

COPY

AUSTIN KNUDSEN
Montana Attorney General
MARK MATTIOLI
Chief, Office of Consumer Protection
CAITLIN BUZZAS
Assistant Attorney General
P.O. Box 200151
Helena, MT 59620-0151
Telephone: (406) 444-4500
Fax: (406) 442-1894
mmattioli@mt.gov
caitlinbuzzas@mt.gov

Attorney for Plaintiff

MONTANA FIRST JUDICIAL DISTRICT COURT

LEWIS & CLARK COUNTY

STATE OF MONTANA

Plaintiff,

v.

MCKINSEY & COMPANY, INC.
UNITED STATES,

Defendant.

)
)
)
)
)
)
)
)
)
)
)

Cause No. DDV 2021-107

FINAL CONSENT JUDGMENT

Plaintiff, the State of Montana (the "State" or "Plaintiff") has filed a Complaint for a permanent injunction, damages and other relief in this matter pursuant to Mont. Code Ann. § 30-14-101, et seq., alleging that Defendant McKinsey & Company, Inc. United States ("McKinsey" or "Defendant"), committed violations of the Montana Unfair Trade Practices and Consumer Protection Act. Plaintiff, by its counsel, and McKinsey, by its counsel, have agreed to the entry of this Final Consent Judgment ("Judgment") by the Court without trial or adjudication of any issue of fact or law, and without finding or admission of wrongdoing or liability of any kind.

IT IS HEREBY ORDERED THAT:

I. FINDINGS

- A. For purposes of this proceeding only, this Court has jurisdiction over the subject matter of this lawsuit and over the Parties (as defined below). This Judgment shall not be construed or used as a waiver of any jurisdictional defense McKinsey may raise in any other proceeding.
- B. The terms of this Judgment shall be governed by the laws of the State of Montana.
- C. Entry of this Judgment is in the public interest and reflects a negotiated agreement among the Parties.
- D. The Parties have agreed to resolve the issues resulting from the Covered Conduct (as defined below) by entering into this Judgment.
- E. McKinsey has cooperated with the Signatory Attorney General's (as defined below) investigation and is willing to enter into this Judgment regarding the Covered Conduct in order to resolve the Signatory Attorney General's claims and concerns under The Montana Unfair Trade Practices and Consumer Protection Act as to the matters addressed in this Judgment and thereby avoid significant expense, inconvenience, and uncertainty.
- F. "MultiState Executive Committee" means the Attorneys General and staffs representing California, Colorado, Connecticut, Massachusetts, New York, North Carolina, Oregon, Oklahoma, Tennessee, and Vermont.
- G. The Signatory Attorney General acknowledges McKinsey's good faith and responsible corporate citizenship in reaching this resolution.

- H. McKinsey is entering into this Judgment 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 McKinsey expressly denies. McKinsey does not admit any violation of the State Consumer Protection Laws (as defined below) and set forth in footnote 1) and does not admit any wrongdoing that was or could have been alleged by the Signatory Attorney General before the date of the Judgment. No part of this Judgment, including its statements and commitments, shall constitute evidence of any liability, fault, or wrongdoing by McKinsey.
- I. This Judgment shall not be construed or used as a waiver or limitation of any defense otherwise available to McKinsey in any other action, or of McKinsey's right to defend itself from, or make any arguments in, any other regulatory, governmental, private individual, or class claims or suits relating to the subject matter or terms of this Judgment. This Judgment is made without trial or adjudication of any issue of fact or law or finding of liability of any kind. Notwithstanding the foregoing, the Signatory Attorney General may file an action to enforce the terms of this Judgment.
- J. No part of this Judgment shall create a private cause of action or confer any right to any third party for violation of any federal or state statute except that the Signatory Attorney General may file an action to enforce the terms of this Judgment. It is the intent of the Parties that this Judgment shall not be binding or admissible in any other matter, including, but not limited to, any investigation or litigation, other than in connection with the enforcement of this Judgment. This Judgment is not enforceable by any persons or entities besides the Signatory Attorney General, McKinsey and this Court.

II. DEFINITIONS

The following definitions shall be used in construing the Judgment:

- A. "Covered Conduct" means any and all acts, failures to act, conduct, statements, errors, omissions, events, breaches of duty, services, advice, work, deliverables, engagements, transactions, or other activity of any kind whatsoever, occurring up to and including the Effective Date arising from or related in any way to (i) the discovery, development, manufacture, marketing, promotion, advertising, recall, withdrawal, distribution, monitoring, supply, sale, prescribing, reimbursement, use, regulation, or abuse of any opioid, or (ii) the treatment of opioid abuse or efforts to combat the opioid crisis, or (iii) the characteristics, properties, risks, or benefits of any opioid, or (iv) the spoliation of any materials in connection with or concerning any of the foregoing.
- B. "Effective Date" means the date on which a copy of the Judgment, duly executed by McKinsey and by the Signatory Attorney General, is approved by, and becomes a Judgment of the Court.
- C. "McKinsey" means McKinsey & Company, Inc. United States, a Delaware Corporation, and all its current or former officers, directors, partners, employees, representatives, agents, affiliates, parents, subsidiaries, operating companies, predecessors, assigns and successors.
- D. "Parties" means McKinsey and the Signatory Attorney General.
- E. "Signatory Attorney General" means the Attorney General of Montana, or his authorized designee, who has agreed to this Judgment.
- F. "Settling State" means the state that has agreed to this Judgment.

