SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement is made and entered into this 29th day of March 2022, among Allergan (defined below), the State of Florida and its Office of the Attorney General ("Plaintiff" or "State") (collectively, the "Parties" or "Settling Parties"), and State Outside Litigation Counsel (defined below) in the lawsuit captioned *State of Florida, Office of the Attorney General, Department of Legal Affairs v. Purdue Pharma L.P., et al.* (Case No. 2018-CA-001438) (Fla. Cir. Ct. Pasco County) (the "Florida AG Action"). This Settlement Agreement is intended by the Settling Parties to fully, finally, and forever resolve, discharge and settle the Released Claims (defined below), upon and subject to the terms and conditions hereof (the "Settlement").

WHEREAS, Plaintiff filed its complaint in the Florida AG Action (i) alleging, among other things, that Allergan, among others, violated Florida law by deceptively marketing opioid pain medications so as to overstate their efficacy and downplay the associated risk of addiction, which resulted in a public nuisance in Florida; (ii) alleging that Allergan, among others, violated the law by failing to monitor, report and not ship allegedly suspicious orders of opioid pain medications; (iii) alleging that Allergan, among others, violated Fla. Stat. § 895.03(3), (4); and (iv) asserting Claims (defined below) for damages, equitable abatement, civil penalties, attorneys' fees and reimbursed litigation costs, and other relief;

WHEREAS, Plaintiff brought the Florida AG Action in its sovereign capacity as the people's attorney in order to protect the public interest, including the interests of the State of Florida, its governmental subdivisions and its citizens;

WHEREAS, numerous Litigating Subdivisions (defined below) have filed Actions (defined below) in various forums against Allergan, among others, raising Claims or allegations concerning, related to, based upon, or in connection with the Covered Conduct (defined below) and seeking relief that overlaps in whole or in part with the relief sought in the Florida AG Action;

WHEREAS, there are numerous Subdivisions (defined below) that are not Litigating Subdivisions ("Non-Litigating Subdivisions," defined below) that could seek to file additional Actions raising Claims or allegations concerning, related to, based upon, or in connection with the Covered Conduct and seeking relief that overlaps in whole or in part with the relief sought in the Florida AG Action and the Actions filed by Litigating Subdivisions;

WHEREAS, Allergan (i) denies each and all of the Claims and allegations of wrongdoing made by Plaintiff in the Florida AG Action and by the Litigating Subdivisions in each of the Actions and maintains that it has meritorious defenses; (ii) denies all assertions of wrongdoing or liability against Allergan arising out of any of the conduct, statements, acts or omissions alleged, or that could have been alleged, in the Florida AG Action or in other Actions already brought by Litigating Subdivisions or that could be brought by such plaintiffs or by Non-Litigating Subdivisions, and contends that the factual allegations made in the Florida AG Action and the Litigating Subdivisions' Actions relating to Allergan are false and materially inaccurate; (iii) denies that Plaintiff, or any Litigating Subdivision, or any other Subdivision, or any Florida resident, was harmed by any conduct of Allergan alleged in the Florida AG Action, the Litigating Subdivisions' Actions, or otherwise; (iv) denies liability, expressly denies any wrongdoing, and denies Allergan violated any federal or state statute or common law; and (v) maintains that Allergan would be able to successfully defend against Plaintiff's Claims and allegations at trial, that the facts do not support the allegations that Allergan engaged in any misconduct or unlawful activity, and caused no harm to Plaintiff or to the Litigating Subdivisions, other Subdivisions, or any Florida residents;

WHEREAS, the Parties have investigated the facts and analyzed the relevant legal issues regarding the Claims and defenses that have been or could have been asserted in the Florida AG Action and any other Actions;

WHEREAS, the Parties have each considered the costs and delays and uncertainty associated with the continued prosecution and defense of the Florida AG Action and the other Actions;

WHEREAS, the Parties believe the Settlement set forth herein avoids the uncertainties of litigation and assures that the benefits reflected herein are obtained;

WHEREAS, Plaintiff has concluded that the terms of the Settlement are fair, reasonable and adequate and in the best interest of Plaintiff and all Subdivisions and Florida citizens and residents;

WHEREAS, Plaintiff has determined that continuation or commencement of Actions against Allergan by Litigating Subdivisions or other Subdivisions would unduly interfere with Plaintiff's litigation authority to bring and resolve litigation in which the State has an interest and frustrate Plaintiff's efforts to obtain a favorable settlement;

WHEREAS, the Parties agree that neither this 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 Allergan, or evidence of the truth of any of the Claims, allegations, denials, or defenses made in the Florida AG Action or the Litigating Subdivisions' Actions; and

WHEREAS, arm's-length settlement negotiations have taken place over the course of several weeks between Allergan and Plaintiff;

WHEREAS, Plaintiff views prompt settlement on the terms enclosed herein to be in the public interest and crucial to the State of Florida and its citizens; recognizes that Subdivisions may, notwithstanding their willingness to sign on to this settlement, wish to reserve the right to challenge the Attorney General's authority to bind them in other litigation that does not arise out of or relate to the Covered Conduct; and represents that Plaintiff shall not use those Subdivisions' acceptance

of the terms of this Settlement as precedent in any litigation matter that does not arise out of or relate to the Covered Conduct;

NOW, THEREFORE, IT IS HEREBY AGREED by and between Plaintiff and Allergan, by and through their respective counsel, as follows:

A. Definitions. As used in this Agreement, the following capitalized terms have the meanings specified below.

1. "Actions" means the Florida AG Action and any lawsuit by a Subdivision or other Releasor asserting any Released Claim, including but not limited to the Litigating Subdivisions' Actions listed in **Exhibit A**, against any Releasee.

2. "Affiliated Companies" (i) when used with respect to AbbVie Inc. ("AbbVie") shall mean all of the entities listed in **Exhibit K**; (ii) when used with respect to Allergan shall mean all of the entities listed in **Exhibit L**; and (iii) additionally shall include other entities owned now or in the past either wholly or partially and either directly or indirectly by either AbbVie or Allergan and/or each of their respective past parents, but only to the extent those other entities played any role relating to Covered Conduct, Opioid Products (defined below), Products (defined below), and/or Released Claims during the period when they were owned either wholly or partially and either directly or indirectly by either AbbVie or Allergan and/or each of their respective past parents. The Parties intend this definition to cover each and every entity that is now or was ever part of AbbVie and/or Allergan and/or each of their past parents' corporate families to the extent they ever played any role relating to Covered Conduct, Opioid Products, Products, and/or Released Claims.

3. "Agreement," "Settlement" or "Settlement Agreement" means this Settlement Agreement, together with any exhibits attached hereto, which are incorporated herein by reference.

4. "Allergan" means Allergan Finance, LLC (f/k/a Actavis, Inc., which, in turn, was f/k/a Watson Pharmaceuticals, Inc.), Allergan Sales, LLC, Allergan USA, Inc. and Allergan Limited (f/k/a Allergan plc, which, in turn, was f/k/a Actavis plc). For the avoidance of doubt, Allergan does not include Teva (defined below) or Divested Actavis Generic Entities (defined below).

5. "Bar" means either: (1) a law barring all Subdivisions and other Releasors in the State of Florida from maintaining Released Claims against Releasees (either through a direct bar or through a grant of authority to release Claims and the exercise of such authority in full) or (2) a ruling by the Florida Supreme Court (or a District Court of Appeal if a decision is not subject to further review by the Florida Supreme Court) setting forth the general principle that Subdivisions and other Releasors in the State of Florida may not maintain any Released Claims against Releasees, whether on the ground of this Agreement (or the release in it) or otherwise. For the avoidance of doubt, a law or ruling that is conditioned or predicated upon payment by a Releasee (apart from the payments by Allergan contemplated under this Agreement) shall not constitute a Bar.

6. "Claim" means any past, present or future cause of action, claim for relief, cross-claim or counterclaim, theory of liability, demand, derivative claim, request, assessment, charge, covenant, damage, debt, lien, loss, penalty, judgment, right, obligation, dispute, suit, contract, controversy, agreement, parens patriae claim, promise, performance, warranty, omission, or grievance of any nature whatsoever, whether legal, equitable, statutory, regulatory or administrative, whether arising under federal, state or local common law, statute, regulation, guidance, ordinance or principles of equity, whether filed or unfiled, whether asserted or unasserted, whether known or unknown, whether accrued or unaccrued, whether foreseen, unforeseen or unforeseeable, whether discovered or undiscovered, whether suspected or

unsuspected, whether fixed or contingent, and whether existing or hereafter arising, in all such cases, including, but not limited to, any request for declaratory, injunctive, or equitable relief, compensatory, punitive, or statutory damages, absolute liability, strict liability, restitution, subrogation, contribution, indemnity, apportionment, disgorgement, reimbursement, attorney fees, expert fees, consultant fees, fines, penalties, expenses, costs or any other legal, equitable, civil, administrative or regulatory remedy whatsoever.

