

JANSSEN FLORIDA STATE-WIDE OPIOID SETTLEMENT AGREEMENT AND SETTLEMENT TERM SHEET

The State of Florida has entered into the Janssen Settlement Agreement pertaining to opioid litigation, dated July 21, 2021 (the “Global Settlement”). If the Global Settlement becomes effective, its terms shall govern the settlement between and among Janssen, the State of Florida, and Florida Participating Subdivisions¹ (collectively, the “Parties”).

In consideration for the State of Florida’s severance of Janssen from *State of Florida v. Purdue Pharma L.P. et al.*, Case No. 2018-CA-001438 (Fla. Cir. Ct. Pasco Cnty.) (the “Action”), currently set to commence trial on April 4, 2022, the Parties agree that the following terms (“Restated Settlement Terms”) shall govern the settlement between and among the Parties in the event that Janssen determines not to proceed with the Global Settlement. The Parties intend the Restated Settlement Terms to parallel the terms of the Global Settlement and a separate, consent judgment entered in the separate, severed proceeding. These Restated Settlement Terms shall have no effect if the Global Settlement becomes effective.

- I. The following provisions of the Global Settlement shall continue to govern the settlement between and among the Parties:
 - A. All Definitions in Section I except the following: “Additional Restitution Amount,” “Attorney Fee Fund,” “Court,” “Designated State,” “Enforcement Committee,” “Global Settlement Abatement Amount,” “Global Settlement Amount,” “Global Settlement Attorney Fee Amount,” “National Arbitration Panel,” “National Disputes,” and “Participation Tier.”
 1. The following definitions shall apply wherever the following capitalized terms are used in the Global Settlement:
 - a. “*Court*” shall mean the court where the Action is pending, the Circuit Court of the Sixth Judicial Circuit in and for Pasco County, Florida, to which the Agreement and Consent Judgment shall be presented for approval.
 - b. “*Designated State*” shall mean Florida.
 - B. Section III of the Global Settlement.
 - C. Section IV of the Global Settlement, except that all disputes under Section IV.B.4.e shall be heard by the Court, as defined in Section I.A.1.a of these Restated Settlement Terms.
 - D. Section V of the Global Settlement, except as provided below. For purposes of these Restated Settlement Terms, all States other than Florida shall be deemed Non-Settling States, so that amounts allocated to those Non-Settling States will be deducted from Janssen’s payments as provided in Section V of the Global

¹ Capitalized terms not defined in this Agreement have the same meaning they have in the Global Settlement.

Settlement. For the avoidance of doubt, in no event shall the State of Florida and its Subdivisions and Special Districts receive more than \$299,628,185.54 in base and incentive payments under these Restated Settlement Terms.

1. The Payment Date for the second Initial Year Payment shall be no later than December 31, 2022.
2. Neither the Settlement Fund Administrator nor any disputing party or party affected by a dispute shall be required to give any notice to the Enforcement Committee.
3. Section V.C.3 shall not apply.

E. Section VI of the Global Settlement, except that:

1. The reference in Section VI.B.1 to the “maximum amount of payments pursuant to Sections V, X, and XI” shall be changed to “total payments under Section V of the Global Settlement plus attorneys’ fees and costs as provided in the Restated Settlement Terms.”
2. In Section VI.C.4, “Enforcement Committee” shall be replaced with “State of Florida.”
3. In Section VI.F.7, “New York, on behalf of all Settling States, Participating Subdivisions, and Participating Special Districts” shall be replaced with “The State of Florida, on behalf of itself and its Participating Subdivisions and Participating Special Districts.”

F. Section VII of the Global Settlement, except that in Section VII.C, “according to Exhibit R” shall be replaced with “according to the Restated Settlement Terms.”

G. Section IX of the Global Settlement, except Section IX.A.3.

H. Sections XII.A–.D and XII.G of the Global Settlement, except that in Section XII.C.2, “Enforcement Committee” shall be changed to “State of Florida.” The following additional dispute resolution terms shall apply:

1. Except as provided in subsection XII.C, the parties to a dispute shall promptly meet and confer in good faith to resolve any dispute. If the parties cannot resolve the dispute informally, and unless otherwise agreed in writing, the dispute shall be resolved in the Court (as defined in Section I.A.1.a of these Restated Settlement Terms).

