

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF PENNSYLVANIA**

VISTA HEALTHPLAN, INC., *et al.*,

*Plaintiffs,*

v.

CEPHALON, INC., *et al.*,

*Defendants.*

Case No. 2:06-cv-1833 (MSG)  
Honorable Mitchell S. Goldberg

**SETTLEMENT AGREEMENT AND RELEASE**

THIS SETTLEMENT AGREEMENT (the "Settlement Agreement") is submitted to the United States District Court for the Eastern District of Pennsylvania pursuant to Rule 23 of the Federal Rules of Civil Procedure. Subject to Court approval, this Settlement Agreement is made and entered into as of June 28, 2018, by and between (a) Sun Pharmaceutical Industries, Ltd. as successor in interest to Ranbaxy Laboratories, Ltd. and Ranbaxy Pharmaceuticals, Inc. (collectively "Ranbaxy"); (b) consumer plaintiff Shirley Panebianco; and (c) third party payor plaintiffs District Council 37 Health & Security Plan and Pennsylvania Employees Benefit Trust Fund (collectively, "Third Party Payor Plaintiffs" and together with Panebianco "Plaintiffs"), individually and on behalf of the Classes (as defined in Paragraph 1 below), by and through their Counsel, Spector, Roseman & Kodroff, P.C. ("Class Counsel"), in the above-captioned consolidated class action (the "Action") (Ranbaxy and Plaintiffs are collectively referred to herein as "Parties").

WHEREAS, the Parties acknowledge that the United States District Court for the Eastern District of Pennsylvania has jurisdiction over the Action, each of the Parties hereto,<sup>1</sup> and all putative members of the Classes defined herein for all manifestations of this case, including this settlement;

WHEREAS, in Plaintiffs' "Amended Consolidated Class Action Complaint of End-Payers" (the "Amended Complaint") (Docket No. 75), Plaintiffs have alleged, among other things, that Ranbaxy violated, *inter alia*, the federal antitrust laws and the antitrust and unfair and deceptive trade practices laws of various states, and have been unjustly enriched by wrongfully delaying the introduction of generic versions of the prescription drug Provigil (active pharmaceutical ingredient modafinil), a drug indicated for the treatment of certain sleep disorders, as detailed in the Amended Complaint and other papers filed with the United States District Court for the Eastern District of Pennsylvania (the "Court"), and that Plaintiffs and other members of the putative Classes suffered significant calculable damages as a result;

WHEREAS, Ranbaxy denies each and every one of Plaintiffs' allegations of unlawful or wrongful conduct, and deny that any conduct challenged by Plaintiffs caused any damage whatsoever, and have asserted a number of defenses to Plaintiffs' claims;

WHEREAS, Plaintiffs and Ranbaxy agree that this Settlement Agreement shall not be deemed or construed to be an admission or evidence of any violation of any statute or law or of any liability or wrongdoing by Ranbaxy or of the truth of any claim or allegation or a waiver of any defenses thereto;

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<sup>1</sup> Ranbaxy preserves its objection that there is not personal jurisdiction over Sun Pharmaceutical Industries, Ltd.

WHEREAS, arm's-length settlement negotiations have taken place between counsel for Plaintiffs and counsel for Ranbaxy for an extended period of months, both with and without the assistance of a court-appointed mediator;

WHEREAS, this Settlement Agreement (including all exhibits hereto and other documents explicitly referenced herein) embodies all of the terms and conditions of the settlement (the "Settlement") between Ranbaxy and Plaintiffs, both individually and on behalf of the proposed Classes, that has been reached, subject to final approval of the Court;

WHEREAS, Class Counsel have concluded, after years of litigation, extensive discovery and motion practice, and after carefully considering all of the circumstances of the Action, including the claims asserted in the Amended Complaint filed in the Action and the legal and factual defenses thereto, that it would be in the best interests of the Classes to enter into this Settlement Agreement in order to avoid the uncertainties of, and the risks and delays associated with, the outcome of a trial and any subsequent appeals, particularly in complex litigation such as this, and to assure a benefit to the Classes and further, that Class Counsel consider the Settlement to be fair, reasonable and adequate and in the best interests of the Classes; and

WHEREAS, Ranbaxy has concluded, despite their belief that they are not liable for the claims asserted and that they have good faith defenses thereto, that, without any admission of liability or wrongdoing, it would be in their best interests to enter into this Settlement Agreement to avoid further expense, inconvenience, uncertainties of, and risks and delays associated with, the litigation with Plaintiffs and the Classes, and the distraction of burdensome and protracted litigation and thereby to resolve this controversy;

NOW THEREFORE, it is agreed by the Parties, through their respective authorized representatives who have signed below, that the Action and all claims made or that could have

been made against Ranbaxy by Plaintiffs individually and on behalf of the Classes with respect to the Action that are Released Claims (as defined in Paragraph 12(a) as modified by Paragraph 13 herein) be settled, compromised and dismissed with prejudice, without the award of costs as to Plaintiffs, the Classes or Ranbaxy, except as provided herein, subject to the approval of the Court, on the following terms and conditions:

