

## **SETTLEMENT AGREEMENT**

### **I. PARTIES**

This Settlement Agreement is entered into among and between the State of California (“the State”), Indivior plc and Indivior Inc. (collectively, “Indivior”), and Stefan Kruszewski, The Stuart J. Finkelstein Trust, by and through its Trustee, Robert A. Finkelstein, Ann Marie Williams, Gail Scott, Christina Lemons, and Mitchel Greene (hereinafter, “Relators”) (hereafter, the State, Indivior and Relators are collectively referred to as “the Parties”), through their authorized representatives. Hereinafter this Settlement Agreement shall be referred to as the “State Settlement Agreement.”

### **II. PREAMBLE**

As a preamble to this State Settlement Agreement, the Parties agree to the following:

A. Indivior Inc. (formerly known as Reckitt Benckiser Pharmaceuticals Inc.) is a Delaware corporation headquartered in Richmond, Virginia, and is a wholly owned subsidiary of Indivior plc. At all relevant times, Indivior distributed, marketed, and sold pharmaceutical products in the United States, including a drug sold under the trade names Suboxone Sublingual Tablet (“Suboxone Tablet”) and Suboxone Sublingual Film (“Suboxone Film”) (hereinafter, collectively referred to as “Suboxone”). Suboxone contains a combination of buprenorphine (an opioid) and naloxone (an opioid antagonist) and was approved to suppress opioid withdrawal symptoms as part of a complete treatment plan to include counseling and psychosocial support.

B. The following *qui tam* actions have been filed against Indivior pursuant to the *qui tam* provisions of the False Claims Act, 31 U.S.C. § 3730(b), and corresponding provisions of analogous or other statutes of the states named in the following actions:

- *United States ex rel. Kruszewski v. Reckitt Benckiser Pharms., Inc.* (D.N.J.)  
(UNDER SEAL)

- *United States ex rel. Finkelstein v. Reckitt Benckiser Pharms., Inc.* (W.D. Va.)
- *United States ex rel. Williams v. Reckitt Benckiser, Inc.* (W.D. Va.)
- *United States ex rel. Scott v. Reckitt Benckiser Pharms.* (D.N.J.) (**UNDER SEAL**)
- *United States ex rel. Lemons v. Reckitt Benckiser Pharms.* (W.D. Va.)
- *United States ex rel. Greene v. Indivior PLC* (D.N.J.) (**UNDER SEAL**)

These *qui tam* actions will be referred to collectively as the “Civil Actions.”

C. Indivior has entered into a separate civil settlement agreement (the “Federal Settlement Agreement”) with the “United States,” as that term is defined in the Federal Settlement Agreement.

D. The State contends that Indivior submitted or caused to be submitted claims for payment to the State’s Medicaid Program (42 U.S.C. Chapter 7 Subchapter XIX), including “managed care entities” as defined by 42 U.S.C. § 1396u-2.

E. The State contends that it has certain civil and administrative causes of action against Indivior for engaging in the following conduct between January 1, 2010 and December 31, 2015 (the “Covered Conduct”):

- (a) The State contends that Indivior knowingly promoted the sale and use of Suboxone to physicians who were writing prescriptions that were not for a medically accepted indication. The prescriptions lacked a legitimate medical purpose, were issued without any counseling or psychosocial support, were for uses that were unsafe, ineffective, and medically unnecessary, and were often diverted.
- (b) The State contends that Indivior knowingly promoted the sale or use of Suboxone Film using false and misleading claims that Suboxone Film was less subject to diversion and abuse than other buprenorphine products and that Suboxone Film was less susceptible to accidental pediatric exposure than Suboxone Tablets. Physicians relied on these false and misleading claims in prescribing Suboxone Film, and the State’s Medicaid Program relied on these false and misleading claims to its detriment in making formulary and prior authorization decisions.

- (c) The State contends that Indivior knowingly submitted a petition to the Food and Drug Administration on September 25, 2012, fraudulently claiming that Suboxone Tablet had been discontinued “due to safety concerns” about the tablet formulation of the drug and took other steps to fraudulently delay the entry of generic competition for Suboxone in order to improperly control pricing of Suboxone, including pricing to the State’s Medicaid Program.

With regard to the State’s Medicaid Program, the State alleges that Indivior knowingly caused false and/or fraudulent claims for Suboxone to be submitted to, or caused purchases by, the State’s Medicaid Program.