G. “State Consumer Protection Laws” means the consumer protection laws cited in footnote

1.¹

H. Any reference to a written document shall mean a physical paper copy of the document, electronic version of the document, or electronic access to such document.

III. INJUNCTIVE RELIEF

¹ALABAMA – Alabama Deceptive Trade Practices Act § 8-19-1 et seq. (2002); ALASKA – Alaska Unfair Trade Practices and Consumer Protection Act AS 45.50.471 – 45.50.561; AMERICAN SAMOA – Consumer Protection Act, A.S.C.A. §§ 27.0401 et seq.; ARIZONA - Consumer Fraud Act, A.R.S. §44-1521 et seq.; ARKANSAS – Arkansas Deceptive Trade Practices Act, Ark. Code Ann. § 4-88-101, et seq.; CALIFORNIA – Bus. & Prof Code §§ 17200 et seq. and 17500 et seq.; COLORADO – Colorado Consumer Protection Act, Colo. Rev. Stat. § 6-1-101 et seq.; CONNECTICUT – Connecticut Unfair Trade Practices Act, Conn. Gen Stat. §§ 42-110a through 42-110q; DELAWARE – Delaware Consumer Fraud Act, Del. CODE ANN. tit. 6, §§ 2511 to 2527; DISTRICT OF COLUMBIA, District of Columbia Consumer Protection Procedures Act, D.C. Code §§ 28-3901 et seq.; FLORIDA – Florida Deceptive and Unfair Trade Practices Act, Part II, Chapter 501, Florida Statutes, 501.201 et. seq.; GEORGIA - Fair Business Practices Act, O.C.G.A. Sections 10-1-390 et seq.; GUAM - Trade Practices and Consumer Protection, 5 G.C.A. Ch. 32 et seq.; HAWAII – Uniform Deceptive Trade Practice Act, Haw. Rev. Stat. Chpt. 481A and Haw. Rev. Stat. Chpt. 480; IDAHO – Idaho Consumer Protection Act, Idaho Code § 48-601 et seq.; ILLINOIS – Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/2 et seq.; INDIANA – Deceptive Consumer Sales Act, Ind. Code §§ 24-5-0.5-0.1 to 24-5-0.5-12; IOWA - Iowa Consumer Fraud Act, Iowa Code Section 714.16; KANSAS - Kansas Consumer Protection Act, K.S.A. 50-623 et seq.; KENTUCKY – Kentucky Consumer Protection Act, KRS Ch. 367.110, et seq.; LOUISIANA – Unfair Trade-Practices and Consumer Protection Law, LSA-R.S. 51:1401, et seq.; MAINE – Unfair Trade Practices Act, 5 M.R.S.A. § 207 et seq.; MARYLAND - Maryland Consumer Protection Act, Md. Code Ann., Com. Law §§ 13-101 et seq.; MASSACHUSETTS – Mass. Gen. Laws c. 93A, §§ 2 and 4; MICHIGAN – Michigan Consumer Protection Act, MCL § 445.901 et seq.; MINNESOTA – Minn. Stat. §§325D.44, 325F.69; MISSISSIPPI - Mississippi Consumer Protection Act, Miss. Code Ann. § 75-24-1, et seq.; MISSOURI – Missouri Merchandising Practices Act, Mo. Rev. Stat. §§ 407.010 et seq.; MONTANA – Montana Consumer Protection Act §§ 30-14-101 et seq.; NEBRASKA – Consumer Protection Act, Neb. Rev. Stat. §§ 59-1601 et seq. and Uniform Deceptive Trade Practices Act, Neb. Rev. Stat. §§ 87-301 et seq.; NEW HAMPSHIRE – NH RSA §358-A et seq.; NEW JERSEY – New Jersey Consumer Fraud Act, NJSA 56:8-1 et seq.; NEW MEXICO – NMSA 1978, § 57-12-1 et seq.; NEW YORK – General Business Law Art. 22-A, §§ 349-50, and Executive Law § 63(12); NORTH CAROLINA – North Carolina Unfair and Deceptive Trade Practices Act, N.C.G.S. § 75-1.1, et seq.; NORTH DAKOTA – Unlawful Sales or Advertising Practices, N.D. Cent. Code § 51-15-02 et seq.; NORTHERN MARIANA ISLANDS – Consumer Protection Act, 4 N. Mar. I. Code §§ 5201 et seq.; OHIO – Ohio Consumer Sales Practices Act, R.C. 1345.01, et seq.; OKLAHOMA – Oklahoma Consumer Protection Act 15 O.S. §§ 751 et seq.; OREGON – Oregon Unlawful Trade Practices Act, Or. Rev. Stat. § 646.605 et seq.; PENNSYLVANIA – Pennsylvania Unfair Trade Practices and Consumer Protection Law, 73 P.S. 201-1 et seq.; PUERTO RICO – Puerto Rico Antitrust Act, 10 L.P.R.A. § 259; RHODE ISLAND – Deceptive Trade Practices Act, Rhode Island Gen. Laws § 6-13.1-1, et seq.; SOUTH CAROLINA – South Carolina Unfair Trade Practices Act, S.C. Code Ann. § 39-5-10 et seq.; SOUTH DAKOTA – South Dakota Deceptive Trade Practices and Consumer Protection, SDCL ch. 37-24; TENNESSEE – Tennessee Consumer Protection Act, Tenn. Code Ann. 47-18-101 et seq.; TEXAS – Texas Deceptive Trade Practices-Consumer Protection Act, Tex. Bus. And Com. Code 17.41, et seq.; UTAH - Consumer Sales Practices Act, Utah Code Ann. §§ 13-11-1 et seq.; VERMONT – Vermont Consumer Protection Act, 9 V.S.A. § 2451, et seq.; VIRGIN ISLANDS – Virgin Islands Consumer Protection Law, 12A V.I.C. §§ 101 et seq.; VIRGINIA-Virginia Consumer Protection Act, Va Code Ann. §59.1-196 et seq.; WISCONSIN – Wis. Stat. § 100.18 (Fraudulent Representations); WYOMING – Wyoming Consumer Protection Act, Wyo. Stat. Ann. §§ 40-12-101 through -114.