1. **Class Certification.**

(a) The parties stipulate to Court approval, in the form of a proposed Order acceptable to all Parties, of the certification of the State Antitrust/Consumer Protection Class and the State Unjust Enrichment Class, as defined below, for purposes of settlement in light of the fact of Settlement only. Neither this Settlement Agreement, nor any other Settlement-related document, nor anything contained herein or therein or contemplated hereby or thereby, nor any proceedings undertaken in accordance with the terms set forth in the Settlement Agreement or in any other Settlement-related document, shall constitute, be construed as or be deemed to be evidence of or an admission by Ranbaxy as to whether any class may be certified for purposes of litigation and trial. The parties further acknowledge that the Court denied Plaintiffs' motion for class certification and that the Third Circuit denied Plaintiffs' petition for interlocutory appeal of that decision. *See Vista Healthplan, Inc. v. Cephalon, Inc.*, No. 2:06-CV-1833, 2015 WL 3623005 (E.D. Pa. June 10, 2015) (denying class certification), *denying reconsideration*, No. 2:06-CV-1833, 2015 WL 4737288 (E.D. Pa. Aug. 4, 2015), *denying petition for interlocutory appeal of denial of class certification*, No. 15-8085 (3d Cir. Dec. 21, 2015) (Doc. No. 3112160967). The proposed settlement classes (the "Classes") are defined as follows:

**I. State Antitrust/Consumer Protection Class**

All persons or entities who purchased Provigil and/or its generic equivalent modafinil, intended for consumption by themselves, their families or their members, employees, plan participants,

beneficiaries or insureds in Arizona, California, District of Columbia, Florida, Hawaii, Iowa, Kansas, Maine, Massachusetts, Michigan, Minnesota, Mississippi, Nebraska, Nevada, New Mexico, New York, North Carolina, North Dakota, South Dakota, Tennessee, Utah, Vermont, West Virginia, and Wisconsin, between June 24, 2006 and the date on which the Court enters the Plaintiffs' proposed Preliminary Approval Order (the "Preliminary Approval Date").

## II. State Unjust Enrichment Class

All persons or entities who purchased Provigil and/or its generic equivalent modafinil, intended for consumption by themselves, their families or their members, employees, plan participants, beneficiaries or insureds in Alabama, Arizona, California, District of Columbia, Florida, Hawaii, Illinois, Iowa, Kansas, Kentucky, Louisiana, Maine, Massachusetts, Michigan, Minnesota, Mississippi, Nebraska, Nevada, New Mexico, New York, North Carolina, North Dakota, South Dakota, Tennessee, Utah, Vermont, West Virginia, and Wisconsin, between June 24, 2006 and the Preliminary Approval Date.

The following persons or entities are excluded from the proposed Classes: (i) Ranbaxy and its respective subsidiaries, affiliates and employees; (ii) All governmental entities (except for government funded employee benefit plans); (iii) Insured individuals covered by plans imposing a flat dollar co-pay that was the same dollar amount for generic as for brand drug purchases; (iv) Insured individuals who purchased only generic modafinil (not branded Provigil) pursuant to a fixed co-pay applicable to generic drugs; (v) United Healthcare Services, Inc., including its subsidiaries; and (vi) Fully insured health plans *i.e.*, plans that purchased insurance from another third-party payor covering 100% of the plan's reimbursement obligations to its members.

(b) For purposes of defining the Classes, persons and entities "purchased" Provigil and/or its generic equivalent modafinil if they paid or reimbursed for some or all of the purchase price or reimbursed any part of the purchase price paid by their members, employees, insureds, participants or beneficiaries, to the extent they were at risk for the cost of the purchase.

(c) The Parties' stipulation to Court approval of certification of the Classes is for purposes of effectuating the Settlement only, and for no other purpose. The parties retain all of their respective objections, arguments and/or defenses with respect to class certification should there be no settlement of the Action. If the settlement contemplated by this Settlement Agreement does not obtain Final Approval, no class will be deemed certified as a result of, or pursuant to, this Settlement Agreement. In such event, Ranbaxy will not be deemed to have stipulated to certification of any class or waived any objections or defenses thereto, and the matter will proceed without prejudice to the ability of any Party thereafter to request or oppose class certification.

2. **Reasonable Best Efforts to Effectuate This Settlement.** Counsel for the undersigned agree to recommend approval of this Settlement Agreement by the Court and to undertake reasonable efforts not inconsistent with the provisions of this Settlement Agreement, including all steps and efforts contemplated by this Settlement Agreement and any other steps and efforts that may be necessary or appropriate, by order of the Court or otherwise, to carry out the terms of this Settlement Agreement.

3. **Motion for Preliminary Approval; Notice to Classes.** Plaintiffs, through Class Counsel, shall file with the Court a motion for preliminary approval of the Settlement, which shall contain a proposed preliminary approval order in a form agreed upon by Class Counsel and Ranbaxy seeking:

- (a) certification of the Classes (as defined in paragraph 1 above);
- (b) preliminary approval of the Settlement as fair, reasonable and adequate within the meaning of Fed. R. Civ. Rule 23;

- (c) approval of the notice and proposed notice plan, including a schedule for objections and opt outs;
- (d) a stay of all proceedings in the Action by Plaintiffs against Ranbaxy until such time as the Court renders a final decision regarding approval of the Settlement;
- (e) approval of an escrow agreement regarding the Settlement consideration, referred to in paragraph 6(a) as the Settlement Fund;
- (f) conditional appointment as Class Counsel under Fed. R. Civ. P. Rule 23 of the law firms of Kessler Topaz Meltzer & Check, L.L.P.; Spector Roseman & Kodroff, P.C.; and Criden & Love, P.A. who acted as appointed interim Co-Lead Counsel for the proposed Classes.

In the event that the Court preliminarily approves the Settlement, Class Counsel shall, in accordance with Rule 23 of the Federal Rules of Civil Procedure and the preliminary approval order, direct the Claims Administrator, to be approved by the Court, to provide the Classes with settlement notice as approved by the Parties and as ordered by the Court (“Settlement Notice”).