F. On, April 9, 2019, an Indictment was returned against Indivior in the Western District of Virginia, captioned, *United States v. Indivior, Inc. and Indivior plc*, No. 1:19-cr-00016-JRJ (the “Criminal Action”). On August 14, 2019, a Superseding Indictment was returned against Indivior in the Criminal Action (the “Superseding Indictment”). Contemporaneous with the Federal Settlement Agreement, Indivior entered into a separate Resolution Agreement with the United States in the Criminal Action (the “Criminal Resolution Agreement”). On November 12, 2020, the Court accepted the Criminal Resolution Agreement, and the United States dismissed the Superseding Indictment that same day.

G. This State Settlement Agreement is neither an admission of liability by Indivior, nor a concession by the State or Relators that their claims are not well founded. Except as provided in the Criminal Resolution Agreement, Indivior denies the allegations in the Covered Conduct and in the Civil Actions.

H. Relators claim entitlement to a share of the proceeds of this State Settlement Agreement and to Relators’ reasonable expenses, attorneys’ fees and costs.

The Parties mutually desire to reach a full and final settlement as set forth below.

### III. TERMS AND CONDITIONS

NOW, THEREFORE, in reliance on the representations contained herein and in consideration of the mutual promises, covenants and obligations set forth in this State Settlement Agreement, and for good and valuable consideration as stated herein, the Parties agree as follows:

1. Indivior shall pay to the United States and the Medicaid Participating States (as defined in subparagraph c. and subject to the non-participating state deduction provision of subparagraph e. below), collectively, the sum of Three Hundred Million Dollars (\$300,000,000) (the "Settlement Amount"), of which \$130,641,000 constitutes restitution, plus interest at the rate of 1.25 percent per annum from April 9, 2020 through the date of final payment. The Settlement Amount shall constitute a debt immediately due and owing to the United States and the Medicaid Participating States on the Effective Date of this State Settlement Agreement, as defined below. This debt shall be discharged by payments to the United States and the Medicaid Participating States, under the following terms and conditions:

a. Indivior shall pay to the United States \$209,317,200 plus interest as set forth above, of which \$91,745,789 constitutes restitution. The total Medicaid recovery for the Covered Conduct is \$203,735,800 plus interest, consisting of \$90,682,800 plus interest for the states pursuant to this State Settlement Agreement and \$113,053,000 plus interest for the United States pursuant to the Federal Settlement Agreement. Indivior shall pay to the Medicaid Participating States the sum of \$90,682,800, subject to the non-participating state deduction provision of sub-paragraph e. below, plus applicable interest thereon (the "Medicaid Participating State Settlement Amount"), in eight payments as set forth in the Medicaid Participating State Settlement Amount Payment Schedule ("Payment Schedule") attached as Exhibit A.

b. Prior to July 24, 2020, Indivior placed the sum of Thirty-Six Million Dollars (\$36,000,000) plus interest as set forth above into an escrow account that bears interest at the rate set forth above. On November 13, 2020, \$10,881,936.00 (the “Initial Payment”) plus all accrued interest thereon to that point was released to the New York State Attorney General’s National Global Settlement Account pursuant to written instructions from the state settlement team (the “State Team”). Subsequent payments shall be made in accordance with Exhibit A. The Medicaid State Settlement Amount may be prepaid, in whole or in part, without penalty or premium.

c. Indivior shall execute a State Settlement Agreement with any state that executes such an agreement in the form to which Indivior and the State Team have agreed, or in a form otherwise agreed to by Indivior and an individual state. The State shall constitute a Medicaid Participating State provided this State Settlement Agreement is fully executed by the State and delivered to Indivior’s attorneys within 60 days of receiving this Agreement. Indivior’s offer to resolve this matter with the State shall become null and void absent written agreement between counsel for Indivior and the State Team to extend the 60-day period.

d. The total portion of the amount paid by Indivior in settlement for the Covered Conduct for the State is \$2,846,683.21, consisting of a portion paid to the State under this State Settlement Agreement and another portion paid to the United States as part of the Federal Settlement Agreement. The amount allocated to the State under this State Settlement Agreement is the sum of \$1,644,217.97 plus applicable interest (the “State Amount”), of which \$705,229.71 is restitution.

e. If the State does not execute this State Settlement Agreement within 60 days of receiving this Agreement, the State Amount and any accrued interest on that amount shall be deducted from the Medicaid State Settlement Amount and shall not be paid by Indivior absent

written agreement between counsel for Indivior and the State Team to extend the time period for executing this State Settlement Agreement.

f. Contingent upon receipt of the State's share of the payments set forth in the Payment Schedule (Exhibit A), the State agrees to pay the Relators from the State's share of each payment as set forth in the Side Letter with Relators in the Civil Actions. The Relators' share shall be 15.9088% of the amount received and subject to a Relators' share.

