ALLERGAN NEW YORK STATEWIDE OPIOID SETTLEMENT AGREEMENT

I. OVERVIEW

This Allergan New York Statewide Opioid Settlement Agreement ("Agreement") sets forth the terms and conditions of a settlement agreement between and among the State of New York (for itself and other Releasors), the County of Nassau, the County of Suffolk, all New York Participating Subdivisions, and Allergan (collectively, "the Parties") to resolve opioid-related Claims against Allergan and the other Released Entities. This is a statewide opioid settlement agreement pursuant to and as defined in N.Y. Mental Hyg. Law § 25.18.

The Parties have agreed to the below terms for the sole 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 Allergan and the other Released Entities expressly deny. Neither Allergan nor any other Released Entity admits that it caused or contributed to any public nuisance, and neither Allergan nor any other Released Entity admits any wrongdoing that was or could have been alleged by any Releasor. No part of this Agreement, including its statements and commitments, shall constitute evidence of any liability, fault, or wrongdoing by Allergan or any other Released Entity. No part of this Agreement is intended for use by any Third Party for any purpose, including submission to any court for any purpose.

II. DEFINITIONS

A. "*Actions*" means *The County of Suffolk, New York v. Purdue Pharma L. P.*, Case No. 400001/2017; *The County of Nassau, New York v. Purdue Pharma L. P.*, Case No. 400008/2017; and *The People of the State of New York v. Purdue Pharma L.P.*, Case No. 400016/2018.

B. "*Affiliated Companies*" (1) when used with respect to AbbVie Inc. ("AbbVie") shall mean all of the entities listed in Exhibit A; (2) when used with respect to Allergan shall mean all of the entities listed in Exhibit B; and (3) 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, 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 the 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, and/or Released Claims.

C. "*Agreement*" means this agreement together with the exhibits thereto.

D. "*Allergan*" means Allergan Finance, LLC (f/k/a Actavis, Inc., which, in turn, was f/k/a Watson Pharmaceuticals, 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 Pharmaceuticals Industries Ltd. ("Teva Ltd."), Teva Pharmaceuticals USA, Inc. ("Teva USA"), Cephalon, Inc. ("Cephalon"), Actavis LLC ("Actavis LLC"), Watson Laboratories, Inc. ("Watson"), Actavis Pharma, Inc. (f/k/a Watson Pharma, Inc.) ("Actavis Pharma"), or Anda, Inc. ("Anda").

E. "*Claim(s)*" means any past, present, or future cause of action, claim for relief, cross-claim or counterclaim, theory of liability, demand, derivative or indemnity claim, request, assessment, charge, covenant, damage, debt, lien, loss, fine, penalty, restitution, reimbursement, disgorgement, expenses, judgment, right, obligation, dispute, suit, contract, controversy, agreement, parens patriae claim, promise, performance, warranty, omission, or grievance of any nature whatsoever, including, but not limited to, relating to and arising from the alleged historic or continuing opioid-related overdose, abuse, crisis, epidemic, or injuries, 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.

F. "*Consent Judgment*" means a consent decree, order, judgment, or similar action.

G. "*Court*" means the court to which the Agreement and the Consent Judgment are presented for approval and/or entry.

H. "*Covered Conduct*" means any and all actual or alleged act, failure to act, negligence, statement, error, omission, breach of any duty, conduct, event, transaction, agreement, service, work, misstatement, misleading statement, or other activity or inactivity of any kind whatsoever from the beginning of time through the date of execution of this Agreement (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, service, work, misstatement, misleading statement, or other activity or inactivity of any kind whatsoever) relating in any way to (1) the discovery, research, development, manufacture, packaging, repackaging, marketing, promotion, advertising, labeling, relabeling, recall, withdrawal, distribution, delivery, monitoring, reporting, supply, sale, prescribing, dispensing, physical security, warehousing, use or abuse of, or

operating policies or procedures relating to, any Opioid Product, Product, or class of Products, or any system, plan, policy, procedure, or advocacy relating to any Opioid Product, Product, or class of Products, including, but not limited to, any unbranded or branded promotion, marketing, or advertising, Unbranded Information, patient support or assistance, educational programs, consultancy, research, or other programs, campaigns, Lobbying, or grants, sponsorships, charitable donations, or other funding relating to any Opioid Product, Product, or class of Products; (2) the characteristics, properties, risks, or benefits of any Opioid Product, Product, or class of Products; (3) the monitoring, reporting, disclosure, non-monitoring, non-reporting, or non-disclosure to federal, state, or other regulators of orders for any Opioid Product, Product, or class of Products; (4) the selective breeding, harvesting, extracting, purifying, exporting, importing, applying for quota for, procuring quota for, handling, promoting, manufacturing, processing, packaging, repackaging, supplying, distributing, converting, or selling of, or otherwise engaging in any activity relating to, a precursor or component of Opioid Product, Product, or class of Products, including but not limited to natural, synthetic, semi-synthetic, or chemical raw materials, starting materials, finished active pharmaceutical ingredients, drug substances, or any related intermediate of Opioid Product, Product, or class of Products; and/or (5) diversion control programs or suspicious order monitoring related to any Opioid Product, Product, or class of Products.

I. "*Divested Actavis Generic Entities*" means Actavis LLC, Watson, and Actavis Pharma.

J. "*Divested Entities*" means those companies listed on Exhibit C, annexed hereto.

K. "*Effective Date*" means the date of entry of a final Consent Judgment, which shall be filed no later than 30 days after the Participation Date.

L. "*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.

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

N. "*Lobby*" and "*Lobbying*" shall have the same meaning as "lobbying activities" and "lobbying contacts" under the federal lobbying disclosure act, 2 U.S.C. § 1602 *et seq.*, and any analogous state or local provisions governing the person or entity being lobbied. As used in this document, "Lobby" and "Lobbying" include Lobbying directly or indirectly, through grantees or Third Parties.

O. "*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.

P. "*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 (1) methadone and other substances when used exclusively to treat opioid abuse, addiction, OUD, or overdose; or (2) 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®.

Q. "*Opioid Settlement Fund*" means the fund created by N.Y. Mental Hyg. Law § 25.18(a)(4).

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

S. "*Participation Date*" means the date by which all Subdivisions and other Releasors must elect to participate in this Agreement and shall be 60 days after this Agreement is executed.

T. "*Participating Subdivision(s)*" means a Subdivision that signs the Election and Release Form annexed hereto as Exhibit D and meets the requirements for becoming a Participating Subdivision under Section IX.A.

U. "*Product(s)*" 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 an opioid or opiate, as well as any product containing any such substance. It also includes: (1) the following when used in combination with opioids or opiates: benzodiazepine, carisoprodol, zolpidem, or gabapentin; and (2) a combination or "cocktail" of any stimulant or other chemical substance prescribed or sold to be used together that includes opioids or opiates. "Product(s)" includes but is not limited to any substance consisting of or containing buprenorphine, codeine, fentanyl, hydrocodone, hydromorphone, meperidine, methadone, morphine,

naloxone, naltrexone, oxycodone, oxymorphone, tapentadol, tramadol, opium, heroin, carfentanil, any variant of these substances, or any similar substance. "Product(s)" also includes any natural, synthetic, semi-synthetic, or chemical raw materials, starting materials, finished active pharmaceutical ingredients, drug substances, and any related intermediate products used or created in the manufacturing process for any of the substances described in the preceding sentence. 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.

V. "*Qualified Settlement Fund*" means the trust, escrow, or similar account established pursuant to this Agreement and structured and operated in a manner that it qualifies as a "qualified settlement fund" within the meaning of 26 U.S.C. § 468B and 26 C.F.R. § 1.468B-1, *et seq.*, to be established by order of the Court into which Allergan makes certain payments that it is required to make pursuant to the terms and conditions set forth in this Agreement.

W. "*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, whether known or unknown, suspected or unsuspected, asserted or unasserted, in law or in equity, that Releasors, whether directly, representatively, derivatively, or in any other capacity, have, including all past and present civil, derivative, regulatory, administrative, or any other claims Releasors may have under any applicable state, federal, regulatory, or administrative law or statute relating to any Covered Conduct prior to the Effective Date. Without limiting the foregoing, "Released Claims" include any Claims that have been asserted against the Released Entities by the State or any of its Subdivisions or other Releasors in any federal, state, or local action or proceeding (whether judicial, arbitral, or administrative) based on, arising out of, or in any way 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 proceedings, or in any comparable action or proceeding brought by the State or any of its Subdivisions or other Releasors (whether or not such State, Subdivision, or other Releasor has brought such action or proceeding). Released Claims also include all Claims asserted in any proceeding to be dismissed pursuant to the Agreement, whether or not such claims relate to Covered Conduct. The Parties intend that "Released Claims" be interpreted broadly.

