## UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK

	)	
In re:	)	Chapter 11
	)	
PURDUE PHARMA L.P., et al.,	)	Case No. 19-23649 (RDD)
	)	
Debtors. <sup>1</sup>	)	(Jointly Administered)
	)	

# STIPULATION AND AGREED ORDER REGARDING MEDIA INTERVENORS' MOTION TO UNSEAL MATERIALS FILED IN CONNECTION WITH UCC PRIVILEGES MOTIONS

Dow Jones & Co, Inc., Boston Globe Media Partners, LLC, and Reuters News & Media, Inc. (the "Media Intervenors"); Purdue Pharma L.P. and certain of its affiliates that are debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors"); the Official Committee of Unsecured Creditors (the "Official Committee" or "UCC") appointed in the above-captioned chapter 11 cases (the "Chapter 11 Cases"); members of the Raymond Sackler Family ("Side B"); members of the Mortimer Sackler Family ("Side A," and together with Side B the "Sackler Families"); the Ad Hoc Group of Non-Consenting States (the "Non-Consenting States"); and the IACs² (together with the Media Intervenors, the Debtors, the Official Committee, the Sackler Families, and the Non-Consenting States, the "Parties"), by and through their undersigned

<sup>&</sup>lt;sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor's registration number in the applicable jurisdiction, are as follows: Purdue Pharma L.P. (7484), Purdue Pharma Inc. (7486), Purdue Transdermal Technologies L.P. (1868), Purdue Pharma Manufacturing L.P. (3821), Purdue Pharmaceuticals L.P. (0034), Imbrium Therapeutics L.P. (8810), Adlon Therapeutics L.P. (6745), Greenfield BioVentures L.P. (6150), Seven Seas Hill Corp. (4591), Ophir Green Corp. (4594), Purdue Pharma of Puerto Rico (3925), Avrio Health L.P. (4140), Purdue Pharmaceutical Products L.P. (3902), Purdue Neuroscience Company (4712), Nayatt Cove Lifescience Inc. (7805), Button Land L.P. (7502), Rhodes Associates L.P. (N/A), Paul Land Inc. (7425), Quidnick Land L.P. (7584), Rhodes Pharmaceuticals L.P. (6166), Rhodes Technologies (7143), UDF L.P. (0495), SVC Pharma L.P. (5717) and SVC Pharma Inc. (4014).

<sup>&</sup>lt;sup>2</sup> As used herein, the term "IACs" shall refer to the entities represented by Royer Cooper Cohen Braunfeld LLC in these Chapter 11 Cases as of the date of this Stipulation.

counsel, hereby stipulate and agree as set forth below in this stipulation and agreed order (the "Stipulation").

#### **Recitals**

A. On September 28, 2020, the Debtors, Official Committee, and the Sackler Families entered into, and the Court so-ordered, the *Amended Stipulation and Agreed Order Regarding Discovery Deadlines and Briefing Scheduling in the Chapter 11 Cases* [ECF No. 1734] (the "Original Scheduling Stipulation"). The Original Scheduling Stipulation provided for, among other things, a briefing schedule for two separate motions of the Official Committee (collectively, the "UCC Privileges Motions") to compel production of documents, obtain *in camera* review, or otherwise challenge claims of privilege or similar doctrines asserted by the Debtors and the Sackler Families with respect to certain documents and categories of documents.

B. On September 30, 2020, the Official Committee filed the UCC Privileges Motions, along with supporting exhibits and material.<sup>3</sup> On October 15, 2020, the Debtors and the Sackler Families each filed oppositions thereto, along with supporting exhibits and material.<sup>4</sup> Concurrent with filing their opposition to the UCC Privileges Motions, the Debtors also filed a cross-motion for a protective order (the "Debtors' Cross-Motion").<sup>5</sup> The Official Committee and the Debtors

<sup>&</sup>lt;sup>3</sup> See The Official Committee of Unsecured Creditors' Motion to Compel Production of Purportedly Privileged Documents, or for In Camera Review, Based on Failure of the Sacklers and the Debtors to Demonstrate Documents Identified on Logs are Privileged [ECF No. 1752]; The Official Committee of Unsecured Creditors' Motion to Compel Production of Purportedly Privileged Documents, or for In Camera Review, Based on Good Cause, Crime Fraud and At Issue Exceptions to Claims of Privilege [ECF No. 1753]; Declaration of Mitchell Hurley Dated September 20, 2020 [ECF No. 1754].

