

NOT YET APPROVED

Resolution No. ____

Resolution Authorizing the City Manager to Execute Participation Agreements on Behalf of the City of Palo Alto to Enter Into Settlement Agreements Regarding Manufacture and Distribution of Opioid Products with Allergan Finance, LLC and related entities (Allergan), Teva Pharmaceutical Industries Ltd. and related entities (Teva); Walgreens Co.; CVS Health Corporation and CVS Pharmacy, Inc. (CVS), and Walmart, Inc.; Agree to the Terms of the Memorandum of Understanding (MOU) Allocating Settlement Proceeds; and Authorize Entry Into the MOU with the California Attorney General

RECITALS

A. The State of California, through its Attorney General and certain cities and counties governments, is engaged in litigation seeking to hold certain opioid pharmaceutical supply chain participants accountable for the damage caused by their misfeasance, nonfeasance, and malfeasance; and

B. On July 21, 2021, the California Attorney General, along with representatives from 55 other states, commonwealths, and U.S. territories, finalized the terms of a proposed settlement with two manufacturers, Johnson & Johnson, Janssen Pharmaceuticals, Inc., Ortho-McNeil-Janssen Pharmaceuticals, Inc., and Janssen Pharmaceutical, Inc., and three pharmaceutical distributors, McKesson Corporation, Cardinal Health, Inc., and AmerisourceBergen Corporation, to address the impacts of opioid-related substance use disorder on state and local governments (“2021 National Settlements”); and

C. The 2021 National Settlements provided that the settling states, commonwealths, and territories would receive a combined total of up to \$26 billion to alleviate the impacts of opioids-related substance use disorder that would be allocated to participating subdivisions that affirmatively elect to participate in the settlements, and in doing so releases their claims against the settling defendants; and

D. On December 13, 2021, the City Council adopted Resolution No. 10010 authorizing the City Manager to execute participation agreements on behalf of the City of Palo Alto to enter into the 2021 National Settlements; and

E. In late 2022, the additional settlement agreements were reached with three pharmacy chains—CVS, Walgreens, and Walmart—and two manufacturers—Allergan and Teva (“2022 National Settlements”); and

F. The 2022 National Settlements provide that settling states, commonwealths, and territories will receive a combined total of up to approximately \$18 billion to address the impacts of the opioid epidemic and, like the 2021 National Settlements, subdivisions that wished to

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participate had to affirmatively elect to participate to receive an allocation from the settlements;
and

G. Like 2021 National Settlements, the 2022 National Settlements provide that there may be an intrastate allocation of settlement proceeds in each settling state, commonwealth, and territory to allocate the proceeds among state and local jurisdictions; and

H. The California Attorney General and the local government representatives agreed to a Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds in the 2021 National Settlement, which allocates proceeds to participating cities and counties; and

I. The Distribution and Use Agreements used in the 2021 National Settlements are identical in material terms to the Agreements in the 2022 National Settlement Agreements, attached hereto as Exhibit 1 (Allergan Allocation Agreement); Exhibit 2 (Teva Allocation Agreement); Exhibit 3 (Walgreens Allocation Agreement); Exhibit 4 (CVS Allocation Agreement); Exhibit 5 (Walmart Allocation Agreement); and

J. The City of Palo Alto must affirmatively elect to participate in 2022 National Settlements to receive the allocation of settlement proceeds set forth in the Allocation Agreements attached hereto, and in doing so will release its claims against the settling defendants; and

NOW, THEREFORE, the Council of the City of Palo Alto RESOLVES as follows:

SECTION 1. NOW, THEREFORE, BE IT RESOLVED that the City Council does hereby authorize the City Manager to complete and execute the Settlement Participation Forms to authorize the City of Palo Alto’s participation in the 2022 National Settlements, and to take such further actions as necessary to ensure that the City receives settlement proceeds allocated to it under the Allocation Agreements.

SECTION 2. In the event settlement agreements are entered into with additional manufacturers and distributors, the City Council does hereby further authorize the City Manager to complete and execute any future Settlement Participation Forms and to take all necessary action to ensure the City receives proceeds from future settlements in the national opioid litigation.

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SECTION 3. BE IT FURTHER RESOLVED that this Resolution is not a project under the requirements of the California Environmental Quality Act, together with related State CEQA Guidelines (collectively, "CEQA").

INTRODUCED AND PASSED:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

ATTEST:

City Clerk

Mayor

APPROVED AS TO FORM:

APPROVED:

Assistant City Attorney

City Manager

EXHIBIT K
Subdivision and Special District Settlement Participation Form

Will your subdivision or special district be signing the settlement participation forms for the Allergan and Teva Settlements at this time?

Yes No

| | |
|-------------------------------------|-----------|
| Governmental Entity: Palo Alto city | State: CA |
| Authorized Signatory: | |
| Address 1: | |
| Address 2: | |
| City, State, Zip: | |
| Phone: | |
| Email: | |

The governmental entity identified above (“*Governmental Entity*”), in order to obtain and in consideration for the benefits provided to the Governmental Entity pursuant to the Agreement dated November 22, 2022 (“*Allergan Settlement*”), and acting through the undersigned authorized official, hereby elects to participate in the Allergan Settlement, release all Released Claims against all Released Entities, and agrees as follows.

1. The Governmental Entity is aware of and has reviewed the Allergan Settlement, understands that all terms in this Election and Release have the meanings defined therein, and agrees that by this Election, the Governmental Entity elects to participate in the Allergan Settlement as provided therein.
2. Following the execution of this Settlement Participation Form, the Governmental Entity shall comply with Section III.B of the Allergan Settlement regarding Cessation of Litigation Activities.
3. The Governmental Entity shall, within fourteen (14) days of the Reference Date and prior to the filing of the Consent Judgment, file a request to dismiss with prejudice any Released Claims that it has filed. With respect to any Released Claims pending in *In re National Prescription Opiate Litigation, i* DL No. 2804, the Governmental Entity authorizes the *i* DL Plaintiffs’ Executive Committee to execute and file on behalf of the Governmental Entity a Stipulation of Dismissal With Prejudice substantially in the form found at <https://nationalopiodsettlement.com>.
4. The Governmental Entity agrees to the terms of the Allergan Settlement pertaining to Subdivisions and Special Districts as defined therein.
5. By agreeing to the terms of the Allergan Settlement and becoming a Releasor, the Governmental Entity is entitled to the benefits provided therein, including, if applicable, monetary payments beginning after the Effective Date.
6. The Governmental Entity agrees to use any monies it receives through the Allergan Settlement solely for the purposes provided therein.



EXHIBIT 1

7. The Governmental Entity submits to the jurisdiction of the court in the Governmental Entity's state where the Consent Judgment is filed for purposes limited to that court's role as provided in, and for resolving disputes to the extent provided in, the Allergan Settlement.
8. The Governmental Entity has the right to enforce the Allergan Settlement as provided therein.
9. The Governmental Entity, as a Participating Subdivision or Participating Special District, hereby becomes a Releasor for all purposes in the Allergan Settlement, including, but not limited to, all provisions of **Section V (Release)**, and along with all departments, agencies, divisions, boards, commissions, Subdivisions, districts, instrumentalities of any kind and attorneys, and any person in their official capacity whether elected or appointed to serve any of the foregoing and any agency, person, or other entity claiming by or through any of the foregoing, and any other entity identified in the definition of Releasor, provides for a release to the fullest extent of its authority. As a Releasor, the Governmental Entity hereby absolutely, unconditionally, and irrevocably covenants not to bring, file, or claim, or to cause, assist in bringing, or permit to be brought, filed, or claimed, or to otherwise seek to establish liability for any Released Claims against any Released Entity in any forum whatsoever. The releases provided for in the Allergan Settlement are intended to be broad and shall be interpreted so as to give the Released Entities the broadest possible bar against any liability relating in any way to Released Claims and extend to the full extent of the power of the Governmental Entity to release claims. The Allergan Settlement shall be a complete bar to any Released Claim.
10. The Governmental Entity hereby takes on all rights and obligations of a Participating Subdivision or Participating Special District as set forth in the Allergan Settlement.
11. In connection with the releases provided for in the Allergan Settlement, each Governmental Entity expressly waives, releases, and forever discharges any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code, which reads:

General Release; extent. A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

A Releasor may hereafter discover facts other than or different from those which it knows, believes, or assumes to be true with respect to the Released Claims, but each Governmental Entity hereby expressly waives and fully, finally, and forever settles, releases and discharges, upon the Effective Date, any and all Released Claims that may exist as of such date but which Releasors do not know or suspect to exist, whether through ignorance, oversight, error, negligence or through no fault whatsoever, and which, if known, would materially affect the Governmental Entities' decision to participate in the Allergan Settlement.

12. Nothing herein is intended to modify in any way the terms of the Allergan Settlement, to which the Governmental Entity hereby agrees. To the extent this Settlement Participation Form is interpreted differently from the Allergan Settlement in any respect, the Allergan Settlement controls.



I have all necessary power and authorization to execute this Settlement Participation Form on behalf of the Governmental Entity.

Signature: _____

Name: _____

Title: _____

Date: _____



**Proposed California State-Subdivision Agreement
Regarding Distribution and Use of
Settlement Funds – Allergan Settlement**

1. Introduction

Pursuant to the Allergan Settlement Agreement, dated as of November 22, 2022, and any revision thereto (the “Allergan Settlement Agreement”), including Section VIII and Exhibit O, the State of California proposes this agreement (the “CA Allergan Allocation Agreement”) to govern the allocation, distribution, and use of Settlement Fund payments made to California pursuant to Sections VI, VII, and VIII of the Allergan Settlement Agreement. For the avoidance of doubt, this agreement does not apply to payments made pursuant to Sections XII or XIII of the Allergan Settlement Agreement.

Pursuant to Exhibit O, Paragraph 4, of the Allergan Settlement Agreement, acceptance of this CA Allergan Allocation Agreement is a requirement to be an Initial Participating Subdivision.¹

Further, pursuant to Sections X.B and X.C of the Teva Settlement Agreement and Sections IX.B and IX.C of the Allergan Settlement Agreement, eligible Subdivisions must participate in both the Teva Settlement Agreement and Allergan Settlement Agreement, or neither.²

2. Definitions

- a) *CA Participating Subdivision* means a Participating Subdivision that is also (a) a Plaintiff Subdivision and/or (b) a Subdivision with a population equal to or greater than 10,000. For the avoidance of doubt, eligible CA Participating Subdivisions are those California subdivisions listed in Exhibit C (excluding Litigating Special Districts) and/or Exhibit I to the Allergan Settlement Agreement.
- b) *Teva Settlement Agreement* means the Teva Settlement Agreement dated November 22, 2022, and any revision thereto.
- c) *CVS Settlement Agreement* means the CVS Settlement Agreement dated December 9, 2022, and any revision thereto as well as any modification thereto entered into by the State of California and CVS.
- d) *Distributor Settlement Agreement* means the Distributor Settlement Agreement dated July 21, 2021, and any revision thereto.
- e) *Janssen Settlement Agreement* means the Janssen Settlement Agreement dated July 21, 2021, and any revision thereto.

¹ A parallel but separate agreement (the “CA Teva Allocation Agreement”) will govern the allocation, distribution, and use of settlement fund payments under the Teva Settlement Agreement.

² However, if Teva enters bankruptcy prior to the Effective Date, an eligible Subdivision can choose to only join the Allergan Settlement Agreement.



