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23CV-24-1063 C20D01 : 22 Pages

IN THE CIRCUIT COURT OF FAULKNER, ARKANSAS FIRST DIVISION

STATE OF ARKANSAS, ex rel. TIM GRIFFIN, ATTORNEY GENERAL

PLAINTIFF

v. CASE NO. 23CV-24-1063

JOHNSON & JOHNSON

DEFENDANT

CONSENT JUDGMENT

Plaintiff, the State of Arkansas, *ex rel*. Tim Griffin, Attorney General ("Plaintiff") has filed a Complaint, seeking a permanent injunction and other relief in this matter pursuant to Ark. Code Ann. § 4-88-113 and alleging that Defendant Johnson & Johnson ("Defendant") violated the

Arkansas Deceptive Trade Practices Act, Ark. Code Ann. § 4-88-101 et. seq. Plaintiff, by its

counsel, and Defendant, by its counsel, have agreed to this Court entering this Consent Judgment

("Judgment") without trial or adjudication of any issue of fact or law, and without finding or

admission of wrongdoing or liability of any kind.

I. PARTIES

1.1 The State of Arkansas *ex rel*. Tim Griffin, Attorney General is the Plaintiff in this

case. The Consumer Protection Division is charged with, among other things, enforcing the

Arkansas Deceptive Trade Practices Act and representing and protecting the state, its subdivisions,

the legitimate business community, and the general public as consumers. Ark. Code Ann. § 4-88-

105(c).

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1.2 Johnson & Johnson is the Defendant in this case and engaged in trade or commerce in the State of Arkansas. Defendant is a New Jersey company with executive offices located at One Johnson & Johnson Plaza, New Brunswick, New Jersey 08933.

II. **DEFINITIONS**

The following definitions shall be used in construing this Judgment:

- 2.1 "Claims" means any and all civil (i.e., non-criminal) claims, demands, actions, suits, causes of action, damages, fines, penalties, parens patriae claims, and liabilities and monetary impositions of any nature, as well as costs, expenses, and attorneys' fees, whether known or unknown, suspected or unsuspected, accrued or unaccrued, whether legal, equitable, statutory, regulatory, or administrative that (i) directly or indirectly are based on or arise out of the Covered Conduct and (ii) relate to the properties, purity, or safety of talcum powder.
- 2.2 "Covered Conduct" means any Promotional and marketing practices, sales, and/or dissemination of information to consumers and/or Health Care Providers (HCPs) made, performed, conducted, directed or engaged in by any of the Releasees regarding Covered Products up to the Effective Date.
- 2.3 "Covered Products" means baby and body powder products and cosmetic powder products manufactured, marketed, Promoted, distributed, and/or sold by Defendant or any J&J-Related Entity in the United States that contain talcum powder, including, but not limited to, Johnson's Baby Powder and Johnson & Johnson's Shower to Shower.
- 2.4 "Effective Date" means the date on which a copy of the Judgment is approved and entered by this Court after its execution and submission by the Parties.
- 2.5 "Health Care Provider" or "HCP" means any physician or other health care practitioner, who is licensed to provide health care services.
 - 2.6 "J&J-Related Entities" means any and all of Defendant's past or current affiliates,

subsidiaries, divisions, parent companies, predecessors, or successors, including, but not limited to, Johnson & Johnson Consumer Inc., Johnson & Johnson Consumer Companies Inc., Janssen Pharmaceuticals, Inc., Janssen Research & Development LLC, Johnson & Johnson Holdco (NA) Inc., LTL Management LLC, LLT Management, LLC, and Kenvue Inc.