<sup>&</sup>lt;sup>4</sup> See, e.g., Debtors' Omnibus Objection to the Official Committee's Motions to Compel Production of the Debtors' Privileged Documents and Cross-Motion for a Protective Order [ECF No. 1808]; Declaration of Benjamin S. Kaminetzky in Support of Debtors' Omnibus Objection to the Official Committee's Motion to Compel Production of the Debtors' Privileged Documents and Cross-Motion for a Protective Order [ECF No. 1809].

<sup>&</sup>lt;sup>5</sup> See id.

reached a resolution of the UCC Privileges Motions as to the Debtors and the Debtors' Cross Motion on November 5, 2020.<sup>6</sup>

- C. On November 18, 2020, the Official Committee filed replies in further support of the UCC Privileges Motions as to the Sackler Families, along with supporting exhibits and material.<sup>7</sup> On the same day, the Non-Consenting States filed a brief supporting the UCC Privileges Motions as to the Sackler Families.<sup>8</sup>
- D. On November 23, 2020, the Media Intervenors filed a motion to intervene and unseal documents that had been filed under seal as of that date in connection with the UCC Privileges Motions (the "Media Intervenors' Motion to Intervene and Unseal"). The Media Intervenors' Motion to Intervene and Unseal was originally noticed for the December 15, 2020 omnibus hearing. On November 30, 2020, the Media Intervenors filed a corrected proposed order in connection with their Motion to Intervene and Unseal. Also on November 30, 2020, the UCC wrote the Debtors and the Sackler Families and advised that the UCC intended to ask the

<sup>&</sup>lt;sup>6</sup> See Notice of Agreement Between Debtors and Official Committee of Unsecured Creditors Regarding Privilege Motions and Adjournment of Hearing With Respect to Remaining Privilege Disputes as to the Sacklers [ECF No. 1908]; Notice of Filing of Stipulation of Settlement and Agreed Order Regarding Official Committee's Motions to Compel and Debtors' Motion for Protective Order [ECF No. 1955].

<sup>&</sup>lt;sup>7</sup> See Official Committee of Unsecured Creditors' Reply in Support of Motion to Compel Production of Purportedly Privileged Documents, or for In Camera Review, Based on Failure of the Sacklers to Demonstrate Documents Identified on Logs are Privileged [ECF No. 2013]; Declaration of Arik Preis Dated November 18, 2020 [ECF No. 2015].

<sup>&</sup>lt;sup>8</sup> See The Ad Hoc Group of Non-Consenting States' Statement in Support of the Official Committee of Unsecured Creditors' Motions to Compel Production of Purportedly Privileged Documents or for In Camera Review [ECF No. 2012].

<sup>&</sup>lt;sup>9</sup> See Notice of Motion to Intervene and Unseal Judicial Records by Dow Jones & Company, Inc., Boston Globe Media Partners, LLC, and Reuters News & Media, Inc. [ECF No. 2022].

<sup>&</sup>lt;sup>10</sup> See id.

<sup>&</sup>lt;sup>11</sup> See Notice of Hearing on Motion for Leave to File Amended Proposed Order by Dow Jones & Company, Inc., Boston Globe Media Partners, LLC, and Reuters News & Media, Inc. [ECF No. 2039].

Court for permission to file on the public docket without redaction most of the papers the UCC filed in connection with the UCC Privileges Motions, unless the Debtors and the Sackler Families consented to such filings.

- E. On December 4, 2020, the Non-Consenting States filed a statement in support of the Media Intervenors' Motion to Intervene and Unseal.<sup>12</sup> On December 5, 2020, the Ad Hoc Committee on Accountability filed a statement in support of the Media Intervenors' Motion to Intervene and Unseal.<sup>13</sup> On December 9, 2020, the NAS Children Ad Hoc Committee filed a statement in support of the Media Intervenors' Motion to Intervene and Unseal.<sup>14</sup>
- F. The Sackler Families filed sur-replies in further opposition to the UCC Privileges Motions on December 9, 2020, along with supporting material and exhibits (the "Sackler Families Sur-Reply Documents"). 15

<sup>&</sup>lt;sup>12</sup> See The Ad Hoc Group of Non-Consenting States' Statement Regarding the Motion to Unseal Judicial Records by Dow Jones & Company, Inc., Boston Globe Media Partners, LLC, and Reuters News & Media, Inc. [ECF No. 2065].

<sup>&</sup>lt;sup>13</sup> See The Ad Hoc Committee on Accountability's Statement in Support of the Motion to Intervene and Unseal Judicial Records by Dow Jones & Company, Inc., Boston Globe Media Partners, LLC, and Reuters News & Media, Inc. [ECF No. 2066].

