IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA

STATE OF CALIFORNIA,	: CIVIL ACTION
Plaintiff,	:
v.	: : No. 19-3281
TEVA PHARMACEUTICAL INDUSTRIES, LTD., <u>et al.</u> Defendants.	: : :

<u>ORDER</u>

AND NOW, this 8th day of August, 2019, upon consideration of Plaintiff the State of California's ("Plaintiff") Motion for Preliminary Approval of Settlement ("Motion for Preliminary Approval") and for good cause shown, it is hereby **ORDERED** as follows:

I. GENERAL FINDINGS

- Plaintiff, the State of California, and Defendants Teva Pharmaceutical Industries Ltd., Cephalon, Inc., Barr Laboratories, Inc., and Teva Pharmaceuticals USA, Inc. (collectively, "Teva") entered into a Settlement Agreement dated July 17, 2019 ("Settlement"). This Settlement was presented to the Court for preliminary approval pursuant to its authority under federal and state law, including California's state antitrust law, the Cartwright Act.
- 2. The Court has jurisdiction over this action and each of the Parties.
- 3. The Court, for purposes of this Order, adopts the definitions set forth in the Settlement.
- 4. The Court, for purposes of this Order, finds that the Attorney General of the State of California is the representative of natural persons in the State of California and has authority to settle and release the Released Claims of the Eligible Consumers in California.

II. PRELIMINARY APPROVAL OF SETTLEMENT

- 5. The Court finds that the Settlement was the result of arms-length negotiations by counsel highly experienced in antitrust litigation, including pay-for-delay litigation, after extensive discovery and fact-finding. There are no grounds to doubt its fairness or other obvious deficiencies, and it appears to fall within the range of settlements subject to possible approval. The Settlement will likely be found fair, reasonable, and adequate after a fairness hearing.
- 6. The Court finds that the Settlement is entitled to preliminary approval.
- The Courts finds the Settlement satisfies the requirements specified in California Business and Professions Code section 16760 and due process.
- 8. The terms of Settlement are hereby preliminarily approved.
- 9. The proposed Notice Plan to Eligible Consumers of the Settlement (see Declaration of Linda Young in support of Motion for Preliminary Approval, Exh. 1) satisfies the requirements of California Business and Professions Code 16760 subsections (b) and (c) and due process, is otherwise fair and reasonable, and therefore is approved.

III. NOTICE OF SETTLEMENT

- 10. The Attorney General of the State of California shall commence Notice substantially in the form of the Notice Plan within fourteen (14) days of the date of this Order and complete it within ninety (90) days after the date of this Order.
- 11. The Court appoints A.B. Data Ltd. to serve as Settlement Administrator and to assist the State of California in disseminating the Notice.

IV. REQUESTS FOR EXCLUSION

- 12. All Eligible Consumers who submit valid and timely requests for exclusion from the Settlement as provided for by the Notice Plan and who comply with the instructions contained in the Notice Plan shall not have any rights under the Settlement and shall not be bound by the Settlement or the final judgment as it relates to the Settlement.
- 13. All Eligible Consumers who do not submit valid and timely requests for exclusion from the Settlement, as provided for by the Notice Plan and complying with the instructions contained in the Notice Plan, shall be bound by the Settlement and by the final judgment in the event the Settlement is finally approved by the Court.

V. CONFIDENTIALITY

14. No information received by the Claims Administrator in connection with the Settlement that pertains to an Eligible Consumer, other than information contained in either a request for exclusion or an objection, shall be disclosed to any person or entity other than as directed by the Court.

VI. FINAL APPROVAL HEARING

- 15. A hearing on final approval (the "Fairness Hearing") shall be held before this Court at 10:00 a.m. Eastern Standard Time on February 26, 2020, at the United States District Court for the Eastern District of Pennsylvania, James A. Byrne United States Courthouse, 601 Market Street, Courtroom 4B, Philadelphia, Pa 19106.
- 16. Eligible Consumers who wish to (a) object with respect to the Settlement Agreement and/or(b) wish to appear in person at the Fairness Hearing, must do so as provided for by the Notice Plan and must comply with the instructions contained in the Notice Plan.

- 17. To be valid, any such Objection and/or Notice to Appear must be postmarked no later than 160 days after the date of this Order, as provided for by the Notice Plan. Except as set forth herein, each objector shall be entitled to contest the terms of the Proposed Settlement. All Eligible Consumers who fail to file an Objection and/or Notice of Intent to Appear shall be deemed to have waived any such objections by appeal, collateral attack, or otherwise and will not be heard at the Fairness Hearing.
- 18. All briefs and materials in support of final approval of the Settlement shall be filed with the Court within 130 days after the date of this Order.

VII. OTHER PROVISIONS

- 19. The Settlement, subject to this Court's final approval, fully and finally compromises, settles, and resolves Released Claims subject to the terms and conditions set forth in the Settlement.
- 20. If the Settlement is terminated or otherwise does not become effective in accordance with the provisions of the Settlement, the Settlement and all proceedings held in connection therewith shall be null and void, except insofar as expressly provided to the contrary in the Settlement and with prejudice to the *status quo ante* rights of the Plaintiff and Teva.
- 21. Neither this Order, nor the Settlement shall constitute any evidence or admission of liability by Teva, nor shall either be offered in evidence in this or any other proceeding except to consummate or enforce the Settlement or the terms of this Order, or by Teva in connection with any action asserting claims that are released by the terms of the Settlement.

BY THE COURT:

/s/ Mitchell S. Goldberg

MITCHELL S. GOLDBERG, J.