

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

In re: Seroquel XR (Extended Release
Quetiapine Fumarate) Antitrust Litig.

Master Dkt. No. 20-1076-CFC

This Document Relates To:

All Direct Purchaser Class Actions

**[PROPOSED] ORDER GRANTING DIRECT PURCHASER CLASS
PLAINTIFFS' UNOPPOSED MOTION FOR
PRELIMINARY APPROVAL OF PROPOSED SETTLEMENTS,
APPROVAL OF THE FORM AND MANNER OF NOTICE TO THE CLASS
AND PROPOSED SCHEDULE FOR A FAIRNESS HEARING**

WHEREAS, pursuant to Fed. R. Civ. P. 23(a), 23(b)(3), and 23(e), Direct Purchaser Class Plaintiffs seek an order preliminarily approving the Settlement Agreement with Defendants AstraZeneca Pharmaceuticals LP and AstraZeneca UK Limited (collectively, “AstraZeneca”) dated May 19, 2025 (the “AstraZeneca Settlement”), and the Settlement Agreement with Defendant Handa Pharmaceuticals, LLC (“Handa” and, together with AstraZeneca, “Settling Defendants”)¹ dated April 28, 2025 (the “Handa Settlement” and, together with the AstraZeneca Settlement, the “Settlement Agreements” or “Settlements”); directing Notice to Class members pursuant to the proposed Notice Plan; appointing the Claims Administrator and the Escrow Agent; setting forth the timing and procedures for, among other things, any Objections to the Settlements; and scheduling the Fairness Hearing;² and

WHEREAS, according to the AstraZeneca Settlement, AstraZeneca agreed to pay \$50,925,000 in cash to be deposited into an escrow account for the benefit of the Class (the “Settlement Fund”), in exchange for, *inter alia*, dismissal of the litigation with prejudice and certain releases; and

WHEREAS, according to the Handa Settlement, Handa has paid \$494,000 in

¹ Par Pharmaceutical, Inc. (“Par” and, with Settling Defendants, “Defendants”) was previously a defendant. Par filed for bankruptcy and claims against it have been discharged. D.I. 187, 662.

² All capitalized terms are defined herein or in the accompanying Memorandum of Law.

cash into the Settlement Fund and also agreed to provide substantial cooperation to Plaintiffs, including by providing sworn affidavits and making Handa's chief executive officer available to testify at trial, in exchange for, *inter alia*, dismissal of the litigation with prejudice and certain releases; and

WHEREAS, the Court has reviewed DPPs' Unopposed Motion for Preliminary Approval of Proposed Settlements, Approval of the Form and Manner of Notice to the Class and Proposed Schedule for a Fairness Hearing (the "Motion"), as well as the Settlement Agreements and other supporting papers;

NOW, IT IS HEREBY ORDERED THAT:

1. For the reasons stated herein and in the Motion and supporting papers, the Motion is **GRANTED**.

Jurisdiction

2. This Court has subject matter jurisdiction under 28 U.S.C. § 1331, and venue is proper in this District.

3. This Court has jurisdiction over the Class³; named Plaintiffs J M Smith Corporation d/b/a Smith Drug Company and KPH Healthcare Services, Inc.

³ "The Class" certified under Rule 23(b)(3) and as defined in Paragraph 1 of each Settlement Agreement is:

All persons or entities in the United States, including its territories, possessions, and the Commonwealth of Puerto Rico, who purchased 50mg, 150mg, 200mg, and/or 300mg strength of brand or generic Seroquel XR directly from any of the Defendants at any time from August 2, 2015 until April 30, 2017 (the "Class Period").

d/b/a Kinney Drugs, Inc. (together, the “Direct Purchaser Plaintiffs,” “DPPs” or “Class Representatives” and, with the Class, “Direct Purchaser Class Plaintiffs”); and Settling Defendants.

4. All proceedings in this action are hereby stayed until such time as the Court renders a final decision regarding the approval of the Settlement Agreements and, if the Court approves the Settlement Agreements, enters final judgment and dismisses such actions with prejudice.

