IN THE DISTRICT COURT OF CLEVELAND COUNTY
STATE OF OKLAHOMA

STATE OF OKLAHOMA, ex rel., **MIKE HUNTER,** **ATTORNEY GENERAL OF OKLAHOMA,** **Plaintiff,** **vs.** **(1) PURDUE PHARMA L.P.;** **(2) PURDUE PHARMA, INC.;** **(3) THE PURDUE FREDERICK COMPANY;** **(4) TEVA PHARMACEUTICALS USA, INC.;** **(5) CEPHALON, INC.;** **(6) JOHNSON & JOHNSON;** **(7) JANSSEN PHARMACEUTICALS, INC;** **(8) ORTHO-MCNEIL-JANSSEN PHARMACEUTICALS, INC., n/k/a JANSSEN PHARMACEUTICALS;** **(9) JANSSEN PHARMACEUTICA, INC., n/k/a JANSSEN PHARMACEUTICALS, INC.;** **(10) ALLERGAN, PLC, f/k/a ACTAVIS PLC, f/k/a ACTAVIS, INC., f/k/a WATSON PHARMACEUTICALS, INC.;** **(11) WATSON LABORATORIES, INC.;** **(12) ACTAVIS LLC; and** **(13) ACTAVIS PHARMA, INC., f/k/a WATSON PHARMA, INC.,** **Defendants.**	)	**Case No. CJ-2017-816** **Judge Thad Balkman**

STATE OF OKLAHOMA
CLEVELAND COUNTY } S.S.
FILED
MAR 26 2019
In the office of the
Court Clerk MARILYN WILLIAMS

CONSENT JUDGMENT AS TO THE PURDUE DEFENDANTS

COMES NOW, the Plaintiff, the State of Oklahoma *ex rel.* Attorney General Mike Hunter, (the "State of Oklahoma" or "State") having brought the above-captioned action against Defendants Purdue Pharma L.P., Purdue Pharma Inc., and the Purdue Frederick Company Inc. (collectively, "Purdue"), among others, alleging that Purdue took affirmative steps to overstate the efficacy of their opioid pain medications for a wide range of medical conditions, while at the same

time falsely downplaying the risk of addiction to those medications. The State and Purdue (collectively, the "Parties"), by their counsel, have agreed to the entry of this Consent Judgment by the Court without trial or adjudication of any issue of fact or law with respect to Purdue and without admission of any wrongdoing or violations of applicable law on the part of Purdue, as alleged by the State. The Parties agree to the entry of this Consent Judgment and to be bound by its terms.

WHEREAS, the State filed its Original Petition in this Action on June 30, 2017, (i) alleging that Purdue, among others, violated Oklahoma law by deceptively marketing its opioid pain medications—as well as opioid products generally—so as to overstate their efficacy and falsely downplay the associated risk of addiction, which resulted in an opioid crisis and public nuisance in the State of Oklahoma; (ii) asserting claims for damages, equitable abatement, civil penalties and other equitable relief; and (iii) claiming violations of the Oklahoma Medicaid False Claims Act, 63 Okla. Stat. §§5053.1-7; the Oklahoma Medicaid Program Integrity Act, 56 Okla. Stat. §§1001-1008; the Oklahoma Consumer Protection Act, 15 Okla. Stat. §§751-65; Public Nuisance, 50 Okla. Stat. §2; Fraud (Actual and Constructive) and Deceit; and Unjust Enrichment (the "Oklahoma Action");

WHEREAS, Purdue: (i) denies each and all of the claims and allegations of wrongdoing made by the State in the Oklahoma Action and maintains that it has meritorious defenses; (ii) denies all charges of wrongdoing or liability against it arising out of any of the conduct, statements, acts or omissions alleged, or that could have been alleged, in the Oklahoma Action, and contends that the factual allegations made in the Oklahoma Action relating to it are false and materially inaccurate; (iii) denies that the State was harmed by any conduct of Purdue alleged in the

Oklahoma Action or otherwise, including by Releasees; and (iv) denies liability, expressly denies any wrongdoing, denies it violated any federal or state statute or common law;

