

## Attachment D

### GOVERNMENT COMPENSATION PLAN

**Capitalized terms used and not defined in this Government Compensation Plan have the meanings given to them in the Settlement Agreement.**

Seven Million Dollars (\$7,000,000) out of the \$80,000,000 Aggregate Settlement Fund paid by Defendants will constitute the **State Settlement Fund** and be used to compensate (i) the Plaintiff States for their proprietary claims of Designated Governmental Agencies; and (ii) the Litigating States for their attorneys' fees and costs. Of the State Settlement Fund, the Plaintiff States have allocated Four and One-half Million Dollars (\$4,500,000) to compensate the Plaintiff States for Claims asserted by or on behalf of Designated Governmental Agencies and to cover the remedies that Attorneys General, Corporation Counsel or comparable officials (each an "Attorney General") of the Plaintiff States, but not class counsel, assert. The remaining \$2,500,000 will be divided among the Litigating States and the Attorney General of the State of Ohio, acting as the state primarily responsible for administering the distribution of the State Settlement Fund (the "Escrow Administration State"), to cover their respective attorneys' fees and expenses.

The proposed distribution of the State Settlement Fund recognizes the substantial resource commitment and the litigation risks borne in this case by the 29 Litigating States and their state agencies.<sup>1</sup> A summary of the plan of distribution among the Plaintiff States follows:<sup>2</sup>

1. \$1,040,000 will be allocated among the Plaintiff States (\$20,000 each) to pay the claims of certain Designated Governmental Agencies, and other remedies as allowed by state law, which may include civil penalties, restitution and disgorgement claims.
2. The members of MMCAP will receive \$100,000, to be divided among the members according to their respective percentages of MMCAP purchases of Cardizem CD.
3. The Litigating States that submitted purchase and damages data for specific Designated Governmental Agencies will share \$1,151,973.66 as compensation for their alleged damages, allocated proportionally.
4. The Litigating States will receive \$40,000 each as compensation for their non-specified agency damages and other remedies as allowed by their respective state laws.
5. The Litigating States will share pro rata \$1,048,026.34 as compensation for their non-specified agency damages and other remedies as allowed by state law.

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<sup>1</sup>The Litigating States' agencies committed substantial monetary and manpower resources in generating data and reports, responding to discovery, and providing deposition testimony.

<sup>2</sup> This information is also contained in the chart attached hereto as Appendix A.

6. The Litigating States and Escrow Administration State will share \$2,500,000 for their attorneys' fees and costs, subject to Court approval. Such costs shall include reimbursement of \$100,000 to the National Association of Attorneys General Milk Fund Account.<sup>3</sup>

Because the above six allocations of the State Settlement Fund are based on estimates, the Plaintiff States propose that each Plaintiff State's Attorney General shall use its total allocation of the State Settlement Fund for one or more of the following purposes, as determined by each Plaintiff State's Attorney General at his or her exclusive option, and as otherwise consistent with the laws of his or her respective state:

- a. Distribution to the Plaintiff State's Designated Governmental Agencies and other agencies;
- b. Reimbursement of the Plaintiff State's attorneys' fees and/or investigation, litigation and settlement administration costs;
- c. Reimbursement of the Plaintiff State's consultants' and experts' fees;
- d. Promotion of antitrust or consumer protection enforcement by the Attorney General of such state;
- e. Deposit into a state antitrust or consumer protection account (e.g., revolving account, trust account, etc.) for use in accordance with the state laws governing that account; and/or
- f. Deposit into a fund exclusively dedicated to assisting the Plaintiff State's Attorney General to defray the cost of experts, economists, and consultants in antitrust investigations and litigation.

Finally, until the date of distribution after final approval of the settlement, the State Settlement Fund will generate interest. The Plaintiff States propose that each disbursement by the Escrow Agent include the interest attributable to that disbursement.

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<sup>3</sup> With respect to the State of Maine, its apportionment shall be used for enforcement of the Maine Unfair Trade Practices Act, pursuant to 5 M.R.S.A. § 209.