- 2.7 "Multistate Executive Committee" means the Attorneys General and their staffs representing Arizona, Florida, Illinois, Maryland, New York, North Carolina, Ohio, Oregon, Texas, and Washington.
- 2.8 "Multistate Working Group" means the Attorneys General and their staffs representing Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Maine, Maryland, Massachusetts, Michigan, Minnesota, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Rhode Island, South Dakota, Texas, Utah, Vermont, Virginia, Washington, West Virginia, and Wisconsin.
- 2.9 "Other Official" means any other State of Arkansas entity, official, or public or governmental entity within the State of Arkansas with authority to bring Claims on behalf of the State of Arkansas or on behalf of or in the name of the people of the State of Arkansas. "Other Official" does not include a person or entity if the Signatory Attorney General lacks power or authority under Arkansas law to release or dismiss Claims of that person or entity as to the Claim at issue.
 - 2.10 "Other Released Person(s)" means the entities identified on Exhibit 1 to this

Judgment.1

- 2.11 "Parties" means the Defendant and Plaintiff.
- 2.12 "Promotional," "Promoting," "Promoted," "Promotion," or "Promote" means representations made to consumers, HCPs, patients, and/or other customers, and other practices intended to increase sales or that attempt to influence consumers, patients and/or other customers, and/or the recommendation practices of HCPs in the United States, including direct-to-consumer marketing.
- 2.13 "Releasees" means Defendant, J&J-Related Entities, and any Other Released Persons.
- 2.14 "Releasors" means (1) the Signatory Attorney General; and (2) the State of Arkansas, to full extent of the Signatory Attorney General's authority under Arkansas law to release or dismiss Claims, if any.
- 2.15 "Signatory Attorney General" means the Attorney General of Arkansas, including his/her authorized designees or successors, who has executed this Judgment on behalf of Plaintiff.
- 2.16 "State Consumer Protection Laws" means the consumer protection laws cited in Footnote 2 under which the Multistate Working Group conducted an investigation regarding the Covered Conduct and from which the Multistate Amount and the matters addressed in this Judgment/Order arise.²

¹ Defendant represents and warrants to Plaintiff that each of these entities is a third party retailer that sold old Johnson & Johnson Consumer Inc.'s talc-containing products or a third party to which the Defendant has indemnification obligations. Other Released Persons are released only to the extent of each Other Released Person's indemnification or contribution claim against Defendant and J&J Related Entities.

² ALABAMA – Ala. Code § 8-19-1, et seq.; ALASKA – Alaska Unfair Trade Practices and Consumer Protection Act, AS 45.50.471 et seq.; ARIZONA - A.R.S. §§44-1521 to -1534; ARKANSAS – The Arkansas Deceptive Trade Practices Act, Ark. Code Ann. § 4-88-101 et. seq.; CALIFORNIA – California Business & Professions Code Sections 17200 et seq. and 17500 et

2.17 "Subsidiary" or "Subsidiaries" means only Defendant's current subsidiaries as of the Effective Date.

III. FINDINGS

- 3.1 This Court has jurisdiction over the subject matter of this lawsuit and over all Parties, and venue is proper before this Court.
 - 3.2 The terms of this Judgment shall be governed by the laws of the State of Arkansas.
- 3.3 Entry of this Judgment is in the public interest and reflects a negotiated agreement among the Parties.
- 3.4 The Parties have agreed to resolve Plaintiff's allegations and claims against Defendant resulting from the Covered Conduct, as that term is defined below, by entering into this Judgment.

