

1 [Settlement of Lawsuit - Walgreen Co. - City to Receive \$229,610,002 Over 15 Years]

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3 **Ordinance authorizing settlement of the lawsuit filed by the City and County of San**
4 **Francisco and the People of the State of California against Walgreen Co. for**
5 **\$229,610,002 (the City to be paid \$200,000,002 over 15 years, the City's outside counsel**
6 **to be paid \$29,610,000); the lawsuit was filed on December 18, 2018, in the United**
7 **States District Court for the Northern District of California, Case No. 3:18-cv-7591-CRB-**
8 **JSC; entitled The City and County of San Francisco and the People of the State of**
9 **California v. Purdue Pharma L.P., Richard S. Sackler, Jonathan D. Sackler, Mortimer**
10 **D.A. Sackler, Kathe A. Sackler, Ilene Sackler Lefcourt, Beverly Sackler, Theresa**
11 **Sackler, David A. Sackler, Trust for the Benefit of Members of the Raymond Sackler**
12 **Family, Rhodes Pharmaceuticals L.P., Cephalon, Inc., Teva Pharmaceutical Industries**
13 **Ltd., Teva Pharmaceuticals USA, Inc., Endo International Plc, Endo Health Solutions**
14 **Inc., Endo Pharmaceuticals Inc., Janssen Pharmaceuticals, Inc., Insys Therapeutics,**
15 **Inc., Mallinckrodt Plc, Mallinckrodt LLC, Allergan Plc f/k/a Actavis Plc, Watson**
16 **Pharmaceuticals, Inc. n/k/a Actavis, Inc., Watson Laboratories, Inc., Actavis LLC,**
17 **Actavis Pharma, Inc. f/k/a Watson Pharma, Inc., AmerisourceBergen Corporation,**
18 **Cardinal Health, Inc., and McKesson Corporation;** the lawsuit involves Walgreen Co.'s
19 improper and unlawful dispensing of prescription opioids at its pharmacies, which
20 contributed to the epidemic of opioid abuse and misuse and caused a public nuisance
21 in San Francisco.

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

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24 Section 1. Pursuant to Charter Section 6.102(5), the Board of Supervisors hereby
25 authorizes the City Attorney to settle the action entitled The City and County of San Francisco

1 and the People of the State of California v. Purdue Pharma L.P., Richard S. Sackler, Jonathan
2 D. Sackler, Mortimer D.A. Sackler, Kathe A. Sackler, Ilene Sackler Lefcourt, Beverly Sackler,
3 Theresa Sackler, David A. Sackler, Trust for the Benefit of Members of the Raymond Sackler
4 Family, Rhodes Pharmaceuticals L.P., Cephalon, Inc., Teva Pharmaceutical Industries Ltd.,
5 Teva Pharmaceuticals USA, Inc., Endo International Plc, Endo Health Solutions Inc., Endo
6 Pharmaceuticals Inc., Janssen Pharmaceuticals, Inc., Insys Therapeutics, Inc., Mallinckrodt
7 Plc, Mallinckrodt LLC, Allergan Plc f/k/a Actavis Plc, Watson Pharmaceuticals, Inc. n/k/a
8 Actavis, Inc., Watson Laboratories, Inc., Actavis LLC, Actavis Pharma, Inc. f/k/a Watson
9 Pharma, Inc., AmerisourceBergen Corporation, Cardinal Health, Inc., and McKesson
10 Corporation, the United States District Court for the Northern District of California, Case No.
11 3:18-cv-7591-CRB-JSC by the payment of \$229,610,002 (the City to be paid \$200,000,002
12 over 15 years, the City's outside counsel to be paid \$29,610,000) by Walgreen Co. The
13 lawsuit involves Walgreen Co.'s improper and unlawful dispensing of prescription opioids at its
14 pharmacies, which contributed to the epidemic of opioid abuse and misuse and caused a
15 public nuisance in San Francisco.