7. "Claim-Over" means a Claim asserted by any entity that is not a Releasor against a Releasee on the basis of contribution, indemnity, or other claim-over on any theory relating to Claims arising out of or related to Covered Conduct (or conduct that would be Covered Conduct if engaged in by a Releasee) asserted by a Releasor.

8. "Consent Judgment" means a consent decree, order, judgment, or similar action; in connection with this Agreement, the Parties have agreed to the entry of the Consent Judgment attached hereto as **Exhibit H**, which provides for the release set forth below and the dismissal with prejudice of any Released Claims that the State of Florida Office of the Attorney General has brought against Releasees, on the terms and conditions specified herein.

9. "Court" means the Sixth Judicial Circuit Court in and for Pasco County, State of Florida.

10. "Covered Conduct" means any actual or alleged act, failure to act, negligence, statement, error, omission, breach of any duty, conduct, event, transaction, agreement, misstatement, misleading statement or other activity of any kind whatsoever from the beginning of time through the Effective Date of the Release (defined below) (and any past, present, or future consequence of any such act, failure to act, negligence, statement, error, omission, breach of duty, conduct, event, transaction, agreement, misstatement, misleading statement or other activity) arising from or relating in any way to: (1) the discovery, development, manufacture, packaging,

repackaging, marketing, promotion, advertising, labeling, recall, withdrawal, distribution, delivery, monitoring, reporting, supply, sale, prescribing, dispensing, physical security, warehousing, use or abuse of, or operating procedures relating to, any Product, or any system, plan, policy or advocacy relating to any Product or class of Products, including, but not limited to, any unbranded or branded promotion, marketing, programs or campaigns relating to any Product or class of Products; (2) the characteristics, properties, risks or benefits of any Product; (3) the reporting, disclosure, non-reporting or non-disclosure to federal, state or other regulators of orders placed with any Releasee; (4) the purchasing, selling, acquiring, disposing of, importing, exporting, applying for quota for, procuring quota for, handling, processing, packaging, supplying, distributing, converting, or otherwise engaging in any activity relating to, precursor or component Products, including, but not limited to, natural, synthetic, semi-synthetic, or chemical raw materials, starting materials, active pharmaceutical ingredients, drug substances or any related intermediate Products; and (5) diversion control programs or suspicious order monitoring.

11. "Divested Actavis Generic Entities" means Actavis LLC (f/k/a Actavis Inc.), Watson Laboratories, Inc., Actavis Pharma, Inc. (f/k/a Watson Pharma, Inc.), Actavis Elizabeth LLC, Actavis Kadian LLC, Actavis Laboratories FL, Inc. (f/k/a Watson Laboratories, Inc. - Florida), Actavis Laboratories UT, Inc. (f/k/a Watson Laboratories, Inc. - Utah), Actavis Mid Atlantic LLC, Actavis South Atlantic LLC, Actavis Totowa LLC, and Warner Chilcott Company, LLC.

12. "Divested Entities" means those companies listed on **Exhibit M.**

13. "Effective Date of the Agreement" means three (3) business days after the Initial Participation Date (defined below), provided that either a Bar exists or a sufficient number of Subdivisions have become Participating Subdivisions by the Initial Participation Date. The Parties may alter the Effective Date of the Agreement by mutual written agreement.

14. "Effective Date of the Release" means the date on which the Court enters the Consent Judgment.

15. "Execution Date" means the date on which this Agreement is executed by the last Party to do so.

16. "Initial Participation Date" means the date by which Litigating Subdivisions must join to become initial Participating Subdivisions. The Initial Participation Date shall be 30 days after the Execution Date. The Parties may alter the Initial Participation Date by mutual written agreement.

17. "Health Care Provider(s)" means any physician or other health care practitioner who is licensed to provide health care services or to prescribe pharmaceutical medications and any medical facility, practice, hospital, clinic, pharmacy, or any other health facility that provides health care services or prescribes or dispenses pharmaceutical medications.

18. "In-Kind Support" means payment or assistance in the form of goods, commodities, services, or anything else of value.

19. "Litigating Subdivision" means a Subdivision (or Subdivision official) that has brought any Released Claim against any Releasees on or before the Execution Date, including, but not limited to, the agreed list of Litigating Subdivisions set forth in **Exhibit A**.

20. "Litigation Costs" means attorneys' fees and investigative and litigation costs and expenses incurred in connection with Claims asserted against any Releasee in the Florida AG Action or any Litigating Subdivision's Action.

21. "Non-Joining Subdivision" means any Litigating Subdivision or Principal Subdivision that does not execute a subdivision settlement participation form attached as **Exhibit D** by the Post Effective Date Sign-on Deadline.

22. "Non-Litigating Subdivision" means a Subdivision that is not a Litigating

Subdivision.

23. "Non-Participating Subdivision" means a Subdivision that is not or is not yet a Participating Subdivision.

24. "Opioid(s)" means all naturally occurring, synthetic, or semisynthetic substances that interact with mu-opioid receptors primarily in the central nervous system and have demonstrated addictive properties.

25. "Opioid Product(s)" means all past, current, and future medications containing Opioids approved by the U.S. Food & Drug Administration ("FDA") and listed by the U.S. Drug Enforcement Agency ("DEA") as Schedule II, III, or IV drugs pursuant to the federal Controlled Substances Act (including but not limited to buprenorphine, codeine, fentanyl, hydrocodone, hydromorphone, meperidine, methadone, morphine, oxycodone, oxymorphone, tapentadol, and tramadol). The term "Opioid Product(s)" shall not include (i) methadone and other substances when used exclusively to treat opioid abuse, addiction, OUD (defined below), or overdose; or (ii) raw materials, immediate precursors, and/or active pharmaceutical ingredients ("APIs") used in the manufacture or study of Opioids or Opioid Products, but only when such materials, immediate precursors, and/or APIs are sold or marketed exclusively to DEA-licensed manufacturers or DEA-licensed researchers. Also, by way of example, the terms "Opioid(s)" and "Opioid Product(s)" shall not include pharmaceutical medications that may relieve pain but not by interacting with mu-opioid receptors primarily in the central nervous system, such as BOTOX®, HUMIRA®, LINZESS®, ORIAHNN®, ORILISSA®, QULIPTA®, RINVOQ®, SAVELLA®, UBRELVY®, or VIBERZI®.

26. "Opioid Remediation" means care, treatment, and other programs and expenditures (including reimbursement for past such programs or expenditures, except where this Agreement restricts the use of funds solely to future Opioid Remediation) designed to (1) address

the misuse and abuse of opioid products, (2) treat or mitigate opioid use or related disorders, or (3) mitigate other alleged effects of, including on those injured as a result of, the opioid epidemic. **Exhibit C** provides a non-exhaustive list of expenditures that qualify as being paid for Opioid Remediation. Qualifying expenditures may include reasonable related administrative expenses.[1]

27. "OUD" means opioid use disorder defined in the Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition (DSM–5), as updated or amended.

28. "Participating Subdivision" means any Subdivision that executes a subdivision settlement participation form attached as **Exhibit D**.

29. "Parties" and "Settling Parties" means Allergan and Plaintiff, with each being a "Party" and a "Settling Party."

30. "Post-Effective Date Sign-on Deadline" means the deadline for Subdivisions to execute a subdivision settlement participation form attached as **Exhibit D**, which shall be 150 days after the Effective Date of the Agreement.