seq.; COLORADO – C.R.S. § 6-1-105 et seq.; CONNECTICUT – Conn Gen Stat. sec 42-110a; DELAWARE – 6 Del. C. §§ 2511 et seq.; DISTRICT OF COLUMBIA – D.C. Code § 28-3901 et seq.; FLORIDA – Florida Deceptive and Unfair Trade Practices Act, Chapter 501, Part II, Florida Statutes; GEORGIA - Georgia Fair Business Practices Act, O.C.G.A. § 10-1-390 et seq. ("FBPA"); HAWAII – Haw. Rev. Stat. § 480-2(a) and Haw. Rev. Stat. Chpt. 481A; IDAHO –I.C. § 48-601 et seq.; ILLINOIS – 815 ILCS 505/1 et seq.; INDIANA – Ind. Code § 24-5-0.5, et seq.; IOWA - Iowa Code Section 714.16; KANSAS - Kansas Consumer Protection Act, K.S.A. 50-623 et seq.; KENTUCKY - KRS 367.170; MAINE - 5 M.R.S.A. § 205-A et seq.; MARYLAND -Maryland Consumer Protection Act, Md. Code Ann., Com. Law §§ 13-101 to -501 (2013 Repl. Vol. & 2023 Supp.); MASSACHUSETTS – G.L.c. 93A; MICHIGAN – MCL 445.901 et seq.; MINNESOTA – Minn. Stat. section 325F.69 (Minnesota Prevention of Consumer Fraud Act); Minn. Stat. section 325D.45 (Minnesota Uniform Deceptive Trade Practices Act); MONTANA – MCA 30-14-101 et al; NEBRASKA – Consumer Protection Act N.R.S. section 59-1601 et seg. and the Uniform Deceptive Trade Practices Act N.R.S. section 87-301 et seq.; NEVADA – Nevada Deceptive Trade Practices Act, NRS 598.0903, et seq.; NEW HAMPSHIRE – NH RSA § 358-A; NEW JERSEY – New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 to -229; NEW YORK – N.Y. Exec. Law Section 63(12) and G.B.L. Sections 349 and 350; NORTH CAROLINA – N.C.G.S. § 75-1.1 et seg.; NORTH DAKOTA – N.D.C.C. ch. 51-15; OHIO – Consumer Sales Practices Act, R.C. 1345.01 et seq.; OKLAHOMA – 15 O.S. § 751 et seq.; OREGON – Oregon Unlawful Trade Practices Act, Or. Rev. Stat. § 646.605 et seq.; RHODE ISLAND – R.I. Gen. Laws § 6-13.1-1, et seq.; SOUTH DAKOTA - SDCL ch. 37-24; TEXAS - Texas Deceptive Trade Practices— Consumer Protection Act, Tex. Bus. & Com. Code §§ 17.41–17.63; UTAH – Utah Code § 13-11-1, et seq.; VERMONT – The Vermont Consumer Protection Act, 9 V.S.A. §§ 2451 et. seq.; VIRGINIA – Virginia Consumer Protection Act ("Consumer Protection Act"), Va. Code §§ 59.1-196 through 59.1-207; WASHINGTON – RCW 19.86; WEST VIRGINIA – W. Va. Code, § 46A-1-101; and WISCONSIN – Wis. Stat. § 100.18(1).

- 3.5 Defendant is willing to enter into this Judgment regarding the Covered Conduct in order to resolve Plaintiff's allegations and claims against Defendant under the Arkansas Deceptive Trade Practices Act, Ark. Code Ann. § 4-88-101 *et. seq.* as to the matters addressed in this Judgment and thereby avoid significant expense, inconvenience, and uncertainty associated with their adjudication.
- 3.6 Defendant is entering into this Judgment solely for the purpose of settlement, and nothing contained herein may be taken as or construed to be an admission or concession of any violation of law, rule, or regulation, or of any other matter of fact or law, or of any liability or wrongdoing, all of which Defendant expressly denies.
- 3.7 This Judgment shall not be construed or used as a waiver or limitation of any defense otherwise available to Releasees in any other action, or of Releasees' right to defend from, or make any arguments in, any private individual action, class claims or suits, or any other governmental or regulatory action or public forum relating to the subject matter or terms of this Judgment. This Judgment is made without trial or adjudication of any issue of fact or law or finding of liability of any kind. Notwithstanding the foregoing, Plaintiff may file an action to enforce the terms of this Judgment.
- 3.8 The Parties intend that this Judgment not be admissible in other cases nor be binding on Releasees or Releasors in any respect other than in connection with the enforcement of this Judgment by the Parties.
- 3.9 No part of this Judgment shall create a private cause of action or confer any right on any third party for enforcement of this Judgment or violation of any federal or state statute. This Judgment and its contents are not intended for use by any third party for any purpose, including submission to any court for any purpose except for enforcement by the Parties.