2. Contingent upon receipt of the Initial Payment by the New York State Attorney General's National Global Settlement Account pursuant to Paragraph III.1.b, the State agrees to dismiss with prejudice, consistent with and subject to the terms and conditions of this State Settlement Agreement, any state law claims which are specific to the Covered Conduct and which the State has the authority to dismiss, and which are currently pending against Indivior in State or Federal Courts for the Covered Conduct, including any supplemental state law claims asserted in the Civil Actions except for claims arising under the California Insurance Frauds Prevention Act, Cal. Ins. Code § 1871.7, *et seq.*

3. Subject to the exceptions in Paragraph III.5 below (concerning reserved claims), and subject to Paragraph III.8 (concerning disclosure of assets), Paragraph III.16 (concerning default), and Paragraph III.17 (concerning bankruptcy) below, and the State's receipt of the State Amount, the State agrees to release Indivior, together with its current and former parent corporations, direct and indirect subsidiaries, brother or sister corporations, divisions, current or former corporate owners, and the corporate successors and assigns of any of them (collectively, the "Released Entities"), from any civil or administrative monetary cause of action that the State has for any claims submitted or caused to be submitted to the State's Medicaid Program as a result of the Covered Conduct; any statutory provision creating a cause of action for civil damages or

civil penalties which the State has actual or present authority to assert for the Covered Conduct, including the State's counterpart to the federal False Claims Act; or any common law theories, including payment by mistake, unjust enrichment, fraud, nuisance, or negligent entrustment for the Covered Conduct.

4. Subject to the exceptions in this Paragraph among other exceptions set forth in this Agreement including without limitation: Paragraph III.5 below (concerning reserved claims), and subject to Paragraph III.8 (concerning disclosure of assets), Paragraph III.16 (concerning default), and Paragraph III.17 (concerning bankruptcy) below, and conditioned upon Indivior's full payment of the State Amount plus interest as set forth in the Payment Schedule, Relators for themselves and for their heirs, successors, attorneys, agents, and assigns, release the Released Entities from any civil monetary claim the Relators have on behalf of the State. Each Relator represents and warrants that he or she and his or her counsel are the exclusive owner of the rights, claims, and causes of action herein released and none of them have previously assigned, reassigned, or transferred or purported to assign, reassign or transfer, through bankruptcy or by any other means, any or any portion of any claim, demand, action, cause of action, or other right released or discharged under this State Settlement Agreement except between themselves and their counsel. This Paragraph does not release any claims Relators may have: (a) for reasonable attorneys' fees, expenses and costs pursuant to 31 U.S.C. § 3730(d) and/or corresponding provisions of the analogous laws of the Medicaid Participating States; (b) under the California Insurance Frauds Prevention Act, Cal. Ins. Code § 1871.7, *et seq.*, the Illinois Insurance Claims Frauds Prevention Act, 740 Ill. Comp. Stat. § 92, *et seq.*, the City of Chicago False Claims Act, Municipal Code of Chicago § 1-22-010, *et seq.*, and/or the New York City False Claims Act, New York City Administrative Code § 7-801, *et seq.*, including, but not limited to, claims for reasonable

attorneys' fees, costs and expenses; and (c) under 31 U.S.C. § 3730(h) , including, but not limited to, claims for reasonable attorneys' fees, costs and expenses (collectively, the "Relators' Unreleased Claims").

5. Notwithstanding the releases given in Paragraph 3 of this State Settlement Agreement, or any other term of this Agreement, the following claims of the State are specifically reserved and are not released:

(a) any criminal, civil, or administrative liability arising under the State's revenue code;

(b) any criminal liability;

(c) any civil or administrative liability that any person or entity, including the Released Entities, have or may have to the State or to individual consumers or state program payors under any statute, regulation, or rule not expressly covered by the release in Paragraph III.3 above, including, but not limited to, any and all of the following claims: (i) State or federal antitrust violations; and (ii) claims involving unfair and/or deceptive acts and practices and/or violations of consumer protection laws;

(d) any liability to the State for any conduct other than the Covered Conduct;