I. Section XIII of the Global Settlement, except that:

1. In Section XIII.J, “including the attorneys’ fees and cost agreement in Exhibit R” shall be replaced with “including the Restated Settlement Terms.”

2. Notices under Sections XIII.O.1–2 shall be provided to

Ashley Moody or successor
Attorney General
Florida State Capitol,
PL-01
Tallahassee, FL 32399-1050
3. Section XIII.S shall not apply.
4. In Section XIII.T.3, “Enforcement Committee” shall be replaced with “State of Florida.”
5. In Section XIII.U, the words “or (2) as necessary, in the sole judgment of the National Arbitration Panel, to promote uniformity of interpretation for matters within the scope of the National Arbitration Panel’s authority” shall be deleted.

J. Exhibits A, C, E, F, G, I, J, L, O, P, and Q to the Global Settlement.

K. Exhibit M to the Global Settlement, except for the columns of the table therein labeled “Atty Fee, Costs & Additional Restitution Amount,” “Credit,” and “Total.”

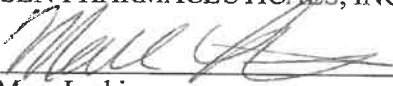
II. If the Global Settlement does not become effective, all releases provided by the State of Florida and Florida Participating Subdivisions and Participating Special Districts shall remain valid, notwithstanding Section VIII.B of the Global Settlement.

III. Janssen shall pay \$35,931,430.41 into a fee and cost fund (“Fee and Cost Fund”), to be available to compensate attorneys representing the State of Florida, Participating Subdivisions, and Participating Special Districts for attorneys’ fees and reasonable costs and expenses. Of the amounts in the Fee and Cost Fund, the State shall be entitled to up to \$10,584,096.50 in attorneys’ fees and \$945,796.08 in costs. The State shall file a motion with the Court and seek approval of fees and costs. Janssen shall not oppose the motion so long as the amounts above are not exceeded. In the event that less than the amounts in the preceding sentence are granted, then any such remaining amounts shall be paid to the State. The remaining \$24,401,537.84 in the Fee and Cost Fund shall be distributed pursuant to an agreement of counsel or distributed pursuant to an order from the United States District Court for the Northern District of Ohio in In re National Prescription Opiate Litigation, Case No. 1:17-MD-2804. Janssen shall not be liable for any attorneys’ fees, costs, or expenses beyond the amount paid under this section. Attorneys shall not be eligible to receive any award of attorneys’ fees unless they meet the eligibility criteria of Sections II.G.3.a–g and II.G.3.i of Exhibit R to the Global Settlement. Exhibit R shall otherwise have no effect under these Restated Settlement Terms.

Approved:

Dated: _____

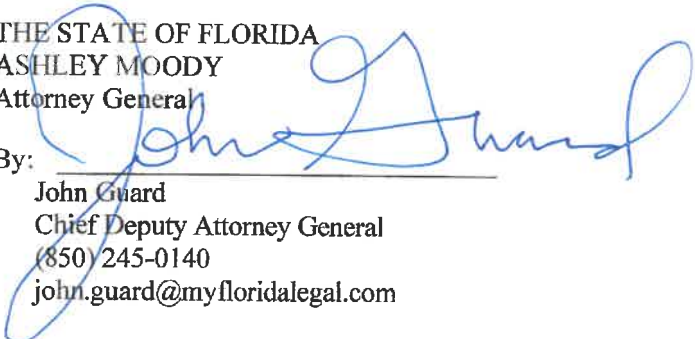
JOHNSON & JOHNSON, JANSSEN
PHARMACEUTICALS, INC., ORTHO-MCNEIL-
JANSSEN PHARMACEUTICALS, INC. N/K/A
JANSSEN PHARMACEUTICALS, INC., AND
JANSSEN PHARMACEUTICA INC. N/K/A
JANSSEN PHARMACEUTICALS, INC.

By: 

Marc Larkins
Assistant Corporate Secretary
Johnson & Johnson

Dated: 1/10/22

THE STATE OF FLORIDA
ASHLEY MOODY
Attorney General

By: 

John Guard
Chief Deputy Attorney General
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