

1 [Settlement of Lawsuit - Endo Health Solutions Inc., Endo Pharmaceuticals Inc., Par
2 Pharmaceutical, Inc. and Par Pharmaceutical Companies, Inc. - City to Receive \$10,000,000
Total; \$5,000,000 Immediately, \$5,000,000 in 10 Equal Annual Payments]

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4 **Ordinance authorizing settlement of the lawsuit filed by the City and County of San**
5 **Francisco against Endo Health Solutions Inc., Endo Pharmaceuticals Inc., Par**
6 **Pharmaceutical, Inc. and Par Pharmaceutical Companies, Inc. for \$10,000,000**
7 **(\$5,000,000 immediately and \$5,000,000 paid in 10 equal annual payments); the lawsuit**
8 **was filed on December 18, 2018, in the United States District Court for the Northern**
9 **District of California, Case No. 3:18-cv-7591-CRB-JSC; entitled The City and County of**
10 **San Francisco and the People of the State of California v. Purdue Pharma L.P., Richard**
11 **S. Sackler, Jonathan D. Sackler, Mortimer D.A. Sackler, Kathe A. Sackler, Ilene Sackler**
12 **Lefcourt, Beverly Sackler, Theresa Sackler, David A. Sackler, Trust for the Benefit of**
13 **Members of the Raymond Sackler Family, Rhodes Pharmaceuticals L.P., Cephalon,**
14 **Inc., Teva Pharmaceutical Industries Ltd., Teva Pharmaceuticals USA, Inc., Endo**
15 **International Plc, Endo Health Solutions Inc., Endo Pharmaceuticals Inc., Janssen**
16 **Pharmaceuticals, Inc., Insys Therapeutics, Inc., Mallinckrodt Plc, Mallinckrodt LLC,**
17 **Allergan Plc F/K/A Actavis Plc, Watson Pharmaceuticals, Inc. N/K/A Actavis, Inc.,**
18 **Watson Laboratories, Inc., Actavis LLC, Actavis Pharma, Inc. F/K/A/ Watson Pharma,**
19 **Inc., AmerisourceBergen Corporation, Cardinal Health, Inc., and McKesson**
20 **Corporation; the lawsuit involves allegations that the Endo defendants created a public**
21 **nuisance and violated the Unfair Competition Law by falsely and misleadingly**
22 **marketing opioids as safer than they actually are and distributing increasingly large**
23 **volumes of opioids in and around San Francisco despite knowledge of the growing**
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1 **epidemic caused by opioid misuse, and by failing to prevent and report suspicious**
2 **opioid orders as required by state and federal law.**

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

5 Section 1. Pursuant to Charter Section 6.102(5), the Board of Supervisors hereby
6 authorizes the City Attorney to settle the action entitled The City and County of San Francisco
7 and the People of the State of California v. Purdue Pharma L.P., Richard S. Sackler, Jonathan
8 D. Sackler, Mortimer D.A. Sackler, Kathe A. Sackler, Ilene Sackler Lefcourt, Beverly Sackler,
9 Theresa Sackler, David A. Sackler, Trust for the Benefit of Members of the Raymond Sackler
10 Family, Rhodes Pharmaceuticals L.P., Cephalon, Inc., Teva Pharmaceutical Industries Ltd.,
11 Teva Pharmaceuticals USA, Inc., Endo International Plc, Endo Health Solutions Inc., Endo
12 Pharmaceuticals Inc., Janssen Pharmaceuticals, Inc., Insys Therapeutics, Inc., Mallinckrodt
13 Plc, Mallinckrodt LLC, Allergan Plc F/K/A Actavis Plc, Watson Pharmaceuticals, Inc. N/K/A
14 Actavis, Inc., Watson Laboratories, Inc., Actavis LLC, Actavis Pharma, Inc. F/K/A/ Watson
15 Pharma, Inc., AmerisourceBergen Corporation, Cardinal Health, Inc., and McKesson
16 Corporation, the United States District Court for the Northern District of California, Case No.
17 3:18-cv-7591-CRB-JSC by the payment of \$10,000,000 (\$5,000,000 immediately and
18 \$5,000,000 paid in 10 equal annual payments) by Endo Pharmaceuticals Inc. The lawsuit
19 involves allegations that the Endo defendants created a public nuisance and violated the
20 Unfair Competition Law by falsely and misleadingly marketing opioids as safer than they
21 actually are and distributing increasingly large volumes of opioids in and around San
22 Francisco despite knowledge of the growing epidemic caused by opioid misuse, and by failing
23 to prevent and report suspicious opioid orders as required by state and federal law.

24 Section 2. The above-named action was filed in the United States District Court for the
25 Northern District of California on December 18, 2018, and the following parties were named in

1 the lawsuit: The City and County of San Francisco and the People of the State of California,
2 as plaintiffs; Purdue Pharma L.P., Richard S. Sackler, Jonathan D. Sackler, Mortimer D.A.
3 Sackler, Kathe A. Sackler, Ilene Sackler Lefcourt, Beverly Sackler, Theresa Sackler, David A.
4 Sackler, Trust for the Benefit of Members of the Raymond Sackler Family, Rhodes
5 Pharmaceuticals L.P., Cephalon, Inc., Teva Pharmaceutical Industries Ltd., Teva
6 Pharmaceuticals USA, Inc., Endo International Plc, Endo Health Solutions Inc., Endo
7 Pharmaceuticals Inc., Janssen Pharmaceuticals, Inc., Insys Therapeutics, Inc., Mallinckrodt
8 Plc, Mallinckrodt LLC, Allergan Plc F/K/A Actavis Plc, Watson Pharmaceuticals, Inc. N/K/A
9 Actavis, Inc., Watson Laboratories, Inc., Actavis LLC, Actavis Pharma, Inc. F/K/A/ Watson
10 Pharma, Inc., AmerisourceBergen Corporation, Cardinal Health, Inc., and McKesson
11 Corporation as defendants.

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14 APPROVED AS TO FORM AND
15 RECOMMENDED:

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17 DAVID CHIU
18 City Attorney

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

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