

1 [Settlement of Lawsuit - Richard S. Sackler, et al. - City to Receive \$8,000,000 to \$12,000,000
2 Over 15 Years]

3 **Ordinance authorizing the partial settlement of the lawsuit filed on behalf of the City**
4 **and County of San Francisco and the People of the State of California against, inter**
5 **alia, Richard S. Sackler, Jonathan D. Sackler, Mortimer D.A. Sackler, Kathe A. Sackler,**
6 **Ilene Sackler Lefcourt, Beverly Sackler, Theresa Sackler, David A. Sackler, Trust for the**
7 **Benefit of Members of the Raymond Sackler Family (collectively, “Sacklers”) for**
8 **abatement funds in the range of \$8,000,000 to \$12,000,000 to be paid over 15 years; the**
9 **lawsuit was filed on December 18, 2018, in the United States District Court for the**
10 **Northern District of California, Case No. 3:18-cv-7591-CRB-JSC; entitled The City and**
11 **County of San Francisco and the People of the State of California v. Purdue Pharma**
12 **L.P., Richard S. Sackler, Jonathan D. Sackler, Mortimer D.A. Sackler, Kathe A. Sackler,**
13 **Ilene Sackler Lefcourt, Beverly Sackler, Theresa Sackler, David A. Sackler, Trust for the**
14 **Benefit of Members of the Raymond Sackler Family, Rhodes Pharmaceuticals L.P.,**
15 **Cephalon, Inc., Teva Pharmaceutical Industries Ltd., Teva Pharmaceuticals USA, Inc.,**
16 **Endo International Plc, Endo Health Solutions Inc., Endo Pharmaceuticals Inc., Janssen**
17 **Pharmaceuticals, Inc., Insys Therapeutics, Inc., Mallinckrodt Plc, Mallinckrodt LLC,**
18 **Allergan Plc F/K/A Actavis Plc, Watson Pharmaceuticals, Inc. N/K/A Actavis, Inc.,**
19 **Watson Laboratories, Inc., Actavis LLC, Actavis Pharma, Inc. F/K/A/ Watson Pharma,**
20 **Inc., AmerisourceBergen Corporation, Cardinal Health, Inc., and McKesson**
21 **Corporation; the lawsuit involves allegations that Purdue and the Sacklers contributed**
22 **to the opioid crisis in San Francisco by incentivizing the sale and use of opioids**
23 **despite knowledge of the growing epidemic caused by opioid misuse.**

24 Be it ordained by the People of the City and County of San Francisco:
25

1 Section 1. Pursuant to Charter Section 6.102(5), the Board of Supervisors hereby
2 authorizes the City Attorney to partially settle the action entitled The City and County of San
3 Francisco and the People of the State of California v. Purdue Pharma L.P. et al., United
4 States District Court for the Northern District of California, Case No. 3:18-cv-7591-CRB-JSC,
5 by the payment of abatement funds from Richard S. Sackler, Jonathan D. Sackler, Mortimer
6 D.A. Sackler, Kathe A. Sackler, Ilene Sackler Lefcourt, Beverly Sackler, Theresa Sackler,
7 David A. Sackler, Trust for the Benefit of Members of the Raymond Sackler Family collectively
8 to San Francisco, in an amount estimated to be between \$8 million and \$12 million over the
9 next 15 years. The lawsuit involves allegations that the Sacklers created a public nuisance
10 and violated the Unfair Competition Law and the False Advertising Laws by incentivizing the
11 sale and use of opioids despite knowledge of the growing epidemic caused by opioid misuse.

12 Section 2. The above-named action was filed in the United States District Court for the
13 Northern District of California on December 18, 2018, and the following parties were named in
14 the lawsuit: The City and County of San Francisco and the People of the State of California,
15 as plaintiffs; Purdue Pharma L.P., Richard S. Sackler, Jonathan D. Sackler, Mortimer D.A.
16 Sackler, Kathe A. Sackler, Ilene Sackler Lefcourt, Beverly Sackler, Theresa Sackler, David A.
17 Sackler, Trust for the Benefit of Members of the Raymond Sackler Family, Rhodes
18 Pharmaceuticals L.P., Cephalon, Inc., Teva Pharmaceutical Industries Ltd., Teva
19 Pharmaceuticals USA, Inc., Endo International Plc, Endo Health Solutions Inc., Endo
20 Pharmaceuticals Inc., Janssen Pharmaceuticals, Inc., Insys Therapeutics, Inc., Mallinckrodt
21 Plc, Mallinckrodt LLC, Allergan Plc F/K/A Actavis Plc, Watson Pharmaceuticals, Inc. N/K/A
22 Actavis, Inc., Watson Laboratories, Inc., Actavis LLC, Actavis Pharma, Inc. F/K/A/ Watson
23 Pharma, Inc., AmerisourceBergen Corporation, Cardinal Health, Inc., and McKesson
24 Corporation as defendants.

APPROVED AS TO FORM AND
RECOMMENDED:

/s/ Sara J. Eisenberg
SARA J. EISENBERG
Chief of Complex and Affirmative Litigation

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