EXHIBIT 1

- f) *Walgreens Settlement Agreement* means the Walgreens Settlement Agreement dated December 9, 2022, and any revision thereto.
- g) *Walmart Settlement Agreement* means the Walmart Settlement Agreement dated November 14, 2022, and any revision thereto.
- h) *CA Litigating Special District* means a Litigating Special District located in California. CA Litigating Special Districts include Downey Unified School District, Elk Grove Unified School District, Kern High School District, Montezuma Fire Protection District (located in Stockton, California), Santa Barbara San Luis Obispo Regional Health Authority, Inland Empire Health Plan, Health Plan of San Joaquin, San Leandro Unified School District, Pleasant Valley School District Board, and LA Care Health Plan.
- i) *Plaintiff Subdivision* means a Subdivision located in California, other than a CA Litigating Special District, that filed a lawsuit, on behalf of the Subdivision and/or through an official of the Subdivision on behalf of the People of the State of California, against one or more Opioid Defendants prior to October 1, 2020.
- j) *Opioid Defendant* means any defendant (including but not limited to Teva Pharmaceutical Industries Ltd., Allergan Finance, LLC, Allergan Limited, CVS Health Corporation, CVS Pharmacy, Inc., Walgreen Co., Walmart Inc., Johnson & Johnson, Janssen Pharmaceuticals, Inc., Purdue Pharma L.P., Cardinal Health, Inc., AmerisourceBergen Corporation, and McKesson Corporation) named in a lawsuit seeking damages, abatement, or other remedies related to or caused by the opioid public health crisis in any lawsuit brought by any state or local government on or before October 1, 2020.

3. General Terms

This agreement is subject to the requirements of the Allergan Settlement Agreement, as well as applicable law, and the Allergan Settlement Agreement governs over any inconsistent provision of this CA Allergan Allocation Agreement. Terms used in this CA Allergan Allocation Agreement have the same meaning as in the Allergan Settlement Agreement unless otherwise defined herein.

Pursuant to Section VIII(E)(1) of the Allergan Settlement Agreement, (a) all Settlement Fund payments will be used for Opioid Remediation, except as allowed by Section VIII(C) of the Allergan Settlement Agreement; and (b) at least seventy percent (70%) of Settlement Fund payment amounts will be used solely for future Opioid Remediation.

4. State Allocation

The Settlement Fund payments to California,³ pursuant to the Allergan Settlement Agreement, shall be allocated as follows: 15% to the State Fund; 70% to the Abatement Accounts Fund; and 15% to the Subdivision Fund. For the avoidance of doubt, all funds allocated to California from the Settlement Fund shall be combined pursuant to this CA Allergan Allocation Agreement, and 15% of that total shall be allocated to the State of California (the “State of California Allocation”), 70% to the California Abatement Accounts Fund (“CA Abatement Accounts Fund”), and 15% to the California Subdivision Fund (“CA Subdivision Fund”).

A. State of California Allocation

Fifteen percent of the total Settlement Fund payments will be allocated to the State and used by the State for future Opioid Remediation.

B. CA Abatement Accounts Fund

i. Allocation of CA Abatement Accounts Funds

- a) Seventy percent of the total Settlement Fund payments will be allocated to the CA Abatement Accounts Fund. The funds in the CA Abatement Accounts Fund will be allocated based on the allocation model developed in connection with the proposed negotiating class in the National Prescription Opiate Litigation (MDL No. 2804), as adjusted to reflect only those cities and counties that are eligible, based on population or litigation status, to become a CA Participating Subdivision. The percentage from the CA Abatement Accounts Fund allocated to each CA Participating Subdivision is set forth in Appendix 1 in the column entitled abatement percentage (the “Local Allocation”). For the avoidance of doubt, CA Litigating Special Districts and California towns, cities, and counties with a population less than 10,000 are not eligible to receive an allocation of CA Abatement Accounts Funds.
- b) A CA Participating Subdivision that is a county, or a city and county, will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision, and will receive payments as provided in the Allergan Settlement Agreement.
- c) A CA Participating Subdivision that is a city will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision. The Local Allocation share for a city that is a CA Participating Subdivision will be paid to the county in which the city is located, rather than to the city, so long as: (a) the county is a CA Participating Subdivision, and (b) the city has not advised the Settlement Fund Administrator that it requests direct payment at least 60 days prior to a Payment Date. A Local Allocation share allocated to a city but paid to a county is not required to be spent exclusively for abatement activities in that city, but will become part of the county’s share of the CA Abatement Accounts Funds, which will be used in accordance with Section 4.B.ii (Use of

³ For purposes of clarity, use of the term “California” refers to the geographic territory of California and the state and its local governments therein. The term “State” or “State of California” refers to the State of California as a governmental unit.



EXHIBIT 1

CA Abatement Accounts Funds) and reported on in accordance with Section 4.B.iii (CA Abatement Accounts Fund Oversight).

- d) A city within a county that is a CA Participating Subdivision may opt in or out of direct payment at any time, and it may also elect direct payment of only a portion of its share, with the remainder going to the county, by providing notice to the Settlement Fund Administrator at least 60 days prior to a Payment Date. For purposes of this CA Allergan Allocation Agreement, the Cities of Los Angeles, Oakland, San Diego, San Jose and Eureka will be deemed to have elected direct payment if they become Participating Subdivisions.
- e) The State will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision.
- f) Funds received by a CA Participating Subdivision, and not expended or encumbered within five years of receipt and in accordance with the Allergan Settlement Agreement and this CA Allergan Allocation Agreement shall be transferred to the State; provided however, that CA Participating Subdivisions have seven years to expend or encumber CA Abatement Accounts Funds designated to support capital outlay projects before they must be transferred to the State. This provision shall not apply to the Cost Reimbursement Funds, which shall be controlled by Appendix 2.

ii. Use of CA Abatement Accounts Funds

- a) The CA Abatement Accounts Funds will be used for future Opioid Remediation in one or more of the areas described in the List of Opioid Remediation Uses, which is Exhibit E to the Allergan Settlement Agreement.
- b) In addition to this requirement, no less than 50% of the funds received by a CA Participating Subdivision from the Abatement Accounts Fund in each calendar year will be used for one or more of the following High Impact Abatement Activities:
 - (1) the provision of matching funds or operating costs for substance use disorder facilities within the Behavioral Health Continuum Infrastructure Program;
 - (2) creating new or expanded Substance Use Disorder (“SUD”) treatment infrastructure;
 - (3) addressing the needs of communities of color and vulnerable populations (including sheltered and unsheltered homeless populations) that are disproportionately impacted by SUD;
 - (4) diversion of people with SUD from the justice system into treatment, including by providing training and resources to first and early responders (sworn and non-sworn) and implementing best practices for outreach, diversion and deflection, employability, restorative justice, and harm reduction; and/or
 - (5) interventions to prevent drug addiction in vulnerable youth.



- c) The California Department of Health Care Services (“DHCS”) may add to this list (but not delete from it) by designating additional High Impact Abatement Activities. DHCS will make reasonable efforts to consult with stakeholders, including the CA Participating Subdivisions, before adding additional High Impact Abatement Activities to this list.
- d) For the avoidance of doubt, and subject to the requirements of the Allergan Settlement Agreement and applicable law, CA Participating Subdivisions may form agreements or ventures, or otherwise work in collaboration with, federal, state, local, tribal or private sector entities in pursuing Opioid Remediation activities funded from the CA Abatement Accounts Fund. Further, provided that all CA Abatement Accounts Funds are used for Opioid Remediation consistent with the Allergan Settlement Agreement and this CA Allergan Allocation Agreement, a county and any cities or towns within the county may agree to reallocate their respective shares of the CA Abatement Accounts Funds among themselves, provided that any direct distribution may only be to a CA Participating Subdivision and any CA Participating Subdivision must agree to their share being reallocated.

iii. CA Abatement Accounts Fund Oversight

- a) Pursuant to Section 5 below, CA Participating Subdivisions receiving settlement funds must prepare and file reports annually regarding the use of those funds. DHCS may regularly review the reports prepared by CA Participating Subdivisions about the use of CA Abatement Accounts Funds for compliance with the Allergan Settlement Agreement and this CA Allergan Allocation Agreement.
- b) If DHCS determines that a CA Participating Subdivision’s use of CA Abatement Accounts Funds is inconsistent with the Allergan Settlement Agreement or this CA Allergan Allocation Agreement, whether through review of reports or information from any other sources, DHCS shall send a request to meet and confer with the CA Participating Subdivision. The parties shall meet and confer in an effort to resolve the concern.
- c) If the parties are unable to reach a resolution, DHCS may conduct an audit of the Subdivision’s use of the CA Abatement Accounts Funds within one year of the request to meet and confer, unless the parties mutually agree in writing to extend the meet and confer time frame.
- d) If the concern still cannot be resolved, the State may bring a motion or action in the court where the State has filed its Consent Judgment to resolve the concern or otherwise



enforce the requirements of the Allergan Settlement Agreement or this CA Allergan Allocation Agreement. However, in no case shall any audit be conducted, or motion be brought, as to a specific expenditure of funds, more than five years after the date on which the expenditure of the funds was reported to DHCS, in accordance with this agreement.

- e) Notwithstanding the foregoing, this Agreement does not limit the statutory or constitutional authority of any state or local agency or official to conduct audits, investigations, or other oversight activities, or to pursue administrative, civil, or criminal enforcement actions.

C. CA Subdivision Fund

- i. Fifteen percent of the total Settlement Fund payments will be allocated to the CA Subdivision Fund. All funds in the CA Subdivision Fund will be allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. The funds will be used, subject to any limits imposed by the Allergan Settlement Agreement and this CA Allergan Allocation Agreement, to fund future Opioid Remediation and reimburse past opioid-related expenses, which may include fees and expenses related to litigation, and to pay the reasonable fees and expenses of the Special Master as set forth in Appendix 2.

The CA Subdivision Funds will be allocated as follows:

- a) First, funds in the CA Subdivision Fund shall be used to pay the Special Master’s reasonable fees and expenses in accordance with the procedures and limitations set forth in Appendix 2 to this document;
- b) Second, funds will be allocated to Plaintiff Subdivisions that are Initial Participating Subdivisions that have been awarded Costs, as defined by and in accordance with the procedures and limitations set forth in Appendix 2 to this document.
- c) Funds remaining in the CA Subdivision Fund, which shall consist of no less than 50% of the total CA Subdivision Fund received in any year pursuant to Appendix 2, Section 2.c.v, will be distributed to Plaintiff Subdivisions that are Initial Participating Subdivisions, in relative proportion to the Local Allocation. These funds shall be used to fund future opioid-related projects and to reimburse past opioid-related expenses, which may include fees and expenses related to litigation against any Opioid Defendant.

D. Provision for State Back-Stop Agreement

On August 6, 2021, Judge Dan Polster of the U.S. District Court, Northern District of Ohio, Eastern Division, issued an order (ECF Docket Number 3814) (“MDL Fees Order”) in the National Prescription Opiate Litigation (MDL No. 2804) “cap[ping] all applicable contingent fee agreements at 15%.” Private counsel representing Plaintiff Subdivisions should seek its



contingency fees and costs from the Attorney Fee Fund or Cost Funds under the Teva Settlement Agreement and Allergan Settlement Agreement, and, if applicable, the CVS Settlement Agreement, Distributor Settlement Agreement, Janssen Settlement Agreement, Walgreens Settlement Agreement, and Walmart Settlement Agreement.

A Plaintiff Subdivision may separately agree to use its share of the CA Subdivision Fund to pay for fees or costs incurred by its contingency-fee counsel (“State Back-Stop Agreement”), pursuant to Exhibit R, section I(X), of the Allergan Settlement Agreement and the MDL Fees Order, so long as such contingency fees do not exceed a total contingency fee of 15% of the total gross recovery of the Plaintiff Subdivision pursuant to the Allergan Settlement, inclusive of contingency fees from the national Attorney Fee Fund and this State Back-Stop Agreement. Before seeking fees or litigation costs and expenses from a State Back-Stop Agreement, private counsel representing Plaintiff Subdivisions must first seek contingency fees and costs from the Attorney Fee Fund or Cost Funds created under the Allergan Settlement Agreement. Further, private counsel may only seek reimbursement for litigation fees and costs that have not previously been reimbursed through prior settlements or judgments.