31. "Principal Subdivision" means: (1) a County, regardless of population; or (2) a Subdivision that is not a County, but is a General Purpose Government entity (defined below; including a municipality, city, town, township, parish, village, borough, gore or any other entities that provide municipal-type government) with a population of more than 10,000, including, but not limited to, the agreed list of Principal Subdivisions attached hereto as **Exhibit B.**

32. "Product" means any chemical substance, whether used for medicinal or non-medicinal purposes, and whether natural, synthetic, or semi-synthetic, or any finished pharmaceutical product made from or with such substance, that is: (1) an opioid or opiate, as well as any product containing any such substance; or (2) benzodiazepine, carisoprodol, or gabapentin;

[1] Opioid Remediation includes amounts paid to satisfy any future demand by another governmental entity to make a required reimbursement in connection with the past care and treatment of a person.

or (3) a combination or "cocktail" of chemical substances prescribed, sold, bought or dispensed to be used together that includes opioids or opiates. "Product" shall include, but is not limited to, any substance consisting of or containing buprenorphine, codeine, fentanyl, hydrocodone, hydromorphone, meperidine, methadone, morphine, oxycodone, oxymorphone, tapentadol, tramadol, opium, heroin, carfentanil, diazepam, estazolam, quazepam, alprazolam, clonazepam, oxazepam, flurazepam, triozolam, temazepam, midazolam, carisoprodol, gabapentin, or any variant of these substances or any similar substance. Further, "Product(s)" includes, but is not limited to, the following: (a) Anexsia, Bancap HC, Combunox, Dilaudid, Duradyne, Esgic with Codeine, Fiorinal with Codeine, Fioricet with Codeine, Kadian, Lorcet, Lorcet Plus, Maxidone, MoxDuo, Norco, Procet, Reprexain, Vicodin, and Vicoprofen, and any type, version, strength, or dosage of the foregoing; and (b) Fentanyl citrate injection, Fentanyl citrate tablet, Fentanyl transdermal, Hydrocodone + acetaminophen, Meperidine hydrochloride injection, Meperidine hydrochloride tablet, Morphine sulfate injection, Morphine sulfate capsule, Morphine sulfate tablet, Oxycodone + acetaminophen, Oxycodone + aspirin, Oxycodone + ibuprofen, Tramadol hydrocholoride, Aspirin + butalbital + caffeine + codeine phosphate, Hydrocodone + acetaminophen, Hydrocodone + ibuprofen, Hydromorphone tablet, Oxycodone + aspirin, Homotropine methylbromide + hydrocodone bitartrate, Oxycodone + acetaminophen, Oxycodone + hydrochloride, Homatropine methylbromide + hydrocodone bitartrate, Morphine sulfate capsule, Morphine sulfate tablet, Oxycodone + acetaminophen, Oxycodone + hydrochloride, Oxycodone + ibuprofen, Oxymorphone tablet, Tramadol hydrochloride, Tramadol hydrochloride, Homatropine methylbromide + hydrocodone bitartrate, Oxymorphone tablet, Fentanyl transdermal, Oxycodone, and Morphine sulfate, and any type, version, strength, or dosage of the foregoing. Notwithstanding the foregoing, nothing in this definition prohibits a Releasor from taking administrative or regulatory action related to benzodiazepine (including, but

not limited to, diazepam, estazolam, quazepam, alprazolam, clonazepam, oxazepam, flurazepam, triozolam, temazepam, and midazolam), carisoprodol, or gabapentin that is wholly independent from the use of such drugs in combination with opioids, *provided* such action does not seek money (including abatement and/or remediation) for conduct prior to the Execution Date.

33. "Qualified Settlement Fund" means the Florida Qualified Settlement Fund contemplated by this Agreement, into which all payments by Allergan shall be made and which shall be established under the authority and jurisdiction of the Court and which shall be a "qualified settlement fund" within the meaning of 26 C.F.R. § 1.468B-1.

34. "Qualified Settlement Fund Administrator" means the Administrator appointed to administer the Qualified Settlement Fund under the authority and jurisdiction of the Court. The duties of the Qualified Settlement Fund Administrator shall be governed by this Agreement. The identity of the Qualified Settlement Fund Administrator and a detailed description of the Qualified Settlement Fund Administrator's duties and responsibilities, including a detailed mechanism for paying the Qualified Settlement Fund Administrator's fees and costs, will be set forth in a separate document to be prepared by the Parties and filed with the Court to establish the fund and be attached later to this Agreement as **Exhibit E**.

35. "Released Claims" means any and all Claims that directly or indirectly are based on, arise out of, or in any way relate to or concern the Covered Conduct occurring prior to the Effective Date of the Release, whether known or unknown. Without limiting the foregoing, Released Claims include any Claims that have been asserted against the Releasees by Plaintiff or any Litigating Subdivision in any federal, state or local Action or proceeding (whether judicial, arbitral or administrative) based on, arising out of or relating to, in whole or in part, the Covered Conduct, or any such Claims that could be or could have been asserted now or in the future in those Actions or in any comparable Action or proceeding brought by Plaintiff, any of its

Subdivisions, or any Releasor (whether or not such State, Subdivision, or Releasor has brought such Action or proceeding). Released Claims also include all Claims asserted in any proceeding to be dismissed pursuant to this Agreement, whether or not such Claims relate to Covered Conduct. The Parties intend that this term, "Released Claims," be interpreted broadly. This Agreement does not release Claims by private individuals for damages for any alleged personal injuries arising out of their own use of any Product. It is the intent of the Parties that Claims by private individuals be treated in accordance with applicable law. Released Claims is also used herein to describe Claims brought or maintained by any Releasor in the future that would have been Released Claims if they had been brought by a Releasor against a Releasee.

36. "Releasee(s)" means: Allergan and (i) all of Allergan's past and present direct or indirect parents, subsidiaries, divisions, joint ventures, predecessors, successors, affiliates, business units, assigns, agents (all of the foregoing solely in their capacity as such with respect to the Released Claims), and insurers (solely in their role as insurers, if any, with respect to the Released Claims), including, but not limited to, (a) AbbVie and (b) Divested Actavis Generic Entities and other Divested Entities (and their respective past and current parents, subsidiaries, and affiliates, including but not limited to Teva and Teva's subsidiaries and affiliates) but solely as to the branded opioid drugs that are Opioid Products or Products distributed and/or sold before August 2, 2016 by Divested Actavis Generic Entities and other Divested Entities and the operation of the Divested Actavis Generic Entities and other Divested Entities related to those branded opioid drugs that are Opioid Products or Products before August 2, 2016; (ii) the respective past and present direct or indirect parents, subsidiaries, divisions, joint ventures, predecessors, successors, affiliates, business units, assigns, partners, manufacturers, contractors, agents, and insurers (all of the foregoing solely in their capacity as such with respect to the Released Claims) of any of the foregoing in (i), including Abbott Laboratories and Abbott Laboratories Inc.; (iii)

the respective past and present employees, officers, directors, members, shareholders, partners, trustees, contractors, consultants, and agents (all of the foregoing solely in their capacity as such with respect to the Released Claims) of any of the foregoing in (i) and (ii); and (iv) any person or entity to the extent, and only to the extent, that such person or entity may have a Claim based on such person or entity having a business relationship with Allergan or AbbVie and/or any of Allergan or AbbVie's Affiliated Companies, including, but not limited to, for contractual indemnity, equitable or implied indemnity, contribution, comparative fault, reimbursement, or apportionment (including, but not limited to, Halo Pharmaceuticals, Inc., Shionogi Inc., Mikart, LLC, PDI, Inc., TMS Health, LLC, National Health Information Network, Inc., Ventiv Commercial Services, LLC, inVentiv Commercial Services, LLC, UPS Supply Chain Solutions, Inc., and King Pharmaceuticals, Inc., and their respective past and current parents, subsidiaries, and affiliates) against Allergan or AbbVie and/or any of Allergan or AbbVie's Affiliated Companies relating to any Covered Conduct, Opioid Products, Products, and/or Released Claims arising from such business relationship. Notwithstanding the foregoing (and subject to certain provisions, including, but not limited to, Non-Party Settlement provisions at **Section E(3)(c)**), Releasees shall exclude Divested Actavis Generic Entities and other Divested Entities (and their respective past and current parents, subsidiaries, and affiliates, including but not limited to Teva and Teva's subsidiaries and affiliates, but not Allergan and other Releasees), but solely as to: (x) their generic opioid drugs that are Opioid Products or Products, and/or (y) the operation of Divested Actavis Generic Entities and other Divested Entities related to those generic opioid drugs that are Opioid Products or Products for which Releasors have also sought to hold Allergan and/or other Releasees liable. For the avoidance of doubt, nothing in this Agreement shall release or impair any Claims against Walgreens or CVS, and nothing in this Agreement will reduce the

Total Payment to be paid to the State by Allergan under this Agreement or the settlement amount to be paid by Teva under its separate agreement with the State.

