

violations of the South Dakota Deceptive Trade and Consumer Protection Act, SDCL ch. 37-24. The Attorney General is charged with, among other things, the responsibility of enforcing SDCL ch. 37-24. The Deceptive Trade and Consumer Protection Act.

1.2 Johnson & Johnson engaged in trade or commerce in the State of South Dakota.

II. FINDINGS

2.1 This Court has jurisdiction over the subject matter of this Assurance Voluntary Compliance (hereinafter "AVC:") and over all Parties and venue is proper before this Court.

2.2 The terms of this AVC shall be governed by the laws of the State of South Dakota.

2.3 Entry of this AVC is in the public interest and reflects a negotiated agreement among the Parties.

2.4 The Parties have agreed to resolve South Dakota's allegations and claims against Johnson & Johnson resulting from the Covered Conduct by entering into this AVC.

2.5 Johnson & Johnson is willing to enter into this AVC regarding the Covered Conduct in order to resolve South Dakota's allegations and claims against Johnson & Johnson under the SDCL ch. 37-24 as to the matters addressed in this AVC and thereby avoid significant expense, inconvenience, and uncertainty associated with their adjudication.

2.6 Johnson & Johnson is entering into this AVC solely for the purpose of settlement, and nothing contained herein may be taken as or construed to be an admission or concession of any violation of law, rule, or regulation, or of any other matter of fact or law, or of any liability or wrongdoing, all of which Johnson & Johnson expressly denies.

2.7 This AVC shall not be construed or used as a waiver or limitation of any defense otherwise available to Releasees in any other action, or of Releasees' right to defend from, or make any arguments in, any private individual action, class claims or suits, or any other governmental or regulatory action or public forum relating to the subject matter or terms of this

AVC. This AVC is made without trial or adjudication of any issue of fact or law or finding of liability of any kind. Notwithstanding the foregoing, South Dakota may file an action to enforce the terms of this AVC.

2.8 It is the intent of the Parties that this AVC not be admissible in other cases nor be binding on Releasees or Releasors in any respect other than in connection with the enforcement of this AVC.

2.9 No part of this AVC shall create a private cause of action or confer any right on any third party for enforcement of this AVC or violation of any federal or state statute. This AVC and its contents are not intended for use by any third party for any purpose, including submission to any court for any purpose except for enforcement by the Parties.

2.10 This AVC (or any portion thereof) shall in no way be construed to (i) prohibit Johnson & Johnson from making any representation, or taking any action, required under federal law or regulations, or (ii) Johnson & Johnson to take any action prohibited by federal law or regulation.

III. DEFINITIONS

The following definitions shall be used in construing this Assurance of Voluntary Compliance:

3.1 "Claims" shall mean any and all civil (i.e., non-criminal) claims, demands, actions, suits, causes of action, damages, fines, penalties, parens patriae claims, and liabilities and monetary impositions of any nature, as well as costs, expenses, and attorneys' fees, whether known or unknown, suspected or unsuspected, accrued or unaccrued, whether legal, equitable, statutory, regulatory, or administrative that (i) directly or indirectly are based on or arise out of the Covered Conduct and (ii) relate to the properties, purity, or safety of talcum powder.

3.2 "Covered Conduct" shall mean any Promotional and marketing practices, sales, and/or dissemination of information to consumers and/or Health Care Providers (HCPs) made,

performed, conducted, directed or engaged in by any of the Releasees regarding Covered Products up to the Effective Date.

3.3 “Covered Products” shall mean baby and body powder products and cosmetic powder products manufactured, marketed, Promoted, distributed, and/or sold by Johnson & Johnson or any J&J-Related Entity in the United States that contain talcum powder, including, but not limited to, Johnson’s Baby Powder and Johnson & Johnson’s Shower to Shower.

3.4 “Effective Date” shall mean the date on which a copy of the AVC is approved and entered by this Court after its execution and submission by the Parties.

3.5 “Health Care Provider” or “HCP” shall mean any physician or other health care practitioner, who is licensed to provide health care services.

3.6 “J&J-Related Entities” means any and all of Johnson & Johnson’s past or current affiliates, subsidiaries, divisions, parent companies, predecessors, or successors, including, but not limited to, Johnson & Johnson Consumer Inc., Johnson & Johnson Consumer Companies Inc., Janssen Pharmaceuticals, Inc., Janssen Research & Development LLC, Johnson & Johnson Holdco (NA) Inc., LTL Management LLC, LLT Management, LLC, and Kenvue Inc.

3.7 “Multistate Executive Committee” shall mean the Attorneys General and their staffs representing Arizona, Florida, Illinois, Maryland, New York, North Carolina, Ohio, Oregon, Texas, and Washington.

3.8 “Multistate Working Group” shall mean the Attorneys General and their staffs representing Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Maine, Maryland, Massachusetts, Michigan, Minnesota, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon,

Rhode Island, South Dakota, Texas, Utah, Vermont, Virginia, Washington, West Virginia, and Wisconsin.

3.9 “Other Official” shall mean any other South Dakota entity, official, or public or governmental entity within South Dakota with authority to bring Claims on behalf of South Dakota or on behalf of or in the name of the people of South Dakota. “Other Official” does not include a person or entity if the Signatory Attorney General lacks power or authority under [State] law to release or dismiss Claims of that person or entity as to the Claim at issue.

