

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

IN RE SOLODYN (MINOCYCLINE
HYDROCHLORIDE) ANTITRUST
LITIGATION

MDL No. 2503

1:14-md-2503-DJC

THIS DOCUMENT RELATES TO:

ALL END-PAYOR ACTIONS

~~[PROPOSED]~~ ORDER PRELIMINARILY APPROVING END-PAYOR CLASS
PLAINTIFFS' SETTLEMENTS WITH MEDICIS PHARMACEUTICAL
CORPORATION

WHEREAS, on February 25, 2018, 2018 Plaintiffs, United Food and Commercial Workers Local 1776 & Participating Employers Health and Welfare Fund; City of Providence; Fraternal Order of Police, Fort Lauderdale Lodge 31 Insurance Trust Fund; International Union of Operating Engineers Local 132 Health and Welfare Fund; International Union of Operating Engineers Stationary Engineers Local 39 Health & Welfare Trust Fund; Painters District Council No. 30 Health and Welfare Fund; Plumbers & Pipefitters Local 178 Health & Welfare Trust Fund; Heather Morgan; Man-U Service Contract Trust Fund; Sheet Metal Workers Local No. 25 Health & Welfare Fund; Local 274 Health & Welfare Fund; and Allied Services Welfare Fund (collectively, "End-Payor Class Plaintiffs"), on behalf of themselves and the certified End-Payor Class entered into a settlement agreement ("Medicis Settlement Agreement"), which sets forth the terms and conditions of the parties' proposed settlement and the release and dismissal with prejudice of the End-Payor Class' claims against Medicis;

WHEREAS, on March 5, 2018 End-Payor Class Plaintiffs filed a Motion for Preliminary Approval of Proposed Class Action Settlement with Medicis ("End-Payor Class Plaintiffs' Motion"), requesting the entry of an Order: (i) preliminarily approving the Medicis

Settlement; and (ii) staying End-Payor Class Plaintiffs' litigation against Medicis. (Copies of the Settlement Agreement and its exhibits are attached to the Declaration of Michael M. Buchman in support of End-Payor Class Plaintiffs' Motion);

WHEREAS, Medicis does not oppose End-Payor Class Plaintiffs' request;

WHEREAS, the Court is familiar with and has reviewed the record in this case and has reviewed the Settlement Agreements, including the attached exhibits, and has found good cause for entering the following Order.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

JURISDICTION

1. This Court has jurisdiction to enter this Order. The Court has jurisdiction over the subject matter of this action and over all parties to the action, including all members of the End-Payor Class.

PREVIOUSLY CERTIFIED CLASS

2. In light of this Court's previous order dated October 16, 2017 [ECF No. 682] certifying the End-Payor Class pursuant to Fed. R. Civ. P. 23(a) and (b)(3), and the now proposed settlement in the above captioned action (the "Action") with Medicis, for purposes of this Settlement the Class is defined as follows:

All persons or entities in the United States and its territories and possessions, including the Commonwealth of Puerto Rico, who indirectly purchased, paid and/or provided reimbursement for some or all of the purchase price for Solodyn 45mg, 55mg, 65mg, 80mg, 90mg, 105mg, 115mg and/or 135mg tablets and/or generic versions of one or more of these dosages in Alabama, Alaska, Arizona, Arkansas, California, Florida, Hawaii, Idaho, Illinois, Iowa, Kansas, Louisiana, Maine, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New

Jersey, New Mexico, New York, North Carolina, North Dakota, Oklahoma, Oregon, Rhode Island, South Dakota, Tennessee, Utah, Vermont, Washington, West Virginia, Wisconsin, Wyoming, the District of Columbia and Puerto Rico, for consumption by themselves, their families, or their members, employees, insureds, participants, or beneficiaries, other than for resale, at any time from July 23, 2009 to February 25, 2018.

The following persons or entities are excluded from the End-Payor Class:

Defendant and their counsel, officers, directors, management, employees, subsidiaries, or affiliates;

All federal or state governmental entities, excluding cities, towns, or municipalities with self-funded prescription drug plans;

All persons or entities who purchased Solodyn or its generic equivalents for purposes of resale or directly from the Defendant or its affiliates;

Fully insured health plans (plans that purchased insurance from another third-party payor covering 100% of the plan's reimbursement obligations to its members);

Pharmacy Benefits Managers;

Flat co-payers (consumers who paid the same co-payment amount for brand and generic drugs); and

The judges in this case and any members of their immediate families.

PRELIMINARY APPROVAL OF SETTLEMENT

3. The terms of the Medicis Settlement Agreement, dated February 25 2018, including all exhibits thereto, is hereby preliminarily approved. This Order incorporates the Settlement Agreement, and terms used in this Order that are defined in the Settlement

Agreement have the same meanings. The Settlement Agreement was entered into after full fact and expert discovery and class certification and summary judgment/*Daubert* motions decided based on extensive briefing and argument. The Settlement Agreement was concluded after arm's-length negotiations by experienced counsel on behalf of the certified End-Payor Class and with the assistance of an experienced private mediator. If the Court finds that the parties reached the settlement as a result of good-faith negotiations and after sufficient discovery, then a presumption of fairness attaches to the settlement. *See In re Pharm. Indus. Avg. Wholesale Price Litig.*, 588 F.3d 24, 32-33 (1st Cir. 2009). The Court preliminarily finds that the Settlement is fair, reasonable and adequate, and in the best interests of the End-Payor Class, pursuant to Rule 23 of the Federal Rules of Civil Procedure, and warrant preliminary approval.