<sup>&</sup>lt;sup>14</sup> See The NAS Children Ad Hoc Committee's Joinder to the Ad Hoc Group of Non-Consenting States' Statement Regarding the Motion to Intervene and Unseal Judicial Records by Dow Jones & Company, Inc., Boston Globe Media Partners, LLC, and Reuters News & Media, Inc. [ECF No. 2090].

<sup>&</sup>lt;sup>15</sup> See The Raymond Sackler Family's Surreply In Further Support of Its Opposition To The Official Committee of Unsecured Creditors' Exceptions Motion [ECF No. 2093]; Declaration of Mara Leventhal Dated December 9, 2020 [ECF No. 2094]; Sur-Reply Memorandum of Objection of Mortimer Sackler Initial Covered Sackler Persons to the Official Committee of Unsecured Creditors' Motion to Compel Production of Purportedly Privileged Documents, or for In Camera Review, Based on Good Cause, Crime Fraud, and at Issue Exceptions to Claims of Privilege [ECF No. 2095]; Declaration of Jasmine Ball [ECF No. 2096].

- G. The hearing on the UCC Privileges Motion as to the Sackler Families will take place on December 22, 2020.<sup>16</sup> The hearing on the Media Intervenors' Motion to Intervene and Unseal has been adjourned from December 15, 2020 to December 22, 2020.<sup>17</sup>
- H. The Parties hereto mutually desire to put into place an orderly, efficient, and timely process for the Official Committee, Debtors, the Sackler Families, the Non-Consenting States and the IACs to evaluate the material at issue in the Media Intervenors' Motion to Intervene and Unseal, expeditiously make available information that no party contends should remain under seal, and resolve any disputes that might remain with respect to the foregoing, including to narrow the issues presented by the Media Intervenors' Motion to Intervene and Unseal.

#### NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED AS FOLLOWS:

- 1. By December 15, 2020, the Debtors, Sackler Families, and IACs, respectively, will propose sealing or redactions, if any, to the briefs and declarations filed in connection with the UCC Privileges Motions and subject to the Media Intervenors' Motion to Intervene and Unseal, as well as approximately 314 Exhibits that had been filed by the Official Committee, and the Sackler Families as of November 23, 2020, in the following categories:
  - a. Court Documents previously filed in the Chapter 11 Case
  - b. Court Documents from the MDL/Prior Litigation
  - c. Deposition Transcripts/Excerpts
  - d. Discovery Letters/Communications between Counsel in the Chapter 11
     Cases

<sup>&</sup>lt;sup>16</sup> See Notice of Adjournment of Hearing on Privilege Disputes [ECF No. 2092].

<sup>&</sup>lt;sup>17</sup> See Notice of Rescheduling of Hearing on Motion to Intervene and Unseal Judicial Records and Motion for Leave to File Amended Proposed Order by Dow Jones & Company, Inc., Boston Globe Media Partners, LLC, and Reuters News & Media, Inc. [ECF No. 2091].

- e. Discovery Privilege Logs and Related Material
- f. Emails
- g. Sackler Presentations in the Chapter 11 Cases
- h. Certain Documents Concerning Trusts/Distributions
- i. Settlement Agreements
- j. Law Review/Journal Articles

After redactions are proposed, the Official Committee, Debtors, the Sackler Families, the IACs, and the Non-Consenting States will meet and confer and, by December 18, 2020, file on the public docket, the material they agree should be unsealed in accordance with this paragraph 1.

- 2. By December 17, 2020, the Debtors, Sackler Families, and IACs, respectively, will propose sealing or redactions, if any, to approximately 56 Exhibits that had been filed by the Official Committee, the IACs, and the Sackler Families as of November 23, 2020, that constitute Compliance Reports/Presentations/Correspondence. After redactions are proposed, the Official Committee, the Sackler Families, the IACs, and the Non-Consenting States will meet and confer and, by December 21, 2020, file on the public docket the material they agree should be unsealed in accordance with this paragraph 2.
- 3. By January 7, 2021, the Debtors, the Sackler Families, and the IACs, respectively, will propose sealing or redactions, if any, to approximately 76 Exhibits that had been filed by the Official Committee, the Debtors, and the Sackler Families as of November 23, 2020, in the following categories:
  - a. Audited Financials/Financial Statements/Presentations/Ratings
  - b. Budgetary Materials
  - c. Compiled Board Decisions and Minutes

- d. Licensing or M&A
- e. Miscellaneous Board Reports
- f. Quarterly Board Reports
- g. Risk Reports

After redactions are proposed, the Official Committee, Debtors, the Sackler Families, the IACs, and the Non-Consenting States will meet and confer and, by January 11, 2021, file on the public docket the material they agree should be unsealed in accordance with this paragraph 3.