3.10 “Other Released Person(s)” means the entities identified on Exhibit 1 to this AVC.¹

3.11 “Parties” shall mean Johnson & Johnson and South Dakota.

3.12 “Promotional,” “Promoting,” “Promoted,” or “Promote” shall mean representations made to consumers, HCPs, patients, and/or other customers, and other practices intended to increase sales or that attempt to influence consumers, patients and/or other customers, and/or the recommendation practices of HCPs in the United States, including direct-to-consumer marketing.

3.13 “Releasees” shall mean Johnson & Johnson, J&J-Related Entities, and any Other Released Persons.

3.14 “Releasors” shall mean (1) the Signatory Attorney General; and (2) South Dakota, to full extent of the Signatory Attorney General’s authority under South Dakota law to release or dismiss Claims, if any.

3.15 “Signatory Attorney General” shall mean the Attorney General of South Dakota, including his/her authorized designees or successors, who has executed this AVC on behalf of

¹ Johnson & Johnson represents and warrants to South Dakota that each of these entities is a third party retailer that sold old Johnson & Johnson Consumer Inc.’s talc-containing products or a third party to which Johnson & Johnson has indemnification obligations. Other Released Persons are released only to the extent of each Other Released Persons’ indemnification or contribution claim against Johnson & Johnson and J&J Related Entities.

South Dakota.

3.16 “State Consumer Protection Laws” shall mean the consumer protection laws cited in Footnote 2 under which the Multistate Working Group conducted an investigation regarding the Covered Conduct and from which the Multistate Amount and the matters addressed in this AVC arise.²

3.17 “Subsidiary” or “Subsidiaries” shall mean only Johnson & Johnson’s current subsidiaries as of the Effective Date.

IV. COMPLIANCE PROVISIONS

4.1 Johnson & Johnson, for itself and each of its Subsidiaries, together with each of their respective officers, agents, servants, employees, and any other person or entity in active concert or participation with any of them, whether acting directly or indirectly through any

² ALABAMA – Ala. Code § 8-19-1, et seq.; ALASKA – Alaska Unfair Trade Practices and Consumer Protection Act, AS 45.50.471 et seq.; ARIZONA – A.R.S. §§44-1521 to -1534; ARKANSAS – The Arkansas Deceptive Trade Practices Act, Ark. Code Ann. § 4-88-101 et. seq.; CALIFORNIA – California Business & Professions Code Sections 17200 et seq. and 17500 et seq.; COLORADO – C.R.S. § 6-1-105 et seq.; CONNECTICUT – Conn Gen Stat. sec 42-110a; DELAWARE – 6 Del. C. §§ 2511 et seq.; DISTRICT OF COLUMBIA – D.C. Code § 28-3901 et seq.; FLORIDA – Florida Deceptive and Unfair Trade Practices Act, Chapter 501, Part II, Florida Statutes; GEORGIA – Georgia Fair Business Practices Act, O.C.G.A. § 10-1-390 et seq. (“FBPA”); HAWAII – Haw. Rev. Stat. § 480-2(a) and Haw. Rev. Stat. Chpt. 481A; IDAHO – I.C. § 48-601 et seq.; ILLINOIS – 815 ILCS 505/1 et seq.; INDIANA – Ind. Code § 24-5-0.5, et seq.; IOWA – Iowa Code Section 714.16; KANSAS – Kansas Consumer Protection Act, K.S.A. 50-623 et seq.; KENTUCKY – KRS 367.170; MAINE – 5 M.R.S.A. § 205-A et seq.; MARYLAND – Maryland Consumer Protection Act, Md. Code Ann., Com. Law §§ 13-101 to -501 (2013 Repl. Vol. & 2023 Supp.); MASSACHUSETTS – G.L.c. 93A; MICHIGAN – MCL 445.901 et seq.; MINNESOTA – Minn. Stat. section 325F.69 (Minnesota Prevention of Consumer Fraud Act); Minn. Stat. section 325D.45 (Minnesota Uniform Deceptive Trade Practices Act); MONTANA – MCA 30-14-101 et al; NEBRASKA – Consumer Protection Act N.R.S. section 59-1601 et seq. and the Uniform Deceptive Trade Practices Act N.R.S. section 87-301 et seq.; NEVADA – Nevada Deceptive Trade Practices Act, NRS 598.0903, et seq.; NEW HAMPSHIRE – NH RSA § 358-A; NEW JERSEY – N.J.S.A. 56:8-1 to -229 The New Jersey Consumer Fraud Act; NEW YORK – N.Y. Exec. Law Section 63(12) and G.B.L. Sections 349 and 350; NORTH CAROLINA – N.C.G.S. § 75-1.1 et seq.; NORTH DAKOTA – N.D.C.C. ch. 51-15; OHIO – Consumer Sales Practices Act, R.C. 1345.01 et seq.; OKLAHOMA – 15 O.S. § 751 et seq.; OREGON – Oregon Unlawful Trade Practices Act, Or. Rev. Stat. § 646.605 et seq.; RHODE ISLAND – R.I. Gen. Laws § 6-13.1-1, et seq.; SOUTH DAKOTA – SDCL ch. 37-24; TEXAS – Texas Deceptive Trade Practices—Consumer Protection Act, Tex. Bus. & Com. Code §§ 17.41–17.63; UTAH – Utah Code § 13-11-1, et seq.; VERMONT – The Vermont Consumer Protection Act, 9 V.S.A. §§ 2451 et. seq.; VIRGINIA – Virginia Consumer Protection Act (“Consumer Protection Act”), Va. Code §§ 59.1-196 through 59.1-207; WASHINGTON – RCW 19.86; WEST VIRGINIA – W. Va. Code, § 46A-1-101; and WISCONSIN – Wis. Stat. § 100.18(1).