37. "Releasors" means with respect to Released Claims: (1) the State; (2) without limitation, all of the State of Florida's departments, agencies, divisions, boards, commissions, instrumentalities of any kind, including without limitation the Florida Attorney General, Florida Board of Pharmacy, Florida Department of Health, and Florida Department of Business and Professional Regulation, and any person in his or her official capacity, whether elected or appointed to lead or serve any of the foregoing, and any agency, person or entity claiming by or through any of the foregoing; (3) each Participating Subdivision; and (4) without limitation and to the maximum extent of the power of each of the State, the Florida Attorney General and/or Participating Subdivision to release Claims of (a) the State of Florida's and each Subdivision's departments, agencies, divisions, boards, commissions, Subdivisions, districts, instrumentalities of any kind and any person in his or her official capacity, whether elected or appointed to lead or serve any of the foregoing, and any agency, person or 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 (defined below), hospital districts, General Purpose Government entities, and other Special Districts (defined below) in the State of Florida, 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 of Florida or any Subdivision in the State of Florida, whether or not any of them participates in this Agreement. Nothing in this definition shall be construed to limit the definition of "Subdivision" in **Section A(40)** below. In addition to being a Releasor as provided herein, a Participating Subdivision shall also provide a subdivision settlement

participation form (attached as **Exhibit D**) providing for a release to the fullest extent of the Participating Subdivision's authority, an executed copy of which shall be attached as an exhibit to and deemed to be a part of this Agreement.

38. "State Outside Litigation Counsel" means Kellogg, Hansen, Todd, Figel & Frederick P.L.L.C.; Drake Martin Law Firm, LLC; Harrison Rivard Duncan & Buzzett, Chartered; Newsome Melton, P.A.; and Curry Law Group, P.A.

39. "State-Subdivision Agreement" means a separate agreement among Plaintiff and all Participating Subdivisions providing for an allocation of, among other things, the Remediation Payment (defined below). The State-Subdivision Agreement is attached hereto as **Exhibit I**.

40. "Subdivision" means (1) any General Purpose Government entity (including, but not limited to, a municipality, county, county subdivision, city, town, township, parish, village, borough, gore or any other entities that provide municipal-type government), (2) School Districts or Special Districts within the State (collectively, "Special Purpose Government Entities"), and (3) any other Subdivision or Subdivision official or sub-entity of or located within a State (whether political, geographical or otherwise, whether functioning or non-functioning, regardless of population overlap, and including, but not limited to, nonfunctioning governmental units and public institutions) that has filed or could file a lawsuit that includes a Released Claim against a Releasee in a direct, parens patriae, or any other capacity. "General Purpose Government," "School District," and "Special District" shall mean and correspond to the "five basic types of local governments" recognized by the U.S. Census Bureau and match the 2017 list of Governmental Units. The three (3) General Purpose Governments are county, municipal (which include cities and towns), and township governments; and the two (2) Special Purpose Government Entities are School Districts and Special Districts. "Fire District," "Health District," "Hospital District," and "Library District" shall mean and correspond to categories of Special

Districts recognized by the U.S. Census Bureau. References to a State's Subdivisions or to a Subdivision "in," "of," or "within" a State include Subdivisions located within the State even if they are not formally or legally a sub-entity of the State.

41. "Teva" means Teva Pharmaceutical Industries Ltd.; Teva Pharmaceuticals USA, Inc.; Cupric Holding Co., Inc.; Teva Pharmaceutical Holdings Cooperative U.A.; Teva Pharmaceuticals Europe B.V.; Cephalon, Inc.; and Anda, Inc.

42. "Third Party(ies)" means any person or entity other than Allergan, other Releasees, or Releasors.

43. "Treatment of Pain" means the provision of therapeutic modalities to alleviate or reduce pain.

44. "Unbranded Information" means any information that does not identify a specific branded or generic product.

B. Release of All Claims, and Dismissals in the Florida AG Action and Litigating Subdivisions' Actions.

1. It is the intention of the Settling Parties to fully and finally resolve all Released Claims that have been or could be brought against the Releasees by Plaintiff or any Releasor with respect to the Covered Conduct, and that the release of such Claims does not affect Plaintiff's or the Releasors' Claims as to any other defendant (except to the extent expressly stated herein, including but not limited to Claims as to Teva, Divested Actavis Generic Entities, and other Divested Entities). The State represents and warrants that **Exhibit N** contains a list of all Subdivisions. Plaintiff represents and warrants that it will use its best efforts to obtain a consensual release of any and all Claims involving Covered Conduct that Plaintiff and all Subdivisions, including any Litigating Subdivision or Non-Litigating Subdivision, have asserted or could assert against the Releasees. Regardless whether such consensual release is obtained, Plaintiff represents

and warrants under this Agreement that it is exercising its authority under law to release any and all Claims involving Covered Conduct that Plaintiff and all Releasors, including any Litigating Subdivision or Non-Litigating Subdivision, have asserted or could assert against the Releasees. Plaintiff further represents and warrants that it will use all available authority to bind, and under this Agreement is exercising such authority to bind, Plaintiff and all Releasors, including all Litigating Subdivisions and Non-Litigating Subdivisions, regardless of whether they become Participating Subdivisions or Non-Joining Subdivisions, to the terms of this Agreement.

2. In addition to the general release and dismissal to be provided by Plaintiff set forth in **Sections E & G**, Plaintiff will deliver to Allergan signed agreements from: (a) each Subdivision that executes a signed agreement by the Initial Participation Date; and (b) each Subdivision that executes a signed agreement by the Post-Effective Date Sign-on Deadline (i.e., within 150 days following the Effective Date of the Agreement). Such agreements shall include: (a) the Subdivision's acceptance of the terms and conditions of this Agreement by signing the subdivision settlement participation form attached as **Exhibit D**; (b) in the case of a Litigating Subdivision, such Litigating Subdivision's agreement to implement an immediate cessation of any and all litigation activities relating to such Litigating Subdivision's Action as to all Releasees; (c) in the case of a Litigating Subdivision, an agreement that Plaintiff may represent that the Litigating Subdivision supports the Consent Judgment to be entered in accordance with **Section G** below; and (d) in the case of a Litigating Subdivision, such Litigating Subdivision's agreement to file, within the later of seven (7) days of the Effective Date of the Release, or seven (7) days of signing the subdivision settlement participation form, a notice or stipulation of voluntary dismissal with prejudice of any and all Released Claims asserted by the Litigating Subdivision against the Releasees, with each party to bear its own costs.

3. Between the Execution Date and the Initial Participation Date, Plaintiff agrees to furnish to Allergan a report listing the Subdivisions that have executed the signed agreements described in **Section B(2)** and copies of such signed agreements on a weekly basis. Plaintiff further agrees to furnish to Allergan no later than noon Eastern Time on the day after the Initial Participation Date a final report listing the Subdivisions that have executed the signed agreements described in **Section B(2)** by the Initial Participation Date and copies of all such signed agreements. After the Initial Participation Date, the Parties shall confer and establish a schedule for the regular provision of such reports and copies of signed agreements.

4. Plaintiff represents and warrants that, if any Action remains pending against one or more Releasees after the Effective Date of the Agreement or is filed by a Releasor against any Releasee on or after the Execution Date, Plaintiff will seek to obtain dismissal of such Action as to such Releasees as soon as reasonably possible. Depending on facts and circumstances, Plaintiff may seek dismissal, among other ways, by intervening in such Action to move to dismiss or otherwise terminate the Releasor's Claims in the Action or by commencing a declaratory judgment or other action that establishes a Bar to the Releasor's Claims and Action. For avoidance of doubt, Plaintiff will seek dismissal of an Action under this section regardless of whether the Subdivision in such Action is a Participating Subdivision.

5. In the event that the actions required of Plaintiff in **Section B(4)** fail to secure the prompt dismissal or termination of any Action by any Releasor against any Releasee, Plaintiff shall seek enactment of a legislative Bar as defined in **Section A(5)(1)** and will endeavor to achieve enactment as soon as is practicable. Participating Subdivisions agree not to oppose any effort by Plaintiff to achieve enactment of a legislative Bar.

6. Plaintiff further represents and warrants that no portion of the Remediation Payment or the Litigation Costs Payments (defined below) will be distributed to or used for the

benefit of any Subdivision unless and until Plaintiff has delivered to Allergan a signed agreement from such Subdivision providing for the Subdivision's acceptance of the terms and conditions of this Agreement, including its express agreement to be bound by the irrevocable releases set forth in **Section E** below.