It is ordered that:

- A. McKinsey shall not accept any future engagements relating to the discovery, development, manufacture, marketing, promotion, advertising, recall, withdrawal, monitoring, sale, prescribing, use or abuse of any Opioid or other opioid-based Schedule II or III controlled substance;
- B. Nothing in Section III.A above is intended to prohibit McKinsey from offering its services to: (1) clients who, as part of their overall business, develop, manufacture, market, promote, advertise, recall, withdraw, distribute, monitor, supply, sell or prescribe opioids or other opioid-based Schedule II or III controlled substances, so long as the subject matter of the engagement does not specifically relate to opioids or other opioid-based Schedule II or III controlled substances; or (2) health care providers, health plans, non-profit entities, governments, and quasi-governmental agencies, or any other client that is not a pharmaceutical manufacturer, for purposes of addressing a humanitarian health crisis, drug abuse prevention, treatment, and mitigation or abatement efforts, or other public health benefit;
- C. Within eighteen months of the Effective Date for paragraph 4 below, and within twenty-four months of the Effective Date for paragraphs 1-3 below, McKinsey shall develop and implement a document retention policy that provides as follows:
 1. McKinsey shall maintain a centralized document storage system (“Storage System”) such as a document management system or a file sharing platform.
 2. Unless prohibited by state, federal, or foreign law, McKinsey shall require its partners and employees, to the extent possible on a best-efforts basis, to create and maintain a final working papers file (“Final Working Papers File”) relating to

client engagements on the Storage System. The Final Working Papers File shall include, but not be limited to, letters of proposal, contracts, memoranda, invoices, contracted deliverables, and close-out memoranda.

3. McKinsey shall retain the Final Working Papers File for a minimum of seven years.
 4. McKinsey shall retain all communications and documents exchanged on any electronic mail (including associated attachments) or instant message system that McKinsey authorizes its personnel to use for five years;
 5. Nothing in this section shall prevent McKinsey from: (a) deleting documents or data as required by any state, federal, or foreign law or regulation, or (b) deleting documents or data as contractually required by a third party where such contractual requirement is reasonably necessary to allow the third party to comply with any state, federal, or foreign law or regulation.
- D. McKinsey shall implement a written policy requiring the termination of any employee that engages in the intentional spoliation of evidence for an improper purpose;
- E. In the next calendar year after the Effective Date, McKinsey shall include in the annual acknowledgement that all McKinsey partners are required to certify a section describing the terms and conditions of this Judgment, and McKinsey shall further hold additional annual training for partners in the Pharmaceuticals & Medical Products practice concerning the terms and conditions of this Judgment;
- F. Revisions to Client conflict policy pertaining to Government Clients (defined below), which shall be implemented within 60 days of the Effective Date.

1. McKinsey agrees to revise its conflict policy pertaining to potential engagements by any Settling State, county government, or municipal government (or any government agency of the aforementioned) (“Government Client”) to require a written disclosure of any material conflict (“Conflict Disclosure”) when (A) responding in writing to a request for proposal; (B) formally proposing work; (C) tendering an engagement letter to a Government Client; or (D) beginning work for a Government Client in the absence of an engagement letter, proposal, or request for proposal, whichever occurs first (“Triggering Event”).
2. A material conflict exists for purposes of this Section III.F when, at the time of any Triggering Event, McKinsey is advising or in the past three years has previously advised an industry client on work which, in the view of a neutral and detached observer, is or was materially adverse to the work McKinsey would perform for the Government Client, such that when McKinsey is working or has worked to advance the goals or interests of the industry client it is likely to harm the goals or interests it is working to advance of the Government Client.
3. Within 90 days of the Effective Date, McKinsey shall review each current engagement with a Government Client and provide a Conflict Disclosure where it would be otherwise required under this Section III.F for a new Government Client.
4. Nothing in this Section III.F shall supersede or affect any legal or contractual obligation McKinsey may have pertaining to confidentiality, conflicts, or engagement of clients (“Client Obligations”). The Conflict Disclosure shall not require McKinsey to violate any confidentiality obligations McKinsey has with its clients, and McKinsey satisfies its obligations under this section by providing a

Conflict Disclosure (A) identifying the relevant industry; and (B) generally describing the work McKinsey performs for its industry client (without identifying its client). If for whatever reason McKinsey determines that its Client Obligations preclude a Conflict Disclosure, McKinsey agrees to decline the work for the Government Client.

G. McKinsey shall not use, assist, or employ any Third Party to engage in any activity that McKinsey itself would be prohibited from engaging in pursuant to this Judgment.

H. The foregoing injunctive terms may be amended by agreement between McKinsey and the State of Montana without this Court's approval or amendment of this Judgment.