4. **Motion for Final Approval and Entry of Final Judgment.** If the Court preliminarily approves the Settlement and certifies the Classes for purposes of settlement, Plaintiffs, through Class Counsel, shall submit a motion for final approval by the Court, after appropriate notice to the Classes, and shall seek entry of an order and final judgment:

- (a) finally certifying the Classes;
- (b) finding the Settlement and its terms to be a fair, reasonable and adequate within the meaning of Rule 23(e) of the Federal Rules of Civil Procedure and directing its consummation pursuant to its terms;
- (c) providing for payment of reasonable attorneys’ fees and reimbursement of expenses from the Settlement Fund (as defined in Paragraph 6(a) herein);

(d) providing for payments from the Settlement Fund (as defined in Paragraph 6(a) herein) for the efforts and work of the Plaintiffs in addition to whatever monies each may receive from the Settlement Fund pursuant to a Court-approved plan of allocation. There is no agreement between Ranbaxy and Class Counsel or Plaintiffs with respect to (i) the amount of any incentive award for Plaintiffs that it may seek from the Settlement Fund pursuant to an order of the of the Court, or (ii) Ranbaxy' position with regard to any such petition for an incentive award. Neither Class Counsel nor the Plaintiffs may seek to terminate this Settlement Agreement on any grounds relating to the amount of the incentive award, including the amount actually awarded by the Court or Ranbaxy' position with respect to any petition for such an incentive award;

(e) setting forth the method for allocating the Net Settlement Fund (as defined in Paragraph 8 herein) among members of the Classes;

(f) directing that the claims asserted by Plaintiffs against Ranbaxy be dismissed with prejudice and, except as provided for herein, without costs;

(g) approving the release of claims specified herein as binding and effective as to all members of the Classes and permanently barring and enjoining such members of the Classes from asserting any Released Claims (as defined in paragraph 12 as modified by Paragraph 13 herein);

(h) reserving exclusive and continuing jurisdiction over the Settlement and this Settlement Agreement; including the administration, consummation and interpretation of this Settlement and Settlement Agreement, and any award of attorneys' fees;

(i) directing that the judgment of dismissal shall be final and appealable; and



(j) directing that, for a period of five years, the Clerk of the Court shall maintain the record of those members of the Classes who have timely excluded themselves from the Classes and that a copy of such records shall be provided to Ranbaxy.

5. **Finality of Settlement.** The Settlement and Settlement Agreement shall become final and effective upon the occurrence of all of the following:

(a) Neither Plaintiffs nor Ranbaxy have availed themselves of any right to withdraw from the Settlement pursuant to Paragraphs 14 and 15 hereof, and the time(s) for exercise of such rights of withdrawal have expired;

(b) Both the State Antitrust/Consumer Protection Class and the State Unjust Enrichment Class are certified by the Court as defined herein;

(c) the Settlement is approved by the Court as required by Rule 23(e) of the Federal Rules of Civil Procedure;

(d) an order and final judgment is entered with prejudice, as provided for in Paragraph 4 herein, against Plaintiffs and the members of the Classes who have not timely excluded themselves from the action; and

(e) the time for appeal from the Court's approval of the Settlement as described in (c) hereof and entry of a final judgment as described in (d) hereof has expired or, if appealed, either all such appeals have been dismissed prior to resolution by the appellate court or approval of this Settlement Agreement and final judgment has been affirmed in its entirety by the court of the last resort to which such appeal has been taken and such affirmance is no longer subject to further appeal or review, by certiorari or otherwise.

6. **Settlement Consideration.**

(a) Subject to the provisions hereof, and in full, complete and final settlement of all claims asserted against Ranbaxy by Plaintiffs in this Action, on behalf of themselves and the Class Members they represent, Ranbaxy shall, on or before June 30, 2018, make a single payment of three and one half million dollars (\$3,500,000.00) into an escrow account (the “Initial Escrow”), held and administered by an escrow agent to be selected by Class Counsel and Ranbaxy, subject to receipt of a fully executed escrow agreement. Within fourteen (14) calendar days of the Court’s order preliminarily approving the Settlement, and approval of the Court (as defined below) all funds in the Initial Escrow shall be transferred into a separate escrow account (the “Settlement Fund”), held and administered by an escrow agent to be selected by Class Counsel with consent of Ranbaxy, whose agreement shall not be unreasonably withheld. The Settlement Fund shall be established and administered pursuant to an escrow agreement in a form satisfactory to Class Counsel and may also include money from settlements with other defendants. The three and one half million dollars (\$3,500,000.00) is the total amount that Ranbaxy will pay under this Settlement Agreement in exchange for the Released Claims (as defined in Paragraph 12(a) as modified by Paragraph 13 herein), including without limitation funds to satisfy claims by Plaintiffs, claims by members of the Classes, attorneys’ fees and costs, any Court-approved awards to the Plaintiffs for their roles as Class representatives, and payment of any and all administrative and notice expenses associated with the Action or Settlement. Ranbaxy shall have no liability, obligation or responsibility with respect to the investment, disbursement, or other administration or oversight of the Settlement Fund.

(b) Plaintiffs represent that Ranbaxy’s settlement payment in the amount of three and one half million dollars (\$3,500,000.00) to the State Antitrust/Consumer Protection Class and the

State Unjust Enrichment Class, as defined in paragraph 1 herein, is less than 50% of the settlement amount of the lower of the two proposed settlement agreements entered into with (1) Mylan Laboratories, Inc. and Mylan Pharmaceuticals, Inc., and (2) Cephalon, Inc., Barr Laboratories, Inc., Teva Pharmaceutical Industries, Ltd., and Teva Pharmaceuticals USA, Inc. (“CBTM settlements”). Plaintiffs further represent that Ranbaxy’s settlement payment in the amount of three and one half million dollars (\$3,500,000.00) to the State Antitrust/Consumer Protection Class and the State Unjust Enrichment Class, as defined in paragraph 1 herein, is less than 20% of the larger of the CBTM settlements. Should these representations become inaccurate, the amount of Ranbaxy’s obligation will be reduced to an amount necessary to make the representation accurate.

