

Jill Mesojedec

To: Jill Mesojedec
Subject: FW: Endo pharmaceutical proposed deal
Attachments: Executed Endo-Florida Agreement.pdf; Exhibit D.pdf; Book2.xlsx

From: Mark Dearman <MDearman@rgrdlaw.com>
Sent: Tuesday, January 18, 2022 11:12 AM
To: Mark Berman <Mark.Berman@copbfl.com>
Subject: Endo pharmaceutical proposed deal

[REDACTED]

[REDACTED]

[REDACTED]

Mark - While we are all expecting multiple and rolling settlements related to the National Opioid Litigation, many of us expected that Purdue would be the next to settle after the Distributor and J&J national deals. As you know, a Purdue resolution is now delayed as a district court in the SDNY overturned the bankruptcy court's confirmation of the Chapter 11 Plan. Instead, based on pressure applied by the MDL and the upcoming trial date in Florida, Endo Health Solutions Inc. and Endo Pharmaceuticals Inc. ("Endo) are now ready to settle.

The proposed Endo settlement is a lump-sum payment of 65 million dollars. It is anticipated that the lump-sum remediation payments will be made at or about the same time the first payments in the Distributors' and J&J monies flow into Florida, which should be in the 1st quarter of 2022. It is believed that Endo is attempting to settle in other states, and we know they already settled with New York for 50 million dollars. The settlement agreement will include a most favored nations clause that requires Endo to supplement this proposed settlement if they pay more to settle with any other states besides California. Of the 65 million dollar settlement, nearly 55 million will be available for restitution and 10 million will be available to compensate the lawyers who represent the state and all of the lawyers who represent the local governments.

This settlement process should be a bit more streamlined and efficient as the Subdivision Settlement Participation Agreement ("PA") is nearly identical to the PAs utilized with the Distributors and J&J deals. The only differences are that there is no arbitration provision and the time to file a dismissal is 7 days instead of 14. Likewise, the allocation within the State will

be based on the previously adopted Statewide Allocation Agreement. Thus, 15% of the available remediation funds will be provided as direct payments to participating Litigating Subdivisions. Attached is a spreadsheet provided by the AG which reflects the amount you will receive under the 15% direct payment. The remaining funds will go to the regional abatement fund and the State.

As opposed to the Distributors and J&J deal, if sufficient participation takes place within the 30 days, you will receive your direct one-lump sum payment in or about April/May of this year. In order to effectuate the settlement, you must complete the attached Subdivision Settlement Participation Agreement and return it to my attention.

It is important to note that any Litigating Subdivision that does not sign an Endo Subdivision Settlement Participation Agreement will be deemed a Non-Joining Subdivision. At Endo's request, any Non-Joining Subdivision's share of the Remediation Payment shall be returned to Endo.

Please let me know when you would like to discuss.

Best regards,

Mark Dearman



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