IV. PUBLIC ACCESS TO MCKINSEY DOCUMENTS

It is ordered that:

A. Documents Subject to Public Disclosure

1. The following documents shall be produced by McKinsey to each Settling State and are subject to public disclosure in perpetuity as part of a document disclosure program, except for the redactions authorized by Section B:

All non-privileged documents McKinsey produced to any of the Settling States in response to investigative demands or other formal or informal requests related to opioids in 2019, 2020, or 2021, prior to the date of this Judgment that fall within the following categories:

- a. All communications with Purdue Pharma LP ("Purdue");
- b. All documents reflecting or concerning McKinsey's work for Purdue;
- c. All communications with Endo Pharmaceuticals ("Endo"), Johnson & Johnson, or Mallinckrodt Pharmaceuticals ("Mallinckrodt") related to opioids;

- d. All documents reflecting or concerning McKinsey's work related to opioids for Endo, Johnson & Johnson, or Mallinckrodt;
- e. All documents and communications sent or received by individual consultants agreed upon by McKinsey and the Settling States related to opioids or the opioid crisis;
- f. All documents listed by Bates number in Appendix A.

2. All documents produced under this provision shall be provided in electronic format with all related metadata. McKinsey and the Settling States will work cooperatively to develop technical specifications for the productions.

B. Information That May Be Redacted

The following categories of information are exempt from public disclosure:

1. Information subject to trade secret protection. A "trade secret" is information, including a formula, pattern, compilation, program, device, method, technique or process, that (a) derives independent economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure and use; and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. Even if the information falls within the definition, "trade secret" does not include information reflecting opioid sales or promotional strategies, tactics, targeting, or data, or internal communications related to sales or promotion of opioids.

2. Confidential personal information. "Confidential personal information" means individual Social Security or tax identification numbers, personal financial account numbers, passport numbers, driver license numbers, home addresses, home telephone numbers, personal email addresses, and other personally identifiable information protected by law from disclosure. "Confidential personal information" does not include the names of officers, directors, employees,

agents, or attorneys of McKinsey, Purdue, Endo, Johnson & Johnson, or Mallinckrodt, or of a government agency.

3. Information that is inappropriate for public disclosure because it is subject to personal privacy interests recognized by law (*e.g.*, HIPAA), or contractual rights of third parties (including McKinsey's clients) that McKinsey may not abrogate. McKinsey shall make its best efforts to ensure that disclosure into the document repository is not limited or prohibited by contractual rights of Purdue with regard to any documents, or by contractual rights of Endo, Johnson & Johnson, or Mallinckrodt with regard to documents related to opioids.

4. Information regarding McKinsey partners' or employees' personal or professional matters unrelated to McKinsey or opioids, including but not limited to emails produced by McKinsey custodians discussing vacation or sick leave, family, or other personal matters.

C. Redaction of Documents Containing Protected Information

1. Whenever a document contains information subject to a claim of exemption pursuant to Section B, McKinsey shall produce the document in redacted form. Such redactions shall indicate that trade secret and/or private information, as appropriate, has been redacted. Redactions shall be limited to the minimum redactions possible to protect the legally recognized individual privacy interests and trade secrets identified above.

2. McKinsey shall produce to each Settling State a log noting each document redacted. The log shall also provide fields stating the basis for redacting the document, with sufficient detail to allow an assessment of the merits of the assertion. The log is subject to public disclosure in perpetuity. The log shall be produced simultaneously with the production of documents required by Section IV.F.

3. In addition to the redacted documents, McKinsey shall, upon any Settling State's request, also produce all documents identified in Section IV.A above in unredacted form to such Settling State at the same time. The redacted documents produced by McKinsey may be publicly disclosed in accordance with Section IV.E below. The unredacted documents produced by McKinsey to a Settling State shall be available only to such State unless McKinsey's claim of exemption under Section IV.B is successfully challenged in accordance with Section IV.C.4 or the trade secret designation expires in accordance with Section IV.D.

4. Anyone, including members of the public and the press, may challenge the appropriateness of redactions by providing notice to McKinsey and a Settling State, which Settling State shall review the challenge and inform McKinsey of whether the challenge has sufficient merit to warrant triggering the remaining provisions of this paragraph. If the challenge is not resolved by agreement, it must be resolved in the first instance by a third party jointly appointed by the Settling State and McKinsey to resolve such challenges. The decision of the third party may be appealed to a court with enforcement authority over this Judgment. If not so appealed, the third party's decision is final. In connection with such challenge, a Settling State may provide copies of relevant unredacted documents to the parties or the decisionmaker, subject to appropriate confidentiality and/or in camera review protections, as determined by the decisionmaker.

D. Review of Trade Secret Redactions

Seven years after McKinsey completes the production of its documents in accordance with Section IV.F and upon notice by a Settling State, McKinsey shall review all trade secret assertions made in accordance with Section IV.B—The newly unredacted documents may then be publicly disclosed by a Settling State in accordance with Section IV.E. McKinsey shall produce

to each Settling State an updated redaction log justifying its designations of the remaining trade secret redactions.

E. Public Disclosure through a Document Repository

Each Settling State may publicly disclose all documents covered by Section IV.A through a public repository maintained by a governmental, non-profit, or academic institution. Each Settling State may specify the terms of any such repository's use of those documents, including allowing the repository to index and make searchable all documents subject to public disclosure, including the metadata associated with those documents. When providing the documents covered by Section IV.A to a public repository, no Settling State shall include or attach within the document set any characterization of the content of the documents. For the avoidance of doubt, nothing in this paragraph shall prohibit any Settling State from publicly discussing the documents covered by Section IV.A.

