

STATE OF TEXAS,

Plaintiff,

vs.

GUIDANT CORPORATION;
CARDIAC PACEMAKERS, INC.; and
GUIDANT SALES CORPORATION,

Defendants.

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IN THE DISTRICT COURT OF

DALLAS COUNTY, T E X A S

162nd JUDICIAL DISTRICT

FINAL JUDGMENT AND AGREED PERMANENT INJUNCTION

Plaintiff, the STATE OF TEXAS, acting by and through Attorney General Greg Abbott (“State of Texas” or “Texas”), and Defendants GUIDANT CORPORATION, CARDIAC PACEMAKERS, INC., and GUIDANT SALES CORPORATION having consented to the entry of this Final Judgment and Agreed Permanent Injunction (“Judgment”), and before any testimony is taken in this case and without Defendants admitting to any violations of the Texas Deceptive Trade Practices - Consumer Protection Act, TEX. BUS. & COM. CODE ANN. §17.41 *et seq.* (“DTPA”) or any other law, have jointly moved that the Court enter this Judgment for the purposes of settlement only, without this Judgment constituting evidence against or any admission by any party, and without trial of any issue of fact or law.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED THAT:

1. This Court has jurisdiction of the subject matter of this case and of the parties consenting hereto pursuant to TEX. BUS. & COM. CODE § 17.47(b).
2. Venue of this matter lies in Dallas County, Texas pursuant to TEX. BUS. & COM. CODE §17.47(b).
3. Defendants GUIDANT CORPORATION, CARDIAC PACEMAKERS, INC., and GUIDANT SALES CORPORATION concede that the State of Texas has alleged facts that

would be sufficient to establish jurisdiction over them for the purpose of this matter, and Defendants do not contest such facts for the purpose of this matter.

4. Entry of this Judgment is in the public interest and reflects a negotiated agreement among the parties.

5. The parties have agreed to resolve the issues raised by the matters investigated by the Attorneys General by entering into this Judgment. GUIDANT (as defined in paragraph 7. I. below) 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 any statute, law, rule, or regulation, or of any other matter of fact or law, or of any liability or wrongdoing, all of which GUIDANT expressly denies. No part of this Judgment, including its statements and commitments, shall constitute evidence of any liability, fault, or wrongdoing, nor shall any part of this Judgment be construed or used as a waiver or limitation of any defense otherwise available to GUIDANT or of GUIDANT's right to defend itself from or against any private individual or class claims or suits. 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 to enforce the terms of this Judgment, or for any other purpose whatsoever, except that either GUIDANT or Texas may file an action to enforce the terms of this Judgment.

6. This Judgment is applicable to GUIDANT and to GUIDANT's agents, employees, representatives, assignees, and successors in interest who have actual or constructive notice of its provisions (hereinafter collectively "Enjoined Persons").

I. DEFINITIONS

7. The following definitions shall be used in construing this Judgment:

A. "AdvaMed" means the Advanced Medical Technology Association (AdvaMed).

- B. “Applicable Standard” means the AdvaMed standard entitled Industry Guidance: Uniform Reporting of Clinical Performance of Pulse Generators, dated January 30, 2007.
- C. “Covered ICDs” mean the following ICDs: (1) VENTAK PRIZM® 2 DR Model 1861 devices; (2) CONTAK RENEWAL® Model H135 devices; and (3) CONTAK RENEWAL® 2 Model H155 devices.
- D. “Discontinued ICD” means an ICD that is no longer manufactured or sold by GUIDANT and for which the estimate of active implants is believed to be fewer than 200 based on the best information available to GUIDANT.
- E. “Effective Date” shall mean the date which is five (5) business days after the last of the following conditions is satisfied: (1) GUIDANT receives a copy of this Judgment, duly executed by GUIDANT and by each of the Settling States and (2) this Judgment is entered by a court of competent jurisdiction in each and every one of the Settling States.
- F. “FDA” means the U.S. Food and Drug Administration.
- G. “FDA’s Guidances for Industry” means documents published by the FDA that represent the FDA’s current recommendations on a topic.
- H. “FDCA” means the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. § 301 et seq., as the same may be amended.
- I. Unless otherwise specified, “GUIDANT” means Guidant Corporation, Cardiac Pacemakers, Inc., and Guidant Sales Corporation, and their successors and assigns.
- J. Unless otherwise specified, “Implantable Cardioverter Defibrillator” or “ICD” means a device implanted in the chest that was approved by the FDA at any time

from and after January 2000 that monitors for and, if necessary corrects, certain episodes of an abnormal heart rhythm.