4. Huntington Bank is hereby appointed as Escrow Agent pursuant to the Settlement Agreements.

5. Pending further Order of the Court, all litigation activity against Medicis on behalf of End-Payor Class Plaintiffs is hereby stayed, and all hearings, deadlines, and other proceedings related to End-Payor Class Plaintiffs' claims against Medicis, other than those incident to the settlement process, are hereby taken off calendar. The stay shall remain in effect until such time that either: (i) the Medicis or End-Payor Class Plaintiffs exercise their right to terminate the Medicis Settlement Agreement pursuant to its terms; (ii) the Settlement Agreement is terminated pursuant to its terms; or (iii) the Court renders a final decision regarding approval of the Medicis Settlement, and, if it approves the Medicis Settlement, enters final judgment and dismisses End-Payor Class Plaintiffs' claims against Medicis with prejudice. Medicis shall not be a party to the ongoing proceedings in this case, and Medicis is neither bound nor estopped by any findings made hereafter.

6. In the event that the Medicis Settlement Agreement fails to become effective in accordance with its terms, or if an Order granting final approval to the Medicis Settlement Agreement and dismissing End-Payor Class Plaintiffs' claims against Medicis with prejudice is not entered or is reversed, vacated, or materially modified on appeal, this Order shall be null and void.

7. In the event the Medicis Settlement Agreement is terminated, not approved by the Court, or the Medicis Settlement does not become final pursuant to the terms of the Medicis Settlement Agreement, litigation against Medicis shall resume in a reasonable manner as approved by the Court upon joint application of End-Payor Class Plaintiffs and Medicis.

APPROVAL OF SCHEDULE

8. A.B. Data and End-Payor Class Plaintiffs shall adhere to the following schedule:
- a. Within 5 days of the date of this Order, A.B. Data, Ltd. shall update the Class Website (www.solodyncase.com) to announce the Settlement.
 - b. Within 5 days of the date of this Order, A.B. Data, Ltd. shall begin the process of providing notice to the Class of this Settlement, in accordance with the Plan of Notice.
 - c. A.B. Data, Ltd. shall complete publication of Notice of the Settlement by May 8, 2018.
 - d. Members of the End-Payor Settlement Class may object to the Medicis Settlement not later than May 28, 2018.
 - e. Class members who wish to object to the proposed Settlement and/or appear in person at the hearing on final approval of the settlement ("Fairness Hearing") must first send an objection and, if intending to appear, a notice of intention to appear, along with a summary statement outlining the position(s) to be asserted and the grounds therefore, together

with copies of any supporting papers or briefs, via first class mail, postage prepaid, to the Clerk of the U.S. District Court for the District of Massachusetts, United States Courthouse, 1 Courthouse Way, Boston, MA 02210, with copies to the following counsel:

Counsel for the End-Payor Class:

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The objection and/or notice of intention to appear shall state that they relate to *In re: Solodyn (Minocycline Hydrochloride) Antitrust Litigation*, MDL No. 2503 (D. Mass.). To be valid, any such objection to the Settlement and/or notice of intention to appear must be postmarked no later than May 28, 2018, and it must include the class member's name, address, telephone number, and signature. Except as herein provided, no person or entity shall be entitled to contest the terms of the proposed Settlement. All persons and entities who fail to file a notice of intention

to appear or a letter stating reasons for objecting as provided above shall be deemed to have waived any objections by appeal, collateral attack, or otherwise and will not be heard at the Fairness Hearing.

f. All briefs and materials in support of final approval of the settlements and entry of the final judgment proposed by the parties to the Settlement Agreement shall be filed with the Court no later than 30 days before the date of the Fairness Hearing.

Except that any motion/filing for attorneys' fees & costs must be filed by May 14, 2018.

g. A hearing on final approval of the settlement or Fairness Hearing shall be held before this Court on July 11, 2018, at 2 p.m. Eastern Time, in Courtroom 11 of the United States District Court for the District of Massachusetts, United States Courthouse, 1 Courthouse Way, Boston, MA 02210.

9. Neither this Order nor the Settlement Agreement nor any other Settlement-related document or 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 herein or in any other Settlement-related document shall constitute, be construed as or be deemed to be evidence of or an admission or concession by Medicis as to the validity of any claim that has been or could have been asserted against Medicis or as to any liability of Medicis or as to any matter set forth in this Order.

SO ORDERED:

Dated: March 6, 2018


Denise J. Casper
United States District Court Judge
U.S. District Court for the District of
Massachusetts