F. Timeline for Production

McKinsey shall produce all documents required by Section IV.A within nine months from the Effective Date.

G. Costs

The Settling States may allocate funds from the Settlement to fund the allocable share of all reasonable costs and expenses associated with the public disclosure and storage of McKinsey's documents through any public repository.

V. PAYMENT

1. McKinsey shall pay a total amount of \$573,919,331 ("the Settlement Amount"). Of the Settlement Amount, \$558,919,331 shall be allocated among the Settling States as agreed to by the Settling States. It is the intent of the Parties that the \$558,919,331 paid

to the participating States will be used, to the extent practicable, to remediate the harms caused to the Settling States and their citizens by the opioid epidemic within each State and to recover the costs incurred by the Settling State in investigating and pursuing these claims.² McKinsey shall pay the \$15,000,000 balance of the Settlement Amount to the National Association of Attorneys General (“NAAG Fund”). The NAAG Fund shall be used: first, to reimburse NAAG for the costs and expenses of the States’ opioid investigations in the amount of \$7,000,000 and second to reimburse participating States for documented costs and expenses associated with the investigation of McKinsey submitted by or before March 1, 2021, subject to reasonable parameters to be set by NAAG. The remaining balance of the NAAG Fund shall be used to fund the establishment of an online repository of opioid industry documents for the benefit of the public.

2. McKinsey shall pay a total amount of \$573,919,331 as follows: 1) the initial payment of \$478,266,111 including the \$15,000,000 payment to NAAG, shall be paid by 60 days after the Effective Date; 2) the second payment of \$23,913,305 shall be paid no later than one year from the date of the initial payment; 3) the third payment of \$23,913,305 shall be paid no later than two years from the date of the initial payment; 4) the fourth payment of \$23,913,305 shall be paid no later than three years from the date of the initial payment; and 5) the fifth payment of \$23,913,305 shall be paid no later than four years from the date of the initial payment.

² The following payments to Montana shall be deposited into the Montana Department of Justice’s Office of Consumer Protection State Special Revenue Settlement Account, which funds shall be restricted to support evidence-based strategies to address opioid or opioid-related polysubstance abuse, including, without limitation, medication-assisted treatment (MAT), Drug Treatment Courts, or other appropriate abatement modalities, therapies or programs: Initial Payment (\$1,543,372.26); Second Payment (\$79,667.24); Third Payment (\$79,667.24); Fourth Payment (\$79,667.24); and Fifth Payment (\$79,667.24).

3. McKinsey will not seek indemnification from any entity with respect to this Judgment, provided, however, that the foregoing limitation shall not be construed to apply to any claim by McKinsey under any policies or contracts of insurance insuring McKinsey.

VI. ENFORCEMENT

- A. For the purposes of resolving disputes with respect to compliance with this Judgment, should any of the Signatory Attorneys General have a reasonable basis to believe that McKinsey has engaged in a practice that violates a provision of this Judgment subsequent to the Effective Date, then such Signatory Attorney General shall notify McKinsey in writing of the specific objection, identify with particularity the provision of this Judgment that the practice appears to violate, and give McKinsey 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.
- B. Upon receipt of written notice, McKinsey shall provide a good faith written response to the Signatory Attorney General's notification, containing either a statement explaining why McKinsey believes it is in compliance with the Judgment, or a detailed explanation of how the alleged violation occurred and a statement explaining how McKinsey intends to remedy the alleged breach. Nothing in this section shall be interpreted to limit the State of Montana's civil investigative demand ("CID") or investigative subpoena authority, to the extent such authority exists under applicable law, and McKinsey reserves all of its rights in responding to a CID or investigative subpoena issued pursuant to such authority.

- C. The Signatory Attorney General may agree, in writing, to provide McKinsey with additional time beyond the 30 days to respond to a notice provided under section V.A. above without Court approval.
- D. Upon giving McKinsey 30 days to respond to the notification described above, 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 McKinsey that relate to McKinsey's compliance with each provision of this Judgment pursuant to that State's CID or investigative subpoena authority.
- E. The Signatory Attorney General may assert any claim that McKinsey has violated this Judgment in a separate civil action to enforce compliance with this Judgment, or may seek any other relief afforded by law for violations of the Judgment, but only after providing McKinsey an opportunity to respond to the notification described in paragraph V.A 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.

VII. RELEASE

- A. Released Claims. By its execution of this Judgment, the State of Montana releases and forever discharges McKinsey and its past and present officers, directors, partners, employees, representatives, agents, affiliates, parents, subsidiaries, operating companies, predecessors, assigns and successors (collectively, the "Releasees") from the following: all claims the Signatory Attorney General is authorized by law to bring arising from or related to the Covered Conduct, including, without limitation, any and all acts, failures to act, conduct, statements, errors, omissions, breaches of duty, services, advice, work,

engagements, events, transactions or other activity of any kind whatsoever occurring up to and including the effective date of the Judgment. Released claims will include, without limitation, claims that were or could have been brought by a Settling State under its State's consumer protection and unfair trade practices law, RICO laws, false claims laws and claims for public nuisance, together with any related common law and equitable claims for damages or other relief.