- The Debtors, the Sackler Families, and the IACs, respectively, will propose sealing 4. or redactions, if any, to the Sackler Families Sur-Reply Documents by January 7, 2021. After redactions are proposed, the Official Committee, Debtors, the Sackler Families, the IACs, and the Non-Consenting States will meet and confer and, by January 11, 2021, file on the public docket the material they agree should be unsealed in accordance with this paragraph 4; provided, however, that the Debtors agree to propose redactions to the Sackler Families Sur-Reply briefs and approximately 140 pages of the Side B's defense presentation, dated December 2019 (the "2019 Presentation"), filed as Leventhal Sur-reply Exhibit 65, and the Official Committee, the Debtors, the Sackler Families, the IACs, and the Non-Consenting States agree to meet and confer and make public filings with respect to such materials in accordance with the schedule set for the evaluation and filing of the documents in paragraph 1. For the avoidance of doubt, the UCC objects to Side B's submission of the 2019 Presentation with its Sur-Reply Brief and nothing herein waives, relinquishes or in any way limits any rights or remedies the UCC may have concerning that submission, including but not limited to, the UCC's right to argue that the 2019 Presentation should be disregarded or stricken from the record.
  - 5. To the extent any party wishes to use material that has been designated as Protected

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Information at the hearing on the UCC Privileges Motions scheduled for December 22, 2020, and such Protected Information has not already been publicly filed in accordance with this Stipulation, such party will send such pages to the Debtors, the Sackler Families, the IACs, and the UCC, and the Debtors, the Sackler Families, and the IACs will use reasonable good faith efforts to expedite review of those specific pages and advise within 48 hours whether they contend those pages should remain sealed. For the avoidance of doubt, and notwithstanding any other provisions of this Stipulation, the decision to consider, or not, any material submitted in connection with the UCC Privileges Motions in ruling on the UCC Privileges Motions shall be left to the Court's sound discretion.

- 6. The Media Intervenors' Motion to Intervene and Unseal is adjourned to January 20, 2021. Any objections to the Media Intervenors' Motion to Intervene and Unseal, including any argument in support of redaction or continued sealing of any document, shall be filed with the Court and served on the Media Intervenors no later than January 11, 2021. No agreement(s) as between the UCC, Debtors, the Sackler Families, the IACs, and the Non-Consenting States, and/or any other party, as to the continued sealing or redaction of any material filed in connection with the UCC Privileges Motions, or any other sealed or redacted material submitted to the Court in this matter, shall be binding on the Media Intervenors, or otherwise affect their rights to assert that such material should be unsealed.
- 7. Any remaining disputes between the Official Committee, Debtors, the Sackler Families, the IACs and the Non-Consenting States in connection with the sealing or redaction of materials filed in connection with the UCC Privileges Motions also shall be heard on January 20, 2021, *provided however*, that the UCC, the Sackler Families, the Non-Consenting States, and the Ad Hoc Committee of Consenting States ("Motion Parties") may ask the Court to resolve, and the

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Court may resolve, during the December 22, 2020 hearing any disputes as between them concerning information designated as Protected Information that they sought in good faith, but without success, to resolve on their own in advance of the December 22, 2020 hearing, to the extent that a Motion Party wishes to reference such information during oral argument on the UCC Privileges Motions.

8. For the avoidance of doubt (i) following identification by the Debtors, the Sackler Families, and the IACs of information they respectively contend should remain sealed pursuant to the foregoing paragraphs, and any meet and confer as may be necessary or appropriate concerning such proposals within the time frames identified above, any party may file publicly any information that neither the Debtors, the Sackler Families, nor the IACs contend should remain sealed without further notice to, or action by, this Court; and (ii) with respect to information that is so identified, all Parties reserve their rights to argue that such information nevertheless should be filed publicly in accordance with the laws and rules governing this Court.

#### STIPULATED AND AGREED:

Dated: December 15, 2020

New York, New York

/s/ Mitch Hurley

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/s/ Benjamin S. Kaminetzky

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#### SO ORDERED.

Dated: December 15, 2020 White Plains, New York

## /s/Robert D. Drain

THE HONORABLE ROBERT D. DRAIN UNITED STATES BANKRUPTCY JUDGE

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