(c) It is intended that the Settlement Fund shall be at all times a “qualified settlement fund” for federal income tax purposes pursuant to Treas. Reg. § 1.468B-1, and that the “administrator” of the Settlement Fund, within the meaning of Treas. Reg. § 1.468B-2(k), shall comply with all applicable requirements, which shall include, without limitation, (a) preparing a “regulation Section 1.468B-3 Statement” pursuant to Treas. Reg. § 1.468B-3(e) on behalf of Ranbaxy and providing copies to Ranbaxy’s Counsel for review and approval; and (b) preparing and timely filing on behalf of the Settlement Fund (i) such income tax and other returns and statements as are required to comply with Treas. Reg. § 1.468B-2 and the other applicable provisions of the Internal Revenue Code of 1986, as amended (the “Code”), and (ii) all necessary state, local and foreign tax returns. To that end, the Parties hereto shall cooperate with each other and shall not take a position in any filing or before any tax authority that is inconsistent with such treatment. Interest earned by the Settlement Fund (less any tax imposed upon such interest) shall be for the benefit of the Classes, less reasonable attorneys’ fees and expenses approved by

the Court (and any interest awarded thereon), any Court-approved award to Plaintiffs for serving as Class representatives, and payment of any and all administrative and notice expenses associated with the Action or Settlement. Whether or not final approval of this Settlement Agreement occurs and whether or not the Settlement Fund qualifies as a qualified settlement fund within the meaning of Treas. Reg. § 1.468B-1, any taxes or estimated taxes due as a result of income earned by the Settlement Fund, and all related costs and expenses, shall be paid from the Settlement Fund. Ranbaxy shall have no liability, obligation or responsibility for any such taxes, costs, expenses, or for any reporting requirements relating thereto. The Parties elect that the Settlement Fund should be treated as a qualified settlement fund from the earliest possible date and agree to make any “relation back” election that may be available.

7. **Class Settlement Expenses.** All reasonable expenses arising from the administration of Class Notice and the calculation and administration of claims associated with the Settlement shall be paid out of the Settlement Fund. For avoidance of doubt, these reasonable expenses are expected to include, but not necessarily be limited to: the fees and expenses of the Class Notice and the Claims Administrator in connection with providing Class Notice and claim forms to the Classes, responding to inquiries of Class members, receiving and processing requests for exclusion, handling accounting and other administrative and tax services for the Settlement Fund, and distributing the Settlement Amount to members of the Classes.

8. **Allocation of the Settlement Fund.** If the Settlement becomes final pursuant to the provisions of Paragraph 5 herein, the Settlement Fund shall be distributed to Class Counsel and members of the Classes as ordered by the Court from the Net Settlement Fund, which is the amount in the Settlement Fund for distribution for approved claims after reduction for payment of taxes, any payments to the Class representatives and disbursements for such fees, costs and

expenses as approved by the Court. Class Counsel shall be responsible for proposing to the Court an appropriate allocation of the Settlement Amount between consumer Class members and Third Party Payor Class members (“Plan of Allocation”). The final allocation will be at the discretion of the Court. The Court need not accept Class Counsel’s proposed allocation in order to approve the Settlement. For the avoidance of doubt, no class member shall be entitled to a distribution from the Settlement Amount until the Settlement becomes Final as contemplated by Paragraph 5 above.

9. **No Injunctive Relief.** This Settlement does not include any provision for injunctive relief, and Plaintiffs waive any such claim as to any of the matters released in Paragraph 12.

10. **Full Satisfaction; Limitation of Interest and Liability.** Plaintiffs and members of the Classes shall look solely to the Settlement Fund for settlement and satisfaction against Ranbaxy of all claims that are released herein. Plaintiffs and members of the Classes shall not under any circumstances be entitled to any further compensation from Ranbaxy with respect to any claims released herein. In the event that the Settlement becomes final and effective pursuant to Paragraph 5 herein, the Settlement Fund will fully satisfy any and all Released Claims as defined in Paragraph 12(a) and modified by Paragraph 13 herein. Except as provided by order of the Court, no member of the Classes shall have any interest in the Settlement Fund or any portion thereof. Ranbaxy shall have no liability with respect to disbursements from the Settlement Fund pursuant to any Court-approved plan of allocation.

11. **Attorneys’ Fees, and Reimbursement of Expenses and Costs.** Class Counsel intends to seek, solely from the Settlement Fund, attorneys’ fees of up to thirty-three and one-third percent (33 1/3%) of the total Settlement Fund. In addition, Class Counsel intends to seek,

from the Settlement Fund, incentive awards for each Plaintiff, and reimbursement of all reasonable costs and expenses incurred in the prosecution of the Action. Ranbaxy takes no position with respect to the application by Class Counsel for attorneys' fees, reimbursement of expenses and costs, and incentive awards. Plaintiffs and their counsel will be reimbursed and indemnified solely out of the Settlement Fund for all costs, fees and expenses including, but not limited to, the costs of Settlement Notice and administration of the Settlement Fund. Such fees, incentive awards, costs and expenses shall be paid solely from the Settlement Fund immediately upon entry of an order approving such fees, incentive awards and expenses, notwithstanding the existence of any timely filed objections thereto, or potential for appeal therefrom, or collateral attack on the Settlement or any part thereof; provided, however, that Class Counsel and Plaintiffs shall make appropriate refunds or repayments plus accrued interest at the same net rate as is earned by the Settlement Amount, if the Settlement is terminated pursuant to the terms of this Settlement Agreement or if, as a result of any appeal or further proceedings on remand, or successful collateral attack, the award of attorneys' fees, expenses or costs is reduced or reversed. Class Counsel and Plaintiffs shall make the appropriate refund or repayment in full no later than thirty (30) days after receiving notice of the termination of the Settlement or the reduction of the award of attorneys' fees, expenses and costs. Class Counsel reserve the right to make a further, later request for additional awards of attorneys' fees and reimbursement of reasonable costs and expenses incurred in the administration of the Settlement. Ranbaxy agrees not to oppose any request by Class Counsel that the Court order that any attorneys' fees and expenses awarded by the Court shall be disbursed only to the Court-appointed Class Counsel, for allocation at the sole discretion of Class Counsel among the various counsel to the Class that have participated in this litigation. Nothing in this paragraph shall abrogate the provisions of