B. Claims Not Covered: Notwithstanding any term of this Judgment, specifically reserved and excluded from the release in Paragraph VII. A. as to any entity or person, including Released Parties, are any and all of the following:

1. Any criminal liability that any person and/or entity, including Released Parties, has or may have to the State of Montana.
2. Any civil or administrative liability that any person and/or entity, including Released Parties, has or may have to the State of Montana not covered by the release in Paragraph V.A above, including the following claims:
 - (a) state or federal antitrust violations;
 - (b) any claims arising under state tax laws;
 - (c) any claims arising under state securities laws;
 - (d) any action to enforce this consent judgment and any subsequent related orders and judgments.
3. Any liability under the State of Montana above-cited consumer protection laws which any person and/or entity, including Released Parties, has or may have to individual consumers. Nothing herein precludes the Released Party from asserting any claims or defenses that may be available to it under the law in any court action.

VIII. ADDITIONAL PROVISIONS

- A. Nothing in this Judgment shall be construed to authorize or require any action by McKinsey in violation of applicable federal, state, or other laws.
- B. Modification. This Judgment may be modified by a stipulation of the Parties as approved by the Court, or by court proceedings resulting in a modified judgment of the Court, except to the extent as otherwise provided herein. For purposes of modifying this

Judgment, McKinsey may contact any member of the MultiState Executive Committee for purposes of coordinating this process.

- C. The acceptance of this Judgment by the State of Montana shall not be deemed approval by the State of Montana of any of McKinsey's business practices. Further, neither McKinsey nor anyone acting on its behalf shall state or imply, or cause to be stated or implied, that the State of Montana or any other governmental unit of Montana has approved, sanctioned or authorized any practice, act, or conduct of McKinsey.
- D. Any failure by any party to this Judgment to insist upon the strict performance by any other party of any of the provisions of this Judgment shall not be deemed a waiver of any of the provisions of this Judgment, 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 Judgment.
- E. Entire Agreement: This Judgment represents the full and complete terms of the settlement entered into by the Parties hereto, except as the parties have otherwise agreed. In any action undertaken by the Parties, no prior versions of this Judgment and no prior versions of any of its terms that were not entered by the Court in this Judgment, may be introduced for any purpose whatsoever.
- F. Jurisdiction: This Court retains jurisdiction of this Judgment and the Parties hereto for the purpose of enforcing and modifying this Judgment and for the purpose of granting such additional relief as may be necessary and appropriate.
- G. If any provision of this Judgment shall be held unenforceable, the Judgment shall be construed as if such provision did not exist.

H. Counterparts: This Judgment 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.

I. Notice: All Notices under this Judgment shall be provided to the following via email and Overnight Mail:

Defendant:

Copy to McKinsey's attorneys at

Mr. James Bernard
Stroock & Stroock & Lavan LLP
180 Maiden Lane
New York, NY 10038
jbernard@stroock.com

Signatory Attorney General:

Mark Mattioli
Chief, Office of Consumer Protection
P.O. Box 200151
Helena, MT 59620-0151
mmattioli@mt.gov

APPROVAL BY COURT

APPROVED FOR FILING and SO ORDERED this ____ day of _____, 2021

DISTRICT COURT JUDGE

Approved:

For Defendant McKinsey & Company, Inc. United States



Jonathan Slonim
Assistant Secretary
McKinsey & Company, Inc. United States

February 4, 2021

Date

Local Counsel for McKinsey & Company, Inc. United States



W. Scott Mitchell (#3762)
Holland & Hart LLP
401 North 31st Street, Ste 1500
Billings, MT 59103
Ph (406) 896-4614
smitchell@hollandhart.com