WHEREAS, the Parties have investigated the facts, analyzed the relevant legal issues regarding the claims and defenses asserted in the Oklahoma Action, have engaged in substantial and material fact discovery, served expert disclosures and are set for trial on May 28, 2019;

WHEREAS, the Parties have each considered the costs and delays associated with the continued prosecution and defense of the Oklahoma Action, and have reached an agreement to resolve the Oklahoma Action;

WHEREAS, the Parties believe the Settlement set forth herein (i) avoids the uncertainties of litigation and assures that the benefits reflected herein are obtained and (ii) is fair, reasonable and adequate and in the best interest of the people of the State of Oklahoma;

WHEREAS, the State and Purdue agree that neither this Consent Judgment, the related Settlement Agreement, nor any statement made in the negotiation thereof, shall be deemed or construed to be a concession as to any claim, an admission, evidence of any violation of any statute or law, evidence of any liability or wrongdoing by Purdue, or evidence of the truth of any of the claims or allegations made by the Parties in the Oklahoma Action; and

WHEREAS, arm's-length settlement negotiations have taken place over the course of several months between Purdue and the State under the auspices and supervision of the court-appointed Settlement Master, Judge Layn Phillips, who was appointed by Order dated March 29, 2018, pursuant to 12 Okla. Stat., Ch. 2, Appx., Rule 5 and the Court's inherent authority.

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

I. DEFINITIONS

1.1 As used in this Consent Judgment the following capitalized terms have the meanings specified below.

(a) "Agreement" or "Settlement Agreement" means the Settlement Agreement and this Consent Judgment, together with any exhibits attached hereto, which are incorporated herein by reference.

(b) "Bankruptcy Code" means 11 U.S.C. §§ 101, *et seq*.

(c) "Covered Conduct" means any and all acts, conduct, omissions, events or transactions, whether known or unknown and whether discovered or undiscovered, including, but not limited to, acts, conduct, omissions, events or transactions alleged in the Oklahoma Action, from the beginning of time up to and including the Effective Date arising from or related in any way to the marketing and sale of Purdue Opioids or any other Opioid in or affecting the State of Oklahoma.

(d) "Court" means the District Court of Cleveland County, Oklahoma.

(e) "Donation Payments" means the payments set forth in Section 4.1(d) of this Consent Judgment.

(f) "Effective Date" means the date upon which the Court approves the Settlement Agreement and enters the Consent Judgment.

(g) "Effective Date of the Release" means the date upon which all of the following have occurred or been waived by the Attorney General: (i) the Court has approved the Settlement Agreement and entered the Consent Judgment; (ii) the Purdue Payments Letter(s) of Credit (defined in Section 4.1(b)) and the Donation Payments Letter(s) of Credit (defined in Section 4.1(e)) have been delivered to the Attorney General, or, to the extent either of the foregoing is waived, the Purdue Payments have been paid or the Donation Payments have been placed into escrow, as applicable, in each case, in accordance with the terms of the Settlement Agreement; and (iii) the executed PRA Guaranty (defined in Section (B)(4)) has been delivered to the Attorney General in accordance with the terms of this Agreement.

(h) "Execution Date" means the date on which the Settlement Agreement is executed by the last party to do so.

(i) "Good Faith Settlement Bar Order" or "Bar Order" shall have the meaning assigned to it in Section 6.1 of this Consent Judgment.

(j) "Health Care Provider" shall mean any physician, osteopath, surgeon, nurse practitioner, physician assistant, physiatrist, psychiatrist, dentist, pharmacist, podiatrist, nurse, nurse's assistant or other person engaged in the business of providing health care services and/or prescribing an Opioid in Oklahoma and any medical facility, practice, hospital, clinic or pharmacy in Oklahoma.

(k) "Non-Settling Defendants" means Teva Pharmaceuticals USA, Inc., Cephalon, Inc., Johnson & Johnson, Janssen Pharmaceuticals, Inc., Ortho-McNeil-Janssen Pharmaceuticals, Inc. n/k/a Janssen Pharmaceuticals, Janssen Pharmaceutica, Inc. n/k/a Janssen Pharmaceuticals, Inc., Allergan, PLC, f/k/a Actavis PLC f/k/a Actavis, Inc. f/k/a Watson Pharmaceuticals, Inc., Watson Laboratories, Inc., Actavis, LLC, and Actavis Pharma, Inc. f/k/a Watson Pharma, Inc.

