

**UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY**

IN RE: VALEANT PHARMACEUTICALS  
INTERNATIONAL, INC. THIRD-PARTY  
PAYOR LITIGATION

Master No. 3:16-cv-3087-MAS-LHG

DISTRICT JUDGE MICHAEL A. SHIPP  
MAGISTRATE JUDGE LOIS H. GOODMAN

THIS DOCUMENT RELATES TO:  
  
SECURITIES CLASS ACTION

**ORDER OF THE SPECIAL MASTER  
JUDGE DENNIS CAVANAUGH, RET.  
APPROVING DISTRIBUTION PLAN**

Plaintiffs moved this Court for an order approving a distribution plan for the Net Settlement Funds in the above-captioned securities class action (“Action”). Having reviewed and considered all the materials and arguments submitted in support of the motion, including the Memorandum of Law in Support of Plaintiffs’ Motion for Approval of Distribution Plan and the Declaration of Eric J. Miller in Support of Plaintiffs’ Motion for Approval of Distribution Plan (“Miller Declaration”),

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. This Order incorporates by reference the definitions in the Stipulation and Agreement of Settlement with Valeant Pharmaceuticals International, Inc., dated August 4, 2021 (ECF No. 194-2) (the “Valeant Stipulation”), the Amendment to the Stipulation and Agreement of Settlement with Valeant Pharmaceuticals Inc., dated November 22, 2021 (ECF No. 203-2) (the “Valeant Stipulation Amendment”), and the Stipulation and Agreement of Settlement with the Philidor Defendants, dated August 4, 2021 (ECF No. 195-2) (the “Philidor Defendants Stipulation”), (collectively, “Stipulations”), as well as the Miller Declaration, and all terms used in this Order shall have the same meanings as defined in the Stipulations and the Miller Declaration.

2. This Court has jurisdiction over the subject matter of the Action and over all parties to the Action, including all Settlement Class Members.

3. Plaintiffs' plan for distribution of the Net Settlement Funds to Authorized Claimants is **APPROVED**. Accordingly:

(a) The administrative determinations of the Court-approved Claims Administrator, A.B. Data, Ltd.'s Class Action Administration Company ("A.B. Data"), to accept the Timely Eligible Claims set forth in Exhibit D to the Miller Declaration and the Late But Otherwise Eligible Claims set forth in Exhibit E to the Miller Declaration are adopted.

(b) The Claims Administrator's administrative determinations to reject the Rejected Claims, as set forth in Exhibit F to the Miller Declaration are adopted.

(c) A.B. Data is directed to conduct the Initial Distribution of the Net Settlement Funds after deducting all payments previously allowed, payments approved by this Order, and any estimated taxes, the costs of preparing appropriate tax returns, and any escrow fees, while maintaining a 5% reserve from the Net Settlement Funds to address any tax liability or claims administration-related contingencies that may arise.

Specifically, as set forth in paragraph 29(a) of the Miller Declaration:

(1) A.B. Data will calculate award amounts for all Authorized Claimants as if the entire Net Settlement Funds were to be distributed now. A.B. Data will calculate each Authorized Claimant's *pro rata* share of the Net Settlement Funds based on the amount of the Authorized Claimant's Recognized Claim in comparison to the total Recognized Claims of all Authorized Claimants; (2) A.B. Data will then eliminate from the Initial Distribution any Authorized Claimant whose total *pro*

*rata* share of the Net Settlement Funds is less than \$100.00. These Claimants will not receive any payment from the Net Settlement Funds and will be so notified by A.B. Data; (3) After eliminating Claimants who would have received less than \$100.00, A.B. Data will recalculate the *pro rata* shares of the Net Settlement Funds for Authorized Claimants who would have received \$100.00 or more based on the amount of the Authorized Claimant's Recognized Claim in comparison to the total Recognized Claims of all Authorized Claimants who would have received \$100.00 or more. This *pro rata* share is the Authorized Claimant's "Distribution Amount"; and (4) 95% of the remaining balance of the Net Settlement Funds will be distributed *pro rata* to Authorized Claimants whose Distribution Amount calculates to \$100.00 or more. The remaining 5% of the Net Settlement Funds will be held in the Reserve to address any tax liability or claims administration-related contingencies that may arise following the Initial Distribution. To the extent the Reserve is not depleted, the remainder will be distributed in the Second Distribution described in subparagraph (f) below.

(d) To encourage Authorized Claimants to cash their checks promptly, all distribution checks will bear the following notation: "CASH PROMPTLY. VOID AND SUBJECT TO REDISTRIBUTION IF NOT CASHED BY [DATE 90 DAYS AFTER ISSUE DATE]." Class Counsel and A.B. Data are authorized to take appropriate action to locate and contact Authorized Claimants who have not cashed their checks within said time as detailed in paragraph 29(b) of the Miller Declaration.