To effectuate a State Back-Stop Agreement pursuant to this section, an agreement in the form of Appendix 3 may be entered into by a Plaintiff Subdivision, private counsel, and the California Office of the Attorney General. The California Office of the Attorney General shall, upon the request of a Plaintiff Subdivision, execute any agreement executed by a Plaintiff Subdivision and its private counsel if it is in the form of Appendix 3. The California Office of the Attorney General will also consider requests from Plaintiff Subdivisions to execute and enter into agreements presented in other forms.

For the avoidance of doubt, this agreement does not require a Plaintiff Subdivision to request or enter into a State Back-Stop Agreement, and no State Back-Stop Agreement shall impose any duty or obligation on the State of California or any of its agencies or officers, including without limitation the Attorney General.

5. State and Subdivision Reporting

- a) DHCS will prepare an annual written report regarding the State’s use of funds from the settlement until those funds are fully expended and for one year thereafter. These reports will be made publicly available on the DHCS web site.
- b) Each CA Participating Subdivision that receives payments of funds from the settlement will prepare written reports at least annually regarding the use of those funds, until those funds are fully expended and for one year thereafter. These reports will also include a certification that all funds that the CA Participating Subdivision has received through the settlement have been used in compliance with the Allergan Settlement Agreement and this CA Allergan Allocation Agreement. The report will be in a form reasonably determined by DHCS. Prior to specifying the form of the report DHCS will confer with representatives of the Plaintiff Subdivisions.



EXHIBIT 1

- c) The State and all CA Participating Subdivisions receiving CA Abatement Accounts Funds will track all deposits and expenditures. Each such subdivision is responsible solely for the CA Abatement Accounts Funds it receives. A county is not responsible for oversight, reporting, or monitoring of CA Abatement Accounts Funds received by a city within that county that receives direct payment. Unless otherwise exempt, Subdivisions' expenditures and uses of CA Abatement Accounts Funds and other Settlement Funds will be subject to the normal budgetary and expenditure process of the Subdivision.
- d) Each Plaintiff Subdivision receiving CA Subdivision Funds will track all deposits and expenditures, as required by the Allergan Settlement Agreement and this CA Allergan Allocation Agreement. Among other things, Plaintiff Subdivisions using monies from the CA Subdivision Fund for purposes that do not qualify as Opioid Remediation must identify and include in their annual report, the amount and how such funds were used, including if used to pay attorneys' fees, investigation costs, or litigation costs. Pursuant to Section VIII(C) of the Allergan Settlement Agreement, such information must also be reported to the Settlement Fund Administrator and Allergan.
- e) In each year in which DHCS prepares an annual report DHCS will also host a meeting to discuss the annual report and the Opioid Remediation activities being carried out by the State and Participating Subdivisions.

6. Miscellaneous

- a) The State or any CA Participating Subdivision may bring a motion or action in the court where the State has filed its Consent Judgment to enforce the requirements of this CA Allergan Allocation Agreement. Before filing such a motion or action the State will meet and confer with any CA Participating Subdivision that is the subject of the anticipated motion or action, and vice versa.
- b) Except as provided in the Allergan Settlement Agreement, this CA Allergan Allocation Agreement is not enforceable by any party other than the State and the CA Participating Subdivisions. It does not confer any rights or remedies upon, and shall not be enforceable by, any third party.
- c) Except as provided in the CA Allergan Allocation Agreement, if any provision of this agreement or the application thereof to any person, entity, or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this agreement, or the application of such provision to persons, entities, or circumstances other than those as to which it is invalid or unenforceable, will not be affected thereby, and each other provision of this agreement will be valid and enforceable to the fullest extent permitted by law.
- d) Except as provided in the Allergan Settlement Agreement, this agreement shall be governed by and interpreted in accordance with the laws of California.



The undersigned, Palo Alto city, ACKNOWLEDGES acceptance of this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Allergan Settlement is a requirement to be an Initial Participating Subdivision in the Allergan Settlement and ACCEPTS this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Allergan Settlement. EXECUTED on .

Signature: _____

Name: _____

Title: _____

Date: _____





DISCLAIMER: The allocation percentages herein are estimates only and should not be relied on for decisions regarding legal rights, releases, waivers, or other decisions affecting current or potential legal claims. Percentages shown in the Plaintiff Subdivision Percentage column may change pursuant to Section 4.C. of the California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds—Allergan Settlement, whereas the percentages shown in the Abatement Percentage column should not change. Participating Subdivisions, underlying calculations, and the calculated allocation percentages are subject to change. Regarding the column herein entitled “Abatement Percentage,” pursuant to Section 4.B.e., the State of California will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision. Regarding the column herein entitled “Plaintiff Subdivision Percentage,” payments allocated to a Plaintiff Subdivision, which is not an Initial Participating Subdivision, will be re-allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. Regarding the column herein entitled “Abatement Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the California Abatement Account Funds received, pursuant to Section 4.B. Regarding the column herein entitled “Plaintiff Subdivision Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the California Subdivision Funds received, pursuant to Section 4.C. Regarding the column herein entitled “Weighted Allocation Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the combined and weighted allocation of the Abatement Percentage and the Plaintiff Subdivision Percentage.

APPENDIX 1



| Participating Subdivision Classification | Participating Subdivision | County | 100.000% | | | 100.000% | | |
|--|----------------------------|--------------|----------------------|----------------------------------|--------------------------------|----------------------|----------------------------------|--------------------------------|
| | | | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
| County | Alameda County | Alameda | 2.332% | 2.853% | 2.4237952% | | | |
| City | Alameda | Alameda | 0.069% | | 0.0570162% | | | |
| City | Albany | Alameda | 0.013% | | 0.0107768% | | | |
| City | Berkeley | Alameda | 0.152% | | 0.1249656% | | | |
| City | Dublin | Alameda | 0.033% | 0.040% | 0.0338810% | | | |
| City | Emeryville | Alameda | 0.023% | | 0.0185765% | | | |
| City | Fremont | Alameda | 0.108% | | 0.0888576% | | | |
| City | Hayward | Alameda | 0.117% | | 0.0966218% | | | |
| City | Livermore | Alameda | 0.054% | | 0.0446740% | | | |
| City | Newark | Alameda | 0.026% | | 0.0217626% | | | |
| City | Oakland | Alameda | 0.486% | 0.595% | 0.5055601% | | | |
| City | Piedmont | Alameda | 0.014% | | 0.0114064% | | | |
| City | Pleasanton | Alameda | 0.067% | | 0.0554547% | | | |
| City | San Leandro | Alameda | 0.039% | | 0.0321267% | | | |
| City | Union City | Alameda | 0.043% | | 0.0352484% | | | |
| County | Amador County | Amador | 0.226% | 0.277% | 0.2349885% | | | |
| County | Butte County | Butte | 1.615% | 1.975% | 1.6783178% | | | |
| City | Chico | Butte | 0.216% | 0.264% | 0.2246499% | | | |
| City | Oroville | Butte | 0.079% | | 0.0646595% | | | |
| County | Calaveras County | Calaveras | 0.226% | 0.277% | 0.2351644% | | | |
| County | Colusa County | Colusa | 0.059% | | 0.0489221% | | | |
| County | Contra Costa County | Contra Costa | 2.102% | 2.571% | 2.1844585% | | | |
| City | Antioch | Contra Costa | 0.037% | | 0.0301879% | | | |
| City | Brentwood | Contra Costa | 0.026% | | 0.0215339% | | | |
| City | Clayton | Contra Costa | 0.002% | | 0.0018060% | | | |
| City | Concord | Contra Costa | 0.055% | | 0.0456676% | | | |
| City | Danville | Contra Costa | 0.010% | | 0.0082255% | | | |
| City | El Cerrito | Contra Costa | 0.023% | | 0.0189024% | | | |
| City | Hercules | Contra Costa | 0.010% | | 0.0078273% | | | |

APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|--------------|----------------------|----------------------------------|--------------------------------|
| City | Lafayette | Contra Costa | 0.006% | | 0.0046030% |
| City | Martinez | Contra Costa | 0.012% | | 0.0098593% |
| City | Moraga | Contra Costa | 0.004% | | 0.0031007% |
| City | Oakley | Contra Costa | 0.010% | | 0.0079416% |
| City | Orinda | Contra Costa | 0.005% | | 0.0038157% |
| City | Pinole | Contra Costa | 0.013% | | 0.0110909% |
| City | Pittsburg | Contra Costa | 0.053% | | 0.0436369% |
| City | Pleasant Hill | Contra Costa | 0.013% | | 0.0106309% |
| City | Richmond | Contra Costa | 0.146% | | 0.1201444% |
| City | San Pablo | Contra Costa | 0.018% | | 0.0148843% |
| City | San Ramon | Contra Costa | 0.021% | | 0.0176459% |
| City | Walnut Creek | Contra Costa | 0.026% | | 0.0212132% |
| County | Del Norte County | Del Norte | 0.114% | 0.140% | 0.1189608% |
| County | El Dorado County | El Dorado | 0.768% | 0.939% | 0.7980034% |
| City | Placerville | El Dorado | 0.015% | | 0.0127642% |
| City | South Lake Tahoe | El Dorado | 0.081% | | 0.0665456% |
| County | Fresno County | Fresno | 1.895% | 2.318% | 1.9693410% |
| City | Clovis | Fresno | 0.065% | | 0.0536211% |
| City | Coalinga | Fresno | 0.012% | | 0.0098554% |
| City | Fresno | Fresno | 0.397% | | 0.3270605% |
| City | Kerman | Fresno | 0.005% | | 0.0042534% |
| City | Kingsburg | Fresno | 0.008% | | 0.0066167% |
| City | Mendota | Fresno | 0.002% | | 0.0019387% |
| City | Orange Cove | Fresno | 0.004% | | 0.0035607% |
| City | Parlier | Fresno | 0.008% | | 0.0069755% |
| City | Reedley | Fresno | 0.012% | | 0.0098804% |
| City | Sanger | Fresno | 0.018% | | 0.0146135% |
| City | Selma | Fresno | 0.015% | | 0.0127537% |
| County | Glenn County | Glenn | 0.107% | 0.131% | 0.1116978% |
| County | Humboldt County | Humboldt | 1.030% | 1.260% | 1.0703185% |



APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|-------------|----------------------|----------------------------------|--------------------------------|
| City | Arcata | Humboldt | 0.054% | | 0.0447660% |
| City | Eureka | Humboldt | 0.117% | 0.143% | 0.1216284% |
| City | Fortuna | Humboldt | 0.032% | | 0.0266837% |
| County | Imperial County | Imperial | 0.258% | 0.315% | 0.2679006% |
| City | Brawley | Imperial | 0.011% | | 0.0087986% |
| City | Calxico | Imperial | 0.019% | | 0.0152799% |
| City | El Centro | Imperial | 0.158% | | 0.1302522% |
| City | Imperial | Imperial | 0.006% | | 0.0048791% |
| County | Inyo County | Inyo | 0.073% | 0.089% | 0.0754413% |
| County | Kern County | Kern | 2.517% | 3.079% | 2.6159145% |
| City | Arvin | Kern | 0.006% | | 0.0046425% |
| City | Bakersfield | Kern | 0.212% | | 0.1747198% |
| City | California City | Kern | 0.009% | | 0.0070820% |
| City | Delano | Kern | 0.030% | | 0.0249316% |
| City | McFarland | Kern | 0.003% | | 0.0025644% |
| City | Ridgecrest | Kern | 0.015% | | 0.0120938% |
| City | Shafter | Kern | 0.013% | | 0.0103417% |
| City | Tehachapi | Kern | 0.009% | | 0.0073580% |
| City | Wasco | Kern | 0.008% | | 0.0069861% |
| County | Kings County | Kings | 0.293% | | 0.2413469% |
| City | Avenal | Kings | 0.007% | | 0.0056335% |
| City | Corcoran | Kings | 0.013% | | 0.0107032% |
| City | Hanford | Kings | 0.027% | | 0.0226038% |
| City | Lemoore | Kings | 0.016% | | 0.0131900% |
| County | Lake County | Lake | 0.795% | | 0.6545389% |
| City | Clearlake | Lake | 0.041% | 0.050% | 0.0426253% |
| City | Lakeport | Lake | 0.021% | 0.026% | 0.0222964% |
| County | Lassen County | Lassen | 0.319% | 0.391% | 0.3320610% |
| City | Susanville | Lassen | 0.027% | | 0.0219295% |
| County | Los Angeles County | Los Angeles | 13.896% | 16.999% | 14.4437559% |



APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|-------------|----------------------|----------------------------------|--------------------------------|
| City | Agoura Hills | Los Angeles | 0.005% | | 0.0040024% |
| City | Alhambra | Los Angeles | 0.042% | | 0.0343309% |
| City | Arcadia | Los Angeles | 0.033% | | 0.0267718% |
| City | Artesia | Los Angeles | 0.001% | | 0.0005100% |
| City | Azusa | Los Angeles | 0.026% | | 0.0210857% |
| City | Baldwin Park | Los Angeles | 0.027% | | 0.0218520% |
| City | Bell | Los Angeles | 0.008% | | 0.0068783% |
| City | Bellflower | Los Angeles | 0.002% | | 0.0014485% |
| City | Bell Gardens | Los Angeles | 0.014% | | 0.0114301% |
| City | Beverly Hills | Los Angeles | 0.065% | | 0.0534897% |
| City | Burbank | Los Angeles | 0.100% | | 0.0823132% |
| City | Calabasas | Los Angeles | 0.006% | | 0.0048948% |
| City | Carson | Los Angeles | 0.019% | | 0.0159805% |
| City | Cerritos | Los Angeles | 0.005% | | 0.0039682% |
| City | Claremont | Los Angeles | 0.010% | | 0.0082584% |
| City | Commerce | Los Angeles | 0.000% | | 0.0002971% |
| City | Compton | Los Angeles | 0.044% | | 0.0361882% |
| City | Covina | Los Angeles | 0.028% | | 0.0229127% |
| City | Cudahy | Los Angeles | 0.001% | | 0.0006020% |
| City | Culver City | Los Angeles | 0.055% | | 0.0449894% |
| City | Diamond Bar | Los Angeles | 0.001% | | 0.0006993% |
| City | Downey | Los Angeles | 0.052% | | 0.0429994% |
| City | Duarte | Los Angeles | 0.003% | | 0.0027261% |
| City | El Monte | Los Angeles | 0.031% | 0.038% | 0.0318985% |
| City | El Segundo | Los Angeles | 0.033% | | 0.0268020% |
| City | Gardena | Los Angeles | 0.034% | | 0.0278088% |
| City | Glendale | Los Angeles | 0.166% | | 0.1366586% |
| City | Glendora | Los Angeles | 0.016% | | 0.0134411% |
| City | Hawaiian Gardens | Los Angeles | 0.005% | | 0.0040549% |
| City | Hawthorne | Los Angeles | 0.050% | | 0.0407833% |



APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|-------------|----------------------|----------------------------------|--------------------------------|
| City | Hermosa Beach | Los Angeles | 0.018% | | 0.0145307% |
| City | Huntington Park | Los Angeles | 0.023% | | 0.0190667% |
| City | Inglewood | Los Angeles | 0.059% | | 0.0489195% |
| City | La Cañada Flintridge | Los Angeles | 0.003% | | 0.0025565% |
| City | Lakewood | Los Angeles | 0.005% | | 0.0039971% |
| City | La Mirada | Los Angeles | 0.010% | | 0.0081572% |
| City | Lancaster | Los Angeles | 0.045% | | 0.0369689% |
| City | La Puente | Los Angeles | 0.002% | | 0.0012999% |
| City | La Verne | Los Angeles | 0.024% | | 0.0194190% |
| City | Lawndale | Los Angeles | 0.002% | | 0.0017731% |
| City | Lomita | Los Angeles | 0.004% | | 0.0031940% |
| City | Long Beach | Los Angeles | 0.439% | | 0.3614151% |
| City | Los Angeles | Los Angeles | 2.715% | 3.321% | 2.8218811% |
| City | Lynwood | Los Angeles | 0.016% | | 0.0134345% |
| City | Malibu | Los Angeles | 0.002% | | 0.0019269% |
| City | Manhattan Beach | Los Angeles | 0.032% | | 0.0260686% |
| City | Maywood | Los Angeles | 0.004% | | 0.0035528% |
| City | Monrovia | Los Angeles | 0.031% | | 0.0254455% |
| City | Montebello | Los Angeles | 0.030% | | 0.0250670% |
| City | Monterey Park | Los Angeles | 0.031% | | 0.0256677% |
| City | Norwalk | Los Angeles | 0.031% | | 0.0258228% |
| City | Palmdale | Los Angeles | 0.046% | | 0.0375827% |
| City | Palos Verdes Estates | Los Angeles | 0.006% | | 0.0053102% |
| City | Paramount | Los Angeles | 0.011% | | 0.0091483% |
| City | Pasadena | Los Angeles | 0.146% | | 0.1200524% |
| City | Pico Rivera | Los Angeles | 0.022% | | 0.0183333% |
| City | Pomona | Los Angeles | 0.111% | | 0.0911933% |
| City | Rancho Palos Verdes | Los Angeles | 0.002% | | 0.0012645% |
| City | Redondo Beach | Los Angeles | 0.062% | | 0.0506992% |
| City | Rosemead | Los Angeles | 0.003% | | 0.0028260% |



APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|-------------|----------------------|----------------------------------|--------------------------------|
| City | San Dimas | Los Angeles | 0.003% | | 0.0022016% |
| City | San Fernando | Los Angeles | 0.013% | | 0.0104837% |
| City | San Gabriel | Los Angeles | 0.018% | | 0.0147726% |
| City | San Marino | Los Angeles | 0.009% | | 0.0073791% |
| City | Santa Clarita | Los Angeles | 0.022% | | 0.0178167% |
| City | Santa Fe Springs | Los Angeles | 0.031% | | 0.0257531% |
| City | Santa Monica | Los Angeles | 0.158% | | 0.1298513% |
| City | Sierra Madre | Los Angeles | 0.006% | | 0.0048646% |
| City | Signal Hill | Los Angeles | 0.010% | | 0.0084884% |
| City | South El Monte | Los Angeles | 0.005% | | 0.0039603% |
| City | South Gate | Los Angeles | 0.020% | | 0.0166272% |
| City | South Pasadena | Los Angeles | 0.012% | | 0.0095334% |
| City | Temple City | Los Angeles | 0.005% | | 0.0039498% |
| City | Torrance | Los Angeles | 0.112% | | 0.0919820% |
| City | Walnut | Los Angeles | 0.006% | | 0.0047305% |
| City | West Covina | Los Angeles | 0.049% | | 0.0404521% |
| City | West Hollywood | Los Angeles | 0.013% | | 0.0108517% |
| City | Whittier | Los Angeles | 0.032% | | 0.0260581% |
| County | Madera County | Madera | 0.349% | 0.427% | 0.3630669% |
| City | Chowchilla | Madera | 0.012% | | 0.0097332% |
| City | Madera | Madera | 0.039% | | 0.0318441% |
| County | Marin County | Marin | 0.564% | 0.690% | 0.5861325% |
| City | Larkspur | Marin | 0.015% | | 0.0124697% |
| City | Mill Valley | Marin | 0.020% | | 0.0168401% |
| City | Novato | Marin | 0.028% | | 0.0229824% |
| City | San Anselmo | Marin | 0.009% | | 0.0078062% |
| City | San Rafael | Marin | 0.089% | | 0.0729823% |
| County | Mariposa County | Mariposa | 0.084% | 0.103% | 0.0876131% |
| County | Mendocino County | Mendocino | 0.439% | 0.536% | 0.4558394% |
| City | Ukiah | Mendocino | 0.039% | | 0.0317153% |



APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|----------|----------------------|----------------------------------|--------------------------------|
| County | Merced County | Merced | 0.551% | 0.674% | 0.5724262% |
| City | Atwater | Merced | 0.024% | | 0.0195846% |
| City | Livingston | Merced | 0.006% | | 0.0045873% |
| City | Los Banos | Merced | 0.020% | | 0.0165142% |
| City | Merced | Merced | 0.061% | | 0.0500762% |
| County | Modoc County | Modoc | 0.065% | 0.080% | 0.0678250% |
| County | Mono County | Mono | 0.023% | 0.029% | 0.0242606% |
| County | Monterey County | Monterey | 0.908% | 1.111% | 0.9437083% |
| City | Greenfield | Monterey | 0.006% | | 0.0050552% |
| City | King City | Monterey | 0.005% | | 0.0037355% |
| City | Marina | Monterey | 0.017% | | 0.0144098% |
| City | Monterey | Monterey | 0.041% | | 0.0336540% |
| City | Pacific Grove | Monterey | 0.009% | | 0.0074842% |
| City | Salinas | Monterey | 0.094% | | 0.0776576% |
| City | Seaside | Monterey | 0.023% | | 0.0191772% |
| City | Soledad | Monterey | 0.007% | | 0.0060870% |
| County | Napa County | Napa | 0.288% | 0.352% | 0.2994325% |
| City | American Canyon | Napa | 0.017% | | 0.0136869% |
| City | Napa | Napa | 0.078% | | 0.0642783% |
| County | Nevada County | Nevada | 0.441% | 0.539% | 0.4579827% |
| City | Grass Valley | Nevada | 0.024% | | 0.0197805% |
| City | Truckee | Nevada | 0.003% | | 0.0023843% |
| County | Orange County | Orange | 4.364% | 5.339% | 4.5363576% |
| City | Aliso Viejo | Orange | 0.014% | | 0.0113841% |
| City | Anaheim | Orange | 0.554% | 0.678% | 0.5759282% |
| City | Brea | Orange | 0.086% | | 0.0708897% |
| City | Buena Park | Orange | 0.087% | | 0.0714352% |
| City | Costa Mesa | Orange | 0.124% | 0.152% | 0.1288366% |
| City | Cypress | Orange | 0.033% | | 0.0271937% |
| City | Dana Point | Orange | 0.001% | | 0.0005560% |