- K. Unless otherwise specified, “Information” means available information which:
(1) a patient may rely on or consider in evaluating or making a decision about his or her treatment; or (2) a physician or a hospital may rely on or consider in evaluating, recommending, or formulating a treatment for a patient.
- L. “Multistate Executive Committee” means the Attorneys General of Arizona, California, Florida, Illinois, Oregon, and Vermont.
- M. “New ICD” means an ICD, including a new model of an existing ICD family that is marketed and sold by GUIDANT for the first time at any time after September 8, 2005.
- N. “Privilege” means a privilege that exists under the laws or rules in the state, or that involves specific patient information. Privileged information shall be redacted where feasible to make the information non-Privileged.
- O. “Settling States” or “Settling State” means the states of Alaska, Arizona, Arkansas, California, Connecticut, District of Columbia, Florida, Hawaii, Idaho, Illinois, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Mississippi, Missouri, Montana, Nevada, New Jersey, New Mexico, North Carolina, North Dakota, Ohio, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, Vermont, Virginia, Washington, Wisconsin, and Wyoming.
- P. “State Consumer Protection Law” shall mean the Texas Deceptive Trade Practices Act under which Texas conducted its investigation.

- Q. “Subject Matter of this Judgment” shall mean the investigation and inquiries under the Texas Deceptive Trade Practices Act concerning GUIDANT’s marketing and sales of ICDs, as defined in Paragraph J, above.
- R. “Warranty Supplement Program” means the supplemental warranty program announced by GUIDANT in June 2005 and December 2005 to provide, subject to certain conditions, replacement devices and reimbursement of certain unreimbursed medical expenses incurred by a patient in connection with the replacement of certain ICDs covered by the Warranty Supplement Program.

II. INJUNCTION

IT IS FURTHER ORDERED THAT:

8. For a period of no less than five (5) years from the Effective Date, GUIDANT shall establish an Independent Patient Safety Advisory Board, beginning within one hundred twenty (120) days following the Effective Date, to evaluate data concerning ICD performance and risk assessment data. The Patient Safety Advisory Board shall include independent experts whose expertise includes cardiac electrophysiology, engineering, statistics, risk management, and bioethics. At least one member of the board will represent the views of patients. The board’s function shall be linked to GUIDANT by the Patient Safety Officer as set forth in paragraph 9, below. GUIDANT may reasonably compensate members of the board at a rate that is normal and customary in the market for persons performing similar services.

9. Beginning no later than one hundred twenty (120) days following the Effective Date, and for a period of no less than five (5) years from the date of employment, GUIDANT shall employ a Patient Safety Officer who shall hold the position of a vice president and be a physician and who shall have as a primary responsibility, with respect to ICDs, advancing patient safety and whose job description shall include participation in performance analysis,

related health hazard analysis, internal product performance communications, and external product performance communication policies and procedures, including those related to product improvements and emerging health safety issues. The Patient Safety Officer shall act as a liaison with the Patient Safety Advisory Board. The Patient Safety Officer shall have routine access to the highest-ranking executive officer at GUIDANT's Cardiac Rhythm Management Business or the successor group or entity responsible for the Cardiac Rhythm Management Business in order to perform the duties of this position. The Patient Safety Officer shall have no conflicts of interest between the performance of any other job duties at GUIDANT and the duties required of the Patient Safety Officer.