X. "*Released Entities*" means Allergan and (1) 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 Ltd., Teva USA, and their 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; (2) 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 (1), including Abbott Laboratories and Abbott Laboratories Inc.; (3) 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 (1) and (2); and (4) 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, and/or Released Claims arising from such business relationship. Notwithstanding the foregoing (and subject to certain provisions, including, but not limited to, the Non-Party Settlement at Section VII.F and the Set-Off at Section XI below), Released Entities 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 Ltd., Teva USA, and their subsidiaries and affiliates, but not Allergan and other Released Entities), but solely as to: (i) their generic opioid drugs that are Opioid Products or Products, and/or (ii) 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 Released Entities) liable. For the avoidance of doubt, nothing in this Agreement shall release or impair any Claims against Teva Ltd., Teva USA, Cephalon, or Anda, except to the extent expressly set forth in this Agreement, including but not limited to the judgment set-off set forth in Section XI.A.

Y. "*Releasors*" means (1) the State of New York; (2) Nassau and Suffolk Counties; (3) each Participating Subdivision; and (4) without limitation and to the maximum extent of the power of the State of New York's Attorney General to release Claims on behalf of all other Releasors including but not limited to the following: (a) the State of New York's departments, agencies, divisions, boards, commissions, Subdivisions, districts, instrumentalities of any kind and attorneys, including its Attorney General, and any person in their official capacity elected or appointed to serve any of the foregoing and any agency, person, or other 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, hospital districts, and other Special Districts in the State, 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, including, but not limited to, fines, penalties, or punitive damages, on behalf of or generally applicable to the general public with respect to the State of New York, the Subdivisions or Special Districts, or other Releasors in the State, whether or not any of them participate in the Agreement. The inclusion of a specific reference to a type of entity in this definition shall not be construed as meaning that the entity is not a Subdivision or Special District. In addition to being a Releasor as provided herein, a Participating Subdivision shall also provide an Election and Release Form providing for a release to the fullest extent of the Participating Subdivision's authority, which is attached as Exhibit D to the Agreement. For the avoidance of doubt and without limiting the foregoing, the New York State Department of Financial Services is a Releasor within the terms of this Agreement, and the Parties intend the releases provided for herein to include the New York State Department of Financial Services and for the New York State Department of Financial Services to provide a Release.

Z. "*Settlement Fund Administrator*" means the entity that administers the Qualified Settlement Fund and as approved by the Court.

AA. "*Special District(s)*" means a formal and legally recognized sub-entity of the State that is authorized by State law to provide one or a limited number of designated functions, including but not limited to, fire districts, irrigation districts, water districts, law enforcement districts, emergency services districts, school districts, and healthcare and hospital districts. Special Districts do not include sub-entities of the State that provide general governance for a defined area that would qualify as a Subdivision.

BB. "*State*" means the State of New York.

CC. "*Subdivision(s)*" means a formal and legally recognized sub-entity of the State that is authorized by State law to provide general governance for a defined area, including, but not limited to, a county, city, town, village, or similar entity. Unless otherwise specified, "Subdivision" includes all functional counties and other functional levels of sub-entities of the State that provide general governance for a defined area. Historic, non-functioning sub-entities of the State are not Subdivisions. For purposes of this Agreement, the term Subdivision does not include Special Districts.

DD. "*Third Party(ies)*" means any person or entity other than Allergan or a Releasor.

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

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

III. MONETARY RELIEF AND PAYMENTS

A. Payments

1. Allergan shall pay a total of $200,000,000.00 ("Total Payment"). $105,000,000.00 of the Total Payment shall be considered a "Base Payment." $95,000,000.00 of the Total Payment shall be considered a "Premium Payment" to the trial plaintiffs, i.e., the State and the Counties of Nassau and Suffolk, which accounts for the unique circumstances of this settlement, including (among other things) that this settlement is occurring after five months of trial and near the submission of the case to the jury. Releasors represent that fifty-six percent (56%) of the Total Payment constitutes consideration for the settlement of Claims involving, arising from, or related to 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 Released Entity) is directly or indirectly and/or jointly or severally liable based on parent or control liability or a substantially similar theory. Releasors represent that forty-four percent (44%) of the Total Payment constitutes consideration for the settlement of Claims involving, arising from, or related to branded opioid drugs that are Opioid Products or Products of or attributable to Allergan or any other Released Entity (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 the 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 Released Entity, of which seventy-seven percent (77%) is specifically involving, arising from, or related to 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, the Total Payment is the full and maximum extent of any monies owed by Allergan (and/or the other Released Entities), subject to Sections III.B.3 and IX, and includes attorneys' fees, expenses, and cost payments. The Total Payment shall be broken down as follows:

a. A payment of $144,195,410.72 to the Qualified Settlement Fund;

b. A payment of $27,142,857.14 to the County of Nassau, via Napoli Shkolnik, PLLC, as its attorneys, pursuant to wire instructions to be provided;

c. A payment of $27,142,857.14 to the County of Suffolk, via Simmons Hanly Conroy, LLC, as its attorneys, pursuant to wire instructions to be provided;

d. A payment of $662,709.67 to Napoli Shkolnik PLLC pursuant to wire instructions to be provided, representing attorneys' fees on Nassau County's share of the amount paid into the Qualified Settlement Fund; and

e. A payment of $856,165.33 to Simmons Hanly Conroy LLC pursuant to wire instructions to be provided, representing attorneys' fees on Suffolk County's share of the amount paid into the Qualified Settlement Fund.

2. The Qualified Settlement Fund payment pursuant to Section III.A.1.a above will be split into two funds:

a. A Qualified Settlement Fund payment of $125,332,821.14 to be distributed pursuant to the Allergan New York Opioid Settlement Sharing Agreement annexed hereto as Exhibit E for the sole purposes of remediation and restitution;

b. A Qualified Settlement Fund payment of $18,862,589.58. The amount paid hereunder into the Qualified Settlement Fund shall be used for reimbursement of attorneys' fees and costs, including attorneys' fees and costs associated with representing Subdivisions in the State of New York other than Nassau and Suffolk Counties in accordance with their respective contracts.

3. AbbVie agrees to satisfy the obligations to make the payments due in this Section III if for any reason Allergan fails to fulfill its payment obligations under Section III.

B. **Payment Schedule**

1. Allergan will make payment to the Qualified Settlement Fund pursuant to Section III.A.1.a above within 105 days following the Effective Date, provided that the necessary W-9 form is provided to Allergan and Allergan's Bank Verification Form process is completed at least 21 days before payment is due.

2. Allergan will make payments provided for in Section III.A.1.b-e above within the later of 5 business days following (a) the execution of this Agreement or (b) Allergan's receipt of W-9 forms for each payee specified by Nassau and Suffolk Counties and the completion of Allergan's Bank Verification Form process for each such payee's account. All payments provided pursuant to Section III.A.1.b-e shall be paid into escrow accounts according to instructions to be provided by Napoli Shkolnik, PLLC and Simmons Hanly Conroy, LLC, on behalf of themselves and their respective clients. Payments made pursuant to Section III.A.1.b-e shall be held in escrow accounts until the Court enters the Stipulations of Discontinuance with Prejudice pursuant to Section VI.A.

3. The Parties agree that, upon its execution and the formal approval of the Nassau and Suffolk Counties Legislatures, this Agreement shall retain all force and effect as to Nassau and Suffolk Counties and shall be given the full effect of the law, notwithstanding whether this Agreement is terminated by Allergan pursuant to Section IX.E. Under any such termination under Section IX.E, Nassau and Suffolk Counties shall be entitled to receive the payments made pursuant to Section III.A.1.b-e and their share of the payment to which they are entitled under Section III.A.1.a, and Allergan will remain or be deemed dismissed with prejudice from the Actions filed by Nassau and Suffolk Counties, and the resolution of Nassau and Suffolk

Counties' claims against Allergan in the Actions shall be given the full effect of the law. For the avoidance of doubt, the total payments of $60,361,214.28, which represent the payments provided for in Section III.A.1.b-e and Nassau and Suffolk Counties' share of the payment provided for in Section III.A.1.a, is the full and maximum extent of any monies owed by Allergan (and/or the other Released Entities) to Nassau and Suffolk Counties, and includes attorneys' fees, expenses, and cost payments, and nothing in this Agreement should be interpreted to mean anything to the contrary.