APPENDIX 1



| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|--------|----------------------|----------------------------------|--------------------------------|
| City | Fountain Valley | Orange | 0.055% | | 0.0455980% |
| City | Fullerton | Orange | 0.137% | 0.168% | 0.1425744% |
| City | Garden Grove | Orange | 0.213% | | 0.1752482% |
| City | Huntington Beach | Orange | 0.247% | 0.302% | 0.2568420% |
| City | Irvine | Orange | 0.139% | 0.170% | 0.1442350% |
| City | Laguna Beach | Orange | 0.047% | 0.058% | 0.0493043% |
| City | Laguna Hills | Orange | 0.014% | | 0.0115457% |
| City | Laguna Niguel | Orange | 0.001% | | 0.0007071% |
| City | Laguna Woods | Orange | 0.001% | | 0.0006546% |
| City | La Habra | Orange | 0.060% | 0.073% | 0.0621049% |
| City | Lake Forest | Orange | 0.012% | | 0.0101249% |
| City | La Palma | Orange | 0.012% | | 0.0095439% |
| City | Los Alamitos | Orange | 0.008% | | 0.0069190% |
| City | Mission Viejo | Orange | 0.014% | | 0.0117560% |
| City | Newport Beach | Orange | 0.179% | | 0.1470134% |
| City | Orange | Orange | 0.150% | | 0.1231320% |
| City | Placentia | Orange | 0.029% | 0.035% | 0.0298912% |
| City | Rancho Santa Margarita | Orange | 0.001% | | 0.0006296% |
| City | San Clemente | Orange | 0.008% | 0.010% | 0.0086083% |
| City | San Juan Capistrano | Orange | 0.008% | | 0.0065510% |
| City | Santa Ana | Orange | 0.502% | 0.614% | 0.5213866% |
| City | Seal Beach | Orange | 0.020% | | 0.0165891% |
| City | Stanton | Orange | 0.035% | | 0.0291955% |
| City | Tustin | Orange | 0.073% | | 0.0600341% |
| City | Westminster | Orange | 0.104% | 0.127% | 0.1082721% |
| City | Yorba Linda | Orange | 0.044% | | 0.0362223% |
| County | Placer County | Placer | 1.045% | 1.278% | 1.0861002% |
| City | Auburn | Placer | 0.017% | | 0.0141114% |
| City | Lincoln | Placer | 0.031% | | 0.0255599% |
| City | Rocklin | Placer | 0.076% | | 0.0625485% |

APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|------------|----------------------|----------------------------------|--------------------------------|
| City | Roseville | Placer | 0.196% | | 0.1616559% |
| County | Plumas County | Plumas | 0.205% | 0.251% | 0.2128729% |
| County | Riverside County | Riverside | 4.534% | 5.547% | 4.7128296% |
| City | Banning | Riverside | 0.017% | | 0.0143848% |
| City | Beaumont | Riverside | 0.021% | | 0.0171135% |
| City | Blythe | Riverside | 0.012% | | 0.0096714% |
| City | Canyon Lake | Riverside | 0.000% | | 0.0001761% |
| City | Cathedral City | Riverside | 0.067% | | 0.0553614% |
| City | Coachella | Riverside | 0.021% | | 0.0173054% |
| City | Corona | Riverside | 0.147% | | 0.1207083% |
| City | Desert Hot Springs | Riverside | 0.024% | | 0.0200433% |
| City | Eastvale | Riverside | 0.000% | | 0.0002747% |
| City | Hemet | Riverside | 0.051% | | 0.0421792% |
| City | Indio | Riverside | 0.056% | | 0.0457794% |
| City | Jurupa Valley | Riverside | 0.001% | | 0.0008991% |
| City | Lake Elsinore | Riverside | 0.021% | | 0.0172949% |
| City | La Quinta | Riverside | 0.063% | | 0.0516732% |
| City | Menifee | Riverside | 0.032% | | 0.0260909% |
| City | Moreno Valley | Riverside | 0.137% | | 0.1130348% |
| City | Murrieta | Riverside | 0.048% | 0.059% | 0.0497423% |
| City | Norco | Riverside | 0.016% | | 0.0134542% |
| City | Palm Desert | Riverside | 0.083% | | 0.0682465% |
| City | Palm Springs | Riverside | 0.076% | | 0.0629862% |
| City | Perris | Riverside | 0.009% | | 0.0076774% |
| City | Rancho Mirage | Riverside | 0.052% | | 0.0431098% |
| City | Riverside | Riverside | 0.268% | | 0.2206279% |
| City | San Jacinto | Riverside | 0.010% | | 0.0085936% |
| City | Temecula | Riverside | 0.022% | | 0.0180086% |
| City | Wildomar | Riverside | 0.008% | | 0.0062500% |
| County | Sacramento County | Sacramento | 3.797% | 4.645% | 3.9465887% |



APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|------------------------------|----------------|----------------------|----------------------------------|--------------------------------|
| City | Citrus Heights | Sacramento | 0.057% | | 0.0465312% |
| City | Elk Grove | Sacramento | 0.130% | | 0.1066994% |
| City | Folsom | Sacramento | 0.108% | | 0.0890850% |
| City | Galt | Sacramento | 0.017% | | 0.0143704% |
| City | Rancho Cordova | Sacramento | 0.008% | | 0.0067679% |
| City | Sacramento | Sacramento | 0.721% | 0.882% | 0.7496530% |
| County | San Benito County | San Benito | 0.106% | 0.130% | 0.1101417% |
| City | Hollister | San Benito | 0.027% | | 0.0225355% |
| County | San Bernardino County | San Bernardino | 3.259% | 3.987% | 3.3878124% |
| City | Adelanto | San Bernardino | 0.008% | | 0.0066640% |
| City | Apple Valley | San Bernardino | 0.025% | | 0.0207360% |
| City | Barstow | San Bernardino | 0.015% | | 0.0122056% |
| City | Chino | San Bernardino | 0.064% | | 0.0525893% |
| City | Chino Hills | San Bernardino | 0.001% | | 0.0006388% |
| City | Colton | San Bernardino | 0.031% | | 0.0253443% |
| City | Fontana | San Bernardino | 0.112% | | 0.0920543% |
| City | Grand Terrace | San Bernardino | 0.006% | | 0.0051051% |
| City | Hesperia | San Bernardino | 0.035% | | 0.0291522% |
| City | Highland | San Bernardino | 0.004% | | 0.0029061% |
| City | Loma Linda | San Bernardino | 0.009% | | 0.0071188% |
| City | Montclair | San Bernardino | 0.039% | | 0.0322108% |
| City | Ontario | San Bernardino | 0.179% | | 0.1472934% |
| City | Rancho Cucamonga | San Bernardino | 0.084% | | 0.0689431% |
| City | Redlands | San Bernardino | 0.057% | | 0.0469150% |
| City | Rialto | San Bernardino | 0.073% | | 0.0603206% |
| City | San Bernardino | San Bernardino | 0.178% | | 0.1461880% |
| City | Twentynine Palms | San Bernardino | 0.002% | | 0.0012605% |
| City | Upland | San Bernardino | 0.052% | | 0.0424460% |
| City | Victorville | San Bernardino | 0.033% | | 0.0269400% |
| City | Yucaipa | San Bernardino | 0.016% | | 0.0128772% |



APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|-------------------------------|-----------------|----------------------|----------------------------------|--------------------------------|
| City | Yucca Valley | San Bernardino | 0.003% | | 0.0021228% |
| County | San Diego County | San Diego | 5.706% | 6.980% | 5.9309748% |
| City | Carlsbad | San Diego | 0.128% | | 0.1050485% |
| City | Chula Vista | San Diego | 0.189% | 0.231% | 0.1961456% |
| City | Coronado | San Diego | 0.044% | | 0.0359095% |
| City | El Cajon | San Diego | 0.113% | | 0.0933582% |
| City | Encinitas | San Diego | 0.061% | 0.074% | 0.0630289% |
| City | Escondido | San Diego | 0.145% | | 0.1192204% |
| City | Imperial Beach | San Diego | 0.014% | | 0.0118283% |
| City | La Mesa | San Diego | 0.055% | 0.068% | 0.0575593% |
| City | Lemon Grove | San Diego | 0.022% | | 0.0183911% |
| City | National City | San Diego | 0.080% | | 0.0656808% |
| City | Oceanside | San Diego | 0.213% | | 0.1753428% |
| City | Poway | San Diego | 0.062% | | 0.0511040% |
| City | San Diego | San Diego | 1.975% | 2.416% | 2.0531169% |
| City | San Marcos | San Diego | 0.089% | | 0.0733897% |
| City | Santee | San Diego | 0.033% | | 0.0268401% |
| City | Solana Beach | San Diego | 0.017% | | 0.0138564% |
| City | Vista | San Diego | 0.052% | | 0.0425144% |
| Consolidated | San Francisco | San Francisco | 3.026% | 3.702% | 3.1457169% |
| County | San Joaquin County | San Joaquin | 1.680% | 2.055% | 1.7460399% |
| City | Lathrop | San Joaquin | 0.009% | | 0.0075394% |
| City | Lodi | San Joaquin | 0.053% | | 0.0439484% |
| City | Manteca | San Joaquin | 0.054% | | 0.0443454% |
| City | Ripon | San Joaquin | 0.013% | | 0.0104219% |
| City | Stockton | San Joaquin | 0.313% | 0.383% | 0.3256176% |
| City | Tracy | San Joaquin | 0.084% | | 0.0692047% |
| County | San Luis Obispo County | San Luis Obispo | 0.816% | 0.999% | 0.8484126% |
| City | Arroyo Grande | San Luis Obispo | 0.024% | | 0.0199053% |
| City | Atascadero | San Luis Obispo | 0.029% | | 0.0240680% |



APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------------|-----------------|----------------------|----------------------------------|--------------------------------|
| City | El Paso de Robles (Paso Robles) | San Luis Obispo | 0.043% | | 0.0353456% |
| City | Grover Beach | San Luis Obispo | 0.017% | | 0.0137881% |
| City | Morro Bay | San Luis Obispo | 0.020% | | 0.0160922% |
| City | San Luis Obispo | San Luis Obispo | 0.077% | | 0.0637841% |
| County | San Mateo County | San Mateo | 1.074% | 1.313% | 1.1159599% |
| City | Belmont | San Mateo | 0.021% | | 0.0169860% |
| City | Burlingame | San Mateo | 0.019% | | 0.0152537% |
| City | Daly City | San Mateo | 0.044% | | 0.0363880% |
| City | East Palo Alto | San Mateo | 0.013% | | 0.0103982% |
| City | Foster City | San Mateo | 0.020% | | 0.0166101% |
| City | Half Moon Bay | San Mateo | 0.004% | | 0.0031638% |
| City | Hillsborough | San Mateo | 0.013% | | 0.0110029% |
| City | Menlo Park | San Mateo | 0.015% | | 0.0126209% |
| City | Millbrae | San Mateo | 0.013% | | 0.0105836% |
| City | Pacifica | San Mateo | 0.016% | | 0.0130625% |
| City | Redwood City | San Mateo | 0.056% | | 0.0463511% |
| City | San Bruno | San Mateo | 0.021% | | 0.0172161% |
| City | San Carlos | San Mateo | 0.013% | | 0.0108885% |
| City | San Mateo | San Mateo | 0.052% | | 0.0425841% |
| City | South San Francisco | San Mateo | 0.043% | | 0.0353943% |
| County | Santa Barbara County | Santa Barbara | 1.132% | 1.385% | 1.1768968% |
| City | Carpinteria | Santa Barbara | 0.001% | | 0.0008938% |
| City | Goleta | Santa Barbara | 0.004% | | 0.0028969% |
| City | Lompoc | Santa Barbara | 0.047% | | 0.0389379% |
| City | Santa Barbara | Santa Barbara | 0.122% | | 0.1004559% |
| City | Santa Maria | Santa Barbara | 0.058% | | 0.0479179% |
| County | Santa Clara County | Santa Clara | 2.404% | 2.941% | 2.4987553% |
| City | Campbell | Santa Clara | 0.014% | | 0.0112566% |
| City | Cupertino | Santa Clara | 0.008% | | 0.0066824% |
| City | Gilroy | Santa Clara | 0.025% | | 0.0202891% |



APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|-------------|----------------------|----------------------------------|--------------------------------|
| City | Los Altos | Santa Clara | 0.013% | | 0.0103338% |
| City | Los Gatos | Santa Clara | 0.013% | | 0.0103220% |
| City | Milpitas | Santa Clara | 0.036% | | 0.0298120% |
| City | Morgan Hill | Santa Clara | 0.015% | | 0.0124619% |
| City | Mountain View | Santa Clara | 0.041% | | 0.0334608% |
| City | Palo Alto | Santa Clara | 0.039% | | 0.0323080% |
| City | San Jose | Santa Clara | 0.294% | 0.360% | 0.3054960% |
| City | Santa Clara | Santa Clara | 0.067% | | 0.0549723% |
| City | Saratoga | Santa Clara | 0.004% | | 0.0034161% |
| City | Sunnyvale | Santa Clara | 0.053% | | 0.0434069% |
| County | Santa Cruz County | Santa Cruz | 0.783% | 0.957% | 0.8135396% |
| City | Capitola | Santa Cruz | 0.020% | | 0.0168191% |
| City | Santa Cruz | Santa Cruz | 0.143% | | 0.1180348% |
| City | Scotts Valley | Santa Cruz | 0.015% | | 0.0126525% |
| City | Watsonville | Santa Cruz | 0.063% | | 0.0520136% |
| County | Shasta County | Shasta | 1.095% | 1.339% | 1.1380191% |
| City | Anderson | Shasta | 0.024% | | 0.0198896% |
| City | Redding | Shasta | 0.284% | | 0.2334841% |
| City | Shasta Lake | Shasta | 0.004% | | 0.0031993% |
| County | Siskiyou County | Siskiyou | 0.228% | 0.279% | 0.2373393% |
| County | Solano County | Solano | 0.760% | | 0.6260795% |
| City | Benicia | Solano | 0.031% | | 0.0253903% |
| City | Dixon | Solano | 0.016% | | 0.0130849% |
| City | Fairfield | Solano | 0.109% | | 0.0897317% |
| City | Suisun City | Solano | 0.021% | | 0.0176183% |
| City | Vacaville | Solano | 0.119% | | 0.0976497% |
| City | Vallejo | Solano | 0.167% | | 0.1373644% |
| County | Sonoma County | Sonoma | 1.218% | 1.490% | 1.2661290% |
| City | Healdsburg | Sonoma | 0.032% | | 0.0266929% |
| City | Petaluma | Sonoma | 0.081% | | 0.0667507% |



APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|------------|----------------------|----------------------------------|--------------------------------|
| City | Rohnert Park | Sonoma | 0.041% | | 0.0340759% |
| City | Santa Rosa | Sonoma | 0.184% | | 0.1519070% |
| City | Sonoma | Sonoma | 0.022% | | 0.0183438% |
| City | Windsor | Sonoma | 0.016% | | 0.0129298% |
| County | Stanislaus County | Stanislaus | 1.722% | | 1.4182273% |
| City | Ceres | Stanislaus | 0.041% | | 0.0340260% |
| City | Modesto | Stanislaus | 0.217% | | 0.1788759% |
| City | Newman | Stanislaus | 0.006% | | 0.0046964% |
| City | Oakdale | Stanislaus | 0.018% | | 0.0145531% |
| City | Patterson | Stanislaus | 0.015% | | 0.0126590% |
| City | Riverbank | Stanislaus | 0.010% | | 0.0085699% |
| City | Turlock | Stanislaus | 0.065% | | 0.0531966% |
| County | Sutter County | Sutter | 0.306% | 0.374% | 0.3179548% |
| City | Yuba City | Sutter | 0.074% | | 0.0606242% |
| County | Tehama County | Tehama | 0.213% | 0.261% | 0.2216654% |
| City | Red Bluff | Tehama | 0.014% | | 0.0117771% |
| County | Trinity County | Trinity | 0.082% | 0.101% | 0.0855476% |
| County | Tulare County | Tulare | 0.809% | 0.990% | 0.8410949% |
| City | Dinuba | Tulare | 0.014% | | 0.0116929% |
| City | Exeter | Tulare | 0.004% | | 0.0032479% |
| City | Farmersville | Tulare | 0.003% | | 0.0027879% |
| City | Lindsay | Tulare | 0.007% | | 0.0057111% |
| City | Porterville | Tulare | 0.021% | | 0.0171845% |
| City | Tulare | Tulare | 0.037% | | 0.0302273% |
| City | Visalia | Tulare | 0.066% | | 0.0545872% |
| County | Tuolumne County | Tuolumne | 0.486% | 0.594% | 0.5047621% |
| County | Ventura County | Ventura | 2.192% | 2.681% | 2.2781201% |
| City | Camarillo | Ventura | 0.002% | | 0.0012815% |
| City | Fillmore | Ventura | 0.002% | | 0.0020294% |
| City | Moorpark | Ventura | 0.008% | | 0.0067337% |



APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|----------------------------|---------|----------------------|----------------------------------|--------------------------------|
| City | Oxnard | Ventura | 0.156% | 0.190% | 0.1617338% |
| City | Port Hueneme | Ventura | 0.021% | | 0.0174145% |
| City | San Buenaventura (Ventura) | Ventura | 0.085% | | 0.0702181% |
| City | Santa Paula | Ventura | 0.014% | | 0.0119072% |
| City | Simi Valley | Ventura | 0.065% | | 0.0533043% |
| City | Thousand Oaks | Ventura | 0.022% | | 0.0179902% |
| County | Yolo County | Yolo | 0.357% | 0.437% | 0.3713319% |
| City | Davis | Yolo | 0.055% | | 0.0451747% |
| City | West Sacramento | Yolo | 0.066% | | 0.0544321% |
| City | Woodland | Yolo | 0.058% | | 0.0477904% |
| County | Yuba County | Yuba | 0.214% | 0.262% | 0.2225679% |
| City | Marysville | Yuba | 0.014% | | 0.0112079% |



APPENDIX 2

Cost Reimbursement Procedure

1. Additional defined terms:

- a) *Costs* means the reasonable amounts paid for the attorney and other City Attorney and County Counsel staff time for individuals employed by a Plaintiff Subdivision at the contractual rate, inclusive of benefits and overhead, together with amounts paid for court reporters, experts, copying, electronic research, travel, vendors, and the like, which were not previously reimbursed and which were paid or incurred (i) prior to December 31, 2022 in litigation against any Opioid Defendant and/or (ii) in negotiating and drafting any CA Allocation Agreement(s) concerning a settlement with any Opioid Defendant(s). *Costs* does not include attorneys' fees, costs, or expenses incurred by private contingency fee counsel. No part of the CA Abatement Accounts Fund will be used to reimburse Costs.
- b) *First Claims Date* means October 1, 2023 or when all applications for reimbursement of Costs, in whole or in part, from funds available under Section XIV and Exhibit R of the Teva Settlement Agreement, Section XIII and Exhibit R of the Allergan Settlement Agreement, Section X and Exhibit R of the Distributor Settlement Agreement, Section XI and Exhibit R of the Janssen Settlement Agreement, Section X and Exhibit R of the CVS Settlement Agreement, Section IX and Exhibit R of the Walgreens Settlement Agreement, or Section IX and Exhibit R of the Walmart Settlement Agreement, have been finally determined under the provisions of those agreements, whichever comes first.
- c) *Special Master* means a retired judicial officer or former public lawyer, not presently employed or retained by a Plaintiff Subdivision, who will aggregate, review, and determine the reasonable Costs to be awarded to each Plaintiff Subdivision that submits a claim for reimbursement of Costs. The Special Master will be selected by a majority vote of the votes cast by Plaintiff Subdivisions, with each such subdivision having one vote.
- d) *Plaintiff Subdivision Committee* means the committee of Plaintiff Subdivisions that will review and approve the invoices submitted by the Special Master reflecting his or her reasonable time and expenses.

2. Cost Reimbursement to Plaintiff Subdivision

- a) Purpose. Substantial resources have been expended to hold Opioid Defendants accountable for creating and profiting from the opioid crisis, and this effort has been a significant catalyst in creating National Opioid Settlements with various manufacturers, distributors, and chain pharmacies.
- b) Claims Procedure.



EXHIBIT 1

- i. If a Plaintiff Subdivision is eligible to seek reimbursement of Costs, in whole or in part, from funds available under Section XIV and Exhibit R of the Teva Settlement Agreement, Section XIII and Exhibit R of the Allergan Settlement Agreement, Section X and Exhibit R of the CVS Settlement Agreement, Section IX and Exhibit R of the Walgreens Settlement Agreement, Section IX and Exhibit R of the Walmart Settlement Agreement, Section X or Exhibit R of the Distributor Settlement Agreement, or Section XI or Exhibit R of the Janssen Settlement Agreement, it must first make a timely application for reimbursement from such funds. To allow sufficient time for determination of those applications, no claim for Costs to the CA Subdivision Fund under this Agreement may be made before the First Claims Date.
- ii. A Plaintiff Subdivision that wishes to be reimbursed from the CA Subdivision Fund must submit a claim to the Special Master no later than forty-five (45) days after the First Claims Date. The Special Master will then compile and redistribute the aggregated claim totals for each Plaintiff Subdivision via email to representatives of all the Plaintiff Subdivisions. A claim for attorney and staff time must list, for each attorney or staff member included in the claim, the following information: name, title, total hours claimed, hourly rate (including, if sought, benefits and share of overhead), and narrative summarizing the general nature of the work performed by the attorney or staff member. For reimbursement of “hard” costs, the subdivision may aggregate across a category (e.g., total for travel costs). It is the intention of the Plaintiff Subdivisions that submission of documents related to reimbursement of Costs does not waive any attorney-client privilege or exemptions to the California Public Records Act.
- iii. The Special Master may request, at his or her sole option, additional documents or details to assist in the final award of Costs.
- iv. The Special Master will review claims for reasonableness and will notify each Plaintiff Subdivision of the final determination of its claim, and will provide a list of all final awards to all Plaintiff Subdivisions by email or, upon request, via First Class U.S. Mail. Any Plaintiff Subdivision may ask the Special Master to reconsider any final award within twenty-one (21) days. The Special Master will make a final determination on any such reconsideration request within thirty (30) days of receipt.
- v. Any decision of the Special Master is final and binding, and will be considered under the California Arbitration Act, Code of Civil Procedure section 1280 et seq. as a final arbitration award. Nothing in this agreement is intended to expand the scope of judicial review of the final award for errors of fact or law, and the Parties agree that they may only seek to vacate the award if clear and convincing evidence demonstrates one of the factors set forth in Code of Civil Procedure, section 1286.2, subdivision (a). Plaintiff Subdivisions will have fourteen (14) days after all final awards are made, together with any final determination of a request for reconsideration, to seek review in the Superior Court of California, pursuant to Code of Civil Procedure, section 1285, where the State has filed its Consent Judgment.