3.10 This Judgment (or any portion thereof) shall in no way be construed to (i) prohibit Defendant from making any representation, or taking any action, required under federal law or regulations, or (ii) require Defendant to take any action prohibited by federal law or regulation.

IV. COMPLIANCE PROVISIONS

- 4.1 Defendant, for itself and each of its Subsidiaries, together with each of their respective officers, agents, servants, employees, and any other person or entity in active concert or participation with any of them, whether acting directly or indirectly through any corporation, company, partnership, trust, entity, subsidiary, affiliate, division, or other device, hereby agrees, represents, and warrants that they:
 - (a) ceased the manufacturing, marketing, Promotion, sale, and distribution of all Covered Products in the United States and, as of the Effective Date, has not resumed the manufacture, marketing, Promotion, sale or distribution of any Covered Products in the United States; and
 - (b) will not manufacture, market, Promote, sell or distribute any Covered Products in the United States either directly, or indirectly through any third party.

V. PAYMENT

- 5.1 Except as otherwise provided for herein, each Party will be responsible for its own costs, expenses, and attorneys' fees.
- 5.2 Defendant shall pay the members of the Multistate Working Group collectively a total amount of \$700,000,000.00 ("Multistate Amount"), of which the Signatory Attorney General shall receive \$12,716,700.92 (the "Settlement Amount"), as specified more fully in Exhibit 2. The Multistate Amount shall be paid in four installments, each payable as directed by the Signatory Attorney General, with installments due as follows: (i) 175 Million Dollars (\$175,000,000.00) by July 30, 2024; (ii) 175 Million Dollars (\$175,000,000.00) by July 30, 2025; (iii) 175 Million

Dollars (\$175,000,000.00) by July 30, 2026; and (iv) 175 Million Dollars (\$175,000,000.00) by July 30, 2027, as specified in Exhibit 2. Accordingly, Defendant shall pay Plaintiff the Settlement Amount as follows: (i) \$3,164,774.84 by July 30, 2024; (ii) \$3,183,975.36 by July 30, 2025; (iii) \$3,183,975.36 by July 30, 2026; and (iv) \$3,183,975.36 by July 30, 2027, as specified in Exhibit 2. If this Judgment is not entered by the Court more than 30 days prior to the due date for the first installment, the due date for the first installment shall be 30 days from the Effective Date, with the due dates for the subsequent installments remaining unchanged. If Defendant fails to make any of the forgoing installment payments when due in accordance with this Paragraph 5.2 and Paragraph 5.4 below, the entire unpaid balance of the Settlement Amount shall become immediately due and payable. Payment of the Settlement Amount is being made in return for all the representations, warranties, and obligations set forth in this Judgment, including but not limited to the release provided in Section VIII below for Defendant, both individually and for the other Releasees.

- 5.3 Each of the Parties acknowledges, agrees, and understands that, for purposes of Section 162(f) of the Internal Revenue Code, the Settlement Amount may be used at the sole discretion of the Signatory Attorney General for any lawful purpose, including restitution, and subject to any applicable laws of the State of Arkansas, and the Signatory Attorney General will file an IRS Form 1098-F reflecting the Settlement Amount received, and Defendant will provide the Signatory Attorney General with its Taxpayer Identification Number for this form upon request.
- 5.4 As part of the consideration for this Judgment, Defendant agrees, warrants, and represents that:

- (a) Defendant is solvent as of the Effective Date and will not be rendered insolvent by its payment of the Settlement Amount pursuant to the payment schedule set forth above in Paragraph 5.2;
- (b) All funds used to pay the Settlement Amount will, at the time of the transfer directed by the Signatory Attorney General pursuant to Paragraph 5.2 above, be the exclusive property of Defendant free from any lien, claim, or right by anyone else in or to any portion thereof, including, but not limited to, the J&J-Related Entities and Other Released Persons; and
- (c) Defendant will not file, pursue, or support, whether directly or indirectly, any action, proceeding, or claim that seeks to delay, recover, avoid, or offset any payment of the Settlement Amount (including those already made or scheduled to be paid pursuant to the payment schedule in Paragraph 5.2 above), for any reason, or based on any claim or theory.