10. For a period of no less than five (5) years from the Effective Date, and subject to paragraph 11, GUIDANT shall clearly and conspicuously disclose and disseminate to the public in an easily accessible form, the following product performance Information for ICDs no less often than once per calendar quarter:

- A. Worldwide failure data, including data on ICD returns confirmed to have malfunctioned while implanted and in service, stratified according to the following:
 - i. whether the confirmed malfunctions occurred in a manner that did or did not compromise pacing or defibrillation therapy;
 - ii. failure pattern (root cause);
 - iii. whether modifications have been made to address the failure pattern; and
 - iv. whether safety advisories have been issued for such product families.
- B. United States data on survival probability estimates:
 - i. for ICD product families that have a minimum of 10,000 implant months and an active population of 200 devices remaining in the United States; or

- ii. in the event that AdvaMed modifies the Applicable Standard, for ICD product families having a minimum number of implant months and an active population of devices that comply with such modified Applicable Standard;
- C. Current information related to any safety advisory classified by the FDA as a Class I or Class II recall:
- i. (A) for which there is an estimated active United States population of at least 200 devices; or
(B) in the event that AdvaMed modifies the Applicable Standard, for which there is an estimated active United States population equal to or greater than the population specified in such modified Applicable Standard; *provided that*, in the event that there occurs a change in AdvaMed standards that GUIDANT believes would require the adoption of practices that differ from or conflict with the practices prescribed by this paragraph 10, GUIDANT shall notify the Multistate Executive Committee (acting on behalf of the Attorneys General) of the new standards, requirements or needs, and request that the Multistate Executive Committee (on behalf of the Attorneys General) consent in writing to modify this paragraph to the extent necessary to substitute such practices for the practices prescribed by this paragraph 10, which consent shall not be unreasonably withheld nor unreasonably delayed; and
 - ii. with respect to which GUIDANT shall display, in a clear and conspicuous manner, a search engine on its website that permits a patient to search for and identify safety advisories that have been issued since January 2005

with respect to devices implanted in such patient by inputting the model and serial number of the device in the search engine; and

iii. GUIDANT shall make public safety advisories as soon as it can reasonably do so after it notifies patients' physicians.

D. GUIDANT shall provide links on its website to its Medical Device Reporting ("MDR") reports maintained by the FDA that pertain to ICDs.

E. Notwithstanding anything to the contrary in this paragraph 10, if GUIDANT makes a modification to address a failure pattern resulting in loss of therapy, GUIDANT shall post on its website the existence of such modification in the next quarterly product performance report, but in no event later than thirty (30) days after such modification is implemented.

11. GUIDANT shall not be required to make the disclosures described in paragraph

10 above:

A. with respect to any New ICD until the first annual anniversary of the first commercial sale of such New ICD by GUIDANT, to permit GUIDANT sufficient time to collect meaningful data concerning such New ICD;

B. at all with respect to any Discontinued ICDs;

C. with respect to any country or other jurisdiction whose laws prohibit GUIDANT from disclosing such information with respect to citizens or residents of, or medical devices sold or located in, that country or jurisdiction; and

D. with respect to advisories classified by the FDA as Class III recalls.

12. For a period of no less than seven (7) years from the Effective Date, GUIDANT shall solicit the return of out-of-service ICDs to assist in gathering information provided for in paragraph 10 above, to the extent permitted by (a) the law of the jurisdiction in which the patient

resides, is domiciled and/or can be found; or (b) the law of jurisdiction where the device return is solicited.

13. For a period of no less than seven (7) years from the Effective Date, GUIDANT shall keep comprehensive, organized, accessible and sustainable data system(s) to capture and maintain certain Information concerning all U.S.-distributed ICDs, which Information shall include:

- A. the device's lot number, batch number, model number, or serial number, or other identifier necessary to provide for effective tracking of the device;
- B. the date the device was shipped by GUIDANT;
- C. the date the device was implanted in the patient; and,
- D. if applicable and to the extent available or known to GUIDANT, the date the device was explanted, or the date of the patient's death, or the date the device was returned to GUIDANT, permanently retired from use or otherwise permanently disposed of.

14. Nothing in this Judgment shall require GUIDANT to:

- A. take an action that is prohibited by the FDCA or any applicable federal law or regulation, or by the FDA; or
- B. fail to take an action that is required by the FDCA or any applicable federal law or regulation, or by the FDA.