- vi. The Special Master will prepare a report of Costs that includes his or her fees and expenses at least ninety (90) days before the Payment Date for each Annual Payment. The Special Master's preparation of a report of Costs does not discharge a Plaintiff Subdivision's reporting requirement under Section VIII.C of the Allergan Settlement Agreement.
 - vii. A member of the Plaintiff Subdivision Committee, which is a CA Participating Subdivision, will submit to the Settlement Fund Administrator and Allergan a report of the fees and expenses incurred by the Special Master pursuant to Section VIII.C of the Allergan Settlement Agreement.
- c) Claims Priority and Limitation.
- i. The Special Master will submit invoices for compensation of reasonable fees and expenses to the Plaintiff Subdivision Committee no later than ninety (90) days prior to the Payment Date for each Annual Payment. The Plaintiff Subdivision Committee will promptly review and, if reasonable, approve the Special Master's invoice for compensation. The Plaintiff Subdivision Committee will submit approved invoices to the Settlement Fund Administrator for payment. The Special Master's approved invoices have priority and will be paid first from the CA Subdivision Fund before any award of Costs, subject to the limitation in Section 2.c.v below.
 - ii. Final Awards of Costs that do not exceed seventy-five thousand dollars (\$75,000.00) will be paid next in priority after the Special Master's approved invoices.
 - iii. Final Awards of Costs in excess of seventy-five thousand dollars (\$75,000.00) will be paid proportionally from the funds remaining in that year's Annual Payment.
 - iv. Any claim for Costs that is not paid in full will be allocated against the next year's distribution from the CA Subdivision Fund, until all approved claims for Costs are paid in full.
 - v. In no event will more than 50% of the total CA Subdivision Fund received in any year be used to pay Costs or the Special Master's approved invoices.
 - vi. In no event shall more than \$28 million of the total CA Subdivision Funds paid pursuant to the Teva Settlement Agreement, Allergan Settlement Agreement, Distributor Settlement Agreement, CVS Settlement Agreement, Janssen Settlement Agreement, Walgreens Settlement Agreement, and the Walmart Settlement Agreement be used to pay Costs.
- d) Collateral Source Payments and Third-Party Settlement.
- i. In the event a Plaintiff Subdivision is awarded compensation, in whole or in part, by any source of funds created as a result of litigation against an Opioid Defendant for its reasonable Costs, it will reduce its claim for Costs from the CA Subdivision Fund by that amount. If a Plaintiff Subdivision has already received a final award of Costs from the CA Subdivision Fund, it will repay the fund up to the prior award



EXHIBIT 1

of Costs via a payment to the Settlement Fund Administrator or notify the Settlement Fund Administrator that its allocation from the next and subsequent Annual Payments should be reduced accordingly. If the Plaintiff Subdivision is repaying any prior award of Costs, that repayment will occur as soon as is feasible after the Plaintiff Subdivision's receipt of Cost funds from the collateral source, but no more than 90 days after its receipt from the collateral source. The Settlement Fund Administrator will add any repaid Costs to the CA Subdivision Fund. Any Plaintiff Subdivision that has submitted for reimbursement to any national fund and has not received a final determination by the First Claims Date may request that the settlement administrator withhold some or all of its payment from the CA Subdivision Fund in order to avoid repayment.

- ii. In the event a Plaintiff Subdivision reaches a monetary settlement or compromise against any Opioid Defendant outside of the National Opioid Settlement, the monetary portion of such settlement, net of fees paid to outside contingency fee counsel and of funds earmarked strictly for abatement, will be credited against its Costs and the subdivision will be ineligible to recover those credited Costs from the CA Subdivision Fund. Plaintiff Subdivisions negotiating monetary settlements or compromises against any Opioid Defendant outside of the National Opioid Settlement will negotiate for funds to repay any Costs it previously received from the CA Subdivision Fund or for Costs it otherwise might be eligible to claim from the CA Subdivision Fund. If such a settlement is paid after all final approved claims for Costs by all Plaintiff Subdivisions are satisfied in full, the settling subdivision will reimburse the CA Subdivision Fund in that amount by making payment to the Settlement Fund Administrator to add to the CA Subdivision Fund in a manner consistent with the repayments described in section 2.d.i above.



APPENDIX 3

CALIFORNIA-SUBDIVISION BACKSTOP AGREEMENT

On August 6, 2021, Judge Polster of the US District Court for the Northern District of Ohio issued an Order (the Order), docket number 3814, in In Re National Prescription Opiate Litigation, MDL 2804, addressing contingent attorney fee contracts between political subdivisions eligible to participate in the Allergan Settlement and their counsel.

In light of the Order, and at the request of [SUBDIVISION], the [SUBDIVISION], its counsel [COUNSEL], and the California Attorney General, on behalf of the State of California, are entering into this California-Subdivision Backstop Agreement (Backstop Agreement).

[SUBDIVISION] and [COUNSEL] intend this Backstop Agreement to constitute a State Back-Stop Agreement as that term is used in the Order and in Exhibit R (Agreement on Attorneys’ Fees, Costs, and Expenses) of the Allergan Settlement Agreement.

Pursuant to this Backstop Agreement, [SUBDIVISION] may, subject to the limitations of the Allergan Settlement Agreement and CA Allergan Allocation Agreement, as well as any other limitations imposed by law, use funds that it receives from the Allergan Settlement CA Subdivision Fund to pay a contingent fee to [COUNSEL]. Any such payment from [SUBDIVISION] to [COUNSEL], together with any contingency fees that [COUNSEL] may receive from the national Attorney Fee Fund, will not exceed a total contingency fee of [PERCENTAGE NOT TO EXCEED 15%] of the total gross recovery of [SUBDIVISION] from the Allergan Settlement.

[COUNSEL] certify that they first sought fees and costs from the Attorney Fee Fund created under the Allergan Settlement Agreement before seeking or accepting payment under this backstop agreement. [COUNSEL] further certify that they are not seeking and will not accept payment under this backstop agreement of any litigation fees or costs that have been reimbursed through prior settlements or judgments.

The Attorney General is executing this agreement solely because the definition of “State Back-Stop Agreement” in Exhibit R of the Allergan Settlement Agreement requires such agreements to be between “a Settling State” and private counsel for a participating subdivision. Neither the California Attorney General nor the State of California have any obligations under this Backstop Agreement, and this Backstop Agreement does not require the payment of any state funds to [SUBDIVISION], [COUNSEL], or any other party.

[DATE]

[SUBDIVISION SIGNATURE BLOCK]

[DATE]

[COUNSEL SIGNATURE BLOCK]

[DATE]

[ATTORNEY GENERAL SIGNATURE BLOCK]



Exhibit K
Subdivision and Special District Settlement Participation Form

| | |
|-------------------------------------|-----------|
| Governmental Entity: Palo Alto city | State: CA |
| Authorized Signatory: | |
| Address 1: | |
| Address 2: | |
| City, State, Zip: | |
| Phone: | |
| Email: | |

The governmental entity identified above (“*Governmental Entity*”), in order to obtain and in consideration for the benefits provided to the Governmental Entity pursuant to the Agreement dated November 22, 2022 (“*Teva Settlement*”), and acting through the undersigned authorized official, hereby elects to participate in the Teva Settlement, release all Released Claims against all Released Entities, and agrees as follows.

1. The Governmental Entity is aware of and has reviewed the Teva Settlement, understands that all terms in this Election and Release have the meanings defined therein, and agrees that by this Election, the Governmental Entity elects to participate in the Teva Settlement as provided therein.
2. Following the execution of this Settlement Participation Form, the Governmental Entity shall comply with Section III.B of the Teva Settlement regarding Cessation of Litigation Activities.
3. The Governmental Entity shall, within 14 days of the Reference Date and prior to the filing of the Consent Judgment, file a request to dismiss with prejudice any Released Claims that it has filed. With respect to any Released Claims pending in In re National Prescription Opiate Litigation, MDL No. 2804, the Governmental Entity authorizes the Plaintiffs’ Executive Committee to execute and file on behalf of the Governmental Entity a Stipulation of Dismissal With Prejudice substantially in the form found at <https://nationalopioidsettlement.com>.
4. The Governmental Entity agrees to the terms of the Teva Settlement pertaining to Subdivisions as defined therein.
5. By agreeing to the terms of the Teva Settlement and becoming a Releasor, the Governmental Entity is entitled to the benefits provided therein, including, if applicable, monetary payments beginning after the Effective Date.
6. The Governmental Entity agrees to use any monies it receives through the Teva Settlement solely for the purposes provided therein.
7. The Governmental Entity submits to the jurisdiction of the court in the Governmental Entity’s state where the Consent Judgment is filed for purposes limited to that court’s role as provided in, and for resolving disputes to the extent provided in, the Teva Settlement.



8. The Governmental Entity has the right to enforce the Teva Settlement as provided therein.
9. The Governmental Entity, as a Participating Subdivision or Participating Special District, hereby becomes a Releasor for all purposes in the Teva Settlement, including but not limited to all provisions of Section V (Release), and along with all departments, agencies, divisions, boards, commissions, districts, instrumentalities of any kind and attorneys, and any person in their official capacity elected or appointed to serve any of the foregoing and any agency, person, or other entity claiming by or through any of the foregoing, and any other entity identified in the definition of Releasor, provides for a release to the fullest extent of its authority. As a Releasor, the Governmental Entity hereby absolutely, unconditionally, and irrevocably covenants not to bring, file, or claim, or to cause, assist or permit to be brought, filed, or claimed, or to otherwise seek to establish liability for any Released Claims against any Released Entity in any forum whatsoever. The releases provided for in the Teva Settlement are intended by Released Entities and the Governmental Entity to be broad and shall be interpreted so as to give the Released Entities the broadest possible bar against any liability relating in any way to Released Claims and extend to the full extent of the power of the Governmental Entity to release claims. The Teva Settlement shall be a complete bar to any Released Claim.
10. The Governmental Entity hereby takes on all rights and obligations of a Participating Subdivision or Participating Special District as set forth in the Teva Settlement.
11. In connection with the releases provided for in the Teva Settlement, each Governmental Entity expressly waives, releases, and forever discharges any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code, which reads:

General Release; extent. A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

A Releasor may hereafter discover facts other than or different from those which it knows, believes, or assumes to be true with respect to the Released Claims, but each Governmental Entity hereby expressly waives and fully, finally, and forever settles, releases and discharges, upon the Effective Date, any and all Released Claims that may exist as of such date but which Releasors do not know or suspect to exist, whether through ignorance, oversight, error, negligence or through no fault whatsoever, and which, if known, would materially affect the Governmental Entities' decision to participate in the Teva Settlement.

12. Nothing herein is intended to modify in any way the terms of the Teva Settlement, to which Governmental Entity hereby agrees. To the extent this Election and Release is interpreted differently from the Teva Settlement in any respect, the Teva Settlement controls.



I have all necessary power and authorization to execute this Election and Release on behalf of the Governmental Entity.

Signature: _____

Name: _____

Title: _____

Date: _____



**Proposed California State-Subdivision Agreement
Regarding Distribution and Use of
Settlement Funds – Teva Settlement**

1. Introduction

Pursuant to the Teva Settlement Agreement, dated as of November 22, 2022, and any revision thereto (the “Teva Settlement Agreement”), including Section VIII and Exhibit O, the State of California proposes this agreement (the “CA Teva Allocation Agreement”) to govern the allocation, distribution, and use of Settlement Fund payments made to California pursuant to Sections VI, VII, and VIII of the Teva Settlement Agreement. For the avoidance of doubt, this agreement does not apply to payments made pursuant to Sections IX, XIII, or XIV of the Teva Settlement Agreement.

Pursuant to Exhibit O, Paragraph 4, of the Teva Settlement Agreement, acceptance of this CA Teva Allocation Agreement is a requirement to be an Initial Participating Subdivision.¹

Further, pursuant to Sections X.B and X.C of the Teva Settlement Agreement and Sections IX.B and IX.C of the Allergan Settlement Agreement, eligible Subdivisions must participate in both the Teva Settlement Agreement and Allergan Settlement Agreement, or neither.

