

**THE UNITED STATES DISTRICT COURT
DISTRICT OF CONNECTICUT**

STATE OF CONNECTICUT, et al.,

Plaintiffs,

v.

AUROBINDO PHARMA USA, INC., et al.,

Defendants.

No. 3:16-cv-02056-MPS

STATE OF CONNECTICUT, et al.,

Plaintiffs,

v.

TEVA PHARMACEUTICALS USA, INC. et al.,

Defendants.

No. 3:19-cv-00710-MPS

STATE OF CONNECTICUT, et al.,

Plaintiffs,

v.

SANDOZ, INC., et al.,

Defendants.

No. 3:20-cv-00802-MPS

**ORDER REGARDING PLAINTIFF STATES' MOTION FOR PRELIMINARY
APPROVAL OF SETTLEMENT WITH SANDOZ INC. AND FOUGERA
PHARMACEUTICALS INC.**

AND NOW, upon review and consideration of the Plaintiff States' Motion for Preliminary Approval of the Settlement with Defendants Sandoz Inc. and Fougera Pharmaceuticals Inc. (collectively "Sandoz"), it is hereby **ORDERED** that the motion is **GRANTED** as follows:

1. The Court has reviewed and assessed the fairness, reasonableness, and adequacy of the States' settlement with Sandoz ("Settlement") and finds that the Court will likely be able to

approve the Settlement at a later final approval stage.

2. The Court, therefore, preliminarily approves the Settlement on the terms set forth in the Settlement, subject to further consideration at the final approval hearing.

3. The Court directs that the payments received by the States under the terms of the Settlement (“Total Settlement Amount”) shall be held in escrow until and unless further ordered by the Court.

4. The Court approves the establishment of a State Escrow account and appoints Huntington Bank to serve as Escrow Agent for the purpose of administering the escrow account holding the Total Settlement Amount as set forth in the Settlement.

5. The Court hereby stays all proceedings in this action against Defendants Sandoz Inc. and Fougera Pharmaceuticals Inc. only, except those proceedings provided for, or required by, the Settlement.

6. The Court approves Rust Consulting Inc. as the Notice and Claims Administrator for the Settlement.

7. The Court finds that the proposed forms of notice to Eligible Consumers,¹ plan for dissemination of notice, establishment and content of a dedicated website, and publication campaign are reasonable under the circumstances of this case, considering past notice efforts in the States’ Actions, and therefore approves the Notice Plan to Eligible Consumers.

8. The States, through Rust Consulting, shall cause the notice to be disseminated to Eligible Consumers via direct notice to registered consumers and earned media, including press releases, as set forth in the Notice Plan, starting within seven (7) days following the date of the

¹ Capitalized terms are defined terms in the Settlement and in the States’ Memorandum of Law in Support of Plaintiff States’ Motion for Preliminary Approval of Settlements with Defendants Sandoz Inc. and Fougera Pharmaceuticals Inc. and is used here with the same meaning.

entry of this Order.

9. The States, through Rust Consulting, shall cause notice to be published on a dedicated website - www.AGGenericDrugs.com - which website shall have separate links for documents relating to the Settlement and include filings and other documents and information regarding the Settlement as well as a settlement overview along with Eligible Consumers' options, starting within seven (7) days following the date of the entry of this Order.

10. The States shall disseminate additional notice to all potentially Eligible Consumers, pursuant to and as further directed by the Court, as part of the notice plan for the States' Allocation and Distribution Plan for Consumer Restitution Funds, which the States filed for on August 3, 2026, and which received preliminary approval on September 8, 2026. ECF Nos. 1034 (3:16-cv-02056-MPS), 992 (3:19-cv-00710-MPS), and 1510 (3:20-cv-00802-MPS).

11. The Court preliminarily approves the Settlement's allocation of \$7,844,000 of the Total Settlement Amount to Eligible Corporate Entities in Idaho and Washington and directs that all funds allocated to Eligible Corporate Entities' restitution be held in escrow and that the distribution be deferred until a future appropriate time and upon a future motion by the States.

12. The Court finds that the proposed form of notice to Eligible Corporate Entities in Idaho is reasonable under the circumstances of this case, and, therefore, approves the Notice Plan to Eligible Corporate Entities in Idaho.

13. The Court preliminarily approves allocation of approximately 70% of the Total Settlement Amount (\$280,000,000.25) to restitution, including for Eligible Consumers and State Entities ("Restitution Account"), and approximately 30% of the Total Settlement Amount (\$119,999,999.75) to pay for the States' settlement notice and administration costs and litigation costs ("Cost Account").

14. The Court finds that the proposed allocation of the Restitution Account between Eligible Consumers and State Entities is fair and reasonable under the circumstances of this case, and, therefore, grants preliminary approval of the following proposed allocation to Eligible Consumers and to State Entities: \$171,992,638.82 to Eligible Consumers (“Consumer Restitution Funds”) and \$100,163,361.43 to State Entities.

15. Upon final approval of the Settlement (and the approval of the Allocation and Distribution Plan for Consumer Restitution Funds), the funds allocated to State Entities may be distributed to the States to be allocated among the states at the States’ discretion.

16. The Court granted preliminary approval of the States’ Allocation and Distribution Plan on September 8, 2026. ECF Nos. 1034 (3:16-cv-02056-MPS), 992 (3:19-cv-00710-MPS), and 1510 (3:20-cv-00802-MPS). Allocation and distribution of Consumer Restitution Funds shall be determined by, and shall follow the Allocation and Distribution Plan as further directed and approved by the Court.

17. Eligible Consumers and Eligible Corporate Entities in Idaho may opt out of the Settlement or comment on and object to the Settlement no later than **December 29, 2026**.

18. Eligible Consumers may also subsequently opt out of the Settlement by opting out or excluding themselves from the States’ Actions and the Allocation and Distribution Plan for consumer restitution by the opt-out deadline that is set and approved by the Court as part of the order regarding preliminary approval of the Allocation and Distribution Plan.

19. The States or their designee shall monitor and record any and all exclusion (optout) requests that are received and shall file a report with the Court no later than **January 5, 2027**.