VI. INDEMNIFICATION AND DEFENSE

6.1 Defendant shall promptly and fully pay the Settlement Amount in strict accordance with Section V above, including, without limitation, the payment schedule in Paragraph 5.2 above and the source and nature of the funds in Paragraph 5.4(b) above, and Defendant shall indemnify, defend, and hold Plaintiff and the Signatory Attorney General (the "Indemnitees") harmless from and against any and all actions, claims, proceedings, judgments, orders, turnovers, offsets, encumbrances, losses, costs, and expenses (including, without limitation, reasonable attorneys' fees) that arise from, are based upon, or relate to any avoidance or recovery (as a preference, fraudulent conveyance or transfer, or otherwise) of all or any portion of the Settlement Amount (regardless of the payee or the source, nature, or allocation of the funds used) by another person or entity (including, without limitation, a trustee, a committee, or a debtor in possession).

- 6.2 In the event an Indemnitee becomes aware of a demand, claim, action, or proceeding that would give rise to indemnification pursuant to Paragraph 6.1 above (an "Indemnification Claim"), the Signatory Attorney General shall promptly provide notice to the Defendant of the same.
- 6.3 After being notified of an Indemnification Claim, Defendant agrees to pay the applicable Indemnitee outside counsel fees and expenses reasonably necessary to defend and/or resolve the Indemnification Claim and also to cooperate and assist in that defense and/or resolution; provided, however, that Defendant's payment obligations hereunder shall not extend to more than one outside counsel firm (other than necessary local counsel) without Defendant's written consent, and that Plaintiff and Defendant shall mutually agree on any outside counsel firm before it is retained, which agreement shall not be unreasonably withheld. Defendant will pay reasonable outside counsel fees and expenses within 30 days of receiving an invoice. Should the Indemnification Claim be for an actual loss of Settlement Amount payments already sustained by an Indemnitee, Defendant shall reimburse the amount of the lost funds by wire transfer in the manner provided by the Signatory Attorney General within 30 days of the Signatory Attorney General's notice to do so.
- 6.4 If Defendant becomes aware of a potential Indemnification Claim that the Indemnitees have not yet provided Defendant notice of, Defendant agrees to promptly provide Plaintiff notice of the same.

VII. DISPUTE RESOLUTION

7.1 For the purposes of resolving disputes with respect to compliance with this Judgment, if the Signatory Attorney General has a reasonable basis to believe that the Defendant engaged in a practice that violates a provision of this Judgment subsequent to the Effective Date, then such Signatory Attorney General shall notify Defendant in writing of the specific concern,

identify the provision(s) of this Judgment that the practice appears to violate, and give Defendant 30 days to respond to the notification; provided, however, that a Signatory Attorney General may take any action if the Signatory Attorney General believes that, because of the specific practice, a threat to the health or safety of the public requires immediate action. Upon receipt of written notice from the Signatory Attorney General, Defendant shall provide a good-faith written response to the Signatory Attorney General notification, containing either a statement explaining why Defendant believes it is in compliance with the Judgment, or a detailed explanation of how the alleged violation occurred and a statement explaining how Defendant intends to remedy the alleged violation. Nothing in this Section VII shall be interpreted to limit the State of Arkansas's Civil Investigative Demand ("CID") or investigative subpoena authority and Defendant reserves all of its rights in responding to a CID or investigative subpoena issued pursuant to such authority.