corporation, company, partnership, trust, entity, subsidiary, affiliate, division, or other device, hereby agrees, represents, and warrants that they:

- (a) ceased the manufacturing, marketing, Promotion, sale, and distribution of all Covered Products in the United States and, as of the Effective Date, has not resumed the manufacture, marketing, Promotion, sale or distribution of any Covered Products in the United States; and
- (b) will not manufacture, market, Promote, sell or distribute any Covered Products in the United States either directly, or indirectly through any third party.

V. PAYMENT

5.1 Except as otherwise provided for herein, each Party will be responsible for its own costs, expenses, and attorneys' fees.

5.2 Johnson & Johnson shall pay the members of the Multistate Working Group collectively a total amount of \$700,000,000.00 ("Multistate Amount"), of which the Signatory Attorney General shall receive \$3,642,929.38 (the "Settlement Amount"), as specified more fully in Exhibit 2. The Multistate Amount shall be paid in four installments, each payable as directed by the Signatory Attorney General, with installments due as follows: (i) 175 Million Dollars (\$175,000,000.00) by July 30, 2024; (ii) 175 Million Dollars (\$175,000,000.00) by July 30, 2025; (iii) 175 Million Dollars (\$175,000,000.00) by July 30, 2026; and (iv) 175 Million Dollars (\$175,000,000.00) by July 30, 2027, as specified in Exhibit 2. Accordingly, Johnson & Johnson shall pay South Dakota the Settlement Amount as follows: (i) \$906,607.09 by July 30, 2024; (ii) \$912,107.43 by July 30, 2025; (iii) \$912,107.43 by July 30, 2026; and (iv) \$912,107.43 by July 30, 2027, as specified in Exhibit 2. If this AVC is not entered by the Court more than thirty (30) days prior to the due date for the first installment, the due date for the first installment shall be thirty (30) days from the Effective Date, with the due dates for the subsequent installments remaining

unchanged. If Johnson & Johnson fails to make any of the forgoing installment payments when due in accordance with this Paragraph 5.2 and Paragraph 5.4 below, the entire unpaid balance of the Settlement Amount shall become immediately due and payable. Payment of the Settlement Amount is being made in return for all the representations, warranties, and obligations set forth in this AVC, including but not limited to the release provided in Section VIII below for Johnson & Johnson, both individually and for the other Releasees.

5.3 Each of the Parties acknowledges, agrees and understands that, for purposes of Section 162(f) of the Internal Revenue Code, the Settlement Amount may be used at the sole discretion of the Signatory Attorney General for any lawful purpose, including restitution, and subject to any applicable laws of the State of South Dakota, and the Signatory Attorney General will file an IRS Form 1098 indicating how it was used.

5.4 As part of the consideration for this AVC, Johnson & Johnson agrees, warrants, and represents that:

- (a) Johnson & Johnson is solvent as of the Effective Date and will not be rendered insolvent by its payment of the Settlement Amount pursuant to the payment schedule set forth above in Paragraph 5.2;
- (b) All funds used to pay the Settlement Amount will, at the time of the transfer directed by the Signatory Attorney General pursuant to Paragraph 5.2 above, be the exclusive property of Johnson & Johnson free from any lien, claim, or right by anyone else in or to any portion thereof, including, but not limited to, the J&J-Related Entities and Other Released Persons; and
- (c) Johnson & Johnson will not file, pursue, or support, whether directly or indirectly, any action, proceeding, or claim that seeks to delay, recover, avoid, or offset any

payment of the Settlement Amount (including those already made or scheduled to be paid pursuant to the payment schedule in Paragraph 5.2 above), for any reason, or based on any claim or theory.

VI. INDEMNIFICATION AND DEFENSE

6.1 Johnson & Johnson shall promptly and fully pay the Settlement Amount in strict accordance with Section V above, including, without limitation, the payment schedule in Paragraph 5.2 above and the source and nature of the funds in Paragraph 5.4(b) above, and shall indemnify, defend, and hold South Dakota and the Signatory Attorney General (the "Indemnitees") harmless from and against any and all actions, claims, proceedings, judgments, AVCs, turnovers, offsets, encumbrances, losses, costs, and expenses (including, without limitation, reasonable attorneys' fees) that arise from, are based upon, or relate to any avoidance or recovery (as a preference, fraudulent conveyance or transfer, or otherwise) of all or any portion of the Settlement Amount (regardless of the payee or the source, nature, or allocation of the funds used) by another person or entity (including, without limitation, a trustee, a committee, or a debtor in possession).