(e) any liability based upon obligations created by this State Settlement Agreement;

(f) except as explicitly stated in this State Settlement Agreement, any administrative liability, including mandatory or permissive exclusion from the State's Medicaid Program;

(g) any liability for expressed or implied warranty claims or other claims for defective or deficient products and services, including quality of goods and services;

(h) any liability for personal injury or property damage or for other consequential damages arising from the Covered Conduct;



(i) any liability for failure to deliver goods or services due;

(j) any liability of individuals;

(k) any liability for the claims or conduct alleged in the operative complaints provided to counsel for Indivior, by counsel for the United States, in connection with the negotiation of the Federal Settlement Agreement in the following *qui tam* actions, and no setoff related to amounts paid under this State Settlement Agreement shall be applied to any recovery in connection with either of these actions:

- *United States ex rel. Miller v. Reckitt Benckiser Group plc*, Case No. 1:15-cv-00017 (W.D. Va.); and
- *Sealed v. Sealed*, Case No. X:XX-cv-XXXX (S.D.N.Y.); and

(l) any civil or administrative liability arising under the California Insurance Frauds Prevention Act, Cal. Ins. Code § 1871.7, *et seq.*

6. Indivior agrees that the Settlement Amount and this State Settlement Agreement are fair, adequate, and reasonable pursuant to 31 U.S.C. § 3730(c)(2)(B) and analogous state statutes, and agrees to take reasonable and necessary steps to defend this Agreement.

7. Relators and their heirs, successors, attorneys, agents, and assigns shall not object to this State Settlement Agreement but agree and confirm that this Agreement is fair, adequate, and reasonable under all the circumstances, pursuant to 31 U.S.C. § 3730(c)(2)(B) and analogous provisions of the State's corresponding statute. Conditioned upon Relators' receipt of all relator's share payments described in Paragraph III.1.g., Relators and their heirs, successors, attorneys, agents, and assigns fully and finally release, waive, and forever discharge the State, its agencies, officers, agents, employees, and servants, from any claims arising from the filing of the Civil Actions or under 31 U.S.C. § 3730 and analogous provisions of the State's corresponding statute,

and from any claims to a share of the proceeds of this State Settlement Agreement and/or the Civil Actions.

8. Indivior has provided sworn financial disclosure statements ("Financial Statements") to the United States, and the State has relied on the accuracy and completeness of those Financial Statements in reaching this State Settlement Agreement. Indivior warrants that the Financial Statements are complete, accurate, and current. If the State learns of asset(s) in which Indivior had an interest of any kind at the time of this State Settlement Agreement (including, but not limited to, promises by insurers or other third parties to satisfy Indivior's obligations under this State Settlement Agreement) that were not disclosed in the Financial Statements, or if the State learns of any false statement or misrepresentation by Indivior on, or in connection with, the Financial Statements, and if such nondisclosure, false statement, or misrepresentation changes the estimated net worth set forth in the Financial Statements by \$15,000,000 or more, the State may at its option: (a) rescind this State Settlement Agreement and reinstate its suits or file suit based on the Covered Conduct, or (b) let this State Settlement Agreement stand and collect the full Settlement Amount in accordance with the State Settlement Agreement. Indivior agrees not to contest any collection action undertaken by the State pursuant to this provision, and agrees it will immediately pay the State the greater of (i) a ten-percent (10%) surcharge of the amount collected, or (ii) the State's reasonable attorneys' fees and expenses incurred in such an action. In the event that the State, pursuant to this Paragraph rescinds this State Settlement Agreement, Indivior waives and agrees not to plead, argue, or otherwise raise any defenses under the theories of statute of limitations, laches, estoppel, or similar theories, to any civil or administrative claims that (a) are filed by the State within 120 calendar days of written notification to Indivior that this State

Settlement Agreement has been rescinded, and (b) relate to the Covered Conduct, except to the extent these defenses were available on the Effective Date of this State Settlement Agreement.

9. Indivior waives and shall not assert any defenses Indivior may have to any criminal prosecution or administrative action relating to the Covered Conduct that may be based in whole or in part on a contention that, under the Double Jeopardy Clause in the Fifth Amendment of the Constitution, or under the Excessive Fines Clause in the Eighth Amendment of the Constitution, this State Settlement Agreement bars a remedy sought in such criminal prosecution or administrative action.