(k) "Opioid" shall mean those chemical compounds naturally found in the opium poppy plant, including synthetic analogues that interact with opioid receptors on nerve cells in the body and brain, and reduce the intensity of pain signals and feelings of pain. Opioid shall not mean buprenorphine/naloxone and other substances when used to treat opioid or other substance use disorders, abuse, addiction or overdose;

(l) "Outside Counsel" shall mean Whitten Burrage, Nix Patterson, LLP and Glenn Coffee & Associates, PLLC.

(m) "Parties" and "Settling Parties" means Purdue and the State.

(n) "Promote," "Promoting," and "Promotion" shall mean the publication or dissemination of branded or Unbranded information by Purdue to a Third Party that is intended to directly or indirectly increase the use or sales of a Purdue Opioid or Opioids.

(o) "Purdue" means Purdue Pharma L.P., Purdue Pharma Inc., and The Purdue Frederick Company Inc.

(p) "Purdue Opioid(s)" means OxyContin®, MS Contin®, Butrans®, and Hysingla®.

(q) "Purdue Payments" means the payments set forth in Section 4.1(a)(i) of this Consent Judgment.

(r) "Releasees" means (i) Purdue Pharma L.P., Purdue Pharma Inc., The Purdue Frederick Company Inc., Purdue Products L.P., Purdue Pharma L.P. d/b/a Purdue Pharma (Delaware) Limited Partnership, Purdue Pharmaceutical Products, LP, Purdue Pharma Manufacturing Inc., The P.F. Laboratories

Inc., Purdue Pharma Manufacturing L.P., Purdue Pharma of North Carolina L.P., Purdue Pharma Technologies Inc., Purdue Pharma Manufacturing (New York) Inc., Purdue Pharma L.P., a foreign limited partnership, Rhodes Pharmaceuticals Inc., Rhodes Pharmaceuticals L.P., Rhodes Technologies, Rhodes Technologies Inc., and Pharmaceutical Research Associates L.P.; (ii) all affiliated United States and foreign companies owned by any of the Releasees; (iii) Abbott Laboratories (including Abbott subsidiaries and related companies), to the extent its activities are related to Purdue Opioids or are otherwise entitled to indemnification by Purdue; and (iv) for each of the foregoing in (i), (ii) and (iii), each of their respective past, present, and future officers, board members, directors, principals, agents, servants, employees, independent contractors, co-promotors, third party sales representatives, medical liaisons, predecessors, successors, assigns, affiliates, advisors, agents, consultants, insurers, trusts (including trusts established for the benefit of any Releasee), trustees, protectors, beneficiaries, officers, managers, members, direct or indirect owners and/or shareholders, beneficiaries of direct or indirect owners and/or shareholders, partners (general or limited), representatives, parents, subsidiaries, and transferees, attorneys and legal representatives, as well as the predecessors, successors, heirs, executors, administrators, legatees and assigns of each of the foregoing. For the sake of clarity, Releasees does not include any third-party manufacturer or distributor or marketer or seller of opioid products not related to the conduct of the Releasees. (The intent of this provision is to ensure that no entity not related to the Releasees listed above is released for conduct unrelated to those entities.) Nor does this release in any way prevent Purdue from seeking indemnification against its insurers. As used in this paragraph, "affiliates" means entities directly or indirectly controlling, controlled by or under common control or ownership with a Releasee.

(s) "Released Claims" means any and all claims of any nature, including the State's state and federal statutory and common law claims, that were brought or could have been brought by any Releasor related to or arising out of in any way the Covered Conduct, whether known or unknown, suspected or unsuspected, asserted or unasserted, in law or in equity, that any Releasor, whether directly, representatively, derivatively, or in any other capacity, ever had, now have or may hereafter have including all past, present, and future civil, criminal, derivative, regulatory, administrative, or any other claims any Releasor may have under any applicable state, regulatory, or administrative law or statute relating in any way to any Covered Conduct (regardless of where in the world any such Covered Conduct or any result, loss, injury, or damage resulting therefrom occurred) from the beginning of time up to and including the Effective Date.