February 3, 2021

Date

For Plaintiff State of Montana



MARK MATTIOLI

February 2, 2021

Appendix A

MCK-MAAG-1544652	MCK-MAAG-2966989	MCK-MAAG-3751213
MCK-MAAG-1570202	MCK-MAAG-2991109	MCK-MAAG-3795707
MCK-MAAG-1571908	MCK-MAAG-3040652	MCK-MAAG-3796164
MCK-MAAG-1589937	MCK-MAAG-3041706	MCK-MAAG-3796165
MCK-MAAG-1589940	MCK-MAAG-3041708	MCK-MAAG-3804863
MCK-MAAG-1590287	MCK-MAAG-3152316	MCK-MAAG-3804864
MCK-MAAG-1590603	MCK-MAAG-3168910	MCK-MAAG-3827062
MCK-MAAG-1590746	MCK-MAAG-3199855	MCK-MAAG-3855056
MCK-MAAG-1591211	MCK-MAAG-3217737	MCK-MAAG-3863611
MCK-MAAG-1597314	MCK-MAAG-3219322	MCK-MAAG-3895137
MCK-MAAG-1603322	MCK-MAAG-3222927	MCK-MAAG-3896012
MCK-MAAG-1613230	MCK-MAAG-3222929	MCK-MAAG-3921039
MCK-MAAG-1624788	MCK-MAAG-3309412	MCK-MAAG-3954641
MCK-MAAG-1630605	MCK-MAAG-3333173	MCK-MAAG-4190664
MCK-MAAG-1670515	MCK-MAAG-3384390	MCK-MAAG-4190665
MCK-MAAG-1670516	MCK-MAAG-3384391	MCK-MAAG-4886835
MCK-MAAG-2077068	MCK-MAAG-3391026	MCK-MAAG-4886836
MCK-MAAG-2152090	MCK-MAAG-3391027	MCK-MAAG-4892126
MCK-MAAG-2719249	MCK-MAAG-3406104	MCK-MAAG-4892127
MCK-MAAG-2787084	MCK-MAAG-3413038	MCK-MAAG-4905287
MCK-MAAG-2790782	MCK-MAAG-3414178	MCK-MAAG-4905288
MCK-MAAG-2805191	MCK-MAAG-3453527	MCK-MAAG-0000840
MCK-MAAG-2808669	MCK-MAAG-3492592	MCK-MAAG-0000842
MCK-MAAG-2808670	MCK-MAAG-3526344	MCK-MAAG-0001882
MCK-MAAG-2837394	MCK-MAAG-3526345	MCK-MAAG-0001888
MCK-MAAG-2837395	MCK-MAAG-3546336	MCK-MAAG-0002240
MCK-MAAG-2839073	MCK-MAAG-3546337	MCK-MAAG-0002291
MCK-MAAG-2839075	MCK-MAAG-3546340	MCK-MAAG-0008858
MCK-MAAG-2841364	MCK-MAAG-3546609	MCK-MAAG-0009372
MCK-MAAG-2881476	MCK-MAAG-3546612	MCK-MAAG-0009806
MCK-MAAG-2886471	MCK-MAAG-3555902	MCK-MAAG-0015899
MCK-MAAG-2886477	MCK-MAAG-3630697	MCK-MAAG-0016100
MCK-MAAG-2893030	MCK-MAAG-3634278	MCK-MAAG-0016110
MCK-MAAG-2908880	MCK-MAAG-3642963	MCK-MAAG-0016542
MCK-MAAG-2908881	MCK-MAAG-3642964	MCK-MAAG-0016588
MCK-MAAG-2908885	MCK-MAAG-3643215	MCK-MAAG-0016637
MCK-MAAG-2909113	MCK-MAAG-3645435	MCK-MAAG-0016638
MCK-MAAG-2909114	MCK-MAAG-3665829	MCK-MAAG-0016768
MCK-MAAG-2911814	MCK-MAAG-3696418	MCK-MAAG-0017303
MCK-MAAG-2911815	MCK-MAAG-3696420	MCK-MAAG-0017306
MCK-MAAG-2921834	MCK-MAAG-3749814	MCK-MAAG-0017817
MCK-MAAG-2921835	MCK-MAAG-3751212	MCK-MAAG-0019859

MCK-MAAG-0019861
MCK-MAAG-0019862
MCK-MAAG-0019866
MCK-MAAG-0019876
MCK-MAAG-0019901
MCK-MAAG-0019927
MCK-MAAG-0019930
MCK-MAAG-0019953
MCK-MAAG-0019961
MCK-MAAG-0020127
MCK-MAAG-0020210
MCK-MAAG-0020223
MCK-MAAG-0020224
MCK-MAAG-0020387
MCK-MAAG-0024140
MCK-MAAG-0024283
MCK-MAAG-0028129
MCK-MAAG-0029267
MCK-MAAG-0030496
MCK-MAAG-0035715
MCK-MAAG-0038619
MCK-MAAG-0040658
MCK-MAAG-0040767
MCK-MAAG-0044626
MCK-MAAG-0044800
MCK-MAAG-0044814
MCK-MAAG-0044827
MCK-MAAG-0044833
MCK-MAAG-0044840
MCK-MAAG-0044842
MCK-MAAG-0044845
MCK-MAAG-0044860
MCK-MAAG-0044876
MCK-MAAG-0044938
MCK-MAAG-0045031
MCK-MAAG-0045060
MCK-MAAG-0045560
MCK-MAAG-0046143
MCK-MAAG-0052510
MCK-MAAG-0055337
MCK-MAAG-0063755
MCK-MAAG-0063880
MCK-MAAG-0080178
MCK-MAAG-0084960

MCK-MAAG-0084962
MCK-MAAG-0084972
MCK-MAAG-0087880
MCK-MAAG-0087931
MCK-MAAG-0087932
MCK-MAAG-0088085
MCK-MAAG-0088172
MCK-MAAG-0088201
MCK-MAAG-0088316
MCK-MAAG-0088344
MCK-MAAG-0089908
MCK-MAAG-0089909
MCK-MAAG-0089914
MCK-MAAG-0089920
MCK-MAAG-0089966
MCK-MAAG-0092665
MCK-MAAG-0092695
MCK-MAAG-0093089
MCK-MAAG-0093346
MCK-MAAG-0094364
MCK-MAAG-0095439
MCK-MAAG-0095557
MCK-MAAG-0095587
MCK-MAAG-0095695
MCK-MAAG-0096066
MCK-MAAG-0096067
MCK-MAAG-0096210
MCK-MAAG-0096243
MCK-MAAG-0097005
MCK-MAAG-0097006
MCK-MAAG-0099242
MCK-MAAG-0099812
MCK-MAAG-0100021
MCK-MAAG-0102192
MCK-MAAG-0102541
MCK-MAAG-0102567
MCK-MAAG-0102568
MCK-MAAG-0103224
MCK-MAAG-0103273
MCK-MAAG-0105775
MCK-MAAG-0106442
MCK-MAAG-0111862
MCK-MAAG-0112085
MCK-MAAG-0112221