- 7.2 Upon giving Defendant 30 days from receipt of the notice set forth in Paragraph 7.1 above to respond, the Signatory Attorney General shall also be permitted reasonable access to inspect and copy relevant, non-privileged, non-work product records and documents in the possession, custody, or control of Defendant that relate to Defendant's compliance with each provision of this Judgment. If the Signatory Attorney General makes or requests copies of any documents during the course of that inspection, the Signatory Attorney General will provide a list of those documents to Defendant.
- 7.3 The Signatory Attorney General may assert any claim that the Defendant violated this Judgment in this action or in a separate civil action to enforce compliance with this Judgment, or may seek any other relief afforded by law for a violation of the Judgment, but only after providing Defendant an opportunity to respond to the notification described in Paragraph 7.1 above; provided, however, that a Signatory Attorney General may take any action if the Signatory

Attorney General believes that, because of the specific practice, a threat to the health or safety of the public requires immediate action.

VIII. RELEASE

- 8.1 Released Claims. By operation of this Judgment being entered as a final judgment by this Court, Releasors, subject to Paragraph 8.3 below, release and forever discharge Releasees from any Claims (the "Released Claims"). If an Other Official asserts or attempts to assert a Released Claim against the Defendant or any of the J&J-Related Entities, the Defendant or J&J-Related Entities against whom that Released Claim is asserted shall notify the Signatory Attorney General or the Attorney General's successor or designee of that claim. To the extent that doing so is determined by that Signatory Attorney General to be in the best interest of the State of Arkansas and consistent with Arkansas law, that Signatory Attorney General will work to secure the prompt dismissal of any and all Released Claims in an action brought or maintained by an Other Official asserting such Released Claims against Defendant and J&J-Related Entities. Plaintiff also agrees it will not oppose any effort by any of the Releasees to secure the prompt dismissal of any and all Released Claims in an action brought or maintained by an Other Official asserting such Released Claims against any of the Releasees.
- 8.2 The release in Paragraph 8.1 is intended by the Parties to be broad and shall be interpreted such that the Releasors are giving the Releasees the broadest possible bar against any liability as to the Released Claims. Except as otherwise provided for herein, this Judgment shall be a complete bar to any Released Claims.
- 8.3 <u>Claims Not Covered.</u> Notwithstanding any term of this Judgment, specifically reserved and excluded from the release in Paragraph 8.1 above as to any entity or person, including Releasees, are any and all of the following:
 - (a) Any criminal liability that any person or entity, including Releasees, has or may

have to the State of Arkansas;

- (b) Any civil or administrative liability that any person or entity, including Releasees, has or may have to the State of Arkansas not expressly covered by the release in Paragraph 8.1 above, including, but not limited to, any and all of the following claims:
 - i. State or federal antitrust violations;
 - ii. State false claims violations;
- iii. State Medicaid fraud or abuse claims (whether common law, statutory or otherwise) and/or kickback violations (this release also does not affect or limit the State's subrogation interest under federal law or state law with regards to claims by individuals who were/are enrolled in State Medicaid programs);
 - iv. State or federal tax violations;
 - v. State or federal environmental violations:
 - vi. State or federal securities violations; and
- vii. Claims to enforce the terms and conditions of this Judgment, including, but not limited to, Defendant's obligations in Section V above regarding payment of the Settlement Amount and related indemnification in Section VI above;
- (c) Any claims individual consumers have or may have, including, but not limited to, claims for personal injury and/or claims under State Consumer Protection Laws.
- (d) Any claims of any kind against any persons or entities that are not expressly included in the definition of Releasees in Paragraph 3.13 above.
- 8.4 Nothing contained in this Judgment shall be taken or construed as relieving Defendant or any of the other Releasees of any obligations they may have under any other judgment, order, assurance of voluntary compliance, or agreement relating to any product or

conduct.