5. Neither this Order, nor the Settlement Agreements, nor any other Settlement-related document, nor anything contained herein or therein or contemplated hereby or thereby, nor any proceedings undertaken in accordance with the terms set forth in the Settlement Agreements 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 the Settling Defendant(s) as to the validity of any claim that has been asserted by Plaintiffs against them or as to any liability by Settling Defendant(s) as to any matter set forth in this Order.

Excluded from the Class are Defendants and their officers, directors, management and employees, predecessors, subsidiaries and affiliates, and all federal governmental entities.

D.I. 582. Also excluded from the definition of the Class in the Settlement Agreements are plaintiffs that opted out of the Class and brought their own claims: Walgreen Co., The Kroger Co., Albertsons Companies, Inc., H-E-B, L.P., Hy-Vee, Inc., CVS Pharmacy, Inc., Rite Aid Corp., and Rite Aid Hdqtrs. Corp (the “Retailer Plaintiffs”).

Preliminary Approval of the Proposed Settlement

6. A court may finally approve a class action settlement “only after a hearing and only on finding that it is fair, reasonable, and adequate” after considering a variety of factors. Fed. R. Civ. P. 23(e)(2). However, at preliminary approval, a court evaluates only whether the proposed settlement is within the range of possible approval and free of obvious deficiencies or reasons to doubt its fairness. *Du ex rel. Enteromedics, Inc. v. Blackford*, 2018 WL 4691046, at *5-6 (D. Del. Sept. 28, 2018).

7. The Court finds that the proposed Settlement Agreements have no obvious deficiencies and are within the range of possible approval.

8. The Court finds that the Settlement Agreements have been reached as a result of arm’s-length negotiations of disputed claims and that the proposed Settlement Agreements are not the result of any collusion.

9. The Court finds that the proceedings that occurred before the parties entered into the Settlement Agreements afforded counsel the opportunity to adequately assess the claims and defenses in the action as well as the relative positions, strengths, weaknesses, risks, and benefits to each party, and, as such, to negotiate individual Settlement Agreements that are fair, reasonable, and adequate and reflect those considerations.

10. Pursuant to Rule 23(e)(1)(B)(i), the Court finds that it will likely be able to approve the Settlement under Rule 23(e)(2), and therefore preliminarily approves the Settlements as set forth in the Settlement Agreements, including the releases contained therein, as being fair, reasonable and adequate to the Class based on the relevant factors under Rule 23(e)(2), subject to the right of any class member to challenge the fairness, reasonableness or adequacy of the Settlement Agreements and to show cause, if any exists, why a final judgment dismissing the Action against Settling Defendants should not be entered after due and adequate notice to the Class as set forth in the Settlement Agreements and after a hearing on final approval.

11. For these reasons and for the reasons outlined in the Motion and supporting papers, the Court preliminarily approves the Settlement Agreements, subject to further consideration at the Fairness Hearing.

Approval of the Plan of Notice to the Class and Plan of Allocation

12. Members of the Class previously received notice of the pendency of the litigation, certification of the Class and the opportunity to exclude themselves from the Class.⁴ Only certain Retailer Plaintiffs—whose purchases are not covered by the Settlement Agreements—opted to exclude themselves.⁵

⁴ D.I. 608.

⁵ D.I. 663 ¶¶ 6-7.

13. The “Notice Plan” shall compromise the following two steps: Garwin Gerstein & Fisher LLP (“GGF” or “Lead Class Counsel” and, together with the other counsel who are signatories to the Motion, “Class Counsel”) shall cause the “Notice” (substantially in the form attached as Exhibit 4 to the May 29, 2025 Declaration of Jonathan M. Gerstein) and “Claim Form” (substantially in the form attached as Exhibit 5 to the same Declaration), to be disseminated by no later than _____ (14 days after entry of this Order) (the “Notice Date”) via first-class mail to the last known address of each member of the Class. Class Counsel will also publish the Settlement Agreements at Lead Class Counsel’s website, <http://www.garwingerstein.com>.

14. The Notice Plan is reasonably calculated to apprise the Class of the pendency of the Action; the terms of the Settlement Agreements, their benefits, and the release of claims; the deadline, procedures, and requirements for submitting a claim; Class members’ rights to, and the deadlines and procedures for, objecting to the Settlements, Class Counsel’s application for fees, expenses, and/or the application for service awards for the Class Representatives; the deadlines and procedures for appearing at the Fairness Hearing; and other pertinent information about the Settlement Agreements and the Class members’ rights.