C. **Remediation and Restitution**

1. The Parties agree that, unless required by law, Allergan's Qualified Settlement Fund payment pursuant to Section III.A.2.a above shall be directed to remediation and restitution of harms allegedly caused by Allergan. The Parties also agree that the purpose of the Qualified Settlement Fund will be to receive from Allergan and pay over to the State, Participating Subdivisions, and other Releasors monies to remediate the harms allegedly caused by Allergan or to provide restitution for such alleged harms that were previously incurred, none of which amount constitutes a fine or penalty. The State and each Participating Subdivision or other Releasor shall, prior to receipt of any direct payments from the Qualified Settlement Fund, provide the Settlement Fund Administrator with a written statement certifying that: (1) the entity suffered harm allegedly caused by Allergan; (2) 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 (3) the entity shall use such payments for the sole purpose of remediating the harm allegedly caused by Allergan 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 settlement payment, and/or the tax-exempt status of the Qualified Settlement Fund 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 Settlement Fund Administrator shall complete and file Form 1098-F with the Internal Revenue Service on or before February 28 (March 31 if filed electronically) of the year following the calendar year in which the order entering the Consent Judgment becomes binding. On the Form 1098-F, the Settlement Fund Administrator shall identify such payments from Allergan pursuant to Section III.A.2.a as remediation and restitution amounts. The Settlement Fund Administrator or the State, as applicable, shall also, on or before January 31 of the year following the calendar year in which the order entering the Consent Judgment becomes binding, furnish Copy B of such Form 1098-F (or an acceptable substitute statement) to Allergan.

2. Nassau and Suffolk Counties represent that they shall use the payments received pursuant to this Agreement, after payment of attorney's fees and costs, solely for remediation and restitution consistent with "Approved Uses" as defined in the Allergan New York Opioid Settlement Sharing Agreement, attached hereto as Exhibit E. As soon as reasonably practicable following receipt of any payment owed to them under this Agreement, Nassau and Suffolk Counties shall inform Allergan of precisely how much of the payments received pursuant to this Agreement each of them will use for remediation and restitution consistent with "Approved Uses." Nassau and Suffolk Counties shall each comply with their respective obligations to timely file with the Internal Revenue Service forms or reports as required by law relating to the funds they received hereunder. Nassau and Suffolk Counties shall each complete and file Form 1098-F with the Internal Revenue Service at the appropriate time and shall also furnish Copy B of such Form 1098-F (or an applicable substitute statement) to Allergan.

IV. INJUNCTIVE RELIEF

Allergan does not currently manufacture, sell, promote, or Lobby for any Opioids or Opioid Products. As provided below, Allergan shall not manufacture, sell, promote, or Lobby for any Opioids or Opioid Products in or for distribution in the State of New York. However, the Parties acknowledge that certain Opioids or Opioid Products sold by Allergan prior to 2021 may still be circulating in the marketplace outside the possession and control of Allergan and the same is not a breach of any terms within this Agreement. For purposes of this Section IV only, *Allergan* means Allergan Finance, LLC, Allergan Limited, and AbbVie Inc., and each of their respective parents (as applicable), subsidiaries, successors, affiliates, and officers, directors, employees, representatives, and agents under the control of the foregoing.

A. Compliance Duration

1. Section IV of this Agreement shall be effective for 10 years from the Effective Date and is limited to conduct in the United States that involves or affects the State of New York.

2. Nothing in this Agreement shall relieve Allergan of its independent obligation to fully comply with the laws of the State of New York before or after expiration of the 10-year period specified in this subsection.

B. Ban on Selling and Manufacturing Opioids

1. Allergan shall not manufacture or sell any Opioids or Opioid Products for distribution in the State of New York. Allergan represents that Kadian® and Norco® were voluntarily discontinued by the end of 2020 and that the last inventory shipped will expire on or before June 30, 2023.

C. Ban on Promotion

1. Allergan shall not engage in promotion of Opioids or Opioid Products, including but not limited to, by:

   a. Employing or contracting with sales representatives, Health Care Providers, any Third Party, or other persons to promote Opioids or Opioid Products to (i) Health Care Providers, (ii) patients, (iii) third-party payors (e.g., any entity, other than an individual, that pays or reimburses for the dispensing of prescription medicines, including but not limited to manage care organizations and pharmacy benefit managers), or (iv) persons involved in determining formulary access or treatment guidelines to promote Opioids or Opioid Products;

   b. Using speakers, key opinion leaders, thought leaders, lecturers, and/or speaking events for promotion of Opioids or Opioid Products; and

   c. Creating or distributing promotional materials (such as advertisements) that promote Opioids or Opioid Products, including but not limited to brochures, newsletters, pamphlets, journals, books, guides, websites or internet advertisements, social media accounts or networks, and providing hyperlinks, engaging in internet search engine optimization, or otherwise directing internet traffic by improving rankings or making content appear among the top results in an internet search or otherwise be more visible or more accessible to the public on the internet to promote Opioids or Opioid Products.

2. Notwithstanding Section IV.C.1 directly above, Allergan may engage in other conduct, including but not limited to the following:

   a. Maintain a corporate website that includes Opioid Products on company's list of products that contains principally the following content: the FDA-approved package insert, medication guide, and labeling;

   b. Maintain a product website for any Opioid Product that contains principally the following content: the FDA-approved package insert, medication guide, and labeling, and a statement directing patients or caregivers to speak with a licensed Health Care Provider;

   c. Provide factual information about Opioid Products sold by Allergan prior to 2021 which may still be circulating in the marketplace outside the possession and control of Allergan (including but not limited to an Opioid Product's NDC, SKU, or other relevant information such as formulation, package size, dosage, or pricing);

d. Provide or collect information or support the provision or collection of information as expressly required by law or any state or federal government agency with jurisdiction in New York (including but not limited to collecting and/or reporting adverse events related to Opioid Products);

e. Provide the following by mail, electronic mail, on or through Allergan's corporate or product websites, or through other electronic or digital methods: FDA-approved package insert, medication guide, and labeling for Opioid Products, or other prescribing information for Opioid Products that are published or approved by a state or federal government agency with jurisdiction in New York;

f. Provide scientific and/or medical information to a Health Care Provider consistent with FDA standards, rules, regulations, and/or guidance, including, but not limited to, *Responding to Unsolicited Requests for Off-Label Information About Prescription Drugs and Medical Devices* (Dec. 2011) as updated or amended by the FDA, and Guidance for Industry, *Good Reprint Practices for the Distribution of Medical Journal Articles and Medical or Scientific Reference Publications on Unapproved New Uses of Approved Drugs and Approved or Cleared Medical Devices* (Jan. 2009) as updated or amended by the FDA;

g. Provide a response to any unsolicited question or request from a patient or caregiver, directing the patient or caregiver to the FDA-approved package insert, medication guide, and labeling for Opioid Products, to speak with a licensed Health Care Provider without describing the safety or effectiveness of any Opioid Product or naming any specific Health Care Provider, or to speak with their health insurance carrier regarding coverage of an Opioid Product;

h. Provide Health Care Economic Information, as defined at 21 U.S.C. § 352(a), to a payor, formulary committee, or other similar entity with knowledge and expertise in the area of health care economic analysis consistent with FDA standards, rules, regulations, and/or guidance, including, but not limited to, FDA's Draft Questions and Answers Guidance for Industry and Review Staff, *Drug and Device Manufacturer Communications With Payors, Formulary Committees, and Similar Entities* (Jan. 2018), as updated or amended by the FDA;

i. Conduct or provide financial support or In-Kind Support for bona fide scientific research; and

j. Draft, publish, or provide financial support or In-Kind Support for bona fide scientific publications.

3. Promotion of Treatment of Pain to promote Opioids or Opioid Products

a. Allergan shall not promote the Treatment of Pain with or by referring directly to Opioids or Opioid Products (including with Unbranded Information) or with the intent and purpose of promoting Opioids or Opioid Products.

b. Allergan shall not knowingly promote the Treatment of Pain with or by referring directly to Opioids or Opioid Products through Third Parties or with the intent and purpose of promoting Opioids or Opioid Products.

c. Allergan shall not promote the concept that pain is undertreated to promote Opioids or Opioid Products.

d. Allergan shall not knowingly promote the concept that pain is undertreated to promote Opioids or Opioid Products through Third Parties.

e. For the avoidance of doubt, this Section IV.C is not intended and shall not be interpreted to prohibit any and all discussions or references to Opioids or Opioid Products when doing so is not to promote Opioids or Opioid Product, including, for example, if certain patient populations, such as those with a history of abuse of Opioids or Opioid Products, are identified as having a higher prevalence of other conditions, such as Hepatitis C, or being appropriate candidates for treatment of those other conditions.

D. **No Financial Reward or Discipline Based on Volume of Opioid Product Sales**

1. Allergan shall not provide financial incentives to its sales and marketing employees or discipline its sales and marketing employees based upon sales volume or sales quotas for Opioid Products; and

2. Allergan shall not offer or pay any remuneration (including any compensation or rebate), directly or indirectly, to any person in return for the prescribing, sale, use, or distribution of an Opioid Product (except to the extent a pre-existing contractual or legal requirement exists related to Opioid Products sold by Allergan before 2021).