10. In consideration of the obligations of the State set forth in this State Settlement Agreement, the Released Entities waive and discharge the State and any of its agencies, departments, and personnel including, but not limited to, officials, employees, and agents, whether current or former in their official and individual capacities from any claims or causes of action (including attorneys' fees, costs, and expenses of every kind and however denominated) which the Released Entities have against the State and any of its agencies, departments, and personnel as previously referenced arising from the State's investigation and prosecution of the Covered Conduct as of the date of this State Settlement Agreement.

11. Indivior fully and finally releases Relators from any claims (including attorney's fees, costs, and expenses of every kind and however denominated) that Indivior has asserted, could have asserted, or may assert in the future against Relators, related to the Covered Conduct and Relators' investigation and prosecution thereof. Indivior reserves all rights and defenses with respect to Relators' Unreleased Claims, including requests for expenses, attorneys' fees and costs, in their respective cases.

12. The amount that Indivior must pay to the State pursuant to Paragraph III.1.d. above will not be decreased as a result of the denial of any claims for payment now being withheld from payment by the State's Medicaid Program, or any other state program payor, for the Covered Conduct; and Indivior agrees not to resubmit to the State's Medicaid Program or any other state program payor, any previously denied claims, which denials were based on the Covered Conduct, and agrees to withdraw the appeal of, or not to appeal or cause the appeal of, any such denials of claims.

13. Indivior shall not seek payment for any claims for reimbursement to the State's Medicaid Program covered by this State Settlement Agreement from any health care beneficiaries or their parents, sponsors, legally responsible individuals, or third-party payors, based upon the claims defined in the Covered Conduct.

14. Indivior agrees to cooperate fully and truthfully with the State's investigation of individuals and entities not released in this State Settlement Agreement. Upon reasonable notice, Indivior shall encourage, and agrees not to impair, the cooperation of its directors, officers, and employees, and shall use its best efforts to make available, and encourage, the cooperation of former directors, officers, and employees for interviews and testimony, consistent with the rights and privileges of such individuals. Indivior further agrees to furnish to the State, upon request, complete and unredacted copies of all non-privileged documents, reports, memoranda of interviews, and records in its possession, custody, or control concerning any investigation of the Covered Conduct that it has undertaken, or that has been performed by another on its behalf.

15. This State Settlement Agreement is intended to be for the benefit of the Parties only. The Parties do not release any claims against any other person or entity, except to the extent provided for in Paragraph 13 above (waiver for beneficiaries paragraph).

16. The State Amount represents the amount the State is willing to accept in compromise of its civil claims arising from the Covered Conduct due to Indivior's financial condition as reflected in the Financial Statements referenced in Paragraph 8 above.

a. In the event that Indivior fails to pay the State Amount as provided in the payment schedule set forth in Paragraph III.1.d. above, Indivior shall be in Default of Indivior's payment obligations ("Default"). The State will provide a written Notice of Default, and Indivior shall have an opportunity to cure such Default within seven (7) business days from the date of receipt of the Notice of Default by making the payment due under the Payment Schedule and paying any additional interest accruing under the State Settlement Agreement up to the date of payment. Notice of Default will be delivered to Indivior, or to such other representative as Indivior shall designate in advance in writing. If Indivior fails to cure the Default within seven (7) business days of receiving the Notice of Default, and in the absence of an agreement with the State to a modified payment schedule ("Uncured Default"), the remaining unpaid balance of the Settlement Amount shall become immediately due and payable, and interest on the remaining unpaid balance shall thereafter accrue at the rate of 12% per annum, compounded daily from the date of Default, on the remaining unpaid total (principal and interest balance).

b. In the event of Uncured Default, Indivior agrees that the State, at its sole discretion, may (i) declare this State Settlement Agreement breached and proceed against Indivior for any claims, including those to be released by this State Settlement Agreement; (ii) take any action to enforce this State Settlement Agreement in a new action or by reinstating the Civil Actions; (iii) offset the remaining unpaid balance from any amounts due and owing to Indivior and/or affiliated companies by any department, agency, or agent of the State at the time of Default or subsequently; and/or (iv) exercise any other right granted by law, or under the terms of this State Settlement