15. The Court approves the form and content of the Notice and Claim Form. The parties may make non-material modifications to the Notice and Claim

Form prior to mailing and publication if they jointly agree any such changes are appropriate.

16. The Court finds that the Notice Plan satisfies the requirements of Rule 23(e) and due process, is otherwise fair and reasonable, and constitutes the best notice practicable under the circumstances. Accordingly, the Court approves and directs the implementation of the Notice Plan.

17. The Court finds that because the prior notice of class certification, also disseminated by first class mail to all members of the Class on April 19, 2024, satisfied the requirements of Fed. R. Civ. P. 23(c)(2)(B) and due process; because the prior notice provided an opt-out period that closed on June 3, 2024; and because each Class member will have an opportunity to object to the terms of the Settlements and/or Class Counsel's request for attorneys' fees, expenses and service awards to the Class Representatives before the Settlements are finally approved; there is no need for an additional opt-out period pursuant to Fed. R. Civ. P. 23(e)(4).

18. AstraZeneca and Handa shall comply with their obligation to give notice under the Class Action Fairness Act ("CAFA"), 28 U.S.C. § 1711, *et seq.*, within 10 days of the filing of the Motion.

19. The Court previously appointed RG/2 Claims Administration LLC ("RG/2") to serve as the Notice Administrator (*see* D.I. 608) and now reappoints

RG/2 to serve as the “Claims Administrator” to assist Class Counsel in disseminating the Notice and Claim Form and to process claims. All expenses incurred by the Claims Administrator must be reasonable, are subject to Court approval, and shall be payable solely from the Settlement Fund, as outlined by the Settlement Agreements. Class Counsel may, without an order of the Court so directing, withdraw up to one hundred thousand dollars (\$100,000) for notice and notice-related expenses.

20. The Claims Administrator is directed to perform all settlement administration duties set forth in, and pursuant to the terms and time periods of, the Settlement Agreements, including implementing the Notice Plan, processing and reviewing timely submitted and proper claims, and submitting any declarations and other materials to counsel and the Court, as well as performing any other duties required under the Settlement Agreements.

21. The proposed Plan of Allocation satisfies the requirements of Rule 23(e), is otherwise fair, reasonable, and adequate, and is therefore preliminarily approved, subject to further consideration at the Fairness Hearing.

22. The Court appoints The Huntington National Bank as the “Escrow Agent” for the purpose of administering the escrow account holding the Settlement Fund. All expenses incurred by the Escrow Agent must be reasonable, are subject to Court approval, and shall be payable solely from the Settlement Fund, as

outlined by the Settlement Agreements. A copy of the Escrow Agreement executed by The Huntington National Bank and Lead Class Counsel is annexed as Exhibit 8 to the Gerstein Declaration.

23. The Court approves the establishment of the Settlement Fund under the Settlement Agreements as a qualified settlement fund (“QSF”) pursuant to Internal Revenue Code Section 468B and the Treasury Regulations promulgated thereunder, and retains continuing jurisdiction as to any issue that may arise in connection with the formation and/or administration of the QSF. Plaintiffs’ Counsel are, in accordance with the Settlement Agreements, authorized to expend funds from the QSF for the payment of the costs of notice, payment of taxes, and settlement administration costs.

Objections

24. Any Class member that wishes to object to the proposed Settlement(s) and/or the requested amount of Class Counsel’s fees, expenses, and/or service awards for the Class Representatives, must first file 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 therefor together with copies of any supporting papers or briefs. Class members who are objecting must also send a copy of their Objection via first class mail, postage prepaid, to the Clerk of the United States District Court for the District of Delaware, J. Caleb

Boggs Federal Building, 844 N. King Street, Wilmington, DE 19801-3555, with copies to the following counsel:

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25. Subject to the approval of the Court, any Class member that properly has filed a timely Objection may appear, in person or by counsel, at the Fairness Hearing to explain its Objection to the proposed Settlement(s) or to Class Counsel's requested fees, expenses and/or service awards to the Class Representatives. To appear, any Class member must file with the Clerk of Court and serve upon all counsel designated in the Notice, a "Notice of Intention to Appear" at the Fairness Hearing. The Notice of Intention to Appear must include:

(1) a Summary Statement outlining the position(s) to be asserted and the grounds therefor; and (2) copies of any papers, exhibits, or other evidence and the identity of all witnesses that the objecting Class member (or the objecting Class member's counsel) intends to present to the Court in connection with the Fairness Hearing. Any lawyer representing a Class member for the purpose of making comments or Objections must also file a Notice of Appearance with the Court.