(t) "Releasors" means the State and the Attorney General and/or any political subdivision of the State on whose behalf the Attorney General possesses, or obtains, the authority to bind.

(u) "Third Party" shall mean any person or entity other than Purdue or a government entity.

(v) "Unbranded" shall mean any information regarding Opioids that does not identify a specific product or products.

II. FINDINGS & CONCLUSIONS

2.1 This Court has jurisdiction over the Parties and the subject matter of this case and has the authority to grant the relief provided herein.

2.2 The terms of this Consent Judgment shall be governed by the laws of the State of Oklahoma.

2.3 Entry of this Consent Judgment is in the public interest and reflects a negotiated agreement among the Parties.

2.4 The terms of the Settlement between the State and Purdue and of this Consent Judgment are fair, reasonable and were entered into between the State and Purdue in good faith and without collusion.

2.5 The payment of attorneys' fees and costs set forth in Section 4.1(a)(i)(x) are consistent with and expressly authorized by the agreement between the State and its Outside Counsel governing the Oklahoma Action. The attorneys' fees to Outside Counsel are fair, reasonable and appropriate under Oklahoma law. The costs incurred by Outside Counsel in prosecuting the Oklahoma Action are reasonable, necessary and appropriate under Oklahoma law.

2.6 The Parties have agreed to resolve the issues resulting from the Covered Conduct by entering into a Settlement Agreement and this Consent Judgment.

2.7 Purdue is willing to enter into this Consent Judgment regarding the Covered Conduct in order to resolve the State's claims as alleged in the Original Petition under Oklahoma law as to the matters addressed in this Consent Judgment and thereby avoid significant expense, inconvenience, and uncertainty.

2.8 Purdue is entering into this Consent Judgment solely for the purpose of settlement, 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 Purdue expressly denies. No part of this Consent Judgment, including its statements and commitments, shall constitute evidence of any liability, fault, or wrongdoing by Purdue.

2.9 This Consent Judgment shall not be construed or used as a waiver or limitation of any defense otherwise available to Purdue in any action, or of Purdue's right to defend itself from, or make any arguments in, any private individual, regulatory, governmental, or class claims or suits relating to the subject matter or terms of this Consent Judgment.

2.10 No part of this Consent Judgment shall create a private cause of action or confer any right to any Third Party for violation of any federal or state statute except that the State or Purdue may file an action to enforce the terms of this Consent Judgment.

2.11 This Consent Judgment has been negotiated by the Parties at arms' length and in good faith. This Consent Judgment reflects the exchange of reasonably equivalent value between the Parties.

III. INJUNCTIVE TERMS

3.1 Purdue shall not from the Effective Date until December 31, 2026 engage in Promotion of Purdue Opioids or Opioids in the State of Oklahoma by:

(a) Employing or contracting with sales representatives or other persons to Promote Purdue Opioids or Opioids to Health Care Providers or patients;

(b) Using speakers, key opinion leaders, thought leaders, lecturers, and/or speaking events for Promotion of Purdue Opioids or Opioids; and

(c) Creating, sponsoring, distributing, or otherwise providing direct or indirect financial support for branded or Unbranded information Promoting Purdue

Opioids or Opioids, including brochures, newsletters, pamphlets, journals, books, and guides.

3.2 Upon request, Purdue shall promptly provide reasonable assistance to law enforcement investigations of potential diversion and/or suspicious circumstances involving Purdue Opioids in the State of Oklahoma, subject to and without waiving, any applicable privilege objections.

3.3 Purdue shall not use, assist, or employ any Third Party to engage in any activity in Oklahoma that Purdue itself would be prohibited from engaging in pursuant to this Consent Judgment.