IX. MOST FAVORED NATIONS PROVISION

- 9.1 **Most Favored Nation Provision.** If Defendant or any of its Subsidiaries enters into any settlement agreement with any state that is not a member of the Multistate Working Group "Non-Settling State") within 12 months after the Effective Date that resolves claims similar to the Released Claims on payment terms that are more favorable to such Non-Settling State than the payment terms of this Judgment, then Plaintiff, individually or collectively with other Multistate Working Group states, may seek review, pursuant to Paragraph 9.3, of the overall payment terms of this Judgment so that such Plaintiff may obtain overall payment terms at least as favorable as those obtained by such Non-Settling State.
 - 9.2 For purposes of Paragraph 9.1 above,
 - the "overall payment terms" paid to a Non-Settling State are more favorable than those paid to the Plaintiff if: the 2024 present dollar value³ of all settlement payments to the Non-Settling State, divided by the number of units of Covered Products sold in that Non-Settling State for which the sales records of Defendant and its Subsidiaries are available to the Multistate Working Group, is greater than 1.29968, representing the 2024 dollar present value (\$656,977,401.49) of the Multistate Amount (\$700,000,000) divided by the number of units of Covered Products sold in the Multistate Working Group states for which the sales records of Defendant and its Subsidiaries are available to the Multistate Working Group (505,491,271).
 - (b) Claims by a Non-Settling State are "similar" to the Released Claims if, after

³ For purposes of Section IX, the 2024 present dollar value of payments made in 2025 or later to the Multistate Working Group states and to any Non-Settling States will be discounted at a rate of 4.4% per year, compounded annually.

replacing the Non-Settling State's Attorney General for the Signatory Attorney General in the definition of Released Claims, the Non-Settling State's claims would be included under the definition of Released Claims.

- 9.3 If Defendant or any of its Subsidiaries enters into a settlement with a Non-Settling State involving claims similar to the Released Claims, it shall provide a copy of the settlement agreement or relevant consent judgment within 30 days of the effective date of such settlement to Plaintiff and the Multistate Executive Committee.
 - (a) If Plaintiff believes that the overall payment terms of an agreement between Defendant (or its Subsidiary) and a Non-Settling State are more favorable than those in this Judgment, Defendant and Plaintiff shall engage in the following process:
 - i. Plaintiff shall provide notice, within 60 calendar days of the date on which Plaintiff receives the settlement agreement or consent judgment, to Defendant of its intent to seek revision of this Judgment to be modified to provide payment terms that are, on an overall basis, as favorable as those obtained by the Non-Settling State. Such notice shall be confidential and not disclosed publicly to the extent allowed by law and shall state, in detail, the basis for the Plaintiff's belief that it is entitled to a modification of this Judgment.
 - ii. Defendant shall, within 30 calendar days of receipt of the Plaintiff's notice, provide a response to the Plaintiff, explaining its position, in detail, as to whether the Plaintiff is entitled to more favorable overall payment terms than those provided for in this Judgment.
 - iii. In the event Plaintiff and Defendant do not reach agreement as to the application of Paragraph 9.1 above, Plaintiff may seek judicial review from the Court as

to the applicability of Paragraph 9.1 above and modification of Defendant's financial obligations thereunder if warranted. The Court's review shall be limited to whether the overall payment terms to the Non-Settling State are more favorable than those to Plaintiff, as defined in Paragraph 9.2(a) above, and if so, the sum to be paid to Plaintiff to eliminate such disparity.

9.4 This Section IX does not apply to, and there is no ability for Plaintiff to seek or obtain revision of this Judgment based on, any Non-Settling State's agreement with Defendant or its Subsidiaries that is entered into with: (a) a Non-Settling State that has advanced litigation against Defendant or its Subsidiaries beyond the point at which one or more claims has survived a motion to dismiss or (b) a Non-Settling State that has obtained any court order or judicial determination that grants judgment (in whole or in part) following a bench trial or a jury trial against Defendant or its Subsidiaries.

X. ADDITIONAL PROVISIONS

- 10.1 Nothing in this Judgment shall be construed to authorize or require any action by Defendant or any of the other Releasees in violation of applicable federal, state, or other laws.
- 10.2 The Judgment may be modified by a written stipulation of the Parties, once the stipulation is approved by and becomes a judgment of the Court, or by court proceedings resulting in a modified judgment of the Court.
- 10.3 The Defendant shall not cause or encourage any third party, nor knowingly permit any third party acting on the behalf of Defendant, to engage in any practice from which Defendant is prohibited by this Judgment.
- 10.4 The acceptance of this Judgment by Plaintiff shall not be deemed approval by the State of Arkansas of the past, present, or future advertising or business practices of Defendant or any of the other Releasees. Further, neither Defendant nor anyone acting on its behalf shall state

or imply, or cause to be stated or implied, that the State of Arkansas or any other governmental unit of the State of Arkansas has approved, sanctioned or authorized any past, present, or future practice, act, advertisement, or conduct of Defendant or any of the other Releasees.