C. Settlement Consideration.

1. **Remediation Payment and Litigation Costs Payments.**

(a) On the payment schedule provided in **Section C(2)**, Allergan shall pay into the Qualified Settlement Fund the sum of $134,200,000 (the "Total Payment"). Fifty-six percent (56%) of the Total Payment constitutes consideration for the settlement of Claims concerning, related to, based upon, arising from, or in connection with generic opioid drugs that are Opioid Products or Products distributed and/or sold before August 2, 2016 by Divested Actavis Generic Entities and other Divested Entities and the operation of Divested Actavis Generic Entities and other Divested Entities related to those generic opioid drugs that are Opioid Products or Products before August 2, 2016 that the Releasors are asserting or might otherwise assert or could assert that Allergan or any other Releasee is directly or indirectly and/or jointly or severally liable based on parent or control liability or a substantially similar theory. Forty-four percent (44%) of the Total Payment constitutes consideration for the settlement of Claims concerning, related to, based upon, arising from, or in connection with branded opioid drugs that are Opioid Products or Products of or attributable to Allergan or any other Releasee (including but not limited to branded opioid drugs that are Opioid Products or Products distributed and/or sold before August 2, 2016 by Divested Actavis Generic Entities and other Divested Entities and the operation of the Divested Actavis Generic Entities and other Divested Entities related to those branded opioid drugs that are Opioid Products or Products before August 2, 2016) that the Releasors are asserting or might otherwise assert or could assert against Allergan or any other Releasee, of which seventy-seven

percent (77%) is specifically concerning, related to, based upon, arising from, or in connection with Kadian® (including but not limited to Kadian manufactured, distributed, marketed, and/or sold from 1997 through 2008 by King Pharmaceuticals, Inc. and/or Alpharma Inc.) For the avoidance of doubt, nothing in this section will reduce the Total Payment to be paid to the State by Allergan under this Agreement or the settlement amount to be paid by Teva under its separate agreement with the State.

(b) The Total Payment shall be broken down as follows: (i) $122,000,000 for opioid remediation and restitution (the "Remediation Payment"), to be allocated in accordance with the State-Subdivision Agreement; (ii) $6,100,000 to be available to reimburse Allergan's share of the State's Litigation Costs in accordance with **Section C(1)(d)** below (the "State Litigation Cost Payment"); and (iii) $6,100,000 to be available to reimburse Allergan's share of the Litigation Costs of Litigating Subdivisions in accordance with **Section C(1)(d)** below (the "Litigating Subdivision Litigation Cost Payment"). The State Litigation Cost Payment and the Litigating Subdivision Litigation Cost Payment shall collectively be referred to herein as the "Litigation Costs Payments." The Qualified Settlement Fund Administrator shall allocate each of the Remediation Payment, the State Litigation Cost Payment, and the Litigating Subdivision Litigation Cost Payment into separate sub-funds within the Qualified Settlement Fund. Release of the Remediation Payment and the Litigation Costs Payments from the Qualified Settlement Fund shall be subject to the conditions specified below.

(c) The Parties agree that, unless required otherwise by law, the Remediation Payment pursuant to **Section C(1)(b)** above shall be directed to remediation and restitution of harms allegedly caused by Allergan and/or other Releasees. The Parties also agree that the purpose of the Remediation Payment will be to receive from Allergan and pay over to the State and Participating Subdivisions monies to remediate the harms allegedly caused by Allergan and/or

other Releasees or to provide restitution for such alleged harms that were previously incurred, none of which amount constitutes a fine or penalty. The State by executing this Agreement and each Participating Subdivision by agreeing to the terms of this Agreement in the subdivision settlement participation form attached as **Exhibit D**, certify that: (a) the entity suffered harm allegedly caused by Allergan and/or other Releasees; (b) the payments to be received by the entity from Allergan represent an amount that is less than or equal to the actual monetary damage allegedly caused by Allergan and/or other Releasees; and (c) the entity shall use such payments for the sole purpose of remediating the harm allegedly caused by Allergan and/or other Releasees and/or to provide restitution for such alleged harms that were previously incurred. All costs incurred related to any request for a private letter ruling from the I.R.S. affirming the tax deductibility of the Remediation Payment, and/or the tax-exempt status of the Remediation Payment pursuant to IRC Section 115 shall be borne in their entirety by Allergan and shall not be directly paid or reimbursed from the corpus of the fund, escrow, or trust. The State shall complete and file Form 1098-F with the Internal Revenue Service. On the Form 1098-F, the State shall identify the aggregate Remediation Payment as remediation and restitution amounts. The State shall also, on or before January 31, 2023, furnish Copy B of such Form 1098-F (or an acceptable substitute statement) to Allergan.

(d) An agreement on the handling of Litigating Subdivision Litigation Costs is attached as **Exhibit G** and incorporated herein by reference. The Litigating Subdivision Litigation Cost Payment is to be available to reimburse counsel for Litigating Subdivisions that become Participating Subdivisions and who waive any other right(s) they may have to compensation in connection with this Settlement for reasonable Litigation Costs incurred in connection with their Claims against Releasees.

(1) The Qualified Settlement Fund Administrator shall allow eligible counsel reimbursement for reasonable Litigation Costs as provided in **Exhibit G**. Such Litigation

Costs shall be divided among Participating Subdivisions as provided in **Exhibit G** under the jurisdiction and authority of the Court. Any amount remaining in the Litigating Subdivision Litigation Cost Payment sub-fund after such allocation shall be returned to Allergan.

(2) No funds may be used to compensate Litigation Costs incurred by Non-Participating Subdivisions, Non-Joining Subdivisions, or Non-Litigating Subdivisions, or Litigation Costs arising out of representation of any such Subdivision.

(e) No attorney for any Litigating Subdivision may receive any share of the Litigating Subdivision Litigation Cost Payment unless the following eligibility requirements are met and certified by the attorney:

(1) The attorney must represent that s/he has no present intent to represent or participate in the representation of any Subdivision or any Releasor with respect to the litigation of any Released Claims against any Releasees.

(2) The attorney must represent that s/he will not charge or accept any referral fees for any Released Claims asserted or maintained against Releasees by any Subdivision or any Releasor.

(3) The attorney may not have, and must represent that s/he does not have, a claim for fees, costs or expenses related to the litigation of any Released Claims against any Releasees by any Subdivision or any Releasor after the Effective Date of this Agreement.

(4) Notwithstanding the foregoing, nothing in this **Section C(1)(e)** is intended to operate as a "restriction" on the right of any attorney to practice law within the meaning of Rule 5.6(b) of the Florida Rules of Professional Conduct or any equivalent provision of any other jurisdiction's rules of professional conduct.

(f) Plaintiff shall file in the Court a motion for the State's Litigation Costs up to $6,100,000 of the Total Payment by Allergan into the Qualified Settlement Fund. Allergan will

not oppose the motion so long as the State does not seek more than $6,100,000 of the Total Payment by Allergan into the Qualified Settlement Fund as its Litigation Costs. If any amount of the State Litigation Cost Payment is not awarded by the Court to the State, then that remaining amount shall be returned to Allergan. As set forth in **Section C(2)** below, in the event the Court awards the State Litigation Costs in excess of the amount listed above, the Releasees shall have no obligation to pay any amount in excess of the State Litigation Cost Payment.

2. **Payment Schedule.** The Total Payment shall be paid in eleven installments on the following schedule:

(a) First Payment: $23,290,909.10 due on the later date of (i) seven (7) days after the Effective Date of the Release, or (ii) fourteen (14) days after (a) the Qualified Settlement Fund has been established under the authority and jurisdiction of the Court, and (b) Allergan has received a W-9 and wire instructions for the Qualified Settlement Fund and Allergan's bank verification form process is completed.

(b) Second Payment: $11,090,909.09 due on March 28, 2023.

(c) Third Payment: $11,090,909.09 due on March 28, 2024.

(d) Fourth Payment: $11,090,909.09 due on March 28, 2025.

(e) Fifth Payment: $11,090,909.09 due on March 28, 2026.

(f) Sixth Payment: $11,090,909.09 due on March 28, 2027.

(g) Seventh Payment: $11,090,909.09 due on March 28, 2028.

(h) Eighth Payment: $11,090,909.09 due on March 28, 2029.

(i) Ninth Payment: $11,090,909.09 due on March 28, 2030.

(j) Tenth Payment: $11,090,909.09 due on March 28, 2031.

(k) Eleventh Payment: $11,090,909.09 due on March 28, 2032.