3.4 Notwithstanding the above, in the State of Oklahoma, Purdue may:

(a) Provide information or support the provision of information as expressly required by law or any state or federal government agency with jurisdiction in Oklahoma;

(b) Provide scientific and/or medical information in response to an unsolicited request by a Health Care Provider or patient; and

(c) Provide information to a payor, formulary committee, or other similar entity.

3.5 For the avoidance of doubt, nothing in this Consent Judgment shall be construed or used to prohibit Purdue in any way whatsoever from taking legal or factual positions in litigation or other legal or administrative proceedings, or from providing extrajudicial statements made in the context of such litigation or other legal or administrative proceedings.

3.6 Should Purdue enter into an agreement with one or more state attorneys general, or in multi-state litigation with other state attorneys general, that contains broader injunctive relief than set forth above, Purdue agrees: (i) to notify the Attorney General of Oklahoma at the time such injunctive relief goes into effect; and (ii) to abide by that injunctive relief in the State of Oklahoma. Purdue agrees that all such additional or more restrictive relief shall apply to Purdue's

conduct within or directed at the State of Oklahoma and any violation of those terms shall be deemed a violation of this Consent Judgment and will be subject to the dispute resolution procedures set forth herein.

3.7 If the Attorney General believes that Purdue has violated any Injunctive Relief term, as set forth above, the Attorney General shall: (i) provide Purdue with a notice that sets forth the Attorney General's basis for believing that Purdue violated an Injunctive Relief term and (ii) provide Purdue at least thirty (30) days to cure the alleged violation.

IV. PAYMENT

4.1 In full and complete satisfaction of the release granted in Section V herein, and in addition to the Injunctive Terms contained in Section III, Purdue shall cause the following actions to be taken:

(a) **Funding from Purdue:** (i) Beginning on the date of issuance of the Purdue Payment Letter of Credit (defined in Section 4.1(b)), (w) the Foundation shall be entitled to draw on the Purdue Payments Letter of Credit in accordance with the terms thereof for $102,500,000 to fund the Foundation; (x) Outside Counsel shall be entitled to draw on the Purdue Payments Letter of Credit in accordance with the terms thereof for $59,500,000 to be paid to Outside Counsel for payment of attorneys' fees and costs associated with the Oklahoma Action as set forth in the agreement between the State and its Outside Counsel; (y) the Attorney General shall be entitled to draw on the Purdue Payments Letter of Credit in accordance with the terms thereof for $500,000 for costs associated with prosecution of the Oklahoma Action; and (z) an entity timely identified in writing by the State shall be entitled to draw on the Purdue Payment Letter of Credit in accordance with the terms thereof for $12,500,000 to be placed into an escrow or similar account created and maintained to receive and manage the funding for distribution to political subdivisions in furtherance of the objectives of the Settlement Agreement ((w), (x), (y) and (z) collectively, the "Purdue Payments"); (ii) after the Effective Date, Purdue and the National Center shall coordinate to ensure the supply of medically assisted treatment drugs, such as buprenorphine/naloxone, or an equivalent product manufactured by Purdue, over a period of five (5) years with a total retail market value of $20,000,000; and (iii) funds that are not distributed and are remaining under subsection 4.1(a)(i)(z) will revert to the Foundation.

(b) **Purdue Payments Letter of Credit:** Within five (5) business days of the Execution Date, Purdue shall present to the Attorney General an Irrevocable Letter(s) of Credit issued by BOKF, NA dba Bank of Oklahoma in the amount of the Purdue Payments drawable for three (3) business days from the date of issuance (the "Purdue Payments Letter of Credit"). At any time prior to drawing on the Purdue Payments Letter of

Credit, the Attorney General, in his sole discretion, shall have the right to waive the requirement of the posting of the Purdue Payments Letter of Credit, in which case the Purdue Payments shall be due and payable directly by Purdue to the payees identified in Section 4.1(a) above within one (1) business day after receipt of the Attorney General's written waiver.