26. Except as herein provided, no person or entity shall be entitled to contest the terms of the proposed Settlements. All persons and entities who fail to file an Objection as provided above shall be deemed to have waived any such objections by appeal, collateral attack or otherwise. No persons or entities who, despite filing a timely Objection, fail to file a timely Notice of Intention to Appear and Summary Statement will be heard at the Fairness Hearing.

Deadlines

27. Any Class member wishing to object to the proposed Settlement(s) and/or the requested amount of Class Counsel's fees, expenses, and/or service awards for the Class Representatives, must file any such Objection, Notice of Intention to Appear and Summary Statement no later than _____ (45 days after the Notice Date) (the "Objection Deadline").

28. Class Counsel shall file all briefs and materials in support of the application for an award of attorneys' fees and reimbursement of expenses, and

service awards for the Class Representatives by _____ (14 days prior to the Objection Deadline).

29. Class Counsel shall file all briefs and materials in support of final approval of the Settlements and the entry of final judgment by _____ (21 days after the Objection Deadline).

30. A hearing on final approval (the “Fairness Hearing”) shall be held before this Court at _____ on _____,⁶ in Courtroom 4B of the United States District Court for the District of Delaware, J. Caleb Boggs Federal Building, 844 N. King Street, Wilmington, DE 19801-3555.

31. At the Fairness Hearing, the Court will consider, inter alia: (a) the fairness, reasonableness and adequacy of the Settlements and whether the Settlements should be finally approved; (b) whether the Court should approve the proposed Plan of Allocation; (c) whether the Court should approve awards of attorneys’ fees and reimbursement of expenses to Class Counsel; (d) whether service awards should be awarded to the Class Representatives; and (e) whether entry of a final judgment and order terminating the litigation should be entered. The Fairness Hearing may be rescheduled or continued; in that event, the Court will furnish all counsel with appropriate notice. Lead Class Counsel shall be

⁶ Pursuant to 28 U.S.C. § 1715(d), a court may not finally approve a proposed settlement until 90 days from service of the CAFA notices. However, the Fairness Hearing may be held prior to the expiration of that 90-day period.

responsible for communicating any such notice promptly to the Class by posting a conspicuous notice on the website of Lead Class Counsel, www.garwingerstein.com.

32. If any deadline set forth in this Order falls on a weekend or federal holiday, then such deadline shall be extended to the next business day. These deadlines may be extended by order of the Court, for good cause shown, without further notice to the Class. Class members must check www.garwingerstein.com regularly for updates and further details regarding these Settlements.

33. The following chart summarizes the deadlines set forth herein:

Event	Deadline for Compliance
Mailing of CAFA Notices	_____ (10 days after filing of the Settlement Agreements with the Court)
Mailing of Notices to Class Members and Publication of Notice	_____ (14 days after entry of this Preliminary Approval Order) (the “ Notice Date ”)
Deadline for Class Plaintiffs’ Counsel to apply for attorneys’ fees, expenses, and Class Representative service awards	_____ (14 days before Objection Deadline)
Deadline for Class Members to object to Settlement Agreements, attorneys’ fees, expenses, or service awards	_____ (45 days after Notice Date) (the “ Objection Deadline ”)
Deadline for Class Members to file Claim Forms	_____ (45 days after Notice Date)
Deadline for Class Members to file notice of intent to appear at Fairness Hearing	_____ (45 days after Notice Date)
Deadline for Class Plaintiffs’ Counsel to move for final approval of the Settlement Agreements	_____ (21 days after Objection Deadline)
Fairness Hearing	_____

SO ORDERED, this ____ day of ___, 2025.

The Honorable Colm F. Connolly
United States District Judge

DATED: May 29, 2025

Respectfully submitted,

OF COUNSEL:

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