the Agreement to which the Participating Subdivisions agree. As  
4 stated in the Settlement Participation Form, to the extent the executed version of  
5 the Settlement Participation Form differs from the Agreement in any respect, the  
6 Agreement controls.

7 d. Pursuant to the Settlement Participation Form, each Participating Subdivision in  
8 the State is dismissing with prejudice any Released Claims that it has filed against  
9 Janssen and the Released Entities.

10 11. Mutual Interpretation and Release. The Parties agree and stipulate that the  
11 Agreement was negotiated on an arm’s-length basis between parties of equal bargaining power  
12 and was drafted jointly by counsel for each Party. Accordingly, the Agreement is incorporated  
13 herein by reference and shall be mutually interpreted and not construed in favor of or against  
14 any Party, except as expressly provided for in the Agreement.

15 The Parties have agreed that the representation and warranty specified in Section IV.E of  
16 the Agreement will not apply to the Arizona Attorney General as signatory for the State of  
17 Arizona, but will be replaced by a representation and warranty (a) that the Arizona Attorney  
18 General has the authority to settle and release all Released Claims within the Arizona Attorney  
19 General’s authority to bring, (b) that the Arizona Attorney General has obtained authority from  
20 the Arizona Health Care Cost Containment System (“AHCCCS”) to settle and release all  
21 Released Claims of AHCCCS or within AHCCCS’s authority to bring, and (c) that, in view of  
22 the releases under this Agreement and the foregoing representation and warranty, neither the  
23 State of Arizona itself nor any other Arizona state agency, board, division, commission,  
24 executive department or instrumentality with authority over Janssen with respect to Covered  
25 Conduct has authority under Arizona law to bring a civil action against Janssen containing any  
26 Released Claims. The remainder of the release provisions of Section IV of the Agreement are  
27 incorporated to the full extent of the Attorney General’s authority (if any) to release claims of  
28 . . .

1 Releasers, although the Attorney General’s representation and warranty regarding the scope of  
2 that authority is limited to the language in this paragraph.

3 12. Costs and Fees. The Parties will bear their own costs and attorneys’ fees except  
4 as otherwise provided in the Agreement.

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

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

23 15. No Private Right of Action. This Judgment is not intended for use by any third  
24 party for any purpose, including submission to any court for any purpose, except pursuant to  
25 Section XII.A of the Agreement. Except as expressly provided in the Agreement, no portion of  
26 the Agreement or this Judgment shall provide any rights to, or be enforceable by, any person or  
27 entity that is not a Settling State or Released Entity. The State shall allow Participating  
28 Subdivisions in the State to notify it of any perceived violations of the Agreement or this

1 Judgment. No Settling State, including the State, may assign or otherwise convey any right to  
2 enforce any provision of the Agreement.

3 16. Admissibility. It is the intent of the Parties that this Judgment not be admissible  
4 in other cases against Defendants or binding on Defendants in any respect other than in  
5 connection with the enforcement of this Judgment or the Agreement. For the avoidance of  
6 doubt, nothing herein shall prohibit Defendants from entering this Judgment or the Agreement  
7 into evidence in any litigation or arbitration concerning (1) Defendants' right to coverage under  
8 an insurance contract or (2) the enforcement of the releases provided for by the Agreement and  
9 this Judgment.

10 17. Preservation of Privilege. Nothing contained in the Agreement or this Judgment,  
11 and no act required to be performed pursuant to the Agreement or this Judgment, is intended to  
12 constitute, cause, or effect any waiver (in whole or in part) of any attorney-client privilege,  
13 work product protection, or common interest/joint defense privilege, and each Party agrees that  
14 it shall not make or cause to be made in any forum any assertion to the contrary.

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

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

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

24 21. Signatures. This Consent Judgment may be executed by the parties in  
25 counterparts and be delivered by facsimile or electronic transmission, or a copy thereof, such  
26 constituting an original counterpart hereof, all of which together will constitute one and the  
27 same document.

28 . . .

1           22.   Final Judgment.   This Consent Judgment resolves the Action. As no further  
2 matters remain pending, this is a final judgment entered pursuant to Ariz. R. Civ. P. 54(c).  
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4           DATED this \_\_\_\_\_ day of June, 2022.  
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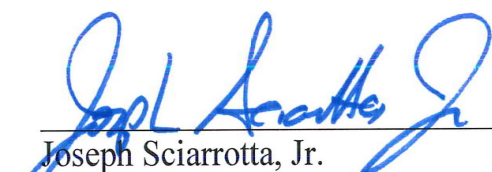
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JUDGE OF THE SUPERIOR COURT

10 **APPROVED, AGREED TO AND PRESENTED BY:**  
11

12 **MARK BRNOVICH**  
13 **Attorney General**  
14

15 Date: June 13, 2022  
16

By:   
17 Joseph Sciarrotta, Jr.  
18 Division Chief Counsel

**For the Janssen Defendants:**  
19

*Attorneys for the State of Arizona*

20 Date: 6/8/2022  
21

By: /s/ Marc Larkins  
22 Marc Larkins  
23 Assistant Corporate Secretary, Johnson & Johnson

**Approved as to form:**  
24

25 Date: 6/8/2022  
26  
27  
28

By: /s/ Charles Lifland  
29 Charles C. Lifland  
30 O'Melveny & Myers  
31 Counsel for Defendants  
32



# eSignature Page 1 of 1

Filing ID: 14485440 Case Number: CV2022-007393  
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Granted as Submitted



/S/ Randall Warner Date: 6/27/2022  
Judicial Officer of Superior Court

**ENDORSEMENT PAGE**

CASE NUMBER: CV2022-007393

SIGNATURE DATE: 6/27/2022

E-FILING ID #: 14485440

FILED DATE: 6/29/2022 8:00:00 AM

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