(c) **Purdue Payments Guaranty**: Within one (1) business day of the Execution Date, Purdue will provide the Attorney General with an executed guaranty from Pharmaceutical Research Associates, L.P. ("PRA") in the form previously provided to the Attorney General (the "PRA Guaranty"), with respect to the Purdue Payments. The PRA Guaranty will irrevocably expire and be of no further force and effect on the ninety-first day after the date of issuance of the Purdue Payments Letter of Credit (the "Initial Guaranty Expiration Date"); provided, however, that if prior to the Initial Guaranty Expiration Date (i) Purdue files a voluntary petition for relief under the Bankruptcy Code or (ii) an involuntary petition for relief under the Bankruptcy Code is filed against Purdue and such involuntary petition has not been dismissed as of the Initial Guaranty Expiration Date, the PRA Guaranty shall instead expire on the date that is thirty days after the date of filing of such petition for relief, during which thirty-day period, the State may exercise its rights under the PRA Guaranty, in accordance with the terms thereof. PRA's payment obligations under the PRA Guaranty shall be contingent on the State's repayment to Purdue in cash in full the entirety of the Purdue Payments (totaling $175,000,000).

(d) **Donation:** Within five (5) business days after the Effective Date, Purdue will provide the Attorney General with a letter confirming that a voluntary and irrevocable contribution to the Foundation will be made by the Dr. Mortimer and Dr. Raymond Sackler families (directly or through their business entities (other than Purdue)) in the amount of $75,000,000 ("Donation Payments") to begin with a $15,000,000 payment starting January 10, 2020, with four additional equal payments of $15,000,000 each succeeding January for four (4) years.

(e) **Donation Payments Letter(s) of Credit:** Within five (5) business days after the Effective Date, the Attorney General shall be presented with one or more Irrevocable Letter(s) of Credit issued by BOKF, NA dba Bank of Oklahoma in the amount of the Donation Payments (the "Donation Payments Letter(s) of Credit"), pursuant to which, upon the Effective Date, the Foundation shall be entitled to draw on $15,000,000 between January 10th - 15th in each of the years 2020-2024 in accordance with the terms thereof. At any time prior to drawing on the Donation Payments Letter(s) of Credit, the Attorney General, in his sole discretion, shall have the right to waive the requirement of the posting of the Donation Payments Letter of Credit, in which case the Donation Payments shall be placed into escrow pursuant to an escrow agreement and an escrow agent, in each case, acceptable to the Attorney General.

4.2 If the State does not elect to enforce the PRA Guaranty in accordance with the terms thereof and is required by final order of a court of competent jurisdiction to return the Purdue Payments to Purdue and does return such Purdue Payments to Purdue, the State shall return any

Donation Payments it has received and shall not be entitled to any further Donation Payments, and upon return of all such foregoing payments, (x) the Settlement Agreement, including the releases set forth herein, shall be void ab initio, and (y) all rights and remedies of the Settling Parties as they existed immediately prior to the execution of this Agreement shall be reinstated in full.

V. RELEASE

5.1 By entry of this Consent Judgment and execution of the Settlement Agreement, on the Effective Date of the Release, Releasors release Releasees from the Released Claims. The Court finds that Releasors have fully, finally, forever and permanently released, remised, acquitted, held harmless, relinquished and discharged with prejudice all Released Claims, have covenanted not to sue any Releasee with respect to any such claim, and are permanently barred and enjoined from instituting, reinstituting, maintaining, commencing, or prosecuting any such Released Claim against the Releasees, and the releases as set forth herein shall be given full *res judicata* effect. Releasors are deemed to have released all claims against the Releasees that are or could have been brought by Releasors, including the State's state and federal statutory and common law claims, and by any other person acting or purporting to act in a *parens patriae*, sovereign, quasi-sovereign, private attorney general, qui tam, taxpayer or any other capacity on behalf of any Releasor.

5.2 On the Effective Date of the Release, Releasors shall further be deemed to have released all claims, including all claims of any political subdivisions on whose behalf the Attorney General possesses the authority, or obtains the authority, to bind, against the Releasees regardless of whether any such Releasor ever seeks or obtains, any distribution under the Agreement. Any political subdivision that receives any payment from the State with funds obtained under the Agreement shall execute an Additional Release in the form set out in Exhibit B to the Agreement as a condition to receiving any such payment.