E. **Ban on Funding/Grants to Third Parties**

1. Allergan shall not directly or indirectly provide financial support or In-Kind Support to any Third Party regarding conduct that promotes Opioids

or Opioid Products, including educational programs, brochures, newsletters, pamphlets, journals, books, guides, websites, or social media accounts or networks that promote Opioids or Opioid Products, but excluding financial support otherwise required by the Agreement, a court order, a federal or state agency (e.g., FDA-approved Risk Evaluation and Mitigation Strategy (REMs)), or a federal or state law or regulation.

2. Allergan shall not directly or indirectly provide financial support or In-Kind Support to any Third Party for medical education programs with the intent and purpose of promoting Opioids or Opioid Products.

3. Allergan shall not create, sponsor, provide financial support or In-Kind Support to, or otherwise operate or control any medical society or patient advocacy group related to conduct that promotes Opioids or Opioid Products.

4. Allergan shall not provide links to any Third Party website or materials or otherwise distribute materials created by a Third Party for the purpose of promoting Opioids or Opioid Products.

5. Allergan shall not use, assist, or employ any Third Party to engage in any activity that Allergan itself would be prohibited from engaging in pursuant to the Agreement. To the extent Allergan supports trade groups engaged in Lobbying, Allergan shall notify the trade groups at the time it makes its trade association payments that Allergan's support shall not be used to encourage the use of opioid medications or discourage the use of non-opioid medications for the purpose of indirectly encouraging the use of opioid medications (but shall not be responsible for how the trade group ultimately uses the support provided because it is outside of Allergan's control).

6. Allergan shall not enter into any contract or agreement with any person or entity or otherwise attempt to influence any person or entity in such a manner that has the purpose or foreseeable effect of limiting the dissemination of information regarding the risks and side effects of using Opioids or Opioid Products.

7. No officer or Vice President-level employee of Allergan may concurrently serve as a director, board member, employee, agent, or officer of any entity that primarily engages in conduct that promotes Opioids or Opioid Products. For the avoidance of doubt, nothing in this provision shall preclude an officer or Vice President-level employee of Allergan from concurrently serving on the board of a hospital.

8. Allergan shall play no role in appointing persons to the board, or hiring persons to the staff, of any Third Party that primarily engages in conduct that promotes Opioids or Opioid Products. For avoidance of doubt, nothing

in this paragraph shall prohibit Allergan from fully and accurately responding to unsolicited requests or inquiries about a person's fitness to serve as an employee or board member at any such Third Party.

F. **Lobbying Restrictions**

1. Allergan shall not Lobby for the enactment of any federal, state, or local legislative or regulatory provision that:

   a. Encourages or requires Health Care Providers to prescribe Opioids or Opioid Products or sanctions Health Care Providers for failing to prescribe Opioids or failing to treat pain with Opioids;

   b. Has the effect of limiting access to any non-Opioid alternative pain treatments; or

   c. Pertains to the classification of any Opioid or Opioid Product as a scheduled drug under the Controlled Substances Act.

2. Allergan shall not Lobby against the enactment of any federal, state, or local legislative or regulatory provision that supports:

   a. The use of non-pharmacologic therapy and/or non-Opioid pharmacologic therapy to treat chronic pain over or instead of Opioids or Opioid Products, including but not limited to Third Party payment or reimbursement for such therapies;

   b. The use and/or prescription of immediate release Opioids or Opioid Products instead of extended-release Opioids or Opioid Products when an Opioid or Opioid Product is initiated, including but not limited to Third Party reimbursement or payment for such prescriptions;

   c. The prescribing of the lowest effective dose of an Opioid or Opioid Product, including but not limited to Third Party reimbursement or payment for such prescriptions;

   d. The limitation of initial prescriptions of Opioids or Opioid Products to treat acute pain;

   e. The prescribing and other means of distribution of naloxone to minimize the risk of overdose, including but not limited to Third Party reimbursement or payment for naloxone;

   f. The use of urine testing before starting use of Opioids or Opioid Products and annual urine testing when Opioids or Opioid Products

are prescribed, including but not limited to Third Party reimbursement or payment for such testing;

g. Evidence-based treatment (such as using medication-assisted treatment with buprenorphine or methadone in combination with behavioral therapies) for OUD, including but not limited to Third Party reimbursement or payment for such treatment; or

h. The implementation or use of disposal systems when solely related to Opioids or Opioid Products (versus of general applicability to all pharmaceutical medications, for example).

3. Allergan shall not Lobby against the enactment of any federal, state, or local legislative or regulatory provision expanding the operation or use of Prescription Drug Monitoring Programs ("PDMPs"), including but not limited to provisions requiring Health Care Providers to review PDMPs when Opioid Product use is initiated and with every prescription thereafter.

4. Notwithstanding the foregoing restrictions in Sections IV.F.1-3, the following conduct is not restricted:

a. Challenging the enforcement or interpretation of (including, but not limited to, suing for declaratory or injunctive relief) any laws, rules, or regulations;

b. Communications by Allergan in response to a law, rule, regulation, or order requiring such communication;

c. Communications by an Allergan representative appearing before a federal or state legislative, administrative, or regulatory body, committee, or subcommittee (including, but not limited to, as a result of a mandatory order or subpoena commanding that person or Allergan's designee to testify);

d. Responding, in a manner consistent with the Agreement, to an unsolicited request for the input on the passage of legislation or the promulgation of any rule or regulation when such request is submitted in writing specifically to Allergan from a government entity directly involved in the passage of that legislation or promulgation of that rule or regulation; or

e. Lobbying for or against provisions of legislation, rule, or regulation that address subjects other than those identified in Sections IV.F.1-3, so long as Allergan does not support specific portions of such legislation, rule, or regulation covered by Section IV.F.1 or oppose specific portions of such legislation, rule, or regulation covered by

Sections IV.F.2-3. For the avoidance of doubt, Allergan may Lobby for or against any legislation, rule, or regulation that may be covered by Sections IV.F.1-3, if such legislation, rule, or regulation has general or specific provisions that affect medications beyond Opioids or Opioid Products, so long as Allergan's intent and purpose of doing so is not to promote Opioids or Opioid Products.

G. **Ban on Prescription Savings Programs**

1. Allergan shall not directly or indirectly offer any discounts, coupons, rebates, or other methods which have the effect of reducing or eliminating a patient's co-payments or the cost of prescriptions (e.g., free trial prescriptions) for any Opioid Product (except to the extent a pre-existing contractual or legal requirement exists related to Opioid Products sold by Allergan before 2021).

2. Allergan shall not directly or indirectly provide financial support to any Third Party for discounts, coupons, rebates, or other methods which have the effect of reducing or eliminating a patient's co-payments or the cost of prescriptions (e.g., free trial prescriptions) for any Opioid Product (except to the extent a pre-existing contractual or legal requirement exists related to Opioid Products sold by Allergan before 2021).

3. Allergan shall not directly or indirectly assist patients or Health Care Providers with the claims and/or prior authorization process required for third-party payors to approve payment for any Opioid Product.

4. For the avoidance of doubt, Allergan may directly or indirectly provide financial support or In-Kind Support to any Third Party that provides patient assistance or support services for the purposes of helping patients afford and gain access to the medications prescribed to them, so long as Allergan does not do so with the intent and purpose of promoting Opioid Products.

H. **General Terms**

1. Allergan shall not make any written or oral statement about Opioids or any Opioid Product that is unfair, false, misleading, or deceptive as defined under the law of New York State. For purposes of this paragraph, "Opioid Product" shall also include methadone and other substances when used exclusively to treat opioid abuse, addiction, or overdose.

2. Allergan shall not represent that Opioids or any Opioid Product(s) have approvals, characteristics, uses, benefits, or qualities that they do not have. For purposes of this paragraph, "Opioid Product" shall also include

methadone and other substances when used exclusively to treat opioid abuse, addiction, or overdose.

3. For the avoidance of doubt, the Agreement shall not be construed or used as a waiver or limitation of any defense otherwise available to Allergan or any Released Entity in any action, and nothing in the Agreement is intended to or shall be construed to prohibit Allergan or any Released Entity in any way whatsoever from taking legal or factual positions with regard to any Opioid Products in prosecution or defense of litigation or other legal proceedings.

4. Upon the request of the State of New York Attorney General and to the extent permitted pursuant to the State of New York's civil investigative demand ("CID") or investigative subpoena authority, Allergan shall provide the New York Attorney General with copies of the following, within thirty (30) days of the request:

   a. Any litigation or civil or criminal law enforcement subpoenas or CID relating to Allergan's Opioid Product(s); and

   b. Warning or untitled letters issued by the FDA regarding Allergan's Opioid Product(s) and all correspondence between Allergan and the FDA related to such letters.