15. If, after the Effective Date of this Judgment, the United States or Texas or one of their governmental agencies enacts or promulgates legislation, rules or regulations or issues new regulatory requirements or FDA's Guidances for Industry with respect to matters governed by this Judgment that conflict with any provision of this Judgment, GUIDANT shall notify the Attorney General of Texas, if Texas is the affected State, of its intention to comply with the

newly enacted, promulgated or issued legislation, rule, regulation, requirements or FDA Guidances for Industry, and the Texas Attorney General shall consent to the modification of such provision to the extent necessary to eliminate a conflict if GUIDANT cannot comply with both such legislation, rule, regulation, requirements or FDA Guidances for Industry and the applicable provision of this Judgment.

III. SETTLEMENT FUND AND OTHER RELIEF

IT IS FURTHER ORDERED THAT:

16. GUIDANT shall extend the existing Warranty Supplement Program for patient costs directly associated with the cost of repair or re-programming of the Covered ICDs to a date ending no earlier than six months from the Effective Date.

17. One million dollars (\$1,000,000) of the payment referenced in paragraph 18 below that GUIDANT makes to the Settling States, shall be set aside by the Settling States to cover, as much as possible, direct patient costs that exceed the \$2,500.00 Warranty Supplement Program cap, for those patients who request reimbursement for such payments and who are residents of Settling States. GUIDANT shall make this one million dollar payment to the Attorney General of the State of Oregon to be deposited in the Attorney General's Client Trust Account. The Oregon Attorney General shall make payments from this amount as directed by the Multistate Executive Committee. These funds shall be distributed within twelve (12) months of the Effective Date. Any residue shall be equally distributed among the Settling States. Upon being provided with appropriate waivers by the patients, and upon request by the Texas Attorney General, Guidant shall provide the Texas Attorney General, within thirty (30) days of the request, records relating to the application for refunds under the Warranty Supplement Program by patients residing in Texas, including payments made; partial payments made and the reason why full payments were not made; and, denials of refunds and the reason why the refunds were

denied. Regardless of whether requested, GUIDANT shall give notice to the Attorney General of the State of Texas if the patient resides in Texas no later than sixty (60) days after GUIDANT has issued a final denial for payment of portions of a patient's claim for unreimbursed medical expenses that exceed \$2,500 under the Unreimbursed Medical Expenses program related to the Warranty Supplement Program available for the Covered ICDs. As designated and at the sole discretion of the Multistate Executive Committee, the money set aside by this paragraph shall be divided and paid to specific patients, who are residents of Settling States, either in full or on a pro rata basis, for direct patient costs in excess of \$2,500.

18. Within forty-five (45) days of the Effective Date of this Judgment, GUIDANT shall pay a total amount of Sixteen Million Seven Hundred Fifty Thousand Dollars (\$16,750,000) to be divided and paid by GUIDANT directly to each Settling State with Texas to receive Three Hundred Ninety Thousand Dollars (\$390,000.00). Said payment shall be used by Texas for attorneys' fees and other costs of investigation and litigation.

19. Within one year of the Effective Date, GUIDANT shall provide the Multistate Executive Committee with a report providing the number of individuals who submitted warranty supplement claims under the Warranty Supplement Program; the number of individuals who received any form of warranty consideration under the Warranty Supplement Program; and the total warranty consideration paid under the Warranty Supplement Program. The Multistate Executive Committee, the Texas Attorney General, and the Settling States shall maintain the confidentiality of any report submitted pursuant to this paragraph 19, subject to the existing confidentiality agreement between the parties and Texas law.

IV. RELEASE

20. By its execution of this Judgment, Texas releases GUIDANT and all of its past and present parents, subsidiaries, affiliates, predecessors and successors (collectively, the

“Released Parties”) from the following: all civil claims, causes of action, damages, restitution, fines, costs, and penalties on behalf of Texas under the Texas Deceptive Trade Practices Act arising from the allegations that are the Subject Matter of this Judgment that occurred at any time through and including the Effective Date of this Judgment.