6.2 In the event an Indemnatee becomes aware of a demand, claim, action, or proceeding that would give rise to indemnification pursuant to Paragraph 6.1 above (an "Indemnification Claim"), the Signatory Attorney General shall promptly provide notice to the Johnson & Johnson of the same.

6.3 After being notified of an Indemnification Claim, Johnson & Johnson agrees to pay the applicable Indemnatee outside counsel fees and expenses reasonably necessary to defend and/or resolve the Indemnification Claim and also to cooperate and assist in that defense and/or resolution; provided, however, that Johnson & Johnson's payment obligations hereunder shall not extend to more than one outside counsel firm (other than necessary local counsel) without , Johnson & Johnson's written consent, and that South Dakota and Johnson & Johnson shall

mutually agree on any outside counsel firm before it is retained, which agreement shall not be unreasonably withheld. Johnson & Johnson will pay reasonable outside counsel fees and expenses within 30 days of receiving an invoice. Should the Indemnification Claim be for an actual loss of Settlement Amount payments already sustained by an Indemnitee, Johnson & Johnson shall reimburse the amount of the lost funds by wire transfer in the manner provided by the Signatory Attorney General within thirty (30) days of the Signatory Attorney General's notice to do so.

6.4 If Johnson & Johnson becomes aware of a potential Indemnification Claim that the Indemnitees have not yet provided Johnson & Johnson notice of, Johnson & Johnson agrees to promptly provide South Dakota notice of the same.

VII. DISPUTE RESOLUTION

7.1 For the purposes of resolving disputes with respect to compliance with this AVC, if the Signatory Attorney General has a reasonable basis to believe that the Johnson & Johnson engaged in a practice that violates a provision of this AVC subsequent to the Effective Date, then such Signatory Attorney General shall notify Johnson & Johnson in writing of the specific concern, identify the provision(s) of this AVC that the practice appears to violate, and give Johnson & Johnson thirty (30) days to respond to the notification; provided, however, that a Signatory Attorney General may take any action if the Signatory Attorney General believes that, because of the specific practice, a threat to the health or safety of the public requires immediate action. Upon receipt of written notice from the Signatory Attorney General, Johnson & Johnson shall provide a good-faith written response to the Signatory Attorney General notification, containing either a statement explaining why Johnson & Johnson believes it is in compliance with the AVC, or a detailed explanation of how the alleged violation occurred and a statement explaining how Johnson & Johnson intends to remedy the alleged violation. Nothing in this Section VII shall be interpreted to limit the State of South Dakota's Civil Investigative Demand ("CID") or investigative subpoena

authority and Johnson & Johnson reserves all of its rights in responding to a CID or investigative subpoena issued pursuant to such authority.

7.2 Upon giving Johnson & Johnson thirty (30) days from receipt of the notice set forth in Paragraph 7.1 above to respond, the Signatory Attorney General shall also be permitted reasonable access to inspect and copy relevant, non-privileged, non-work product records and documents in the possession, custody, or control of Johnson & Johnson that relate to Johnson & Johnson's compliance with each provision of this AVC. If the Signatory Attorney General makes or requests copies of any documents during the course of that inspection, the Signatory Attorney General will provide a list of those documents to Johnson & Johnson.

7.3 The Signatory Attorney General may assert any claim that Johnson & Johnson violated this AVC in this action or in a separate civil action to enforce compliance with this AVC, or may seek any other relief afforded by law for a violation of the AVC, but only after providing Johnson & Johnson an opportunity to respond to the notification described in Paragraph 7.1 above; provided, however, that a Signatory Attorney General may take any action if the Signatory Attorney General believes that, because of the specific practice, a threat to the health or safety of the public requires immediate action.

VIII. RELEASE

8.1 Released Claims. By operation of this AVC being entered as a final Order by this Court, Releasors, subject to Paragraph 8.3 below, release and forever discharge Releasees from any Claims (the "Released Claims"). If an Other Official asserts or attempts to assert a Released Claim against Johnson & Johnson or any of the J&J-Related Entities, or J&J-Related Entities against whom that Released Claim is asserted shall notify the Signatory Attorney General or the Attorney General's successor or designee of that claim. To the extent that doing so is determined by that Signatory Attorney General to be in the best interest of the State of South Dakota and

consistent with South Dakota law, that Signatory Attorney General will work to secure the prompt dismissal of any and all Released Claims in an action brought or maintained by an Other Official asserting such Released Claims against Johnson & Johnson and J&J-Related Entities. South Dakota also agrees it will not oppose any effort by any of the Releasees to secure the prompt dismissal of any and all Released Claims in an action brought or maintained by an Other Official asserting such Released Claims against any of the Releasees.

8.2 The release in Paragraph 8.1 is intended by the Parties to be broad and shall be interpreted such that the Releasors are giving the Releasees the broadest possible bar against any liability as to the Released Claims. Except as otherwise provided for herein, this AVC shall be a complete bar to any Released Claims.