3. **No Other Payments by Releasees as to Covered Conduct, Released Claims, the**

Florida AG Action, Other Actions, Plaintiff, Subdivisions or State Outside Litigation Counsel or Litigation Costs. Other than the Remediation Payment and the Litigation Costs Payments by Allergan referenced in **Section C(1)(b)**, none of the Releasees shall have any obligation to make any further or additional payments in connection with Claims for Covered Conduct or Litigation Costs or this Settlement.

4. **Apportionment of the Remediation Payments.**

(a) It is the intent of the Parties that the Remediation Payment in **Section C(1)(b)** be used exclusively for Opioid Remediation.

(b) In accordance with the State-Subdivision Agreement in **Exhibit I**, each Remediation Payment shall be allocated by the Qualified Settlement Fund Administrator into three sub-funds: an Abatement Accounts Sub-Fund (also known as a regional fund), a State Sub-Fund, and a Subdivision Sub-Fund to be allocated to the Abatement Accounts Sub-Fund or to another Participating Subdivision.

(c) A detailed mechanism consistent with the foregoing for a Qualified Settlement Fund Administrator to follow in allocating, apportioning and distributing payments will be filed with the Court and later attached as **Exhibit J**.

(d) Allergan shall have no duty, liability, or influence of any kind with respect to the apportionment and use of the Remediation Payment by the Qualified Settlement Fund Administrator. Plaintiff specifically represents, however, that any such apportionment and use by the Qualified Settlement Fund Administrator shall be made in accordance with all applicable laws.

5. **Release of the State Sub-Fund.** Within a reasonable period after the Effective Date of the Release or otherwise as ordered by the Court, the Qualified Settlement Fund Administrator shall release the State Sub-Fund to Plaintiff.

6. **Subdivision Payments to Subdivisions that Become Participating Subdivisions Prior to the Initial Participation Date.** A Participating Subdivision that (a) completes a subdivision settlement participation form prior to the Initial Participation Date, (b) joins the State-Subdivision Agreement (**Exhibit I**), and (c) in the case of a Litigating Subdivision, dismisses with prejudice any and all Released Claims asserted by the Litigating Subdivision against the Releasees, shall be eligible to receive payment of a share of the Remediation Payment within a reasonable period after the Effective Date of the Release.

7. **Subdivision Payments to Subdivisions that Become Participating Subdivisions After the Initial Participation Date.** A Participating Subdivision that (a) completes a subdivision settlement participation form after the Initial Participation Date and by no later than the Post-Effective Date Sign-on Deadline, (b) joins the State-Subdivision Agreement (**Exhibit I**), and (c) in the case of a Litigating Subdivision, dismisses with prejudice any and all Released Claims asserted by the Litigating Subdivision against the Releasees, shall be eligible to receive payment of a share of the Remediation Payment within a reasonable period after the Post-Effective Date Sign-on Deadline.

8. **Reversion to Allergan of Amounts Forfeited by Non-Joining Subdivisions.** Any Litigating Subdivision or Principal Subdivision that does not sign a participation form by the Post-Effective Date Sign-on Deadline will be deemed a Non-Joining Subdivision. At Allergan's request to the Qualified Settlement Fund Administrator, any Non-Joining Subdivision's share of the Remediation Payment (and to the extent any such Subdivision is a Litigating Subdivision, the Litigation Costs Payments) shall be returned to Allergan within a reasonable time after the Post-Effective Date Sign-on Deadline. The Non-Joining Subdivisions' shares are as listed in **Exhibit B**.

9. **Agreement Null and Void if the Agreement Does Not Become Effective.** In the

event that the Effective Date of the Agreement does not occur and the Parties fail to agree to extend the Effective Date of the Agreement, the Agreement shall be null and void.

10. **Use of Evidence at Trial in the Florida AG Action.** Plaintiff agrees that none of the Releasees will be a defendant in any trial of the Florida AG Action, that it will not subpoena or call to testify live any Releasees in any trial of the Florida AG Action and that any evidence that references the Releasees or the Products will be used solely against other defendants in the Florida AG Action.

11. **Verdict Form.** Plaintiff agrees that it will not seek to have any of the Releasees included on the verdict form in any trial related to the Florida AG Action and will oppose the efforts of any other party in the Florida AG Action to include any of the Releasees on the verdict form.

D. Injunctive Relief. As part of the Consent Judgment to be entered in accordance with **Section G** below, the Parties agree to the entry of injunctive relief terms attached as **Exhibit F.**

E. Settlement of Claims and General Release.

1. **Scope.** On the Effective Date of the Release, Plaintiff and each Releasor shall be deemed to have fully, finally and forever released all Releasees from all Released Claims. Plaintiff, on behalf of itself and all other Releasors (whether or not they have signed this Agreement or the subdivision settlement participation form in **Exhibit D**), hereby absolutely, unconditionally and irrevocably covenants not to bring, file, or claim, or to cause, assist, or permit to be brought, filed, or claimed, any Released Claims of any type in any forum whatsoever against Releasees. For the avoidance of doubt, Plaintiff agrees that this Settlement Agreement and the releases contained herein shall fully and completely resolve any past, present or future liability that any Releasee may have arising from, relating to or based on the Covered Conduct occurring prior to

the Effective Date of the Release, whether in the Actions or otherwise. The releases provided for in this Agreement are intended by the Settling Parties to be broad and shall be interpreted so as to give the Releasees the broadest possible bar against any and all Released Claims. This Settlement Agreement is, will constitute, and may be pleaded as a complete bar to any Released Claim asserted against Releasees, whether against Plaintiff, any Participating Subdivision, any other Subdivision, including any Non-Participating Subdivision, or any other Releasor.

2. **General Release.** In connection with the releases provided pursuant to this Settlement Agreement, Plaintiff, on behalf of itself and all other Releasors referenced in **Section E(1)**, 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.

A Releasor may hereafter discover facts other than or different from those that he, she, or it knows or believes to be true with respect to the Released Claims, but Plaintiff, on behalf of itself and all other Releasors, hereby expressly waives and fully, finally and forever settles, releases and discharges, upon the Effective Date of the Release, any and all Released Claims against the Releasees that may exist as of this date but which they do not know or suspect to exist, whether through ignorance, oversight, error, negligence or otherwise, and which, if known, would materially affect their decision to enter into this Settlement Agreement.

3. **Claim-Over and Non-Party Settlement.**

(a) **Statement of Intent.** It is the intent of the Parties that:

(1) The Remediation Payment and Litigation Costs Payments made under this Agreement shall be the sole payments made by the Releasees to the Releasors involving, arising out of, or related to Covered Conduct (or conduct that would be Covered Conduct if engaged in by a Releasee);

(2) Claims by Releasors against non-Parties should not result in additional payments by Releasees, whether through contribution, indemnification or any other means; and

(3) The Settlement effects a good faith "release and covenant not to sue" within the meaning of Florida Statute § 768.31(5) and meets the requirements of the Uniform Contribution Among Joint Tortfeasors Act and any similar state law or doctrine, including, but not limited to, Fla. Stat. § 768.31(5), that reduces or discharges a released party's liability to any other parties, such that Releasees are discharged from all liability for contribution to any other alleged tortfeasor in the Florida AG Action and in any other Action, whenever filed.

(4) The provisions of this **Section E(3)** are intended to be implemented consistent with these principles. This Agreement and the releases and dismissals provided for herein are made in good faith.

(b) No Releasee shall seek to recover for amounts paid under this Agreement based on indemnification, contribution, or any other theory, from a manufacturer, pharmacy, hospital, pharmacy benefit manager, health insurer, third-party vendor, trade association, distributor, or health care practitioner; *provided* that a Releasee shall be relieved of this prohibition with respect to any entity that asserts a Claim-Over against it or with respect to any person or entity that brings any other form of action against Allergan or any other Releasee arising out of or related to Opioid Products, Products, or Covered Conduct. For the avoidance of doubt, nothing herein shall prohibit a Releasee from recovering amounts owed pursuant to insurance contracts. However,

and notwithstanding the foregoing, this provision shall not preclude Allergan or the Affiliated Companies from seeking indemnification, contribution, or any other theory from and against Pfizer Inc., King Pharmaceuticals, Inc., Alpharma Inc., and Teva, and/or each of their respective past and current parents, subsidiaries, and/or affiliates. For the avoidance of doubt, nothing in this section will reduce the Total Payment to be paid to the State by Allergan under this Agreement or the settlement amount to be paid by Teva under its separate agreement with the State.