5. Allergan has agreed to the terms of this Agreement 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 Allergan and the other Released Entities expressly deny. Neither Allergan nor any other Released Entity admits that it caused or contributed to any public nuisance, and neither Allergan nor any other Released Entity admits any wrongdoing that was or could have been alleged by any Releasor. No part of the Agreement, including its statements and commitments, shall constitute evidence of any liability, fault, or wrongdoing by Allergan or any other Released Entity. No part of the Agreement is intended for use by any Third Party for any purpose, including submission to any court for any purpose.

6. Nothing in the Agreement shall be construed to limit or impair Allergan's ability to:

   a. Communicate its positions and/or respond to media inquiries concerning litigation, investigations, or other proceedings or matters relating to Allergan or its Opioid Products.

b. Maintain a website explaining its litigation positions and responding to allegations concerning Allergan or its Opioid Products.

I. **Compliance with All State Laws and Regulations Relating to the Sale, Promotion, and Distribution of Any Opioid Product**

1. Allergan shall comply with all applicable State laws and regulations that relate to the sale, promotion, distribution, and disposal of Opioids or Opioid Products, provided that nothing in this paragraph requires Allergan to violate federal law or regulations, including but not limited to:

a. New York State Controlled Substances Act, including all guidance issued by the applicable state regulator(s);

b. New York State Consumer Protection Laws; and

c. New York State laws, regulations, and guidelines related to the prescribing, distribution, and disposal of Opioid Products.

J. **Clinical Data Transparency**

1. Allergan agrees to make available to an independent Third-Party data center or platform owner (e.g., Vivli) anonymized clinical data generated from Allergan-sponsored Phase II-IV interventional clinical studies—regardless of whether that data was submitted to a regulatory authority (e.g., FDA)—for branded opioid drugs that are Opioids or Opioid Products that have received an initial marketing authorization from a regulatory authority to the extent Allergan conducts a reasonable, good faith investigation to locate any such data and it is in Allergan's possession. For the avoidance of doubt, anonymized clinical data includes:

a. Full analyzable data set(s) (including individual participant-level data de-identified);

b. The clinical study report(s) redacted for commercial or personal identifying information;

c. The full protocol(s) (including the initial version, final version, and all amendments); and

d. Full statistical analysis plan(s) (including all amendments and documentation for additional work processes); and Dataset Specifications, which describe the available dataset variables (such as age, race, blood pressure, lab values, etc.).

2. The independent Third Party will facilitate the disclosure of such clinical data to qualified researchers with a bona fide scientific research proposal as

reviewed and approved by an independent review panel for scientific merit consistent with the panel's assessment criteria and pursuant to an agreed upon data use agreement.

3. Allergan shall not interfere with decisions made by the staff or reviewers associated with the independent Third-Party data center or platform owner.

4. Allergan shall bear all costs for making clinical data available pursuant to Section IV.J.1 of this Agreement.

V. COMPLIANCE

A. Enforcement

1. For the purposes of resolving disputes with respect to compliance with Section IV of this Agreement, should the State of New York have a reasonable basis to believe that Allergan has engaged in a practice that breaches a provision of Section IV of this Agreement subsequent to the Effective Date, the State of New York shall notify Allergan in writing of the specific objection, identify with particularity the provision of the Agreement that the practice appears to breach, and give Allergan thirty (30) days to respond in writing to the notification; provided, however, that the State of New York may take any action if the State believes that, because of the specific practice, a threat to health or safety of the public requires immediate action.

2. Within thirty (30) days of receipt of written notice provided under Section V.A.1, above, Allergan shall provide a good faith written response to the State's notification, containing either a statement explaining why Allergan believes it is in compliance with the provisions of Section IV of this Agreement, or a detailed explanation of how the alleged breach occurred and a statement explaining how Allergan intends to remedy the alleged breach. Nothing in this section shall be interpreted to limit the State of New York's CID or investigative subpoena authority, to the extent such authority exists under applicable law, and Allergan reserves all of its rights in responding to a CID or investigative subpoena issued pursuant to such authority.

3. The State of New York may agree, in writing, to provide Allergan with additional time beyond thirty (30) days to respond to a notice provided under Section V.A.1, above, without court approval.

4. Upon giving Allergan thirty (30) days to respond to the notification described under Section V.A.1. above, the State shall also be permitted reasonable access to inspect and copy relevant, non-privileged, non-work product records and documents in possession, custody, or control of

Allergan that relate to Allergan's compliance with each provision of the Agreement pursuant to the State of New York's CID or investigative subpoena authority.

5. The State of New York may assert any claim that Allergan has breached Section IV of the Agreement in a separate civil action to enforce compliance with the Agreement, or may seek any other relief afforded by law for breach of the Agreement, but only after providing Allergan an opportunity to respond to the notification described in Section V.A.1, above; provided, however, the State of New York may take any action if the State believes that, because of the specific practice, a threat to the health or safety of the public requires immediate action.

6. In the event of a conflict between the requirements of Section IV of the Agreement and any other law, regulation, or requirement such that Allergan cannot comply with the law without breaching the terms of the Agreement or being subject to adverse action, including fines and penalties, Allergan shall document such conflicts and notify the State of the extent to which it will comply with the Agreement in order to eliminate the conflict within thirty (30) days of Allergan's discovery of the conflict. Allergan shall comply with the terms of the Agreement to the fullest extent possible without violating the law.

7. Allergan or the State may request that Allergan and the State meet and confer regarding the resolution of an actual or potential conflict between Section IV of the Agreement and any other law, regulation, or requirement, or between interpretations of the Agreement by different courts. Nothing herein is intended to modify or extend the jurisdiction of any single judicial authority as provided by law.

B. **Compliance Deadlines**

1. Allergan must be in full compliance with the provisions included in Section IV of this Agreement within 180 days after the Effective Date. Nothing herein shall be construed as permitting or requiring Allergan to avoid existing legal obligations.

VI. DISMISSAL OF CLAIMS

A. Upon the execution of this Agreement, while awaiting formal approval of the Agreement by the Nassau and Suffolk County Legislatures, the Parties agree to stay or extend all deadlines and proceedings in the Actions as to Allergan and to jointly move for the claims against Allergan to be severed from the Actions. It is the Parties' intent that all litigation activities in the Actions relating to the State's and Nassau and Suffolk Counties' claims against Allergan shall immediately cease as of the date of the execution of this Agreement and that the claims against Allergan

shall no longer be pursued in the trial of the Actions (including against the other defendants) that commenced with jury selection on June 8, 2021. Concurrently with the execution of this Agreement, Allergan and Nassau and Suffolk Counties will execute a Stipulation of Discontinuance with Prejudice, in the form annexed hereto as Exhibit F. The Parties will hold Nassau and Suffolk Counties' Stipulation of Discontinuance with Prejudice in escrow until the formal approval of the Agreement by the Nassau and Suffolk County Legislatures (by passing a resolution satisfying the approval process of the Agreement or otherwise). Once approval is given, Nassau and Suffolk Counties and/or Allergan shall promptly submit the executed Stipulation of Discontinuance with Prejudice to the Court with a request that it be so ordered. In the event the Nassau and Suffolk Counties' Legislatures fail to approve the Agreement or the Court declines to so order the discontinuance of the Actions with prejudice as against Allergan, Allergan shall be entitled to terminate the Agreement, shall be excused from all obligations under it, and shall be entitled to a refund of all payments made pursuant to Section III.A.1.b-e of this Agreement from Nassau and Suffolk Counties and Counsel for Nassau and Suffolk Counties. Concurrently with the execution of this Agreement, Allergan and the State will execute a separate Stipulation of Discontinuance with Prejudice, in the form annexed hereto as Exhibit G. The Parties will hold the State's Stipulation of Discontinuance with Prejudice in escrow until the Effective Date and it shall be submitted to the Court with a request that it be so ordered concurrently with the entry of the Consent Judgment implementing this Agreement.

B. Upon the execution of this Agreement, the New York Department of Financial Services shall move for a stay of all proceedings it has brought against any Released Entities. The Released Entities shall move for a stay of all proceedings brought against the New York Department of Financial Services. It is the Parties' intent that all activities relating to the New York Department of Financial Services' Claims and charges brought against any Released Entities shall immediately cease as of the date of the execution of this Agreement. Within three (3) business days of the Effective Date, the New York Department of Financial Services shall voluntarily dismiss with prejudice all Claims and charges brought against any Released Entities.