- 10.5 Any failure by either Party to this Judgment to insist upon the strict performance by the other party of any of the provisions of this Judgment shall not be deemed a waiver of any of the provisions of this Judgment, and such Party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Judgment.
- 10.6 This Judgment represents the full and complete terms of the settlement entered into by the Parties. In any action undertaken by either of the Parties, no prior version of this Judgment and no prior versions of any of its terms that were not entered by the Court in this Judgment, may be introduced for any purpose whatsoever. This Judgment and each of its constituent provisions were jointly drafted by counsel for the Parties and any ambiguities herein shall not be construed against either Party.
- 10.7 This Court retains jurisdiction of this Judgment and the Parties for the purpose of construction, enforcement, and modification of this Judgment and for the purpose of granting such additional relief as may be necessary and appropriate.
- 10.8 This Judgment may be executed in counterparts, and a facsimile or .pdf signature shall be deemed to be, and shall have the same force and effect as, an original signature.
- 10.9 Any notice provided by either Party under this Judgment to the other shall be in writing and provided to the other Party via email and Overnight Mail, return receipt requested, using the following information specified below, or such other information as may be specified by either Party in accordance with this Paragraph 10.9:

Defendant:

Daniel Suvor

O'Melveny & Myers

400 South Hope Street

Los Angeles, CA 90071

Phone: (213) 430-6000

dsuvor@omm.com

Plaintiff/State of Arkansas/Signatory Attorney General:

Office of the Arkansas Attorney General

Matthew M. Ford

Assistant Attorney General

323 Center Street, Suite 200Little Rock, AR 72201

Ph: (501) 320-3069

Email: Matthew.Ford@ArkansasAG.gov

and

Chuck Harder

Deputy Attorney General

323 Center Street, Suite 200

Little Rock, AR 72201

Ph: (501) 682-4058

Email: Chuck.Harder@ArkansasAG.gov

10.10 To the extent that any provision of this Judgment obligates Defendant to change

any policy(ies) or procedure(s) and to the extent not already accomplished, Defendant shall

implement the policy(ies) or procedure(s) as soon as reasonably practicable, but no later than 120

days after the Effective Date, unless another period for compliance is specified herein.

10.11 Each Party represents and warrants that those signing this Judgment on their behalf

have the full legal capacity, right, power, and authority to execute and enter into this Judgment on

their behalf and to bind them to its terms and provisions.

10.12 Defendant waives notice and service of process for any necessary filing relating to

this Judgment.

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APPROVAL BY COURT

APPROVED FOR FILING and SO OF	RDERED this day of, 2024.
<u> </u>	
C	Fircuit Judge

For Plaintiff State of Arkansas, ex rel. Tim Griffin, Attorney General:

Matthew M. Ford, ABN 2013180

Assistant Attorney General
Office of Attorney General Tim Griffin
323 Center Street, Suite 200

Little Rock, AR 72201 Phone: (501) 320-3069

Fax: (501) 682-8114 Matthew.Ford@ArkansasAG.gov

Date: June 11, 2024

For Defendant Johnson & Johnson:
By:
Dan Sa_
Daniel Suvor O'Melveny & Myers
Date: June 11, 2024



Case Title: STATE OF ARKANSAS ET AL V JOHNSON & JOHNSON

Case Number: 23CV-24-1063

Type: JUDGMENT-CONSENT

So Ordered



JUDGE SUSAN K. WEAVER

Electronically signed by SKWEAVER on 2024-06-17 page 22 of 22