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**Attorneys for Relator, Commonwealth of Virginia,  
Calleguas Municipal Water District, Palmdale Water District,  
and South Tahoe Public Utility District  
(AND OTHER PARTIES/ATTORNEYS AS LISTED ON THE DOCKET)**

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES, THE STATES OF  
CALIFORNIA, DELAWARE,  
FLORIDA, ILLINOIS, INDIANA,  
NEVADA, NEW MEXICO, NEW  
YORK, and TENNESSEE, THE  
COMMONWEALTHS OF  
MASSACHUSETTS AND  
VIRGINIA, and THE DISTRICT OF  
COLUMBIA ex rel. JOHN  
HENDRIX,

Plaintiffs,

v.

J-M MANUFACTURING  
COMPANY, INC., d/b/a JM Eagle, a  
Delaware corporation, and FORMOSA  
PLASTICS CORPORATION, U.S.A.,  
a Delaware corporation,

Defendants.

Case No. EDCV 06-0055-GW-PJWx

Hon. George H. Wu

**FINAL JUDGMENT**

Date: October 6, 2021

Time: 9:30 a.m.

Location: Courtroom 9D

TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

WHEREAS, this matter began by way of a qui tam and False Claims Act (“FCA”) complaint filed under seal on behalf of the United States of America, the States of California, Delaware, Florida, Nevada, and Tennessee, and the Commonwealths of Massachusetts and Virginia by relator John Hendrix against J-M Manufacturing Company, Inc. (“J-M”) and Formosa Plastics Corporation, U.S.A. (“Formosa Plastics”) on January 17, 2006 (ECF No. 1); and

WHEREAS, the seal was lifted, and real parties were allowed to intervene as of February 4, 2010; and

WHEREAS, the Court bifurcated the proceeding as to the elements of falsity, materiality, and scienter on the one hand, and damages on the other, on December 7, 2011 (ECF No. 551); and

WHEREAS, the operative Fifth Amended Complaint was filed on December 27, 2011 (ECF No. 568); and

WHEREAS, Calleguas Municipal Water District, the Commonwealth of Virginia for the City of Norfolk, Palmdale Water District, South Tahoe Public Utility District, and the State of Nevada for the City of Reno were designated as “Exemplar Plaintiffs” as of December 22, 2011, for purposes of a Phase One liability trial and also potentially for a Phase Two trial as to “actual damages” and civil penalties under the applicable state FCA statutes (ECF No. 566); and

WHEREAS, the claims of the remaining intervened plaintiffs and real parties in interest were stayed pending entry of final judgment on the Exemplar Plaintiffs’ claims; and

WHEREAS, Plaintiffs, Relator John Hendrix, and Formosa Plastics reached a “global settlement” on July 16, 2013 (ECF No. 1742), which was approved by the

Court on January 16, 2014 (ECF Nos. 1839, 1846), and Formosa Plastics was dismissed from this case with prejudice; and

WHEREAS, the Phase One trial on the elements of falsity, materiality, and scienter as they related to Exemplar Plaintiffs' claims took place from September 13, 2013 to November 14, 2013, resulting in a unanimous jury verdict on all claims of the Exemplar Plaintiffs (the "Phase One Verdict"); and

WHEREAS, the Phase Two jury trial on the Exemplar Plaintiffs' actual damages claims took place from October 9, 2018 through November 14, 2018, resulting in a mistrial due to a hung jury, as the jury was unable to agree on any award of actual damages; and

WHEREAS, during the Phase Two trial, the parties agreed that the issue of statutory damages/civil penalties would be tried to the Court; such matter was decided by the Court thereafter (ECF No. 2904); and the Court issued an award as to civil penalties as indicated, *infra*; and

WHEREAS, J-M filed a renewed motion for judgment as a matter of law on December 12, 2018, *inter alia*, as to the issue of actual damages (ECF No. 2809); and the Court granted that motion on June 5, 2020 concluding that "Plaintiffs failed to provide evidence at the Phase Two trial from which a reasonable jury could make a finding of an award of actual damages under the FCA that would not be erroneous as a matter of law, be totally unfounded and/or be purely speculative" (ECF No. 2880);

And good cause appearing therefore;

IT IS HEREBY ADJUDGED AND ORDERED THAT:

(1) Final Judgment is awarded to the Exemplar Plaintiffs (and the Relator John Hendrix, but only insofar as to his involvement with the Exemplar Plaintiffs' claims, if any) against Defendant J-M Manufacturing Company, Inc. based upon the Phase One Verdict and the award of civil penalties, as follows: \$6,000 to Calleguas


Municipal Water District; \$48,000 to Palmdale Water District; \$78,000 to South Tahoe Public Utilities District; \$16,000 to the Commonwealth of Virginia for the City of Norfolk; and \$14,000 to the State of Nevada for the City of Reno; and

(2) This Judgment is deemed final as to the Exemplar Plaintiffs (and the Relator John Hendrix, but only insofar as to his involvement with the Exemplar Plaintiffs' claims, if any) pursuant to Fed. R. Civ. P. 54(b), there being no just reason for delay inasmuch as the Court wishes to have the Ninth Circuit's determinations as to decisions already made in the lawsuit before proceeding to adjudicate the claims of the remainder of the plaintiffs; and

(3) the Exemplar Plaintiffs' application for attorney's fees and costs related to obtaining and defending the Jury Verdict is hereby stayed and will be due no earlier than 90 days after the Ninth Circuit issues its ruling on any appeal that is taken from this Final Judgment.

IT IS SO ORDERED.

DATE: October 14, 2021

  
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Honorable George H. Wu  
UNITED STATES DISTRICT JUDGE