21. Notwithstanding any term of this Judgment, any and all of the following are specifically reserved and excluded from the Released Claims as to any entity or person, including Released Parties:

- A. Any criminal liability that any person or entity, including Released Parties, has or may have to the State of Texas;
- B. Any civil or administrative liability that any person or entity, including Released Parties, has or may have to the State of Texas under any statute, regulation or rule not expressly covered by the release in paragraph 20 above, including but not limited to any and all of the following claims:
 - i. State or federal antitrust violations;
 - ii. Reporting practices, including “best price”, “average wholesale price” or “wholesale acquisition cost;”
 - iii. Medicaid violations, including federal Medicaid drug rebate statute violations, Medicaid fraud or abuse, and/or kickback violations related to any state Medicaid program; and,
 - iv. State false claims violations.
- C. Any liability under the Texas Deceptive Trade Practices Act which any person or entity, including Released Parties, has or may have to individual consumers or State of Texas program payers, and which have not been specifically enumerated as included here.

V. NO ADMISSION OF LIABILITY

22. This Judgment does not constitute an admission by GUIDANT for any purpose, of any fact or of a violation of any state or federal law, rule, or regulation, nor does this constitute evidence of any liability, fault, or wrongdoing. GUIDANT enters into this Judgment solely for the purpose of resolving the allegations of the Attorneys General regarding GUIDANT ICDs. GUIDANT does not admit any violation of the Texas Deceptive Trade Practices Act and does not admit any wrongdoing that was or could have been alleged by the Texas Attorney General before the date of the Judgment under this Act.

23. This Judgment shall not be construed or used as a waiver or any limitation of any defense otherwise available to GUIDANT. This Judgment is made without trial or adjudication of any issue of fact or law or finding of liability of any kind. Nothing in this Judgment, including this paragraph, shall be construed to limit or to restrict GUIDANT's right to use this Judgment to assert and maintain the defenses of *res judicata*, collateral estoppel, payment, compromise and settlement, accord and satisfaction, or any other legal or equitable defenses in any pending or future legal or administrative action or proceeding.

VI. COMPLIANCE REQUIREMENTS

24. For the purpose of monitoring and investigating compliance with any provision of this Judgment, GUIDANT shall create and maintain business records, policies, processes and standard operating procedures to demonstrate compliance with the terms and provisions of this Judgment. At a minimum, for a period of five (5) years, GUIDANT shall take reasonable steps to:

- A. Allow the Texas Attorney General, or any of his representatives, reasonable access to GUIDANT's business premises during normal business hours to inspect

relevant, non-Privileged and non-work-product records and documents that relate to GUIDANT's compliance with this Judgment; or

- B. If requested, provide such data to the Texas Attorney General or his office, and to interview any of the Enjoined Persons on a subject matter relating to compliance with this Judgment, provided that GUIDANT and/or any such Enjoined Person may have counsel present and may assert any legally recognized Privilege during any access, inspection or interview.
- C. Any information obtained by the Texas Attorney General or his representative pursuant to this paragraph shall be subject to the existing confidentiality agreement between the parties.

25. For the purpose of monitoring and ensuring compliance, GUIDANT shall for a period of five (5) years from the Effective Date:

- A. Maintain copies of all data obtained by GUIDANT, in both raw and analyzed form, including but not limited to pre-clinical, clinical, post-marketing or other scientific data relating to an ICD, whether or not such data are generated by GUIDANT's own research and development or monitoring, or by a third-party source; and
- B. Create and maintain all other documents and records necessary and sufficient to demonstrate full compliance with the terms and provisions of this Judgment.

26. GUIDANT shall notify the Multistate Executive Committee at least five (5) business days after any change in GUIDANT or Boston Scientific Corporation that may affect compliance obligations arising out of this Judgment, including any dissolution of GUIDANT or Boston Scientific Corporation, or any acquisition, merger, or consolidation of GUIDANT or Boston Scientific Corporation.

27. Nothing in this Judgment shall be construed as:
- A. relieving GUIDANT of its obligation to comply with all state laws, regulations or rules, or granting permission to engage in any acts or practices prohibited by such law, regulation or rule; or
 - B. limiting or expanding in any way any right the Settling State may otherwise have to obtain information, documents or testimony from GUIDANT pursuant to any state law, regulation or rule, or any right GUIDANT may otherwise have to oppose any subpoena, civil investigative demand, compulsory process, motion, or other procedure issued, served, filed, or otherwise employed by the Settling State pursuant to any such state law, regulation or rule.