8.3 Claims Not Covered. Notwithstanding any term of this AVC, specifically reserved and excluded from the release in Paragraph 8.1 above as to any entity or person, including Releasees, are any and all of the following:

- (a) Any criminal liability that any person or entity, including Releasees, has or may have to the State of South Dakota;
- (b) Any civil or administrative liability that any person or entity, including Releasees, has or may have to the State of South Dakota not expressly covered by the release in Paragraph 8.1 above, including, but not limited to, any and all of the following claims:
 - i. State or federal antitrust violations;
 - ii. State false claims violations;
 - iii. State Medicaid fraud or abuse claims (whether common law, statutory or otherwise) and/or kickback violations (this release also does not affect or limit the State's subrogation interest under federal law or state law with regards to claims by individuals

who were/are enrolled in State Medicaid programs);

- iv. State or federal tax violations;
- v. State or federal environmental violations;
- vi. State or federal securities violations; and
- vii. Claims to enforce the terms and conditions of this AVC, including, but not

limited to, Johnson & Johnson's obligations in Section V above regarding payment of the Settlement Amount and related indemnification in Section VI above;

(c) Any claims individual consumers have or may have, including, but not limited to, claims for personal injury and/or claims under State Consumer Protection Laws.

(d) Any claims of any kind against any persons or entities that are not expressly included in the definition of Releasees in Paragraph 3.13 above.

8.4 Nothing contained in this AVC shall be taken or construed as relieving Johnson & Johnson or any of the other Releasees of any obligations they may have under any other judgment, assurance of voluntary compliance, or agreement relating to any product or conduct.

IX. MOST FAVORED NATIONS PROVISION

9.1 **Most Favored Nation Provision.** If Johnson & Johnson or any of its Subsidiaries enters into any settlement agreement with any state that is not a member of the Multistate Working Group "Non-Settling State") within (12) months after the Effective Date that resolves claims similar to the Released Claims on payment terms that are more favorable to such Non-Settling State than the payment terms of this AVCe, then South Dakota , individually or collectively with other Multistate Working Group states, may seek review, pursuant to Paragraph 9.3, of the overall payment terms of this AVC so that South Dakota may obtain overall payment terms at least as favorable as those obtained by such Non-Settling State.

9.2 For purposes of Paragraph 9.1 above,

(a) the “overall payment terms” paid to a Non-Settling State are more favorable than those paid to South Dakota if: the 2024 present dollar value³ of all settlement payments to the Non-Settling State, divided by the number of units of Covered Products sold in that Non-Settling State for which the sales records of Johnson & Johnson and its Subsidiaries are available to the Multistate Working Group, is greater than 1.29968, representing the 2024 dollar present value (\$656,977,401.49) of the Multistate Amount (\$700,000,000) divided by the number of units of Covered Products sold in the Multistate Working Group states for which the sales records of Johnson & Johnson and its Subsidiaries are available to the Multistate Working Group (505,491,271).

(b) Claims by a Non-Settling State are “similar” to the Released Claims if, after replacing the Non-Settling State’s Attorney General for the Signatory Attorney General in the definition of Released Claims, the Non-Settling State’s claims would be included under the definition of Released Claims.

9.3 If Johnson & Johnson or any of its Subsidiaries enters into a settlement with a Non-Settling State involving claims similar to the Released Claims, it shall provide a copy of the settlement agreement or relevant AVC within thirty (30) days of the effective date of such settlement to South Dakota and the Multistate Executive Committee.

(a) If South Dakota believes that the overall payment terms of an agreement between Johnson & Johnson (or its Subsidiary) and a Non-Settling State are more favorable than those in this AVC, Johnson & Johnson and South Dakota shall engage in the following process:

³ For purposes of Section IX, the 2024 present dollar value of payments made in 2025 or later to the Multistate Working Group states and to any Non-Settling States will be discounted at a rate of 4.4% per year, compounded annually.

i. South Dakota shall provide notice, within sixty (60) calendar days of the date on which South Dakota receives the Order Approving Assurance of Voluntary Compliance, to Johnson & Johnson of its intent to seek revision of this AVC to be modified to provide payment terms that are, on an overall basis, as favorable as those obtained by the Non-Settling State. Such notice shall be confidential and not disclosed publicly to the extent allowed by law and shall state, in detail, the basis for South Dakota's belief that it is entitled to a modification of this AVC.

ii. Johnson & Johnson shall, within thirty (30) calendar days of receipt of South Dakota's notice, provide a response to South Dakota, explaining its position, in detail, as to whether South Dakota is entitled to more favorable overall payment terms than those provided for in this AVC.

iii. In the event South Dakota and Johnson & Johnson do not reach agreement as to the application of Paragraph 9.1 above, South Dakota may seek judicial review from the Court as to the applicability of Paragraph 9.1 above and modification of Johnson & Johnson's financial obligations thereunder if warranted. The Court's review shall be limited to whether the overall payment terms to the Non-Settling State are more favorable than those to South Dakota, as defined in Paragraph 9.2(a) above, and if so, the sum to be paid to South Dakota to eliminate such disparity.

9.4 This Section IX does not apply to, and there is no ability for South Dakota to seek or obtain revision of this AVC based on, any Non-Settling State's agreement with Johnson & Johnson or its Subsidiaries that is entered into with: (a) a Non-Settling State that has advanced litigation against Johnson & Johnson or its Subsidiaries beyond the point at which one or more claims has survived a motion to dismiss or (b) a Non-Settling State that has obtained any court

Order or judicial determination that grants judgment (in whole or in part) following a bench trial or a jury trial against Johnson & Johnson or its Subsidiaries.