16 Section 2. The above-named action was filed in the United States District Court for the
17 Northern District of California on December 18, 2018, and the following parties were named in
18 the lawsuit: The City and County of San Francisco and the People of the State of California,
19 as plaintiffs; Purdue Pharma L.P.; Purdue Pharma Inc.; The Purdue Frederick Company, Inc.;
20 Rhodes Pharmaceuticals L.P.; Richard S. Sackler; Jonathan D. Sackler; Mortimer D.A.
21 Sackler, Kathe A. Sackler; Ilene Sackler Lefcourt; Beverly Sackler; Theresa Sackler; David A.
22 Sackler; Trust for the Benefit of the Raymond Sackler Family; Allergan Plc f/k/a Actavis Plc;
23 Allergan Finance, LLC f/k/a Actavis, Inc. f/k/a Watson Pharmaceuticals, Inc.; Allergan Sales,
24 LLC; Allergan USA, Inc.; Watson Laboratories, Inc.; Warner Chilcott Company, LLC; Actavis
25 Pharma, Inc. f/k/a Watson Pharma, Inc.; Actavis South Atlantic LLC; Actavis Elizabeth LLC;

1 Actavis Mid Atlantic LLC; Actavis Totowa LLC; Actavis LLC; Actavis Kadian LLC; Actavis
2 Laboratories UT, Inc. f/k/a Watson Laboratories, Inc.-Salt Lake City; Actavis Laboratories FL,
3 Inc. f/k/a Watson Laboratories, Inc.-Florida; Teva Pharmaceuticals USA, Inc.; Teva
4 Pharmaceutical Industries Ltd.; Cephalon, Inc.; Johnson & Johnson; Janssen
5 Pharmaceuticals, Inc.; Noramco, Inc.; Ortho-Mcneil-Janssen Pharmaceuticals, Inc.; Janssen
6 Pharmaceutica, Inc.; Endo Health Solutions Inc.; Endo Pharmaceuticals, Inc.; Par
7 Pharmaceuticals, Inc.; Par Pharmaceutical Companies, Inc. f/k/a Par Pharmaceutical
8 Holdings, Inc.; Endo International Plc; Insys Therapeutics, Inc.; Mallinckrodt Plc; Mallinckrodt
9 LLC; Specgx LLC; AmerisourceBergen Drug Corporation; Anda, Inc.; Cardinal Health, Inc.;
10 McKesson Corporation; and Walgreen Co. as defendants.

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13 APPROVED AS TO FORM:
14 DAVID CHIU, City Attorney

15 By: /s/ Sara J. Eisenberg
16 SARA J. EISENBERG
17 Chief of Complex and Affirmative Litigation

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City and County of San Francisco
Tails
Ordinance

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 230686

Date Passed: September 12, 2023

Ordinance authorizing settlement of the lawsuit filed by the City and County of San Francisco and the People of the State of California against Walgreen Co. for \$229,610,002 (the City to be paid \$200,000,002 over 15 years, the City's outside counsel to be paid \$29,610,000); the lawsuit was filed on December 18, 2018, in the United States District Court for the Northern District of California, Case No. 3:18-cv-7591-CRB-JSC; entitled The City and County of San Francisco and the People of the State of California v. Purdue Pharma L.P., Richard S. Sackler, Jonathan D. Sackler, Mortimer D.A. Sackler, Kathe A. Sackler, Ilene Sackler Lefcourt, Beverly Sackler, Theresa Sackler, David A. Sackler, Trust for the Benefit of Members of the Raymond Sackler Family, Rhodes Pharmaceuticals L.P., Cephalon, Inc., Teva Pharmaceutical Industries Ltd., Teva Pharmaceuticals USA, Inc., Endo International Plc, Endo Health Solutions Inc., Endo Pharmaceuticals Inc., Janssen Pharmaceuticals, Inc., Insys Therapeutics, Inc., Mallinckrodt Plc, Mallinckrodt LLC, Allergan Plc f/k/a Actavis Plc, Watson Pharmaceuticals, Inc. n/k/a Actavis, Inc., Watson Laboratories, Inc., Actavis LLC, Actavis Pharma, Inc. f/k/a Watson Pharma, Inc., AmerisourceBergen Corporation, Cardinal Health, Inc., and McKesson Corporation; the lawsuit involves Walgreen Co.'s improper and unlawful dispensing of prescription opioids at its pharmacies, which contributed to the epidemic of opioid abuse and misuse and caused a public nuisance in San Francisco.

July 20, 2023 Government Audit and Oversight Committee - RECOMMENDED

September 05, 2023 Board of Supervisors - PASSED ON FIRST READING

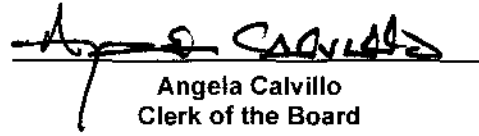
Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

September 12, 2023 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 230686

I hereby certify that the foregoing Ordinance was **FINALLY PASSED** on 9/12/2023 by the Board of Supervisors of the City and County of San Francisco.


Angela Calvillo
Clerk of the Board


London N. Breed
Mayor

9/15/23
Date Approved