## Cardizem State Agency Allocations

<b>Total Settlement</b>		<b>\$ 4,500,000.00</b>							
<b>MMCAP Portion</b>		<b>\$ 100,000.00</b>							
<b>State Remedy Allocation</b>		1,040,000.00							
<b>Litigating States</b>		1,160,000.00							
<b>Lit. States per capita</b>		1,048,026.34							
<b>Reimb. Damages</b>		1,060,671.41							
<b>Miscellaneous</b>		91,302.25							
<b>Total</b>		<b>\$ 4,500,000.00</b>							
	<b>MMCAP</b>	<b>State</b>				<b>Reimbursements</b>			
	<b>% of</b>	<b>Settlement</b>	<b>Remedy</b>	<b>Litigating States</b>		<b>7/1/98-6/30/99</b>			<b>Total to</b>
<b>State</b>	<b>Total Sales</b>	<b>Allocation</b>	<b>Allocation</b>	<b>Fixed</b>	<b>Per capita</b>	<b>Payments</b>	<b>Damages</b>	<b>Misc</b>	<b>Each State</b>
Alabama			20,000.00						20,000.00
Alaska	1.2%	1,152.65	20,000.00	40,000.00	4,802.21				65,954.86
Arizona	0.5%	519.58	20,000.00	40,000.00	39,299.92			91,302.25	191,121.75
Arkansas			20,000.00	40,000.00	20,477.87				80,477.87
California			20,000.00	40,000.00	259,452.04	1,078,548.38	72,262.74		391,714.78
Colorado			20,000.00						20,000.00
Connecticut			20,000.00	40,000.00	26,086.15				86,086.15
Delaware			20,000.00						20,000.00
Dist of Columbia			20,000.00	40,000.00	4,381.89				64,381.89
Florida			20,000.00						20,000.00
Georgia			20,000.00						20,000.00
Hawaii	2.3%	2,334.88	20,000.00	40,000.00	9,280.20				71,615.08
Idaho	0.3%	346.53	20,000.00	40,000.00	9,911.50				70,258.03
Illinois			20,000.00						20,000.00
Indiana	7.6%	7,579.20	20,000.00	40,000.00	46,575.66				114,154.86
Iowa			20,000.00	40,000.00	22,415.23				82,415.23
Kansas	2.3%	2,264.19	20,000.00	40,000.00	20,592.90	726,140.50	48,651.41		131,508.50
Kentucky			20,000.00						20,000.00
Louisiana			20,000.00						20,000.00
Maine			20,000.00	40,000.00	9,765.73				69,765.73
Maryland			20,000.00						20,000.00
Massachusetts			20,000.00						20,000.00
Michigan	7.1%	7,086.70	20,000.00	40,000.00	76,127.08	1,079,158.00	72,303.59		215,517.36

Minnesota	5.5%	5,490.64	20,000.00	40,000.00	37,682.51	248,447.00	16,645.95		119,819.11
Mississippi			20,000.00						20,000.00
Missouri			20,000.00						20,000.00
Montana			20,000.00						20,000.00
Nebraska			20,000.00						20,000.00
Nevada	1.9%	1,914.77	20,000.00	40,000.00	15,306.37	91,566.36	6,134.95		77,221.14
New Hampshire			20,000.00						26,134.95
New Jersey			20,000.00						20,000.00
New Mexico	1.5%	1,530.34	20,000.00	40,000.00	13,933.64				75,463.97
New York	18.3%	18,334.60	20,000.00	40,000.00	145,356.98	8,895,377.00	595,990.26		819,681.84
North Carolina	25.6%	25,635.68	20,000.00	40,000.00	61,656.60	1,130,340.00	75,732.78		223,025.06
North Dakota	0.2%	246.82	20,000.00	40,000.00	4,919.16				65,165.98
Ohio			20,000.00						20,000.00
Oklahoma	6.9%	6,921.83	20,000.00	40,000.00	26,431.52	721,254.00	48,324.02		141,677.37
Oregon			20,000.00						20,000.00
Pennsylvania			20,000.00						20,000.00
Puerto Rico			20,000.00	40,000.00	29,173.41	800,000.00	53,600.00		142,773.41
Rhode Island			20,000.00	40,000.00	8,029.98				68,029.98
South Carolina			20,000.00	40,000.00	30,731.44				90,731.44
South Dakota	0.5%	548.12	20,000.00						20,548.12
Tennessee			20,000.00						20,000.00
Texas			20,000.00						20,000.00
Utah	0.2%	231.08	20,000.00	40,000.00	17,105.76	49,544.57	3,319.49		80,656.32
Vermont			20,000.00	40,000.00	4,663.53	36,664.81	2,456.54		67,120.07
Virginia			20,000.00						20,000.00
Washington	10.1%	10,075.38	20,000.00	40,000.00	45,148.13	167,526.00	11,224.24		126,447.75
West Virginia			20,000.00	40,000.00	13,851.66	806,350.00	54,025.45		127,877.11
Wisconsin	7.2%	7,192.21	20,000.00	40,000.00	41,084.99				108,277.21
Wyoming	0.6%	594.80	20,000.00	40,000.00	3,782.30				64,377.10
	100.0%	100,000.00	1,040,000.00	1,160,000.00	1,048,026.34	15,830,916.62	1,060,671.41	91,302.25	4,500,000.00