Agreement, or recognizable at common law or in equity. At its sole option, the State may retain any payments previously made, rescind this State Settlement Agreement and pursue the Civil Actions or bring any civil and/or administrative claim, action, or proceeding against Indivior for the claims that would otherwise be covered by the releases provided in Paragraph III.3 above, with any recovery reduced by the amount of any payments previously made by Indivior to the United States under this State Settlement Agreement. The State shall be entitled to any other rights granted by law or in equity by reason of Default, including referral of this matter for private collection. In the event the State pursues a collection action, Indivior agrees immediately to pay the State the greater of (i) a ten-percent (10%) surcharge of the amount collected, or (ii) the State's reasonable attorneys' fees and expenses incurred in such an action. In the event that the State opts to rescind this State Settlement Agreement pursuant to this Paragraph, Indivior waives and agrees not to plead, argue, or otherwise raise any defenses of statute of limitations, laches, estoppel or similar theories, to any civil or administrative claims that are (i) filed by the State against Indivior within 120 days of written notification that this State Settlement Agreement has been rescinded, and (ii) relate to the Covered Conduct, except to the extent these defenses were available on the Effective Date of this State Settlement Agreement. Indivior agrees not to contest any offset, recoupment, and /or collection action undertaken by the State pursuant to this Paragraph, either administratively or in any state or federal court, except on the grounds of actual payment to the State.

17. In exchange for valuable consideration provided in this State Settlement Agreement, Indivior acknowledges the following:

a. Indivior has reviewed its financial situation and that it currently is solvent within the meaning of 11 U.S.C. §§ 547(b)(3) and 548(a)(1)(B)(ii)(I), and shall remain solvent following payment to the State of the Settlement Amount.

b. In evaluating whether to execute this State Settlement Agreement, the Parties (a) intend that the mutual promises, covenants, and obligations set forth herein constitute a contemporaneous exchange for new value given to Indivior, within the meaning of 11 U.S.C. § 547(c)(1), and (b) conclude that these mutual promises, covenants, and obligations do, in fact, constitute such a contemporaneous exchange.

c. The mutual promises, covenants, and obligations set forth herein are intended by the Parties to, and do, in fact, constitute a reasonably equivalent exchange of value.

d. The Parties do not intend to hinder, delay, or defraud any entity to which Indivior was or became indebted to on or after the date of any transfer contemplated in this State Settlement Agreement, within the meaning of 11 U.S.C. § 548(a)(1).

e. If Indivior's obligations under this State Settlement Agreement are avoided for any reason, including, but not limited to, through the exercise of a trustee's avoidance powers under the Bankruptcy Code, or if, before the Settlement Amount is paid in full, Indivior or a third party commences a case, proceeding, or other action under any law relating to bankruptcy, insolvency, reorganization, or relief of debtors (i) seeking to have any order for relief of Indivior's debts, or to adjudicate Indivior as bankrupt or insolvent; or (ii) seeking appointment of a receiver, trustee, custodian, or other similar official for Indivior or for all or any substantial part of Indivior's assets: (a) the State may rescind the releases in this State Settlement Agreement and bring any civil and/or administrative claim, action, or proceeding against Indivior for the claims that would otherwise be covered by the releases provided in Paragraph III.3 above; (b) the State has an undisputed,

noncontingent, and liquidated claim against Indivior in the amount of \$1,644,217.97, less any payments received pursuant to this State Settlement Agreement, provided, however, that such payments are not otherwise avoided and recovered from the State by Indivior, a receiver, trustee or custodian, or similar official for Indivior; and (c) the Relators may rescind the releases in this Agreement and bring any civil claim, action, or proceeding against Indivior for the claims pleaded in the Civil Actions that would otherwise be covered by the release provided in Paragraph III.4 above. If any payments are avoided and recovered by Indivior, a receiver, trustee, custodian, or similar official for Indivior, Relators shall, within thirty days of written notice from the State to the undersigned Relators' counsel, return any portions of such avoided and recovered payment(s) already paid by the State to Relators.

f. Indivior agrees that any civil and/or administrative claim, action, or proceeding brought by the State under Paragraph III.17.e above is not subject to an "automatic stay" pursuant to 11 U.S.C. § 362(a) because it would be an exercise of the State's police and regulatory power. Indivior shall not argue or otherwise contend that the State's claim, action, or proceeding is subject to an automatic stay and, to the extent necessary, consents to relief from the automatic stay for cause under 11 U.S.C. § 362(d)(1). Indivior waives and shall not plead, argue, or otherwise raise any defenses under the theories of statute of limitations, laches, estoppel, or similar theories, to any such civil or administrative claim, action, or proceeding brought by the State within 120 days of written notification to Indivior that the releases have been rescinded pursuant to this Paragraph, except to the extent such defenses were available on the Effective Date of this State Settlement Agreement.