(c) To the extent that, on or after the Effective Date of the Agreement, any Releasor settles any Claims arising out of or related to Covered Conduct (or conduct that would be Covered Conduct if engaged in by a Releasee) ("Non-Party Covered Conduct Claims") it may have against any entity that is not a Releasee (a "Non-Released Entity") that is, as of the Effective Date of the Agreement, a defendant in the Florida AG Action or Litigating Subdivisions' Actions, and provides a release to such Non-Released Entity (a "Non-Party Settlement"), including in any bankruptcy case or through any plan of reorganization (whether individually or as a class of creditors), the Releasor will seek to include (or in the case of a Non-Party Settlement made in connection with a bankruptcy case, will cause the debtor to include), unless prohibited from doing so under applicable law, in the Non-Party Settlement, a prohibition on seeking contribution or indemnity of any kind from Releasees substantially equivalent to that required from Allergan in the first sentence of **Section E(3)(b)** (except limited to such claims against Releasees), or a release from such Non-Released Entity in favor of the Releasees (in a form equivalent to the releases contained in this Agreement) of any Claim-Over.

(d) **Claim-Over.** In the event that any Releasor obtains a settlement or judgment with respect to a Non-Party Covered Conduct Claim against a Non-Released Entity that does not contain a prohibition like that in **Section E(3)(b)**, or any Releasor files a Non-Party Covered Conduct Claim against a Non-Released Entity in bankruptcy or a Releasor is prevented

for any reason from obtaining a prohibition/release in a Non-Party Settlement as provided in **Section E(3)(c)**, and such Non-Released Entity asserts a Claim-Over against a Releasee, Allergan and that Releasor shall meet and confer concerning any additional appropriate means by which to ensure that Releasees are not required to make any payment with respect to Covered Conduct (beyond the amounts that will already have been paid by Allergan under this Settlement Agreement).

(e) In no event shall a Releasor be required to reduce the amount of a settlement or judgment against a Non-Released Entity in order to prevent additional payments by Releasees, whether through contribution, indemnification, or any other means.

4. **Cooperation.** Releasors, including Plaintiff and Participating Subdivisions, agree that they will not publicly or privately encourage any other Releasor to bring or maintain any Released Claim. Plaintiff further agrees that it will cooperate in good faith with the Releasees to secure the prompt dismissal of any and all Released Claims.

F. Cessation of Litigation Activities. It is the Parties' intent that all litigation activities in the Florida AG Action relating to Released Claims against the Releasees shall immediately cease as of the Execution Date. Within three (3) days after the Execution Date, Plaintiff agrees to take all steps reasonably necessary to implement the prompt cessation of such litigation activities, including by, for example, jointly requesting a severance of Allergan from any trial in the Florida AG Action and/or a stay of further proceedings against Allergan pending the implementation of this Settlement.

G. Entry of Consent Judgment Providing for Dismissal of All Claims Against Allergan in the Florida AG Action with Prejudice. As soon as practicable following the Effective Date of the Agreement, Plaintiff shall file in the Court a Consent Judgment substantially in the form of **Exhibit H**, including a dismissal of the Florida AG Action with prejudice.

Notwithstanding the foregoing, the Consent Judgment shall provide that the Court shall retain jurisdiction for purposes of enforcing compliance with the injunctive terms set forth in **Exhibit F**. The Parties shall confer and agree as to the final form and time of filing prior to filing of the Consent Judgment.

H. No Admission of Liability. The Settling Parties intend the Settlement as described herein to be a final and complete resolution of all disputes between Releasees and Plaintiff and between Releasees and all Releasors. Allergan is entering into this Settlement Agreement solely for the purposes of settlement, to resolve the Florida AG Action and all Actions and Released Claims and thereby avoid significant expense, inconvenience and uncertainty. Releasees deny the allegations in the Florida AG Action and the other Actions and deny any civil or criminal liability in the Florida AG Action and the other Actions. Nothing contained herein may be taken as or deemed to be an admission or concession by Releasees of: (i) any violation of any law, regulation, or ordinance; (ii) any fault, liability, or wrongdoing; (iii) the strength or weakness of any Claim or defense or allegation made in the Florida AG Action, in any other Action, or in any other past, present or future Action relating to any Covered Conduct or any Product; or (iv) any other matter of fact or law.

1. The State, the Participating Subdivisions, and/or other Releasors may reach a settlement agreement with Teva, Divested Actavis Generic Entities, and/or other Divested Entities, and/or each of their respective parents, subsidiaries, and/or affiliates that resolves some or all of their respective Claims (including but not limited to the Claims of the State in the Florida AG Action). Plaintiff and Participating Subdivisions agree that any payment(s) that the State, Participating Subdivisions, or other Releasors receive from Teva (other than Anda), Divested Actavis Generic Entities, and/or other Divested Entities, and/or each of their respective parents, subsidiaries, and/or affiliates reflects the amount over and above $75,152,000 that each and all of

them deem to reflect a fair overall settlement value for liability attributable to the generic opioid drugs that are Opioid Products or Products distributed and/or sold before August 2, 2016 by Divested Actavis Generic Entities and other Divested Entities and/or attributable to the operation of the Divested Actavis Generic Entities and other Divested Entities related to those generic opioid drugs that are Opioid Products or Products before August 2, 2016. Plaintiff and Participating Subdivisions also agree that the agreed settlement amount between and among the State, the Participating Subdivisions, Teva (other than Anda), the Divested Actavis Generics Entities, and other Divested Entities reflects the value the parties to the agreement deem a fair settlement value over and above the payments made or due to be paid under this Agreement for generic opioid drugs that are Opioid Products or Products distributed and/or sold before August 2, 2016 by Divested Actavis Generic Entities and/or other Divested Entities and/or relate to the operation of Divested Actavis Generic Entities and other Divested Entities related to those generic opioid drugs that are Opioids or Opioid Products before August 2, 2016. For the avoidance of doubt, nothing in this section will reduce the Total Payment to be paid to the State by Allergan under this Agreement or the settlement amount to be paid by Teva under its separate agreement with the State.

I. **Most Favored Nation.** If, after execution of this Agreement, there is a collective resolution—through settlement or other mechanism—of substantially all claims against Allergan brought by states, counties, and municipalities nationwide (a "Global Resolution") under which, but for this Agreement, the Florida allocation of the Remediation Payment, the Litigation Costs Payments, the payment period or the terms of Injunctive Relief would be more favorable to the State, Allergan shall pay the excess amounts, adjust the payment period and/or agree to modify the terms of the Consent Judgment to reflect changes to the Injunctive Relief that would apply to Florida, if requested to do so by the Florida Attorney General's Office. Any reduction in the

payment period under this section shall be subject to an appropriate reduction in net present value calculated at seven percent (7%) per annum.

J. Miscellaneous Provisions.

1. **Use of Agreement as Evidence.** Neither this Agreement nor any act performed or document executed pursuant to or in furtherance of this Agreement: (i) is or may be deemed to be or may be used as an admission or evidence relating to any matter of fact or law alleged in the Florida AG Action or the other Actions, the strength or weakness of any claim or defense or allegation made in those cases, or any wrongdoing, fault, or liability of any Releasees; or (ii) is or may be deemed to be or may be used as an admission or evidence relating to any liability, fault or omission of Releasees in any civil, criminal or administrative proceeding in any court, administrative agency, or other tribunal. Neither this Agreement nor any act performed or document executed pursuant to or in furtherance of this Agreement shall be admissible in any proceeding for any purpose, except to enforce the terms of the Settlement, and except that Releasees may file this Agreement in any action in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release, good-faith settlement, judgment bar or reduction or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim or to support a claim for contribution and/or indemnification.

2. **Voluntary Settlement.** This Settlement Agreement was negotiated in good faith and at arm's-length over several weeks, and the exchange of the Remediation Payment and Litigation Costs Payments for the releases set forth herein is agreed to represent appropriate and fair consideration.