X. ADDITIONAL PROVISIONS

10.1 Nothing in this AVC shall be construed to authorize or require any action by Johnson & Johnson or any of the other Releasees in violation of applicable federal, state, or other laws.

10.2 The AVC may be modified by a written stipulation of the Parties, once the stipulation is approved by and becomes an Order of the Court, or by court proceedings resulting in a modified AVC of the Court.

10.3 Johnson & Johnson shall not cause or encourage any third party, nor knowingly permit any third party acting on the behalf of Johnson & Johnson, to engage in any practice from which Johnson & Johnson is prohibited by this AVC.

10.4 The acceptance of this AVC by South Dakota shall not be deemed approval by the State of South Dakota of the past, present, or future advertising or business practices of Johnson & Johnson or any of the other Releasees. Further, neither Johnson & Johnson nor anyone acting on its behalf shall state or imply, or cause to be stated or implied, that South Dakota or any other governmental unit of South Dakota has approved, sanctioned or authorized any past, present, or future practice, act, advertisement, or conduct of Johnson & Johnson or any of the other Releasees.

10.5 Any failure by either Party to this AVC to insist upon the strict performance by the other party of any of the provisions of this AVC shall not be deemed a waiver of any of the provisions of this AVC, and such Party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this AVC.

10.6 This AVC represents the full and complete terms of the settlement entered into by the Parties. In any action undertaken by either of the Parties, no prior version of this AVC and no

prior versions of any of its terms that were not entered by the Court in this AVC, may be introduced for any purpose whatsoever. This AVC and each of its constituent provisions were jointly drafted by counsel for the Parties and any ambiguities herein shall not be construed against either Party.

10.7 This Court retains jurisdiction of this AVC and the Parties for the purpose of construction, enforcement, and modification of this AVC and for the purpose of granting such additional relief as may be necessary and appropriate.

10.8 This AVC may be executed in counterparts, and a facsimile or .pdf signature shall be deemed to be, and shall have the same force and effect as, an original signature.

10.9 Any notice provided by either Party under this AVC to the other shall be in writing and provided to the other Party via email and Overnight Mail, return receipt requested, using the following information specified below, or such other information as may be specified by either Party in accordance with this Paragraph 10.9:

Johnson & Johnson:

Daniel Suvor
O'Melveny & Myers
400 South Hope Street
Los Angeles, CA 90071
Phone: (213) 430-6000
dsuvor@omm.com

Plaintiff/State of South Dakota Signatory Attorney General:

1302 East Hwy 14, Suite 1
Pierre, South Dakota 57501

10.10 To the extent that any provision of this AVC obligates Johnson & Johnson to change any policy(ies) or procedure(s) and to the extent not already accomplished, Johnson & Johnson shall implement the policy(ies) or procedure(s) as soon as reasonably practicable, but no later than 120 days after the Effective Date, unless another period for compliance is specified herein.

10.11 Each Party represents and warrants that those signing this AVC on their behalf have the full legal capacity, right, power, and authority to execute and enter into this AVC on their behalf and to bind them to its terms and provisions.

CONSENTED AND AGREED TO BY:

For Defendant Johnson & Johnson:

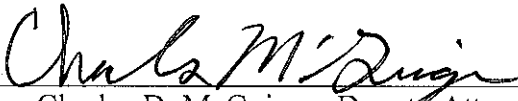
By:

/s/ Daniel Suvor
Daniel Suvor
O'Melveny & Myers

Date: June 11, 2024

APPROVED BY:

Marty J. Jackley
South Dakota Attorney General


By: Charles D. McGuigan, Deputy Attorney General
South Dakota Office of Attorney General
1302 E. Hwy 14, Suite 1
Pierre, SD 57501
605-773-3215
Charles.McGuigan@state.sd.us