VII. RELEASE

A. *Scope*. Effective upon the entry of Nassau and Suffolk Counties' Stipulation of Discontinuance with Prejudice, the Released Entities will be released and forever discharged from all of the Released Claims of Nassau and Suffolk Counties. As of the Effective Date, the Released Entities will be released and forever discharged from all of the Released Claims of the State of New York and all other Releasors. The State of New York (for itself and its Releasors) and each Participating Subdivision (for itself and its Releasors) will, on or before the Effective Date, absolutely, unconditionally, and irrevocably covenant not to bring, file, or claim, or to cause, assist in bringing, or permit to be brought, filed, or claimed, or to otherwise

seek to establish liability for any Released Claims against any Released Entity in any forum whatsoever. The releases are intended by the Parties to be broad and shall be interpreted so as to give the Released Entities the broadest possible bar against any claim, demand, liability, or relief of any kind or character whatsoever (including any Claim) as a result of, arising out of, or relating in any way to Released Claims and extend to the full extent of the power of the State of New York, its Attorney General, each Participating Subdivision, and other Releasors to release any and all Released Claims. The release shall be a full, final, and complete bar to any Released Claim. For the avoidance of doubt, Releasors agree to not seek any further claim, demand, liability, or relief of any kind or character whatsoever (including any Claim), including injunctive relief, from the Released Entities for any and all Covered Conduct of any kind whatsoever related to any of their Opioid Products, Products, or class of Products, including by or related to the Divested Actavis Generic Entities and/or other Divested Entities (and their respective past and current parents, subsidiaries, and affiliates, including but not limited to Teva Ltd., Teva USA, and their 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. Notwithstanding the forgoing, the releases provided for in this Agreement specifically exclude any Claims by Releasors against Divested Actavis Generic Entities and other Divested Entities (and their respective past and current parents, subsidiaries, and/or affiliates, including but not limited to Teva Ltd., Teva USA and their subsidiaries and affiliates, but not Allergan and its Released Entities), but solely as to: (i) their generic opioid drugs that are Opioid Products or Products, and/or (ii) 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 Released Entities) liable. For the avoidance of doubt, nothing in this Agreement shall release or impair any Claims against Teva Ltd., Teva USA, Cephalon, or Anda, except to the extent expressly set forth in this Agreement, including but not limited to the judgment set-off set forth in Section XI.A.

B. *Indemnification and Contribution Prohibited.* No Released Entity shall seek to recover any portion of any payment made under this Agreement from a manufacturer, pharmacy, hospital, pharmacy benefit manager, health insurer, Third Party vendor, trade association, distributor, or health care practitioner based on indemnification, contribution, or any other theory. However, and notwithstanding the foregoing, this provision shall not preclude any Released Entity from seeking indemnification, contribution, or any other theory from and against Teva Ltd., Pfizer Inc., King Pharmaceuticals, Inc., and Alpharma Inc., and/or each of their respective past and current parents, subsidiaries, and/or affiliates.

C. *Broad Release*. In connection with the releases provided for in this Agreement, Releasors will expressly waive, release, acquit, and forever discharge to the fullest extent permitted by law and 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. A Releasor may hereafter discover facts other than or different from those which it knows, believes, or assumes to be true with respect to the Released Claims, but Releasors expressly waive and fully, finally, and forever settle, release, acquit, and discharge, upon the Effective Date, any and all Released Claims against any and all Released Entities that may exist as of such date but which Releasors do not know or suspect to exist, whether through ignorance, oversight, error, negligence, or through no fault whatsoever, and which, if known, would materially affect any Releasor's decision to participate in the Agreement.

D. *Cooperation.* Releasors (1) will not encourage any person or entity to bring or maintain any Released Claim against any Released Entity and (2) will reasonably cooperate with and not oppose any effort by a Released Entity to secure the prompt dismissal with prejudice of any and all Released Claims. The State shall use its best efforts to secure releases consistent with this Agreement from all Subdivisions, Special Districts, and other Releasors.

E. *Representation and Warranty.* The signatories of this Agreement on behalf of the State of New York and its Participating Subdivisions expressly represent and warrant that they will, on or before the Effective Date, have (or have obtained) the authority to settle and release, to the maximum extent of the State's power, all Released Claims of (1) the State of New York, (2) all past and present executive departments, state agencies, divisions, boards, commissions and instrumentalities with the regulatory authority to enforce state and federal controlled substances acts, (3) any of the State of New York's past and present executive departments, agencies, divisions, boards, commissions and instrumentalities that have the authority to bring Claims related to Covered Conduct seeking money (including abatement and/or remediation) or revocation of a pharmaceutical distribution license;[1] and (4) any Participating Subdivisions or other Releasors. For the purposes of clause (3) above, executive departments, agencies, divisions, boards, commissions, and instrumentalities are those that are under the executive authority or direct control of the State's Governor. Also, for the purposes of clause (3), a release from the State's Governor is sufficient to demonstrate that the appropriate releases have been obtained.

F. *Non-Party Settlement.* To the extent that, on or after the execution 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 Released Entity) it may have against any entity that is not a Released Entity (a "non-Released

[1] In New York, the department and agency that have the duties and powers in subclauses (2) and (3) are the Department of Health and the Department of Financial Services.

Entity") that is, as of the execution of the Agreement, a defendant in the multi-district litigation *In re: National Prescription Opiate Litigation*, MDL No. 2804 (N.D. Ohio) ("MDL") and provides a release to such non-Released Entity (a "Non-Party Settlement"), including in any bankruptcy proceeding or through any plan of reorganization, the Releasor will include, unless prohibited from doing so under applicable law, in the Non-Party Settlement a prohibition on contribution or indemnity of any kind substantially equivalent to that required from Allergan in the first sentence of Section VII.B, or a release from such non-Released Entity in favor of the Released Entities (in a form equivalent to the releases contained herein) of any Claim-Over as defined in Section VII.G under which any Released Entity may be liable to pay any part of such Non-Party Settlement, compensate the non-Released Entity for any part of such Non-Party Settlement, or otherwise be liable to such non-Released Entity. The sole remedy for a Releasor's failure to include such a provision in a Non-Party Settlement shall be the application of Section VII.G below. For the avoidance of any doubt, non-Released Entities include, but are not limited to, Teva Ltd., Teva USA, Divested Actavis Generic Entities or other Divested Entities, and Anda (including for Section VII.G below).

G. *Claim Over*. In the event that any Releasor has not obtained, or is unable to obtain, a prohibition on any contribution or indemnity as set forth in Section VII.F in a settlement with a non-Released Entity of a Claim involving, arising out of, or related to Covered Conduct (or conduct that would be Covered Conduct if engaged in by a Released Entity), or if a Releasor obtains a judgment against a non-Released Entity with respect to a Claim involving, arising out of, or related to Covered Conduct (or conduct that would be Covered Conduct if engaged in by a Released Entity), or if a Releasor files against a non-Released Entity a Claim in bankruptcy involving, arising out of, or related to Covered Conduct (or conduct that would be Covered Conduct if engaged in by a Released Entity), then:

1. The State of New York (for itself and its Releasors) and each Participating Subdivision (for itself and its Releasors) agrees that, if a Releasor asserts a Claim involving, arising out of, or related to Covered Conduct (or conduct that would be Covered Conduct if engaged in by a Released Entity) against any non-Released Entity and such non-Released Entity in turn successfully asserts a Claim against a Released Entity relating to the same on the basis of contribution, indemnity, or other claim-over on any theory (a "*Claim-Over*"), the Releasor shall reduce its Claim and any judgment or settlement it may obtain against such non-Released Entity by whatever amount or percentage is necessary to extinguish such Claim-Over under applicable law and to fully hold the Released Entity harmless from such Claim-Over. For purposes of this provision, successful assertion of a Claim means either (a) a final monetary judgment; *provided* that the State of New York Attorney General had notice of and opportunity to intervene in the proceeding giving rise to such judgment or (b) a settlement; *provided* that the Released Entity sought the State of New York Attorney General's consent to the settlement

and such consent was either obtained or unreasonably withheld. Should the judgment or settlement against the Released Entity resolve claims that are not Claim-Over claims, the reduction of the Claim and judgment or settlement shall be for the Claim-Over portion only, which shall be distinguishable in the judgment or settlement.

2. Each Releasor, with respect to any proceeding to which it is a party, shall not unreasonably withhold consent to and (if it is a party in the proceeding) shall join in any motion by any of the Released Entities to dismiss any Claim-Over on the grounds that this Agreement moots or otherwise extinguishes any such Claim-Over. In the foregoing circumstance, in which a non-Released Entity asserts a Claim against a Released Entity on the basis of contribution, indemnity, or other claim-over on any theory, the Released Entity will take reasonable and necessary steps to defend against the Claim and will consent to the intervention of any Releasor seeking to defend against such Claim.

3. Allergan shall notify the State of New York Attorney General, to the extent permitted by applicable law, in the event that any non-Released Entity asserts a Claim-Over claim arising out of a Claim involving Covered Conduct (or conduct that would be Covered Conduct if engaged in by a Released Entity) against any Released Entities.