3. **Authorization to Enter Settlement Agreement.** Each Party specifically represents and warrants that this Settlement Agreement constitutes a legal, valid, and binding obligation of such Party. Each signatory to this Settlement Agreement on behalf of a Party

specifically represents and warrants that s/he has full authority to enter into this Settlement Agreement on behalf of such Party. Plaintiff specifically represents and warrants that it has concluded that the terms of this Settlement Agreement are fair, reasonable, adequate and in the public interest, and that it has satisfied all conditions and taken all actions required by law in order to validly enter into this Settlement Agreement. Plaintiff specifically represents and warrants that, other than the Claims asserted in the Florida AG Action and the other Actions (whether filed previously or in the future), it has no interest (financial or otherwise) in any other Claim against any Releasee related to the Covered Conduct. In addition, Plaintiff specifically represents and warrants that (i) it is the owner and holder of the Claims asserted in the Florida AG Action; (ii) it has not sold, assigned or otherwise transferred the Claims asserted in the Florida AG Action, or any portion thereof or rights related thereto, to any Third Party; and (iii) it believes in good faith that it has the power and authority to bind all persons and entities with an interest in the Florida AG Action and all other Actions.

4. **Representation With Respect to Participation Rate.** The State of Florida represents and warrants for itself that it has a good-faith belief that all Litigating Subdivisions and all Principal Subdivisions will become Participating Subdivisions. State Outside Litigation Counsel, in good faith, believe this is a fair Settlement. Therefore, State Outside Litigation Counsel will use their best efforts to recommend this Settlement to all Subdivisions within Florida.

5. **Dispute Resolution.** If Plaintiff believes Allergan is not in compliance with any terms of this Settlement Agreement, then Plaintiff shall (i) provide written notice to Allergan specifying the reason(s) why Plaintiff believes Allergan is not in compliance with the Settlement Agreement; and (ii) allow Allergan at least thirty (30) days to attempt to cure such alleged non-compliance (the "Cure Period"). In the event the alleged non-compliance is cured within the Cure Period, Allergan shall not have any liability for such alleged non-compliance. The State may not

commence a proceeding to enforce compliance with this Agreement before the expiration of the Cure Period.

6. **No Third-Party Beneficiaries.** Except as to Releasees, nothing in this Settlement Agreement is intended to or shall confer upon any Third Party any legal or equitable right, benefit, or remedy of any nature whatsoever.

7. **Effectiveness.** The releases provided for in this Agreement shall not be impacted in any way by any dispute that exists, has existed, or may later exist between or among the Releasors. Nor shall such releases be impacted in any way by any current or future law, regulation, ordinance, or court or agency order limiting, seizing, or controlling the distribution or use of the Qualified Settlement Fund or any portion thereof, or by the enactment of future laws, or by any seizure of the Qualified Settlement Fund or any portion thereof.

8. **Compliance with Laws.** Nothing in this Agreement shall be construed to authorize or require any action by Allergan or other Releasees in violation of applicable federal, state, or other laws, rules, regulations, or guidance.

9. **Notices.** All notices under this Agreement shall be in writing and delivered to the persons specified in this paragraph via: (i) e-mail; and (ii) either hand delivery or registered or certified mail, return receipt requested, postage pre-paid.

Notices to Plaintiff shall be delivered to:

For the State of Florida:

Attorney General
Florida State Capitol, PL-01
Tallahassee FL 32399-1050

Copy to Florida's Counsel:

David C. Frederick
Kellogg, Hansen, Todd, Figel & Frederick P.L.L.C.

1615 M Street, NW
Washington D.C. 20036
dfrederick@kellogghansen.com

Notices to Allergan shall be delivered to:

For Allergan:

Office of General Counsel
One North Waukegan Road
North Chicago, IL 60064

Copy to Allergan Counsel:

James F. Hurst
Kirkland & Ellis LLP
300 North LaSalle
Chicago, IL 60654
james.hurst@kirkland.com

10. **Binding Agreement.** This Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of the Parties hereto.

11. **Choice of Law.** Any dispute arising from or in connection with this Settlement Agreement shall be governed by Florida law without regard to its choice-of-law provisions.

12. **Jurisdiction.** The Parties agree to submit and consent to the jurisdiction of the Court for the resolution of any disputes arising under the Settlement Agreement.

13. **No Conflict Intended.** The headings and sub-headings used in this Agreement are intended for the convenience of the reader only and shall not affect the meaning or interpretation of this Agreement. The definitions contained in this Agreement or any Exhibit hereto are applicable to the singular as well as the plural forms of such terms.

14. **No Party Deemed to be the Drafter.** None of the Parties hereto shall be deemed to be the drafter of this Agreement or any provision hereof for the purpose of any statute, case law

or rule of interpretation or construction that would or might cause any provision to be construed against the drafter hereof.

15. **Amendment; Waiver.** This Agreement shall not be modified in any respect except by a writing executed by all the Parties hereto, and the waiver of any rights conferred hereunder shall be effective only if made by written instrument of the waiving Party. The waiver by any Party of any breach of this Agreement shall not be deemed or construed as a waiver of any other breach, whether prior, subsequent, or contemporaneous.

16. **No Waiver.** This Agreement is agreed upon without trial or adjudication of any issue of fact or law or finding of liability of any kind and shall not be construed or used as a waiver or limitation of any defense otherwise available (including, but not limited to, jurisdictional defenses) to Allergan or any other Releasee in the Florida AG Action, Litigating Subdivisions' Actions, or other Actions that could be brought by such plaintiffs, Non-Litigating Subdivisions, or other Releasors. This Agreement shall not be construed or used as a waiver of any Releasee's right to defend itself from, or make any legal or factual arguments in, any other regulatory, governmental, private party, or class claims or suits relating to the subject matter or terms of this Agreement. For the avoidance of doubt, nothing in this Agreement is intended to or shall be construed to prohibit Allergan or any other Releasee in any way whatsoever from taking legal or factual positions with regard to any Opioids, Opioid Products, or Products in defense of litigation or other legal proceedings.

17. **No Private Right of Action.** No part of this Agreement shall create a private right of action for any Third Party or confer any right to any Third Party for violation of any federal or state statute, common law, rule, regulation, or ordinance, nor shall it be used as an admission of fault, liability, or wrongdoing in any subsequent proceeding.

18. **Execution in Counterparts.** This Agreement may be executed in one or more counterparts and an email, facsimile, or .pdf signature shall be deemed to be, and shall have the same force and effect as, an original signature. All executed counterparts and each of them shall be deemed to be one and the same instrument.

19. **Severability.** In the event any one or more non-material provisions of this Settlement Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Settlement Agreement.

20. **Statements to the Press and Others.** Any press release or other public statement concerning this Settlement Agreement will describe it positively and will not disparage any other Party.

21. **Integrated Agreement.** This Agreement constitutes the entire agreement between the Settling Parties and no representations, warranties, or inducements have been made to any Party concerning this Agreement other than the representations, warranties, and covenants contained and memorialized herein.

IN WITNESS WHEREOF, the Parties hereto, through their fully authorized representatives, have executed this Agreement as of the dates set forth below.

ALLERGAN FINANCE, LLC

By: _____

Name: Robert A. Michael
Vice Chairman, Finance and Commercial Operations and Chief Financial Officer of AbbVie Inc.
President and Chief Executive Officer of Allergan Limited
President of Allergan Finance, LLC
1 North Waukegan Road
North Chicago, IL 60064
On Behalf of Allergan and AbbVie

PLAINTIFF

STATE OF FLORIDA, including the OFFICE OF THE ATTORNEY GENERAL

By: _____

Name: John Guard
Chief Deputy Attorney General of Florida
Pursuant to the authority delegated to him by Ashley Moody, Attorney General of Florida

Date: _____

STATE OUTSIDE LITIGATION COUNSEL

Kellogg, Hansen, Todd, Figel & Frederick, P.L.L.C.

By: _____

Name: David C. Frederick

Date: _____

Drake Martin Law Firm, LLC

By: _____

Name: Drake Martin

Date: 3/29/2022

ALLERGAN FINANCE, LLC

By: _____

Name: Robert A. Michael
Vice Chairman, Finance and Commercial Operations and Chief Financial Officer of AbbVie Inc.
President and Chief Executive Officer of Allergan Limited
President of Allergan Finance, LLC
1 North Waukegan Road
North Chicago, IL 60064
On Behalf of Allergan and AbbVie

PLAINTIFF

STATE OF FLORIDA, including the OFFICE OF THE ATTORNEY GENERAL

By: _____

Name: John Guard
Chief Deputy Attorney General of Florida
Pursuant to the authority delegated to him by Ashley Moody, Attorney General of Florida

Date: 3-29-2022

STATE OUTSIDE LITIGATION COUNSEL

Kellogg, Hansen, Todd, Figel & Frederick, P.L.L.C.

By: _____

Name: David C. Frederick

Date: 3.29.2022