Paragraph 7 (“Class Settlement Expenses”) herein. Ranbaxy shall not be liable for any other of the costs, fees or expenses of any Plaintiffs, Class members, or of any Class members’ or Plaintiffs’ attorneys, experts, consultants, advisors, agents and representatives. Any such other costs, fees and expenses as approved by the Court shall be paid out of the Settlement Fund.

**12. Releases.**

(a) Upon the Settlement becoming final and effective in accordance with Paragraph 5 herein, in consideration for the agreements by the Parties and other good and valuable consideration, the sufficiency of which is hereby acknowledged, Ranbaxy and its past, present and future<sup>2</sup> parents, subsidiaries, divisions, affiliates, stockholders, officers, directors, insurers, general or limited partners, employees, agents, attorneys and any of their legal representatives (and the predecessors, heirs, executors, administrators, successors and assigns of each of the foregoing) (the “Released Parties”) are and shall be released and forever discharged from all manner of claims, demands, actions, suits, causes of action, damages and liabilities of any nature whatsoever (whether such claims, demands, actions, suits, causes of action, damages or liabilities arise or are incurred before, during or after the date hereof), including costs, expenses, penalties and attorneys’ fees, known or unknown, suspected or unsuspected, asserted or not asserted, in law or equity, that Plaintiffs or any member or members of the Classes who has (have) not timely

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<sup>2</sup> For the avoidance of doubt, Cephalon, Inc., Teva Pharmaceutical Industries Ltd., Teva Pharmaceuticals USA, Inc., Barr Pharmaceuticals, Inc., Barr Laboratories, Inc., Mylan Laboratories, Inc., and Mylan Pharmaceuticals, Inc. (and the predecessors, heirs, executors, administrators, successors and assigns of each of the foregoing) are excluded from the definition of future parents, subsidiaries, divisions, affiliates, stockholders, officers, directors, insurers, general or limited partners, employees, agents, attorneys and any of their legal representatives (and the predecessors, heirs, executors, administrators, successors and assigns of each of the foregoing). Nothing in this Settlement Agreement dismisses or releases the claims of Plaintiffs and the End-Payor Classes (as defined in paragraph 1 above) against Cephalon, Inc., Teva Pharmaceutical industries Ltd., Teva Pharmaceuticals USA, Inc., Barr Pharmaceuticals, Inc., Barr Laboratories, Inc., Mylan Laboratories, Inc., and Mylan Pharmaceuticals, Inc.

excluded itself (themselves) from the Classes (including any of the past, present or future assignees, officers, directors, insurers, general or limited partners, divisions, stockholders, agents, attorneys, employees, legal representatives, trustees, parents, associates, affiliates, subsidiaries, partners, heirs, executors, administrators, purchasers, predecessors, successors and assigns, acting in their capacity as such), whether or not they object to the Settlement and whether or not they make a claim upon or participate in the Settlement Amount, ever had, now has, or hereafter can, shall or may have, directly, representatively, derivatively or in any other capacity, relating to any conduct, events or transactions, prior to the date hereof, alleged in this Action, provided only that such conduct or omission occurred or allegedly occurred prior to the Preliminary Approval Date- except as expressly provided for in this Paragraph 12 (the “Released Claims”). Plaintiffs and each member of the Classes hereby covenant and agree that each shall not initiate, continue, file, prosecute, sue or otherwise seek to establish or impose liability against any Released Parties based, in whole or in part, on any of the Released Claims.

(b) In addition, each Class member hereby expressly waives or releases, upon the Settlement becoming final, any and all provisions, rights and benefits conferred by § 1542 of the California Civil Code, which reads:

Section 1542. General Release Claims Extinguished. A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor;

or by any law of any state or territory of the United States or any other jurisdiction or principle of common law, which is similar, comparable or equivalent to §1542 of the California Civil Code. Each Class member may hereafter discover facts other than or different from those which he, she or it knows or believes to be true with respect to the claims which are the subject matter of the Action but each Class member shall be deemed to and hereby expressly waives and fully, finally



and forever, settles and releases, upon the Settlement becoming final, any known or unknown, suspected or unsuspected contingent or non-contingent claim that would otherwise fall within the definition of Released Claims, whether or not concealed or hidden, without regard to the subsequent discovery or existence of such different or additional facts. For the avoidance of doubt, each Class member also hereby expressly waives and fully, finally and forever settles and released any and all claims it may have against any released Party under § 17200, et seq., of the California Business and Professions Code or any similar, comparable or equivalent provision of the law of any other state or territory of the United States or other jurisdiction, which claims are hereby expressly incorporated into the definition of Released Claims.

13. **Reservation of Claims.** Released Claims shall not include claims arising in the ordinary course of business between Plaintiffs or Class members and the Released Parties concerning the laws of negligence or product liability or implied warranty, breach of warranty or contract, personal or bodily injury, or claims unrelated to the allegations in the Amended Complaint.