VI. GOOD FAITH SETTLEMENT BAR ORDER

6.1 The Court hereby finds and orders as follows:

(a) The State has brought suit against Purdue and the Non-Settling Defendants alleging an indivisible injury for which Purdue and the Non-Settling Defendants are jointly and severally liable;

(b) Through the Settlement Agreement and this Consent Judgment Releasors have released Purdue and the Releasees from all Released Claims;

(c) The Court finds the settlement between the State and Purdue is fair, reasonable and was entered into between the State and Purdue in good faith and without collusion;

(d) The Court finds that, by agreeing to settle the claims of the State asserted against Purdue in this Action, Purdue does not admit and specifically denies any and all liability to the State and any actual or alleged joint tortfeasor;

(e) The settlement between the State and Purdue does not prejudice any substantive defenses or rights of any Non-Settling Defendants;

(f) The Court orders that, pursuant to OKLA. STAT. tit. 12, § 832(H), Purdue and the Releasees are discharged from all liability for contribution to all actual or alleged joint tortfeasors, including the Non-Settling Defendants;

(g) The Court further orders that, pursuant to OKLA. STAT. tit. 12, § 832(H), neither the Non-Settling Defendants nor any actual or alleged joint tortfeasor are discharged from liability to the State; and

(h) The Court further orders that nothing contained herein shall preclude the State or any Non-Settling Defendants from presenting evidence of Purdue's conduct pre-trial, at trial or on any appeal, subject to orders and rulings of the Court.

VII. DISPUTE RESOLUTION

7.1 The Parties by stipulation may agree to a modification of this Consent Judgment, which agreement shall be presented to this Court for consideration. Such modification must be made by written instrument signed by or on behalf of both Purdue and the Attorney General.

7.2 Should the Attorney General have reason to believe Purdue has violated the terms of this Consent Judgment, the Attorney General shall: (i) provide Purdue with a notice that sets

forth the Attorney General's basis for believing that Purdue violated a term and (ii) provide Purdue at least thirty (30) days to cure the alleged violation.

7.3 Any disputes between or among Purdue and the State (or their counsel) concerning matters regarding the creation, funding, or operation of the Foundation and the National Center shall, if they cannot be resolved by negotiation and agreement in the first instance, be referred to the Settlement Master, Judge Layn Phillips, for resolution. Decisions by Judge Phillips will be final and non-appealable.

7.4 The Court shall retain jurisdiction over all other disputes, including the implementation of the Injunctive Relief. Any dispute regarding issues arising from such Injunctive Relief that cannot be resolved by the Parties shall be submitted in the first instance to Judge Phillips for mediation. If the Parties are unable to reach a mediated settlement within 30 days of submission for mediation, the dispute shall be submitted to the Court.

XIII. THE NATIONAL CENTER

8.1 As consideration for entering into the Settlement Agreement, Purdue has agreed to fund, pursuant to Section V, a National Center for Addiction Studies and Treatment (the "National Center") adjunct to Oklahoma State University's Center for Health Sciences in Tulsa, Oklahoma ("OSU-HS"). The State shall create a foundation to receive and manage the funding provided by Purdue that is directed to the National Center (the "Foundation"). At OSU-HS, the National Center will be part of the OSU Center for Wellness & Recovery. The National Center will be dedicated to addiction studies, treatment and education, including education to eliminate the stigma associated with addiction and treatment, and will receive funds from the Foundation. The National Center shall operate on the following general principles:

(a) Mission: The National Center's mission will be to improve the lives of individuals in Oklahoma and across the nation that are affected by pain and substance use

disorders through exceptional programs focused on research, education, prevention, treatment, elimination of the stigma associated with addiction, and public policy initiatives.

(b) Vision: The National Center's vision will be to become the premier addiction research center in the nation that promotes collaborative and interdisciplinary approaches to the study, prevention, treatment, and public understanding of addiction, and education to eliminate the stigma associated with addiction and substance use disorder.