H. *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.

I. *Non-Released Claims.* Notwithstanding the foregoing or anything in the definition of Released Claims, the Agreement does not waive, release, or limit any criminal liability, Claims for any outstanding liability under any tax or securities or antitrust laws, Claims against parties who are not Released Entities, Claims by private parties (except to the extent they seek punitive damages foreclosed by Section VIII), and any Claims arising under the Agreement for enforcement of the Agreement.

VIII. PUNITIVE DAMAGES CLAIMS BROUGHT BY PRIVATE PARTIES

A. The Parties agree that this Agreement is intended to bar any and all claims for punitive damages, accrued or unaccrued, by private parties (including, but not limited to, personal injury claimants, insurers or other third party payors, union trust, health benefit, or welfare funds, and private healthcare facilities), who are citizens or residents of New York or who assert a claim under New York law,

against any of the Released Entities that directly or indirectly are based on, arise out of, or in any way relate to or concern Covered Conduct occurring prior to the Effective Date, including, but not limited to, under the doctrine of res judicata and/or collateral estoppel. Through this Section VIII.A of the Agreement, the Parties intend to incorporate the principles discussed in *Fabiano v. Philip Morris Inc.*, 54 A.D.3d 146, 151 (1st Dep't 2008), which explains, among other things, that "a claim by a private attorney general to vindicate what is an essentially public interest in imposing a punitive sanction cannot lie, where, as here, that interest has been previously and appropriately represented by the State Attorney General in an action addressed, on behalf of all of the people of the State, . . . to the identical misconduct."

IX. PARTICIPATION BY SUBDIVISIONS

A. *Requirements for Becoming a Participating Subdivision*. A Subdivision in the State may become a Participating Subdivision by executing an Election and Release Form attached as Exhibit D and, as applicable, promptly dismissing its legal action.

B. *Participation of Subdivisions Barred by Law.* A Subdivision may participate by having its claims extinguished by operation of law pursuant to Section 25.18(d) of the New York Mental Hygiene Law and released by the New York State Attorney General's Office in executing an Election and Release Form (with an exhibit identifying such Subdivisions).

C. *Notice*. The Office of the New York State Attorney General shall send individual notice to all Subdivisions in the State of New York and the requirements for participation. Such notice may include publication and other standard forms of notification. Nothing contained herein shall preclude the State from providing further notice to or from contacting any of its Subdivisions about becoming a Participating Subdivision.

D. *Representation With Respect to Participation Rate.* The State of New York represents and warrants that Exhibit H is a list of all Subdivisions (including, but not limited to, those represented by Napoli Shkolnik PLLC and Simmons Hanly Conroy LLC) that are the only Releasors (including but not limited to other Subdivisions, Special Districts, and/or other New York governmental entities) that filed Claims against Allergan and/or its Affiliated Companies on or before June 30, 2019. The State acknowledges the materiality of the foregoing representation and warranty. Counsel for Allergan represents that after a reasonably diligent search, to the best of its knowledge, information, and belief, Allergan has not been served with process in, or otherwise notified of, any such action that is not listed on Exhibit H, and it is unaware of any such action. The State of New York represents and warrants for itself that it has a good faith belief that all of New York's Subdivisions listed in Exhibit H will become Participating Subdivisions. Napoli Shkolnik PLLC and Simmons Hanly Conroy LLC represent and warrant for themselves that they have a good faith belief that all of the Subdivisions that they represent will become

Participating Subdivisions, and that they, using their best efforts, will recommend this Agreement to their clients as a fair settlement. The State and Napoli Shkolnik PLLC and Simmons Hanly Conroy LLC acknowledge the materiality of the foregoing representations and warranties. The State will use its best efforts to obtain the participation of all the Subdivisions listed in Exhibit H, including those that are not represented by Napoli Shkolnik PLLC and Simmons Hanly Conroy LLC. The State acknowledges the materiality of the foregoing undertaking.

E. *Full Participation Rate.* The State and Nassau and Suffolk Counties shall use their best efforts to secure full participation from all Subdivisions listed in Exhibit H. However, as of the Participation Date, if less than 90% of the Subdivisions listed in Exhibit H by population or less than 80% of the Subdivisions by number listed in Exhibit H become Participating Subdivisions, then Allergan shall have twenty-one (21) days from the Participation Date to decide in its sole discretion to terminate the Agreement. If Allergan timely notifies the State of its decision to terminate the Agreement under this paragraph, then the State shall have a twenty-one (21) day cure period in which to secure participation by 90% of the Subdivisions listed in Exhibit H by population and 80% of the Subdivisions listed in Exhibit H by number. In the event that the State secures the required participation during such cure period, the Agreement shall not terminate; if the State fails to obtain the necessary participation level during such cure period, then Allergan shall have twenty-one (21) days thereafter to decide in its sole discretion terminate the Agreement. Further, if less than 100% of the Subdivisions listed in Exhibit H do not participate and Allergan does not decide to terminate the Agreement, then the payment due pursuant to Section III.A.1.a shall be reduced by three times the total amount(s) that would have been received pursuant to the Allergan New York Opioid Settlement Sharing Agreement attached hereto as Exhibit E by any Subdivision that does not become a Participating Subdivision by the Participation Date.

F. *Required Case Management Order.* Within five (5) business days of execution of this Agreement, the Parties shall jointly present and recommend the Case Management Order annexed hereto as Exhibit I to the Court for immediate entry. The State of New York and Napoli Shkolnik PLLC and Simmons Hanly Conroy LLC shall use their best and good faith efforts to persuade the Court to immediately enter Exhibit I without any material modifications. If the Court declines to do so, and if less than 100% of the Subdivisions listed in Exhibit H participate, and if Allergan elects not to terminate the Agreement, then the payment due pursuant to Section III.A.1.a shall be reduced by four times the total amount(s) that would have been received pursuant to the Allergan New York Opioid Settlement Sharing Agreement attached hereto as Exhibit E by any Subdivision that does not become a Participating Subdivision by the Participation Date. If the Court agrees to entry, neither Napoli Shkolnik PLLC nor Simmons Hanly Conroy LLC will request any later modification to the resulting order.

F. *Future Bellwether Actions.* Napoli Shkolnik PLLC and Simmons Hanly Conroy LLC are Plaintiff Co-Leads ("Plaintiff Co-Leads") in the New York *In re Opioid Litigation* (the "Coordinated Litigation"). As Plaintiff Co-Leads, the two law firms have the ability to propose to the Court future bellwether Plaintiffs and Defendants in the Coordinated Litigation. Therefore, the Plaintiff Co-Leads agree not to propose or agree to a bellwether case in the Coordinated Litigation in which Allergan or its Affiliated Companies is named as a defendant prior to December 15, 2023. Moreover, for any case involving Allergan or its Affiliated Companies as a defendant, the Plaintiff Co-Leads shall permit Allergan or its Affiliated Companies to select and propose a bellwether case and the Plaintiffs Co-Leads, using their best efforts, shall support said proposal before the Court, even if limited to a single plaintiff.

X. ENFORCEMENT AND DISPUTE RESOLUTION

A. The terms of the Agreement and Consent Judgment applicable to the State, Nassau and Suffolk Counties, other Participating Subdivisions, and other Releasors will be enforceable solely by Allergan, the State, Nassau County, and Suffolk County.

B. Allergan and Released Entities consent to the jurisdiction of the Court, in which the Consent Judgment is filed, solely for the resolution of disputes arising out of this Agreement, including, without limitation, disputes regarding the scope of the releases hereunder.

C. The parties to a dispute hereunder shall promptly meet and confer in good faith to resolve any dispute prior to any filing or presentation to the Court.

XI. SET-OFF

A. The Parties recognize that the State of New York, Nassau County, Suffolk County, other Participating Subdivisions, and/or other Releasors are pursuing Claims against Teva Ltd., Teva USA, Cephalon, Actavis LLC, Watson, Actavis Pharma, and/or other Divested Entities, and/or each of their respective parents, subsidiaries, and/or affiliates. If any of them achieves a judgment by verdict, judicial decision, or means other than settlement against any of Teva Ltd., Teva USA, Cephalon, Actavis LLC, Watson, Actavis Pharma, and/or other Divested Entities, and/or each of their respective parents, subsidiaries, and/or affiliates (including but not limited to the State and Nassau and Suffolk Counties in the Actions), each plaintiff listed above shall give the liable defendant(s) listed above a set-off equal to the amount they received from the $112,000,000.00 payment due under this Agreement (or 56% of the Total Payment of $200,000,000.00) from any and all monetary remedies awarded on all Claims (including but not limited to the State and Nassau and Suffolk Counties in the Actions) from the portion of the judgment attributable to the generic opioid drugs that are Opioid Products or Products distributed and/or sold by Divested Actavis Generic Entities and/or other Divested Entities and/or attributable to the operation of the Divested Actavis Generic Entities and/or other

Divested Entities related to those generic opioid drugs that are Opioid Products or Products. The foregoing judgment set-off provision is without prejudice to the position of any Party hereto regarding whether any such judgment set-off is or is not required under New York law. For the avoidance of doubt, the Parties are agreeing to the judgment set-off provision to facilitate a settlement, and the agreement shall apply even if a court orders that such a set-off is not required by New York law. Notwithstanding the foregoing, this set-off provision shall not apply to Anda.