28. In the event that the Texas Attorney General is served with a freedom of information act or similar request, or with any subpoena or other legal process, requesting or requiring it to provide or produce any report or information provided by GUIDANT pursuant to paragraph 19 or any information obtained pursuant to paragraph 24 of this Judgment, the Texas Attorney General shall inform GUIDANT within ten (10) calendar days of receipt of such request, subpoena, or legal process and no less than ten (10) business days before any deadline for responding to such request, subpoena, or legal process, and GUIDANT shall have the right and responsibility in its sole discretion to challenge such request, subpoena or legal process.

VII. REPRESENTATIONS AND WARRANTIES

29. GUIDANT acknowledges that it is the proper party to this Judgment. GUIDANT warrants and represents that the individual signing this Judgment on behalf of GUIDANT is doing so in his or her official capacity and is fully authorized by GUIDANT to enter into this Judgment and to legally bind GUIDANT to all of the terms and conditions of this Judgment.

30. The Texas Attorney General signatory warrants and represents that she is signing this Judgment in her official capacity on behalf of the Texas Attorney General, and that she is fully authorized to enter into this Judgment, including but not limited to the authority to grant the release contained in Paragraphs 20 and 21 of this Judgment, and to legally bind the state on behalf of the Texas Attorney General to all of the terms and conditions of this Judgment.

VIII. ORDER DISTRIBUTION

31. Within sixty (60) days of the Effective Date of this Judgment and for a period of no less than seven (7) years from the Effective Date, GUIDANT shall cause all of its vice presidents or higher corporate officers (regardless of contact with patients, physicians, hospitals, or research institutions), to review a copy of this Judgment. GUIDANT shall also provide a copy of this Judgment to all of its new vice presidents or higher corporate officers, within thirty (30) days of hiring such person. GUIDANT shall obtain from each person who has received this Judgment an electronic certification acknowledging that he/she reviewed this Judgment. GUIDANT shall maintain such acknowledgement for a minimum of three (3) years from the date each is provided to GUIDANT and shall make them available for inspection and copying upon request of any representative of the Texas Attorney General.

IX. DISPUTES REGARDING COMPLIANCE

32. For the purposes of resolving disputes with respect to compliance with this Judgment, should the Texas Attorney General have legally sufficient cause (which shall include, at a minimum, a reasonable basis to believe that Guidant has violated a provision of this Judgment), then the Texas Attorney General shall notify Guidant in writing of the specific objection, identify with particularity the provisions of this Judgment and/or the Texas Deceptive Trade Practices Act that the practice appears to violate, and give Guidant thirty (30) business days to respond to the notification; provided, however, that the Attorney General may take any

action upon notice to GUIDANT where the Attorney General concludes that, because of the specific practice, a threat to the health or safety of the public requires immediate action.

33. Upon receipt of written notice and within the thirty (30) business-day period, GUIDANT shall provide a good faith written response to the Texas Attorney General's objection. The response shall include an affidavit containing either:

- A. A statement explaining why GUIDANT believes it is in compliance with the Judgment; or
- B. A detailed explanation of how the alleged violation[s] occurred; and
 - i. A statement that the alleged breach has been cured and how it has been cured; or
 - ii. A statement that the alleged breach cannot be reasonably cured within thirty (30) business days from receipt of the notice, but (1) GUIDANT has begun to take corrective action to cure the alleged breach; (2) GUIDANT is pursuing such corrective action with reasonable and due diligence; and (3) GUIDANT has provided the Texas Attorney General with a detailed and reasonable time table for curing the alleged breach.

34. Nothing herein shall prevent the Texas Attorney General from agreeing in writing to provide GUIDANT with additional time beyond the thirty (30) business-day period to respond to the notice.

35. Nothing herein shall be construed to exonerate any failure by GUIDANT to comply with any provision of this Judgment after the date of entry or to compromise the authority of the Texas Attorney General to initiate a proceeding for failure to comply. Further, nothing in this subsection shall be construed to limit the authority of the Texas Attorney General to protect the interests of the State of Texas.