18. Upon receipt of the Initial Payment described in Paragraph III.1.b, above, the Parties shall promptly sign and file in the Civil Actions a Joint Stipulation of Dismissal of the Civil



Actions pursuant to Rule 41(a)(1) that is consistent with and subject to the terms and conditions of this State Settlement Agreement. The Dismissal shall provide, in part, that the Court shall retain jurisdiction to resolve any disputes arising under the State Settlement Agreement. The State Team will coordinate the State's participation in the filing of the Joint Stipulation of Dismissal.

19. Other than Relators' rights, if any, to seek reasonable attorneys' fees, expenses and costs pursuant to their Unreleased Claims, and the payment of the State Team expenses pursuant to Paragraph 20, each Party shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this State Settlement Agreement.

20. In addition to all other payments and responsibilities under this State Settlement Agreement, Indivior agrees to pay the State Team's reasonable expenses and fees, including State Team telephonic costs, consultant expenses, and administrative fees. Indivior will pay this amount by separate check made payable to the National Association of Medicaid Fraud Control Units, after the Medicaid Participating States execute their respective State Settlement Agreements, or as otherwise agreed by the Parties.

21. Each party and signatory to this State Settlement Agreement represents that it freely and voluntarily enters into this State Settlement Agreement without any degree of duress or compulsion.

22. This State Settlement Agreement is governed by the laws of the State, and venue for any dispute relating to this State Settlement Agreement is the United States District Court for the Western District of Virginia.

23. For purposes of construing this State Settlement Agreement, this Agreement shall be deemed to have been drafted by all Parties to this Agreement and shall not, therefore, be construed against any Party for that reason in any subsequent dispute.

24. This State Settlement Agreement constitutes the complete agreement between the Parties. This State Settlement Agreement may not be amended except by written consent of the Parties. Forbearance by the State from pursuing any remedy or relief available to it under this State Settlement Agreement shall not constitute a waiver of rights under this Agreement.

25. The undersigned counsel represent and warrant that they are fully authorized to execute this State Settlement Agreement on behalf of the persons and entities indicated below.

26. The undersigned State signatories represent that they are signing this State Settlement Agreement in their official capacities and that they are authorized to execute this State Settlement Agreement on behalf of the State through their respective agencies and departments.

27. This State Settlement Agreement may be executed in counterparts, each of which constitutes an original and all of which constitute one and the same Agreement.

28. This State Settlement Agreement is binding on Indivior's successors, transferees, heirs, and assigns.

29. This State Settlement Agreement is binding on Relators' successors, transferees, heirs, and assigns.

30. All parties consent to the State's disclosure of this State Settlement Agreement, and information about this agreement, to the public.

31. This State Settlement Agreement is effective on the date of signature of the last signatory to the agreement ("Effective Date of this State Settlement Agreement"). Facsimiles and electronic transmissions of signatures shall constitute acceptable, binding signatures for purposes of this State Settlement Agreement.

STATE OF CALIFORNIA

By: Emmanuel R. Salazar Dated: March 3, 2021

Emmanuel R. Salazar

Name

Deputy Attorney General

Title

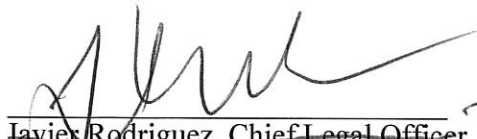
California Department of Justice, Division of Medi-Cal Fraud & Elder Abuse

Organization

**INDIVIOR, INC.**

DATED: 4/21/21


BY:

  
Javier Rodriguez, Chief Legal Officer  
Indivior, Inc.

Jonathan Wasserman  
External Interim Chief Legal Officer

DATED: 4/2/2021

BY:



Virginia A. Gibson  
Counsel for Indivior, Inc.

DATED: 4/2/2021

BY:




Gejaa Gobena  
Counsel for Indivior, Inc.