DATE: June 11, 2024

List of Other Released Persons	
1	7-Eleven, Inc. and all affiliated entities
2	Ahold Delhaize Usa, Inc. and all affiliated entities
3	Albertson's Companies, Inc. and all affiliated entities
4	Associated Wholesale Grocers, Inc. and all affiliated entities
5	Bashas' Inc. and all affiliated entities
6	Bausch Health Companies Inc. and all affiliated entities
7	BCW, LLC and all affiliated entities
8	Beauty Land Enterprises/Beautyland and all affiliated entities
9	Best Market of Astoria, Inc. and all affiliated entities
10	Bi-Mart Corporation and all affiliated entities
11	BJ's Wholesale Club, Inc. and all affiliated entities
12	C&S Wholesale Grocers, Inc. and all affiliated entities
13	Classic Pharmacy and all affiliated entities
14	Cosentino's Food Stores and all affiliated entities
15	Costco Wholesale Corporation and all affiliated entities
16	CVS Pharmacy, Inc. and all affiliated entities
17	Cyprus AMAX Minerals Company and all affiliated entities
18	Cyprus Mines Corporation, and all affiliated entities
19	Demoulas Super Markets, Inc. and all affiliated entities
20	Dierbergs Market and all affiliated entities
21	Discount Drug Mart, Inc. and all affiliated entities
22	Dollar Tree Stores, Inc. and all affiliated entities
23	F.W. Woolworth Co. and all affiliated entities
24	Fleming Companies, Inc. and all affiliated entities
25	Foodland Super Market, LTD. and all affiliated entities
26	Four B Corp., d/b/a Balls Food Stores and all affiliated entities
27	Fruth Pharmacy and all affiliated entities
28	Gelson's Markets and all affiliated entities
29	Gerland's Food Fair, LLC, and all affiliated entities
30	Giant Eagle, Inc. and all affiliated entities
31	Good Food Holdings, LLC and all affiliated entities
32	Grocery Outlet Holding Corp. and all affiliated entities
33	HAC, Inc. and all affiliated entities
34	Heb Grocery Company, LP and all affiliated entities
35	HSBC Finance Corp. and all affiliated entities
36	Hy-vee, Inc. and all affiliated entities
37	Imerys S.A., and all affiliated entities
38	Imerys Talc America, Inc.
39	Imerys Talc Canada Inc.
40	Imerys Talc Vermont, Inc.
41	Janssen Pharmaceuticals, Inc.
42	Janssen Research & Development, LLC
43	Johnson & Johnson Consumer Inc.
44	Johnson & Johnson Holdco (NA) Inc.
45	Kenvue Inc.
46	Kings Pharmacy Holdings, LLC and all affiliated entities
47	Kolmar Laboratories, Inc. and all affiliated entities
48	La Luz Market Ltd. Co. and all affiliated entities
49	Lewis Food Town, Inc. d/b/a Gerlands Grocery Stores and all affiliated entities
50	Marc Glassman, Inc. and all affiliated entities
51	MBF Healthcare Holdings, Inc.
52	MBF Healthcare Management, LLC
53	Meijer, Inc. and all affiliated entities
54	Navarro Discount Pharmacies
55	New Seasons Market, LLC and all affiliated entities
56	Owens & Minor, Inc. and all affiliated entities
57	Personal Care Products Council
58	Piggly Wiggly, LLC and all affiliated entities
59	PTI Royston, LLC and all affiliated entities
60	PTI Union LLC and all affiliated entities
61	Publix Super Markets, Inc. and all affiliated entities
62	Raley's and all affiliated entities
63	Rio Tinto America, Inc., and all affiliated entities
64	Rite Aid Corporation and all affiliated entities
65	Rouse's Enterprises, LLC and all affiliated entities
66	Save Mart Supermarkets, Inc. and all affiliated entities
67	Schnuck Markets, Inc. and all affiliated entities
68	Sedano's Market, Inc. and all affiliated entities
69	Shanti Pharmacy Corp. and all affiliated entities
70	Southeastern Grocers and all affiliated entities
71	Stater Bros. Markets and all affiliated entities
72	Super Center Concepts, Inc. d/b/a Superior Grocers and all affiliated entities
73	Supervalu, Inc. and all affiliated entities
74	T. Levy Associates, Inc. and all affiliated entities
75	Target Corporation and all affiliated entities
76	The Bartell Drug Company and all affiliated entities
77	The Kroger Company and all affiliated entities
78	The Stop and Shop Supermarket Company, LLC and all affiliated entities
79	Thrifty White Drug and all affiliated entities
80	Valeant Pharmaceuticals Int. and all affiliated entities
81	Wakefern Food Corporation and all affiliated entities
82	Walgreen Co. and all affiliated entities
83	Walmart Inc. and all affiliated entities
84	Wegmans Food Markets, Inc. and all affiliated entities
85	Winn-Dixie Stores and all affiliated entities
86	Those entities identified on Schedules I and II of the Joint Chapter 11 Plan of Reorganization filed in <i>In re Imerys Talc America, Inc.</i> , et al. No. 19-10289, Dkt. 1714 (D. Del. May 15, 2020).

Multistate Amount	\$700,000,000.00	
Multistate Costs Reimbursement	\$1,055,314.05	(year 1)
Multistate Amount After Costs	\$698,944,685.95	