14. **No Cooperation.** For purposes of this Settlement and in this Action, Class Counsel represents Plaintiffs and Third Party Payor Plaintiffs and no other parties to this Action, No. 2:06-CV-1833, and will continue to represent the Plaintiffs and Third Party Payor Plaintiffs only until the final approval date of the Settlement. Plaintiffs, Third Party Payor Plaintiffs and Class Counsel agree, subject to any order or directive of the Court, not to cooperate with, or assist, any other party in connection with No. 2:06-CV-1833, including, but not limited to, (a) by withdrawing from any joint prosecution agreement, and (b) not providing any assistance to another party or their respective counsel in preparation for trial or appeals.

15. **Ranbaxy's Right to Terminate or Modify the Agreement.** In the event a specified percentage of all eligible Class members opt-out of the settlement contemplated by this Settlement Agreement (the "Triggering Amount"), Ranbaxy has the absolute right, but not the obligation, in its sole discretion and notwithstanding any other provision of this Settlement Agreement, to terminate this Settlement Agreement in its entirety, with each of the Parties bearing their own costs, except for Class Settlement Expenses, or to modify the Settlement Agreement through further negotiations with Class Counsel. If Ranbaxy does terminate this Settlement Agreement pursuant to this provision, the Settlement Agreement will be null and void for all purposes and may not be used or introduced in this Action or any other actions or any other actions or proceedings. The Triggering Amount and how it will be calculated will be detailed in a separate letter agreement between Class Counsel and Ranbaxy's Counsel. That letter will be provided to the Court, *in camera*, if so requested.

16. **Effect of Disapproval.** If the Court declines to preliminarily approve the Settlement, or if the Court does not enter the Preliminary Approval Order in the form provided for in Paragraph 3, then this Settlement Agreement and the Settlement, shall be terminated upon election of Ranbaxy upon written notice to Class Counsel for Plaintiffs within ten (10) business days following the occurrence of either such event. If the Court declines to finally approve the Settlement, or if such approval is reversed, vacated, or otherwise materially modified on appeal, or if the Court does not enter the final judgment in substantially the form provided for in Paragraph 4, or if the Court enters the final judgment and appellate review is sought, and on such review, such final judgment is reversed, vacated or materially modified, then this Settlement Agreement shall be terminated upon the election of either of (a) Plaintiffs, through Class Counsel, or (b) Ranbaxy, acting through its undersigned counsel; provided however that any

reversal, vacating or modification on appeal of any amount of fees and expenses awarded by the Court from the Settlement Fund, or any amount of payments to any Plaintiffs, or any determination by the Court to award less than the amount requested in attorneys' fees or costs to Class Counsel or incentive awards to Plaintiffs, or any judicial alteration of the proposed Plan of Allocation, shall not give rise to any right of termination or otherwise serve as a basis for termination of this Settlement Agreement.

17. **Dismissal of the Action as to Ranbaxy Only.** Upon this Settlement Agreement becoming final, in accordance with the terms of Paragraph 5 herein, all claims asserted against Ranbaxy in the Action by Plaintiffs shall be dismissed with prejudice. No defendant other than Ranbaxy is intended to be, or is, included within the scope of the releases contained herein.

18. **Stay of Proceedings.** Pending Court approval of the Settlement embodied in this Settlement Agreement, the Parties agree to stay any and all proceedings against Ranbaxy in the Action other than those incident to the settlement process, and agree to extensions of time with respect to any court filings necessary to effectuate such stays.

19. **Termination.** In the event that the Settlement is terminated pursuant to Paragraph 14 or 15 herein, or for any other reason does not become final and effective in accordance with the terms of Paragraph 5 herein, then (a) this Settlement Agreement shall be of no force or effect, (b) any release pursuant to Paragraph 12 as modified by Paragraph 13 shall be of no force or effect, and (c) the Settlement Fund, including any and all interest earned thereon, shall be returned to Ranbaxy less only the amount validly disbursed for the costs incurred in giving notice to the Classes and administering the Settlement Fund during the interim period. Payment to Ranbaxy under this provision shall be made within fifteen (15) business days after

the appropriate escrow agent, selected under Paragraph 6(a), receives written notice signed by Ranbaxy and Class Counsel stating that the Settlement has been terminated.

20. **Preservation of Rights.** The parties hereto agree that this Settlement Agreement, whether or not it shall become final and effective pursuant to Paragraph 5 herein, and any and all negotiations, documents and discussions associated with it shall not be deemed or construed to be an admission or evidence of any violation of any statute or law, of any liability or wrongdoing by Ranbaxy, or of the truth of any of the claims or allegations contained in any complaint or any other pleading or document, and evidence thereof shall not be discoverable, admissible or otherwise used directly or indirectly, in any way by Plaintiffs or Ranbaxy, whether in the Action or in any other actions or proceeding. The Parties expressly reserve all of their rights and defenses if the Settlement Agreement does not become final and effective pursuant to Paragraph 5 herein.

21. **Confidentiality.** Except as otherwise provided herein, the terms of this Settlement Agreement, and its contents, shall remain confidential until Plaintiffs move for preliminary approval of the Settlement. This provision does not apply to statements made in judicial filings necessary to obtain preliminary Court approval of the Settlement. The Parties shall be entitled to make such disclosures of the Settlement Agreement as they, in their sole discretion, determine are required under the law.

22. **Binding Effect.** This Settlement Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of the Parties and the Released Parties, including the members of the Classes who do not timely request to be excluded. Without limiting the generality of the foregoing, each and every covenant and agreement herein by the Plaintiffs and their counsel shall be binding upon all members of the Classes.

23. **Names of Parties.** The undersigned counsel for Plaintiffs and Ranbaxy each warrant that all of their clients in the Action are parties to this Settlement Agreement even if one or more of them is mistakenly identified in this Settlement Agreement by an incorrect name.

