

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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FEDERAL TRADE COMMISSION, et al.,	:	
	:	
Plaintiffs,	:	20cv706 (DLC)
	:	
-v-	:	<u>ORDER</u>
	:	
VYERA PHARMACEUTICALS, LLC, et al.,	:	
	:	
Defendants.	:	
	:	
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DENISE COTE, District Judge:

On February 4, 2022, the Court issued an Order for Permanent Injunction and Equitable Monetary Relief (the "Order"). The Order enjoins Shkreli for life "from directly or indirectly participating in any manner in the pharmaceutical industry." It also directs Shkreli "to pay to the Plaintiff States [up to] \$64.6 million within 30 days of entry of" the Order.

To ensure compliance with the other provisions, the Order also requires Shkreli to

submit to the Commission and to each of the Designated State Representatives verified written reports ("Compliance Reports") setting forth in detail the manner and form in which he intends to comply, has complied, and is complying with this Order, in accordance with the following:

1. Within 60 days of the entry of this Order;
2. One year after the entry of this Order, and annually thereafter until the later of 10

years or payment of the monetary judgment ordered herein; and

3. At such other times as the Commission or a Plaintiff State may require.

The Order similarly requires

that, for purposes of determining or securing compliance with this Order, including payment of the monetary judgment, upon 5 days' notice, Defendant Shkreli shall:

- A. Make himself available for interview, in the presence of counsel, by a duly authorized representative of the Commission or a Designated State Representative; and
- B. Provide to any duly authorized representative of the Commission or a Designated State Representative, during business hours and in the presence of counsel, access to inspect and copy all books, ledgers, accounts, correspondence, memoranda, tax returns, financial statements and all other records and documents in Defendant Shkreli's possession or control that relate to compliance with this Order.

On January 20, 2023, the plaintiffs filed a motion for an order to show cause why defendant Martin Shkreli should not be held in civil contempt for violating the Order based on his purported failure to submit a supplemental Compliance Report, provide access to requested documents, and sit for an interview with the Commission. The motion was fully submitted on February 24. In the plaintiffs' reply brief, they identify three requests of Shkreli to address the alleged deficiencies in his compliance thus far:

- (1) "to submit a revised, accurate supplemental Compliance Report meeting the requirements of the Order and supported by documentation for his full and complete accounting to both Plaintiffs and the Court;"
- (2) "to produce all documents responsive to the issues identified in [plaintiffs'] October 2022 letter;" and
- (3) to "sit for a deposition under oath."

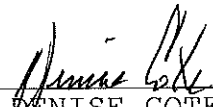
IT IS HEREBY ORDERED that Shkreli shall indicate to the plaintiffs by March 3, 2023, whether he agrees to comply with these three requests.

IT IS FURTHER ORDERED that the parties shall, by March 6, 2023, file a letter no longer than two pages on ECF indicating whether Shkreli has agreed to comply with the requests.

IT IS FURTHER ORDERED that, in the event that Shkreli does not agree to comply with the requests, a conference shall be held on March 8, 2023 at 3:00 p.m. in Courtroom 18B, 500 Pearl Street, New York, New York 10007.

IT IS FURTHER ORDERED that the plaintiffs shall promptly serve a copy of this Order on Shkreli and shall file an affidavit of such service on ECF.

Dated: New York, New York
March 1, 2023



DENISE COTE
United States District Judge