(A) State	Total Payment Due	Payment Due 7/30/2024	Payment Due 7/30/2025	Payment Due 7/30/2026	Payment Due 7/30/2027
Alabama	\$13,458,975.00	\$3,349,502.79	\$3,369,824.07	\$3,369,824.07	\$3,369,824.07
Alaska	\$3,145,614.15	\$782,841.45	\$787,590.90	\$787,590.90	\$787,590.90
Arizona	\$15,466,308.21	\$3,849,063.00	\$3,872,415.07	\$3,872,415.07	\$3,872,415.07
Arkansas	\$12,716,700.92	\$3,164,774.84	\$3,183,975.36	\$3,183,975.36	\$3,183,975.36
California	\$78,055,841.33	\$19,425,569.84	\$19,543,423.83	\$19,543,423.83	\$19,543,423.83
Colorado	\$14,383,390.60	\$3,579,559.90	\$3,601,276.90	\$3,601,276.90	\$3,601,276.90
Connecticut	\$9,273,125.22	\$2,307,780.42	\$2,321,781.60	\$2,321,781.60	\$2,321,781.60
Delaware	\$4,945,711.03	\$1,230,827.23	\$1,238,294.60	\$1,238,294.60	\$1,238,294.60
District of Columbia	\$3,051,110.51	\$759,322.55	\$763,929.32	\$763,929.32	\$763,929.32
Florida	\$48,172,599.16	\$11,988,599.08	\$12,061,333.36	\$12,061,333.36	\$12,061,333.36
Georgia	\$24,143,123.33	\$6,008,441.15	\$6,044,894.06	\$6,044,894.06	\$6,044,894.06
Hawaii	\$5,308,820.38	\$1,321,193.38	\$1,329,209.00	\$1,329,209.00	\$1,329,209.00
Idaho	\$5,765,502.09	\$1,434,846.66	\$1,443,551.81	\$1,443,551.81	\$1,443,551.81
Illinois	\$29,071,074.93	\$7,234,848.63	\$7,278,742.10	\$7,278,742.10	\$7,278,742.10
Indiana	\$18,023,565.11	\$4,485,481.37	\$4,512,694.58	\$4,512,694.58	\$4,512,694.58
Iowa	\$9,455,006.54	\$2,353,044.77	\$2,367,320.59	\$2,367,320.59	\$2,367,320.59
Kansas	\$11,421,305.95	\$2,842,393.00	\$2,859,637.65	\$2,859,637.65	\$2,859,637.65
Kentucky	\$9,381,168.34	\$2,334,668.83	\$2,348,833.17	\$2,348,833.17	\$2,348,833.17
Maine	\$4,852,206.22	\$1,207,556.92	\$1,214,883.10	\$1,214,883.10	\$1,214,883.10
Maryland	\$14,983,269.23	\$3,728,850.23	\$3,751,473.00	\$3,751,473.00	\$3,751,473.00
Massachusetts	\$14,559,577.74	\$3,623,407.17	\$3,645,390.19	\$3,645,390.19	\$3,645,390.19
Michigan	\$20,615,040.58	\$5,130,415.66	\$5,161,541.64	\$5,161,541.64	\$5,161,541.64
Minnesota	\$10,572,868.77	\$2,631,244.47	\$2,647,208.10	\$2,647,208.10	\$2,647,208.10
Montana	\$3,537,515.51	\$880,373.00	\$885,714.17	\$885,714.17	\$885,714.17
Nebraska	\$5,260,874.23	\$1,309,261.15	\$1,317,204.36	\$1,317,204.36	\$1,317,204.36
Nevada	\$6,131,236.22	\$1,525,866.05	\$1,535,123.39	\$1,535,123.39	\$1,535,123.39
New Hampshire	\$5,977,215.96	\$1,487,535.39	\$1,496,560.19	\$1,496,560.19	\$1,496,560.19
New Jersey	\$30,247,039.85	\$7,527,508.19	\$7,573,177.22	\$7,573,177.22	\$7,573,177.22
New York	\$44,019,837.62	\$10,955,111.30	\$11,021,575.44	\$11,021,575.44	\$11,021,575.44
North Carolina	\$27,315,478.83	\$6,797,937.60	\$6,839,180.41	\$6,839,180.41	\$6,839,180.41
North Dakota	\$3,214,353.01	\$799,948.33	\$804,801.56	\$804,801.56	\$804,801.56
Ohio	\$27,731,714.51	\$6,901,525.22	\$6,943,396.43	\$6,943,396.43	\$6,943,396.43
Oklahoma	\$9,800,479.44	\$2,439,021.78	\$2,453,819.22	\$2,453,819.22	\$2,453,819.22
Oregon	\$15,046,143.13	\$3,744,497.53	\$3,767,215.20	\$3,767,215.20	\$3,767,215.20
Rhode Island	\$6,920,643.09	\$1,722,323.82	\$1,732,773.09	\$1,732,773.09	\$1,732,773.09
South Dakota	\$3,642,929.38	\$906,607.09	\$912,107.43	\$912,107.43	\$912,107.43

EXHIBIT 2

Texas	\$61,576,401.23	\$15,324,371.12	\$15,417,343.37	\$15,417,343.37	\$15,417,343.37
Utah	\$7,540,013.66	\$1,876,465.10	\$1,887,849.52	\$1,887,849.52	\$1,887,849.52
Vermont	\$3,135,348.38	\$780,286.61	\$785,020.59	\$785,020.59	\$785,020.59
Virginia	\$21,263,008.18	\$5,291,673.79	\$5,323,778.13	\$5,323,778.13	\$5,323,778.13
Washington	\$13,925,676.20	\$3,465,649.61	\$3,486,675.53	\$3,486,675.53	\$3,486,675.53
West Virginia	\$5,994,739.20	\$1,491,896.34	\$1,500,947.62	\$1,500,947.62	\$1,500,947.62
Wisconsin	\$15,842,132.98	\$3,942,593.59	\$3,966,513.13	\$3,966,513.13	\$3,966,513.13
Costs Reimbursement	\$1,055,314.05	\$1,055,314.05			
TOTALS	\$700,000,000.00	\$175,000,000.00	\$175,000,000.00	\$175,000,000.00	\$175,000,000.00