24. **Notice.** Any and all notices, requests, consents, directives, or communications by any party intended for any other party shall be in writing and shall, unless expressly provided otherwise herein, be given personally, or by express courier, or by electronic transmission (such as e-mail) followed by postage prepaid mail, to the following persons, and shall be addressed as follows:

To Plaintiffs and Class Members:

Kessler Topaz Meltzer & Check, LLP  
Joseph Meltzer  
280 King of Prussia Road  
Radnor, PA 19087  
[jmeltzer@ktmc.com](mailto:jmeltzer@ktmc.com)  
[tziegler@ktmc.com](mailto:tziegler@ktmc.com)

Spector, Roseman & Kodroff, P.C.  
Jeffrey L. Kodroff  
1818 Market Street, Suite 2500  
Philadelphia, PA 19103  
[jkodroff@srkattorneys.com](mailto:jkodroff@srkattorneys.com)  
[jmacoretta@srkattorneys.com](mailto:jmacoretta@srkattorneys.com)  
and

Criden & Love, P.A.  
Kevin Bruce Love  
7301 SW 57th Court, Suite 515  
South Miami, FL 33143  
[klove@cridenlove.com](mailto:klove@cridenlove.com)

To Ranbaxy:

J. Douglas Baldrige  
Lisa Jose Fales  
Danielle R. Foley  
Venable LLP  
600 Massachusetts Ave., NW  
Washington, DC 20001

JBaldridge@Venable.com  
LJFales @Venable.com  
DRFoley@Venable.com  
*Counsel for Ranbaxy*

Any of the Parties may, from time to time, change address to which such notices, requests, consents, directives, or communications are to be delivered, by giving the other Parties prior written notice of the changed address, in the manner provided above, ten (10) calendar days before the change is effective.

25. **Integrated Agreement.** This Settlement Agreement (including all exhibits hereto and other documents explicitly referenced herein) contains the entire, complete, and integrated statement of each and every term and provision of the Settlement. This Settlement Agreement shall not be modified in any respect except by a writing executed by all the undersigned in the representative capacities specified, or others who are authorized to act in such representative capacities.

26. **Headings.** The headings used in this Settlement Agreement are intended for the convenience of the reader only and shall not affect the meaning or interpretation of this Settlement Agreement.

27. **No Party is the Drafter.** None of the parties hereto shall be considered to be the drafter of this Settlement Agreement or any provisions hereof for the purpose of any statute, case law or rule of interpretation or construction that would or might cause any provision to be construed against the drafter hereof.

28. **Choice of Law.** All terms of this Settlement Agreement shall be governed by, interpreted, and enforced according to the substantive laws of the Commonwealth of Pennsylvania without regard to its choice of law or conflict of laws principles.

29. **Consent to Jurisdiction.** Ranbaxy, Plaintiffs and each member of the Classes hereby irrevocably submit to the exclusive jurisdiction of the United States District Court for the Eastern District of Pennsylvania for any suit, action, proceeding or dispute arising out of or relating to this Settlement Agreement or the applicability of this Settlement Agreement, including, without limitation, any suit, action, proceeding or dispute relating to the release provisions herein, except that this paragraph shall not prohibit (a) the assertion in the forum in which a claim is brought that the release herein is a defense, in whole or in part, to such claim or (b) in the event that such a defense is asserted in that forum, the determination of its merits in that forum; provided, however, in the event that the Court lacks subject matter jurisdiction over any suit, action, proceeding or dispute arising out of or relating to this Settlement Agreement or the applicability of this Settlement Agreement, Ranbaxy, Plaintiffs and each member of the Classes hereby irrevocably submit to the exclusive jurisdiction of the appropriate State Court sitting in Philadelphia County, Pennsylvania.

30. **Enforcement of Settlement.** Nothing in this Settlement Agreement prevents Ranbaxy from enforcing or asserting any release herein, subject to the provisions of Paragraph 12 as modified by Paragraph 13 (“Releases”) herein. Notwithstanding any other provision of this Settlement Agreement, this Settlement Agreement and the releases contained herein may be pleaded as a full and complete defense of any action, suit or other proceeding that has been or may be instituted, prosecuted or attempted with respect to any Released Claims and may be filed, offered and received into evidence and otherwise used for such defense.

31. **Authorization To Act.** The undersigned Counsel represent that they have been and are fully authorized to conduct settlement negotiations on behalf of Plaintiffs or Ranbaxy,

respectively, and to enter into, and execute, this Settlement Agreement on behalf of their clients, subject to Court approval pursuant to Fed. R. Civ. P. 23(e).

32. **No Admission.** Nothing in this Settlement Agreement shall be construed as an admission in any action or proceeding of any kind whatsoever, civil, criminal or otherwise, before any court, administrative agency, regulatory body or any other body or authority, present or future, by Ranbaxy or Plaintiffs, or any of them, including without limitation that Ranbaxy have engaged in any conduct or practices that violate any antitrust statute or any other law.

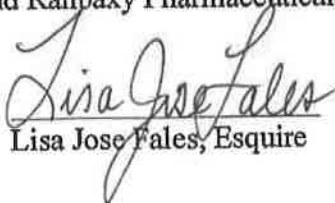
33. **Execution in Counterparts.** This agreement may be executed in counterparts. Facsimile or pdf signatures shall be considered as valid signatures as of the date hereof, although the original signature pages shall thereafter be appended to this agreement and filed with the Court.

34. **Class Action Fairness Act Compliance.** To assist Ranbaxy in complying with the requirements of 28 U.S.C. § 1715(b)(7), Class Counsel agree to request that the Claims Administrator provide Ranbaxy with the number of TPP Class members located in each state as identified in a proprietary database maintained by the Claims Administrator. Class Counsel do not know of any databases which would identify the name or number of consumer class members in a specific state.