(e) Authorized Claimants who do not cash their Initial Distribution checks within the time allotted or on the conditions set forth in paragraph 29(b) of the Miller

Declaration will irrevocably forfeit all recovery from the Settlement, and the funds allocated to these stale-dated checks will be available to be distributed to other Authorized Claimants in the Second Distribution. Similarly, Authorized Claimants who do not cash their distribution checks in the Second Distribution or subsequent distributions, should such distributions occur, within the time allotted or on the conditions set forth in paragraph 29(b) of the Miller Declaration will irrevocably forfeit any further recovery from the Net Settlement Funds.

(f) After A.B. Data has made reasonable and diligent efforts to have Authorized Claimants cash their Initial Distribution checks (as provided in paragraph 29(b) of the Miller Declaration), but not earlier than seven (7) months after the Initial Distribution, A.B. Data will, after consulting with Class Counsel, conduct the Second Distribution, in which any amount remaining in the Net Settlement Funds, after deducting any unpaid fees and expenses incurred, will be distributed to all Authorized Claimants (other than Claims Paid in Full) who cashed their Initial Distribution check and are entitled to receive at least \$10.00 from the Second Distribution based on their *pro rata* share of the remaining funds. If any funds remain in the Net Settlement Funds after the Second Distribution, and if cost-effective, subsequent distributions will take place at six-month intervals.

(g) When Class Counsel, in consultation with A.B. Data, determine that further distribution of the funds remaining in the Net Settlement Funds is not cost-effective, if sufficient funds remain to warrant the processing of Claims received after March 26, 2024, those Claims will be processed, and any otherwise valid Claims received after March 26, 2024, as well as any earlier-received Claims for which an upward adjustment was received after March 26, 2024, will be paid in accordance with subparagraph (h) below. If any funds

remain in the Net Settlement Funds after payment of these Claims and unpaid fees or expenses, the remaining funds will be contributed to the National Consumer Law Center (“NCLC”).

(h) No new Claims may be accepted after March 26, 2024, and no further adjustments to Claims received on or before March 26, 2024, that would result in an increased Recognized Claim amount may be made for any reason after March 26, 2024, subject to the following exception. If Claims are received or modified after March 26, 2024, that would have been eligible for payment or additional payment pursuant to the Court-approved Plan of Allocation if timely received, then, at the time that Class Counsel, in consultation with A.B. Data, determine a distribution is not cost-effective as provided in subparagraph (g) above, and after payment of any unpaid fees or expenses incurred in connection with administering the Net Settlement Funds and after deducting the payment of any estimated taxes, the costs of preparing appropriate tax returns, and any escrow fees, these Claimants, at the discretion of Class Counsel and to the extent possible, may be paid their distribution amounts or additional distribution amounts on a *pro rata* basis that would bring them into parity with other Authorized Claimants who have cashed all their prior distribution checks.

4. The Court finds that the administration of the Settlements and the proposed distribution of the Net Settlement Funds comply with the terms of the Stipulations and Plan of Allocation approved by this Court and that all persons involved in the review, verification, calculation, tabulation, or any other aspect of the processing of the Claims submitted, or who are otherwise involved in the administration or taxation of the Settlement Funds or the Net Settlement Funds, are hereby released and discharged from any and all claims arising out of that involvement,

and all Settlement Class Members and other Claimants, whether or not they receive payment from the Net Settlement Funds, are hereby barred from making any further claims against the Net Settlement Funds, Plaintiffs, Class Counsel, the Claims Administrator, the Escrow Agent or any other agent retained by Plaintiffs or Class Counsel in connection with the administration or taxation of the Settlement Funds or the Net Settlement Funds, or any other person released under the Settlements beyond the amounts allocated to Authorized Claimants.

5. All of A.B. Data's fees and expenses incurred in the administration of the Settlements and estimated to be incurred in connection with the Initial Distribution of the Net Settlement Funds as set forth in the invoices attached as Exhibit G to the Miller Declaration are approved, and Class Counsel are directed to pay the outstanding balance of \$62,768.45 to A.B. Data out of the Settlement Funds.

6. Unless otherwise ordered by the Court, A.B. Data may destroy the paper copies of the Claims and all supporting documentation one year after the Initial Distribution, and one year after all funds have been distributed may destroy the electronic copies of the same.

7. This Court retains jurisdiction to consider any further applications concerning the administration of the Settlement, and any other and further relief that this Court deems appropriate.

SO ORDERED this 22nd day of October, 2024.

Date: October 22, 2024

Dennis M. Cavanaugh  
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DENNIS M. CAVANAUGH  
Special Master