36. The Texas Attorney General represents that he will seek enforcement of the provisions of this Judgment with due regard for fairness and, in so doing, shall take into account efforts that GUIDANT has taken to cure any claimed violation of this Judgment.

X. ENFORCEMENT

37. Any party to this Judgment may apply to this court at any time for such further orders and directions as are necessary or appropriate for carrying out this Judgment, including the modification of the injunctive provisions, the enforcement of compliance, and the punishment of violations as permitted by law.

XI. NOTICES

38. Any notices provided pursuant to the requirements of this Judgment shall be deemed given five (5) business days after mailing or one (1) business day after facsimile or e-mail transmission. All such notices shall be in writing and shall be addressed as follows:

To GUIDANT:

Jean Holloway, Esq.
Vice President, Legal
Boston Scientific Corporation
Cardiac Rhythm Management
4100 Hamline Ave North
St. Paul, Minnesota 55112-5798
Tel: 651-582-7501
Fax: 651-582-7400

with a copy to:

Timothy Pratt, Esq.
Shook, Hardy & Bacon L.L.P.
2555 Grand Boulevard
Kansas City, Missouri 64108-2613
Tel: 816-474-6550
Fax: 816-421-5547

To the Multistate Executive Committee or to the Oregon Attorney General:

David Hart, Esq.
Assistant Attorney General
1162 Court Street NE
Salem, OR 97301-4096
Tel: (503) 947-4333
Fax: (503) 378-5017

To the Texas Attorney General:

Joyce Wein Iliya
Assistant Attorney General
Consumer Protection and Public Health Division
State Bar No. 00784319
1410 Main St., Suite 810
Dallas, Texas 75202
(214) 969-7639, ext. 111
Facsimile: (214) 969-7615

IV. ADDITIONAL PROVISIONS

39. This Judgment shall be governed by the laws of the State of Texas.

40. This Judgment is entered into by the Parties as their own free and voluntary act and with full knowledge and understanding of the nature of the proceedings and the obligations and duties imposed by this Judgment.

41. This Judgment does not constitute an approval by the Texas Attorney General of any of GUIDANT's business practices, including its promotional or marketing practices, and GUIDANT shall make no representation or claim to the contrary.

42. **IT IS FURTHER ORDERED THAT** GUIDANT shall pay all costs of the Court.

43. The clerk of the Court is authorized to issue such writs of execution or other process necessary to collect and enforce this Judgment.

44. The Court retains jurisdiction to enforce this Final Judgment and Agreed Permanent Injunction .

45. All relief not granted herein is hereby denied.

SO ORDERED, this _____ day of August, 2007.

District Judge

FOR THE STATE OF TEXAS:

GREG ABBOTT
Attorney General of Texas

KENT C. SULLIVAN
First Assistant Attorney General

JEFF L. ROSE
Deputy First Assistant Attorney General

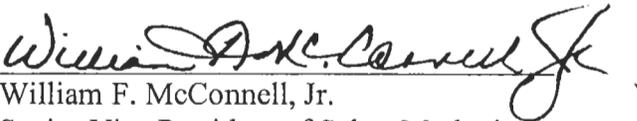
PAUL D. CARMONA
Assistant Attorney General
Chief, Consumer Protection and Public Health Division



JOYCE WEIN ILIYA
Assistant Attorney General
Consumer Protection and Public Health Division
State Bar No. 00784319
1410 Main St., Suite 810
Dallas, Texas 75202
(214) 969-7639, ext. 111
Facsimile: (214) 969-7615

Date: 8-29-07

FOR GUIDANT:

By: 

William F. McConnell, Jr.
Senior Vice President of Sales, Marketing
and Administration
4100 Hamline Ave. North
St. Paul, Minnesota 55112-5798

Date: August 20, 2007

FOR GUIDANT:

By:  _____

E. James Shepherd
State Bar No. 24008025
Shook, Hardy & Bacon L.L.P.
600 Travis – Ste. 1600
Houston, Texas 77002-2911
Tel: (713) 227-8008
Fax: (713) 227-9508

Date: August 27, 2007