IN WITNESS WHEREOF, the parties hereto through their fully authorized representatives have agreed to this Settlement Agreement of the date first herein above written.



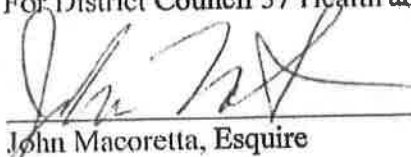
**For Sun Pharmaceutical Industries, Ltd. as successor in interest to Ranbaxy Laboratories,  
Ltd. and Ranbaxy Pharmaceuticals, Inc.:**

  
Lisa Jose Fales, Esquire

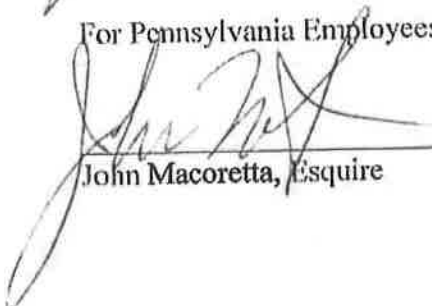
**For Shirley Panebianco:**

\_\_\_\_\_  
Robert Sink, Esquire

**For District Council 37 Health and Security Plan:**

  
\_\_\_\_\_  
John Macoretta, Esquire


**For Pennsylvania Employees Benefit Trust Fund:**

  
\_\_\_\_\_  
John Macoretta, Esquire

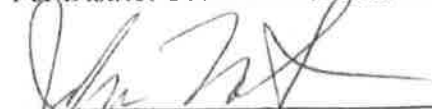
For Sun Pharmaceutical Industries, Ltd. as successor in interest to Ranbaxy Laboratories,  
Ltd. and Ranbaxy Pharmaceuticals, Inc.:

\_\_\_\_\_  
Lisa Jose Fales, Esquire

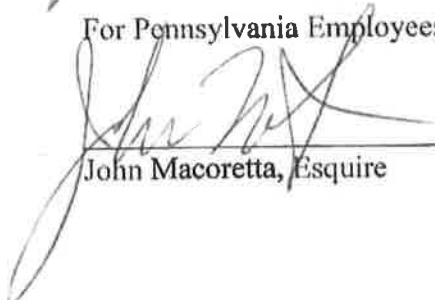
For Shirley Panebianco:

  
\_\_\_\_\_  
Robert Sink, Esquire

For District Council 37 Health and Security Plan:

  
\_\_\_\_\_  
John Macoretta, Esquire

For Pennsylvania Employees Benefit Trust Fund:

  
\_\_\_\_\_  
John Macoretta, Esquire

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF PENNSYLVANIA**

VISTA HEALTHPLAN, INC., *et al.*,

*Plaintiffs,*

v.

CEPHALON, INC., *et al.*,

*Defendants.*

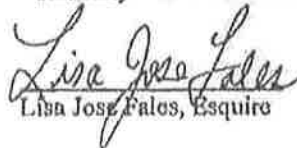
Case No. 2:06-cv-1833 (MSG)  
Honorable Mitchell S. Goldberg

**ADDENDUM TO SETTLEMENT AGREEMENT AND RELEASE**

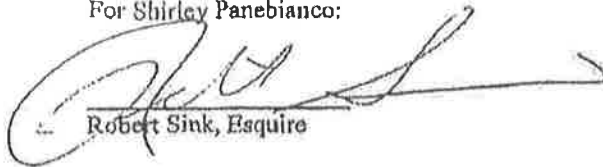
THE SETTLEMENT AGREEMENT of June 28, 2018, by and between Sun Pharmaceutical Industries, Ltd. as successor in interest to Ranbaxy Laboratories, Ltd. and Ranbaxy Pharmaceuticals, Inc. (collectively “Ranbaxy”) and consumer plaintiff Shirley Panebianco and third party payor plaintiffs District Council 37 Health & Security Plan and Pennsylvania Employees Benefit Trust Fund (the “Settlement Agreement”) is hereby amended to include as Plaintiffs and Third Party Payor Plaintiffs (as those terms are defined in the Settlement Agreement) Vista Healthplan, Inc. (n/k/a Coventry Health Care of Florida, Inc.) and Pennsylvania Turnpike Commission. The definition of Class Counsel is amended to include the firms of Kessler Topaz Meltzer & Check, LLP and Criden & Love, P.A. All other provisions of the Settlement Agreement remain the same and in full effect.

IN WITNESS WHEREOF, the parties hereto through their fully authorized representatives have agreed to this Addendum as of July 13, 2018.

For Sun Pharmaceutical Industries, Ltd. as successor in interest to Ranbaxy Laboratories, Ltd. and Ranbaxy Pharmaceuticals, Inc.:

  
Lisa Jose Fales, Esquire

For Shirley Panebianco:

  
Robert Sink, Esquire

For District Council 37 Health and Security Plan and Pennsylvania Employees Benefit Trust Fund:

  
John Macoretta, Esquire

For Vista Healthplan, Inc.:

  
Kevin Love, Esquire

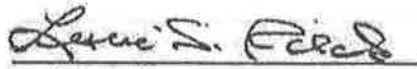
For Pennsylvania Turnpike Commission:

  
Joseph Meltzer, Esquire

ATTEST:

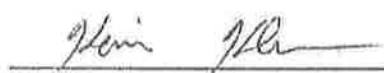
PENNSYLVANIA TURNPIKE COMMISSION

  
Ann Louise Edmunds      7/20/18  
Assistant Secretary-Treasurer      Date

  
Leslie S. Richards      7/20/18  
Chair      Date

APPROVED AS TO FORM AND LEGALITY:

  
Dereen McCall      7/24/18  
Chief Counsel      Date

  
Deputy Attorney General      7/24/18  
Date