**RELATOR STEFAN KRUSZEWSKI**


DATED: 2/3/21

BY:

  
STEFAN KRUSZEWSKI  
Relator

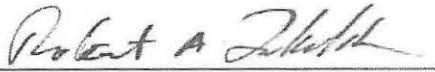
DATED: 02/03/21

BY:


  
BRIAN KENNEY  
Counsel for Relator Stefan Kruszewski

RELATOR THE STUART J. FINKELSTEIN TRUST,  
BY AND THROUGH ITS TRUSTEE ROBERT A. FINKELSTEIN

DATED: 1/31/2021

BY:   
ROBERT A. FINKELSTEIN  
Trustee for Relator

DATED: February 4, 2021

BY:   
WILLIAM K. HANAGAMI  
Counsel for Relator The Stuart J Finkelstein Trust

RELATOR ANN MARIE WILLIAMS


DATED: 1/30/2021 BY: Ann Marie Williams  
ANN MARIE WILLIAMS  
Relator

DATED: 1/30/2021 BY: KY  
KENNETH YOFFY  
Counsel for Relator Ann Marie Williams

RELATOR GAIL SCOTT

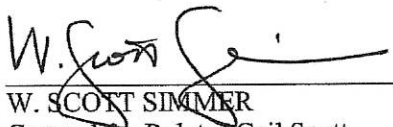
DATED: 2/1/2021

BY:

  
\_\_\_\_\_  
GAIL SCOTT  
Relator


DATED: 2/1/2021

BY:

  
\_\_\_\_\_  
W. SCOTT SIMMER  
Counsel for Relator Gail Scott



RELATOR CHRISTINA LEMONS

DATED: 1/30/21 BY:   
CHRISTINA LEMONS  
Relator

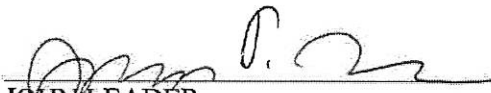
DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
JOHN LEADER  
Counsel for Relator Christina Lemons

**RELATOR CHRISTINA LEMONS**

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
CHRISTINA LEMONS  
Relator

DATED: 1 | 30 | 21

BY:   
JOHN LEADER  
Counsel for Relator Christina Lemons

RELATOR MITCHEL GREENE

DATED: 2-1-21

BY: Mitchel Greene  
MITCHEL GREENE  
Relator

DATED: 2/1/21

BY: Joseph Gentile  
JOSEPH GENTILE  
Counsel for Relator Mitchel Greene

## EXHIBIT A PAYMENT SCHEDULE

### Full Settlement Amount

	Principal	Interest	Payment
Initial Payment	\$36,000,000.00	TBD*	TBD
1/15/2022	\$25,000,000.00	\$4,945,479.46	\$29,945,479.46
1/15/2023	\$25,000,000.00	\$2,987,500.00	\$27,987,500.00
1/15/2024	\$25,000,000.00	\$2,675,000.00	\$27,675,000.00
1/15/2025	\$25,000,000.00	\$2,368,972.60	\$27,368,972.60
1/15/2026	\$25,000,000.00	\$2,050,000.00	\$27,050,000.00
1/15/2027	\$25,000,000.00	\$1,737,500.00	\$26,737,500.00
12/15/2027	\$114,000,000.00	\$1,303,972.60	\$115,303,972.60

### Federal Settlement Amount

	Federal Principal	Federal Interest	Federal Payment
Initial Payment	\$25,118,064.00	TBD*	TBD
1/15/2022	\$17,443,100.00	\$3,450,579.71	\$20,893,679.71
1/15/2023	\$17,443,100.00	\$2,084,450.45	\$19,527,550.45
1/15/2024	\$17,443,100.00	\$1,866,411.70	\$19,309,511.70
1/15/2025	\$17,443,100.00	\$1,652,889.04	\$19,095,989.04
1/15/2026	\$17,443,100.00	\$1,430,334.20	\$18,873,434.20
1/15/2027	\$17,443,100.00	\$1,212,295.45	\$18,655,395.45
12/15/2027	\$79,540,536.00	\$909,812.98	\$80,450,348.98

### State Medicaid Settlement Amount

	State Principal	State Interest	State Payment
Initial Payment	\$10,881,936.00	TBD*	TBD
1/15/2022	\$7,556,900.00	\$1,494,899.75	\$9,051,799.75
1/15/2023	\$7,556,900.00	\$903,049.55	\$8,459,949.55
1/15/2024	\$7,556,900.00	\$808,588.30	\$8,365,488.30
1/15/2025	\$7,556,900.00	\$716,083.56	\$8,272,983.56
1/15/2026	\$7,556,900.00	\$619,665.80	\$8,176,565.80
1/15/2027	\$7,556,900.00	\$525,204.55	\$8,082,104.55
12/15/2027	\$34,459,464.00	\$394,159.62	\$34,853,623.62

\* Interest on the Initial Payment shall be paid in accordance with Paragraph III.1.