(c) Strategic Objectives: Among its initiatives and goals, the National Center will be committed to establishing research-driven and evidence-based practices for (i) treating and preventing addiction, and other behavioral health challenges; (ii) fostering and cultivating innovative national-in-scope research that contributes to the improvement of treatment and prevention of substance use disorders and understanding the underlying causes of addiction; (iii) creating a preeminent environment where researchers and academics from across the country and the world can collaborate together to study and learn about substance use disorder and addiction; and (iv) serving as a national leader in educating and training undergraduate and graduate students, trainees, professionals, and the public on multidisciplinary issues relating to addiction and substance use disorder.

(d) Advisory Board: The National Center shall be supported by a National Scientific Advisory Board that shall work closely with the National Center's staff in advising the National Center's research, agenda, training, and support processes, in addition to guiding the efforts of the National Center's patient and professional education initiatives. The Advisory Board will comprise leading members from other state, national and/or international academic, research, medical, law enforcement, mental health, addiction, substance use disorder, and/or other related fields, institutions, entities, and organizations. Members of the Advisory Board will be selected by the National Center.

IX. DISMISSAL WITH PREJUDICE

9.1 All claims asserted by the State against Purdue in the Oklahoma Action are DISMISSED WITH PREJUDICE as to Purdue, and, except as provided under the Settlement Agreement, without costs.

X. MISCELLANEOUS

10.1 This Consent Judgment shall be construed and interpreted in accordance with the substantive law of the State of Oklahoma.

10.2 This Consent Judgment and the Settlement Agreement contain the entire agreement of the Parties with respect to its subject matter. No Party has made any oral or written

representation other than those set forth herein, and no Party has relied upon, or is agreeing to, this Consent Judgment in reliance upon any representation other than those set forth herein.

10.3 Each of the signatories of this Consent Judgment represents and warrants that it, he, or she is authorized by it, his or her respective clients or principal to execute this Consent Judgment and to bind the corresponding Party hereto. With respect to the Plaintiff, the relevant signatories affirm that they have authority to execute this Consent Judgment on behalf of the State of Oklahoma.

10.4 Paragraph headings contained in this Consent Judgment are inserted solely as reference aids for the ease and convenience of the reader. They shall not be deemed to define or limit the scope or substance of the provisions they introduce, nor shall they be used in construing the intent or effect of such provisions or any other aspect of this Consent Judgment.

10.5 All Notices under this Consent Judgment shall be provided to the following via email and Overnight Mail:

Oklahoma Attorney General
Attn: Abby Dillsaver, General Counsel to the Attorney General
Ethan Shaner, Deputy General Counsel
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10.6 This Consent Judgment may be executed in counterparts, and a facsimile or .pdf signature shall be deemed to be, and shall have the same force and effect as, an original signature.

10.7 This Consent Judgment shall be non-appealable and shall constitute a final judgment upon filing in the District Court of Cleveland County, State of Oklahoma.

10.8 The District Court for Cleveland County, State of Oklahoma, shall retain continuing jurisdiction over the Parties regarding compliance with the terms of this Consent Judgement.

10.9 All payments and consideration delivered in connection with this settlement (other than amounts paid for attorney's fees and costs) constitute restitution payments for United States Federal income tax purposes.

10.10 The Court's Amended Protective Order (dated April 16, 2018) and First Amended Agreed Qualified Protective Order for Protected Health Information (dated September 27, 2018) (the "Protective Orders") remain in effect after the Effective Date and the Settling Parties shall comply with their terms.

IT IS SO ORDERED.

DATED this 26 th day of March, 2019.

DISTRICT JUDGE

APPROVED AS TO FORM:

FOR THE STATE OF OKLAHOMA
ex rel. Mike Hunter, Attorney General

Dated: 3/26/19

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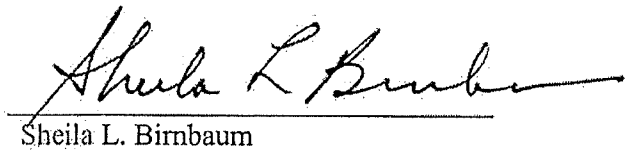
APPROVED AS TO FORM:

FOR DEFENDANTS PURDUE PHARMA L.P., PURDUE PHARMA INC., AND THE PURDUE FREDERICK COMPANY INC.



Dated: March 26, 2019

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