MCK-MAAG-0112310
MCK-MAAG-0112331
MCK-MAAG-0112490
MCK-MAAG-0112491
MCK-MAAG-0112527
MCK-MAAG-0112528
MCK-MAAG-0112710
MCK-MAAG-0112986
MCK-MAAG-0113407
MCK-MAAG-0113412
MCK-MAAG-0115124
MCK-MAAG-0116789
MCK-MAAG-0117119
MCK-MAAG-0117203
MCK-MAAG-0117327
MCK-MAAG-0117437
MCK-MAAG-0117438
MCK-MAAG-0117452
MCK-MAAG-0117454
MCK-MAAG-0117473
MCK-MAAG-0117492
MCK-MAAG-0117614
MCK-MAAG-0117619
MCK-MAAG-0117733
MCK-MAAG-0117830
MCK-MAAG-0117869
MCK-MAAG-0117977
MCK-MAAG-0118841
MCK-MAAG-0119088
MCK-MAAG-0119155
MCK-MAAG-0119156
MCK-MAAG-0119178
MCK-MAAG-0119227
MCK-MAAG-0119359
MCK-MAAG-0119362
MCK-MAAG-0119363
MCK-MAAG-0119381
MCK-MAAG-0119459
MCK-MAAG-0119659
MCK-MAAG-0119722
MCK-MAAG-0119732
MCK-MAAG-0119743
MCK-MAAG-0120284
MCK-MAAG-0120285

MCK-MAAG-0120692
MCK-MAAG-0120693
MCK-MAAG-0120798
MCK-MAAG-0120804
MCK-MAAG-0120810
MCK-MAAG-0120814
MCK-MAAG-0122009
MCK-MAAG-0122064
MCK-MAAG-0124221
MCK-MAAG-0124222
MCK-MAAG-0128121
MCK-MAAG-0128451
MCK-MAAG-0128452
MCK-MAAG-0128552
MCK-MAAG-0128553
MCK-MAAG-0128578
MCK-MAAG-0136530
MCK-MAAG-0136552
MCK-MAAG-0140812
MCK-MAAG-0140826
MCK-MAAG-0141490
MCK-MAAG-0141572
MCK-MAAG-0143250
MCK-MAAG-0143818
MCK-MAAG-0144118
MCK-MAAG-0144142
MCK-MAAG-0148291
MCK-MAAG-0148308
MCK-MAAG-0149363
MCK-MAAG-0150137
MCK-MAAG-0152135
MCK-MAAG-0154714
MCK-MAAG-0156176
MCK-MAAG-0159054
MCK-MAAG-0159062
MCK-MAAG-0159070
MCK-MAAG-0159188
MCK-MAAG-0159238
MCK-MAAG-0159274
MCK-MAAG-0159278
MCK-MAAG-0159279
MCK-MAAG-0159283
MCK-MAAG-0159301
MCK-MAAG-0159317

MCK-MAAG-0159321
MCK-MAAG-0159327
MCK-MAAG-0159357
MCK-MAAG-0160262
MCK-MAAG-0160274
MCK-MAAG-0162838
MCK-MAAG-0200286
MCK-MAAG-0200325
MCK-MAAG-0200327
MCK-MAAG-0200329
MCK-MAAG-0200331
MCK-MAAG-0200333
MCK-MAAG-0200337
MCK-MAAG-0200339
MCK-MAAG-0200341
MCK-MAAG-0200343
MCK-MAAG-0201384
MCK-MAAG-0201387
MCK-MAAG-0201388
MCK-MAAG-0204373
MCK-MAAG-0214791
MCK-MAAG-0215818
MCK-MAAG-0216610
MCK-MAAG-0218683
MCK-MAAG-0218685
MCK-MAAG-0218746
MCK-MAAG-0220378
MCK-MAAG-0221099
MCK-MAAG-0221100
MCK-MAAG-0221712
MCK-MAAG-0222056
MCK-MAAG-0222884
MCK-MAAG-0222947
MCK-MAAG-1000240
MCK-MAAG-1000241
MCK-MAAG-1001368
MCK-MAAG-1001369
MCK-MAAG-1001699
MCK-MAAG-1006207
MCK-MAAG-1006208
MCK-MAAG-1011097
MCK-MAAG-1013579
MCK-MAAG-1014049
MCK-MAAG-1024211

MCK-MAAG-1027204
MCK-MAAG-1027490
MCK-MAAG-1027539
MCK-MAAG-1037855
MCK-MAAG-1038327
MCK-MAAG-1039590
MCK-MAAG-1041477
MCK-MAAG-1041765
MCK-MAAG-1042285
MCK-MAAG-1056710
MCK-MAAG-1056712
MCK-MAAG-1056717
MCK-MAAG-1056720
MCK-MAAG-1071121
MCK-MAAG-1071844
MCK-MAAG-1072941
MCK-MAAG-1073189
MCK-MAAG-1073190
MCK-MAAG-1073256
MCK-MAAG-1295952
MCK-MAAG-1305931
MCK-MAAG-1308573
MCK-MAAG-1392564
MCK-MAAG-1394243
MCK-MAAG-1402088
MCK-MAAG-1408283
MCK-MAAG-1408285
MCK-MAAG-1670515
MCK-MAAG-1670516
MCK-MAAG-3309412
MCK-MAAG-3413038
MCK-MAAG-3453527
MCK-MAAG-3526344
MCK-MAAG-3526345
MCK-MAAG-3751213
MCK-MAAG-3795707
MCK-MAAG-3863611
MCK-MAAG-3921039
MCK-MAAG-3954641
MCK-MAAG-4475742
MCK-MAAG-4782013
MCK-MAAG-4905287
MCK-MAAG-4905288