B. The State of New York, Nassau County, Suffolk County, other Participating Subdivisions, and/or other Releasors may reach a settlement agreement with Teva Ltd., Teva USA, Cephalon, Actavis LLC, Watson, Actavis Pharma, and/or other Divested Entities other than Anda, 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, Nassau County, and/or Suffolk County in the Actions). In that event, the Releasors represent and agree that any payment(s) that the State, Nassau County, Suffolk County, other Participating Subdivisions, and/or other Releasors receives from Teva Ltd., Teva USA, Cephalon, Actavis LLC, Watson, Actavis Pharma, and/or other Divested Entities other than Anda, and/or each of their respective parents, subsidiaries, and/or affiliates reflects the amount over and above $112,000,000.00 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/or other Divested Entities and/or attributable to the operation of the Divested Actavis Generic Entities and/or other Divested Entities related to those generic opioid drugs that are Opioids or Opioid Products before August 2, 2016. In any such settlement agreement with Teva Ltd., Teva USA, Cephalon, Actavis LLC, Watson, Actavis Pharma, and/or other Divested Entities other than Anda, and/or each of their respective parents, subsidiaries, and/or affiliates, the State, Nassau County, Suffolk County, other Participating Subdivisions, and/or other Releasors shall include a provision expressly stating and without material change or qualification that "the agreed settlement amount 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 the Allergan New York Statewide Opioid Settlement 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."

XII. MOST-FAVORED NATION

A. The Parties agree that the Total Payment to be received by the State of New York (and its Participating Subdivisions and other Releasors) under this Agreement shall

be no less favorable than the consideration the State of New York (and its Participating Subdivisions and other Releasors) would have received, considering the same level of participation of its Participating Subdivisions and other Releasors, pursuant to a collective resolution—through settlement or other mechanism—of substantially all Claims against Allergan brought by states, counties, or municipalities (a "Global Resolution").

B. If, after the execution of this Agreement, Allergan reaches a Global Resolution, then Allergan agrees that the State of New York (and its Participating Subdivisions and other Releasors) shall have the sole discretion to either participate in such Global Resolution, in which case the Global Resolution agreement would supersede this Agreement, or maintain this Agreement in full force and effect. In the event the State of New York (and its Participating Subdivisions and other Releasors) elect to participate in such a Global Resolution, then the amount due to be paid to the State of New York (and its Participating Subdivisions and other Releasors), considering the same level of participation, under such Global Resolution, shall not be reduced but shall be deemed paid and discharged to the extent of the Total Payment already provided by Allergan under this Agreement, with no further payment obligations under this Agreement. For the avoidance of doubt, the total amount to be paid by Allergan under the Global Resolution shall be reduced by the same amount Allergan has already provided under this Agreement at the time of the election of the State of New York (and its Participating Subdivisions and other Releasors) to participate in such Global Resolution.

C. Notwithstanding the foregoing, however, if, after the execution of this Agreement, there is for any reason a Global Resolution that does not include the State of New York (and its Participating Subdivisions and other Releasors), then the payment terms of the Global Resolution shall be compared to the payment terms of this Agreement in the following manner: the sum of $200,000,000 shall be added to the total amount to be paid under such Global Agreement (including attorneys' fees and costs) (the "Adjusted Global Total"); the Adjusted Global Total shall then be multiplied by the State of New York's allocation share of 5.3903813405% as provided in the List of States and Overall Allocation Percentages (Exhibit F to July 21, 2021 Janssen Settlement Agreement) agreed to by the state attorneys general as if the State of New York had not been excluded from the Global Resolution; in the event that the net present value of the State's payment under the Global Agreement exceeds the net present value of the $200,000,000 Total Payment under this Agreement, thereby accounting for the difference between the value of said resulting amounts, both as of the Effective Date of this Agreement, and the time of the payment(s) themselves, then Allergan shall promptly remit the excess to the State of New York (and its Participating Subdivisions and other Releasors), in accordance with payment instructions to be provided by them and on the same payment schedule as in the Global Agreement, in the amounts they would have received if the State of New York (and its Participating Subdivisions and other Releasors) had participated in such Global Agreement.

XIII. NO WAIVER

A. 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 Released Entity in any action (including, but not limited to, the Actions) or any other proceeding. This Agreement shall not be construed or used as a waiver of any Released Entity'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 any Released Entity 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.

XIV. MUTUAL INTERPRETATION

A. The Parties agree and stipulate that this Agreement was negotiated on an arm's-length basis between parties of equal bargaining power. This Agreement has been drafted jointly by counsel for each of the Parties. Accordingly, this Agreement shall be mutually interpreted and not construed in favor of or against any of the Parties.

XV. GOVERNING LAW

A. The terms of this Agreement shall be governed by the laws of the State of New York.

XVI. COUNTERPARTS

A. This Agreement may be executed in 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.

XVII. MISCELLANEOUS

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

B. *Modification*. This Agreement may be modified by a written agreement of the Parties or, in the case of the Consent Judgment, by court proceedings resulting in a modified judgment of the Court. For purposes of modifying this Agreement or the Consent Judgment, Allergan may contact the New York Attorney General and Counsel for Nassau and Suffolk Counties for purposes of coordinating this process.

C. *No Waiver.* Any failure by any Party to this Agreement to insist upon the strict performance by any other Party of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions of this Agreement, 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 Agreement, except to the extent the other Party is prejudiced by the delayed notice of any such alleged failure to comply with any of the provisions of this Agreement.

D. *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, not shall it be used as an admission of liability or wrongdoing in any subsequent proceeding.

E. *Entire Agreement*. This Agreement represents the full and complete terms of the settlement entered into by the Parties hereto. In any action undertaken by the Parties, no prior versions of this Agreement and no prior versions of any of its terms may be introduced for any purpose whatsoever.

F. *Notice*. All notices under this Agreement shall be provided to the following via email and Overnight Mail:

For Allergan:

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

Copy to Allergan's attorneys at:

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

For the New York Attorney General:

Muhammad Umair Khan
Senior Advisor & Special Counsel

Noah H. Popp
Assistant Attorney General

Office of the Attorney
General of the State of

New York 28 Liberty
Street, New York, New
York, 10005
Umair.Khan@ag.ny.gov
Noah.Popp@ag.ny.gov

For Plaintiff Nassau County:

Salvatore C. Badala
Napoli Shkolnik PLLC
400 Broadhollow Road
Melville, NY 11747
Phone: (212) 397-1000
sbadala@napolilaw.com

For Plaintiff Suffolk County:

Jayne Conroy
Simmons Hanly Conroy LLC
112 Madison Ave 7th Floor New York, NY 10016
Phone: (212) 257-8482
jconroy@simmonsfirm.com

Approved:

By: _____ Date:_____
Robert A. Michael
Executive Vice President, Chief Financial Officer
AbbVie Inc.
1 North Waukegan Road
North Chicago, IL 60064
On Behalf of Allergan and AbbVie

By: _____ Date:_____
Jennifer Levy, First Deputy Attorney General
Office of the New York State Attorney General
28 Liberty Street, 23rd Floor
New York, NY 10006
Tel: 212-416-8450
Jennifer.Levy@ag.ny.gov
Counsel for The People of the State of New York

By: _____ Date:_____
[THE COUNTY OF NASSAU, NEW YORK]

By: _____ Date:_____
[THE COUNTY OF SUFFOLK, NEW YORK]

NAPOLI SHKOLNIK PLLC

_____ Date:_____
Salvatore C. Badala
Napoli Shkolnik PLLC
400 Broadhollow Road
Melville, NY 11747
Phone: (212) 397-1000
sbadala@napolilaw.com
Counsel for Plaintiff Nassau County

SIMMONS HANLY CONROY LLC

_____ Date:_____

Jayne Conroy
Simmons Hanly Conroy LLC
112 Madison Ave 7th Floor
New York, NY 10016
Phone: (212) 257-8482
jconroy@simmonsfirm.com
Counsel for Plaintiff Suffolk County

ADDITIONAL SIGNATORIES:

_____
_____ Date:_____
_____
_____
_____
_____
_____
Counsel for _____

_____
_____ Date:_____
_____
_____
_____
_____
_____
Counsel for _____

_____
_____ Date:_____
_____
_____
_____
_____
_____
Counsel for _____