2. Definitions

- a) *CA Participating Subdivision* means a Participating Subdivision that is also (a) a Plaintiff Subdivision and/or (b) a Subdivision with a population equal to or greater than 10,000. For the avoidance of doubt, eligible CA Participating Subdivisions are those California subdivisions listed in Exhibit C (excluding Litigating Special Districts) and/or Exhibit I to the Teva Settlement Agreement.
- b) *Allergan Settlement Agreement* means the Allergan Settlement Agreement dated November 22, 2022, and any revision thereto.
- c) *CVS Settlement Agreement* means the CVS Settlement Agreement dated December 9, 2022, and any revision thereto as well as any modification thereto entered into by the State of California and CVS.
- d) *Distributor Settlement Agreement* means the Distributor Settlement Agreement dated July 21, 2021, and any revision thereto.
- e) *Janssen Settlement Agreement* means the Janssen Settlement Agreement dated July 21, 2021, and any revision thereto.
- f) *Walgreens Settlement Agreement* means the Walgreens Settlement Agreement dated December 9, 2022, and any revision thereto.

¹ A parallel but separate agreement (the “CA Allergan Allocation Agreement”) will govern the allocation, distribution, and use of settlement fund payments under the Allergan Settlement Agreement.



EXHIBIT 2

- g) *Walmart Settlement Agreement* means the Walmart Settlement Agreement dated November 14, 2022, and any revision thereto.
- h) *CA Litigating Special District* means a Litigating Special District located in California. CA Litigating Special Districts include Downey Unified School District, Elk Grove Unified School District, Kern High School District, Montezuma Fire Protection District (located in Stockton, California), Santa Barbara San Luis Obispo Regional Health Authority, Inland Empire Health Plan, Health Plan of San Joaquin, San Leandro Unified School District, Pleasant Valley School District Board, and LA Care Health Plan.
- i) *Plaintiff Subdivision* means a Subdivision located in California, other than a CA Litigating Special District, that filed a lawsuit, on behalf of the Subdivision and/or through an official of the Subdivision on behalf of the People of the State of California, against one or more Opioid Defendants prior to October 1, 2020.
- j) *Opioid Defendant* means any defendant (including but not limited to Teva Pharmaceutical Industries Ltd., Allergan Finance, LLC, Allergan Limited, CVS Health Corporation, CVS Pharmacy, Inc., Walgreen Co., Walmart Inc., Johnson & Johnson, Janssen Pharmaceuticals, Inc., Purdue Pharma L.P., Cardinal Health, Inc., AmerisourceBergen Corporation, and McKesson Corporation) named in a lawsuit seeking damages, abatement, or other remedies related to or caused by the opioid public health crisis in any lawsuit brought by any state or local government on or before October 1, 2020.

3. General Terms

This agreement is subject to the requirements of the Teva Settlement Agreement, as well as applicable law, and the Teva Settlement Agreement governs over any inconsistent provision of this CA Teva Allocation Agreement. Terms used in this CA Teva Allocation Agreement have the same meaning as in the Teva Settlement Agreement unless otherwise defined herein.

Pursuant to Section VIII(E)(1) of the Teva Settlement Agreement, (a) all Settlement Fund payments will be used for Opioid Remediation, except as allowed by Section VIII(C) of the Teva Settlement Agreement; and (b) at least seventy percent (70%) of Settlement Fund payment amounts will be used solely for future Opioid Remediation.

4. State Allocation

The Settlement Fund payments to California,² pursuant to the Teva Settlement Agreement, shall be allocated as follows: 15% to the State Fund; 70% to the Abatement Accounts Fund; and 15% to the Subdivision Fund. For the avoidance of doubt, all funds allocated to California from the

² For purposes of clarity, use of the term “California” refers to the geographic territory of California and the state and its local governments therein. The term “State” or “State of California” refers to the State of California as a governmental unit.



Settlement Fund shall be combined pursuant to this CA Teva Allocation Agreement, and 15% of that total shall be allocated to the State of California (the “State of California Allocation”), 70% to the California Abatement Accounts Fund (“CA Abatement Accounts Fund”), and 15% to the California Subdivision Fund (“CA Subdivision Fund”).

A. State of California Allocation

Fifteen percent of the total Settlement Fund payments will be allocated to the State and used by the State for future Opioid Remediation.

B. CA Abatement Accounts Fund

i. Allocation of CA Abatement Accounts Funds

- a) Seventy percent of the total Settlement Fund payments will be allocated to the CA Abatement Accounts Fund. The funds in the CA Abatement Accounts Fund will be allocated based on the allocation model developed in connection with the proposed negotiating class in the National Prescription Opiate Litigation (MDL No. 2804), as adjusted to reflect only those cities and counties that are eligible, based on population or litigation status, to become a CA Participating Subdivision. The percentage from the CA Abatement Accounts Fund allocated to each CA Participating Subdivision is set forth in Appendix 1 in the column entitled abatement percentage (the “Local Allocation”). For the avoidance of doubt, CA Litigating Special Districts and California towns, cities, and counties with a population less than 10,000 are not eligible to receive an allocation of CA Abatement Accounts Funds.
- b) A CA Participating Subdivision that is a county, or a city and county, will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision, and will receive payments as provided in the Teva Settlement Agreement.
- c) A CA Participating Subdivision that is a city will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision. The Local Allocation share for a city that is a CA Participating Subdivision will be paid to the county in which the city is located, rather than to the city, so long as: (a) the county is a CA Participating Subdivision, and (b) the city has not advised the Settlement Fund Administrator that it requests direct payment at least 60 days prior to a Payment Date. A Local Allocation share allocated to a city but paid to a county is not required to be spent exclusively for abatement activities in that city, but will become part of the county’s share of the CA Abatement Accounts Funds, which will be used in accordance with Section 4.B.ii (Use of CA Abatement Accounts Funds) and reported on in accordance with Section 4.B.iii (CA Abatement Accounts Fund Oversight).
- d) A city within a county that is a CA Participating Subdivision may opt in or out of direct payment at any time, and it may also elect direct payment of only a portion of its share, with the remainder going to the county, by providing notice to the Settlement Fund Administrator at least 60 days prior to a Payment Date. For purposes of this CA Teva



Allocation Agreement, the Cities of Los Angeles, Oakland, San Diego, San Jose and Eureka will be deemed to have elected direct payment if they become Participating Subdivisions.

- e) The State will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision.
- f) Funds received by a CA Participating Subdivision, and not expended or encumbered within five years of receipt and in accordance with the Teva Settlement Agreement and this CA Teva Allocation Agreement shall be transferred to the State; provided however, that CA Participating Subdivisions have seven years to expend or encumber CA Abatement Accounts Funds designated to support capital outlay projects before they must be transferred to the State. This provision shall not apply to the Cost Reimbursement Funds, which shall be controlled by Appendix 2.

ii. Use of CA Abatement Accounts Funds

- a) The CA Abatement Accounts Funds will be used for future Opioid Remediation in one or more of the areas described in the List of Opioid Remediation Uses, which is Exhibit E to the Teva Settlement Agreement.
- b) In addition to this requirement, no less than 50% of the funds received by a CA Participating Subdivision from the Abatement Accounts Fund in each calendar year will be used for one or more of the following High Impact Abatement Activities:
 - (1) the provision of matching funds or operating costs for substance use disorder facilities within the Behavioral Health Continuum Infrastructure Program;
 - (2) creating new or expanded Substance Use Disorder (“SUD”) treatment infrastructure;
 - (3) addressing the needs of communities of color and vulnerable populations (including sheltered and unsheltered homeless populations) that are disproportionately impacted by SUD;
 - (4) diversion of people with SUD from the justice system into treatment, including by providing training and resources to first and early responders (sworn and non-sworn) and implementing best practices for outreach, diversion and deflection, employability, restorative justice, and harm reduction; and/or
 - (5) interventions to prevent drug addiction in vulnerable youth.
- c) The California Department of Health Care Services (“DHCS”) may add to this list (but not delete from it) by designating additional High Impact Abatement Activities. DHCS will make reasonable efforts to consult with stakeholders, including the CA Participating Subdivisions, before adding additional High Impact Abatement Activities to this list.



- d) For the avoidance of doubt, and subject to the requirements of the Teva Settlement Agreement and applicable law, CA Participating Subdivisions may form agreements or ventures, or otherwise work in collaboration with, federal, state, local, tribal or private sector entities in pursuing Opioid Remediation activities funded from the CA Abatement Accounts Fund. Further, provided that all CA Abatement Accounts Funds are used for Opioid Remediation consistent with the Teva Settlement Agreement and this CA Teva Allocation Agreement, a county and any cities or towns within the county may agree to reallocate their respective shares of the CA Abatement Accounts Funds among themselves, provided that any direct distribution may only be to a CA Participating Subdivision and any CA Participating Subdivision must agree to their share being reallocated.

iii. CA Abatement Accounts Fund Oversight

- a) Pursuant to Section 5 below, CA Participating Subdivisions receiving settlement funds must prepare and file reports annually regarding the use of those funds. DHCS may regularly review the reports prepared by CA Participating Subdivisions about the use of CA Abatement Accounts Funds for compliance with the Teva Settlement Agreement and this CA Teva Allocation Agreement.
- b) If DHCS determines that a CA Participating Subdivision's use of CA Abatement Accounts Funds is inconsistent with the Teva Settlement Agreement or this CA Teva Allocation Agreement, whether through review of reports or information from any other sources, DHCS shall send a request to meet and confer with the CA Participating Subdivision. The parties shall meet and confer in an effort to resolve the concern.
- c) If the parties are unable to reach a resolution, DHCS may conduct an audit of the Subdivision's use of the CA Abatement Accounts Funds within one year of the request to meet and confer, unless the parties mutually agree in writing to extend the meet and confer time frame.
- d) If the concern still cannot be resolved, the State may bring a motion or action in the court where the State has filed its Consent Judgment to resolve the concern or otherwise enforce the requirements of the Teva Settlement Agreement or this CA Teva Allocation Agreement. However, in no case shall any audit be conducted, or motion be brought, as to a specific expenditure of funds, more than five years after the date on which the expenditure of the funds was reported to DHCS, in accordance with this agreement.
- e) Notwithstanding the foregoing, this Agreement does not limit the statutory or constitutional authority of any state or local agency or official to conduct audits, 6 investigations, or other oversight activities, or to pursue administrative, civil, or criminal enforcement actions.



C. CA Subdivision Fund

- i. Fifteen percent of the total Settlement Fund payments will be allocated to the CA Subdivision Fund. All funds in the CA Subdivision Fund will be allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. The funds will be used, subject to any limits imposed by the Teva Settlement Agreement and this CA Teva Allocation Agreement, to fund future Opioid Remediation and reimburse past opioid-related expenses, which may include fees and expenses related to litigation, and to pay the reasonable fees and expenses of the Special Master as set forth in Appendix 2.

The CA Subdivision Funds will be allocated as follows:

- a) First, funds in the CA Subdivision Fund shall be used to pay the Special Master's reasonable fees and expenses in accordance with the procedures and limitations set forth in Appendix 2 to this document;
- b) Second, funds will be allocated to Plaintiff Subdivisions that are Initial Participating Subdivisions that have been awarded Costs, as defined by and in accordance with the procedures and limitations set forth in Appendix 2 to this document.
- c) Funds remaining in the CA Subdivision Fund, which shall consist of no less than 50% of the total CA Subdivision Fund received in any year pursuant to Appendix 2, Section 2.c.v, will be distributed to Plaintiff Subdivisions that are Initial Participating Subdivisions, in relative proportion to the Local Allocation. These funds shall be used to fund future opioid-related projects and to reimburse past opioid-related expenses, which may include fees and expenses related to litigation against any Opioid Defendant.

D. Provision for State Back-Stop Agreement

On August 6, 2021, Judge Dan Polster of the U.S. District Court, Northern District of Ohio, Eastern Division, issued an order (ECF Docket Number 3814) ("MDL Fees Order") in the National Prescription Opiate Litigation (MDL No. 2804) "cap[ping] all applicable contingent fee agreements at 15%." Private counsel representing Plaintiff Subdivisions should seek its contingency fees and costs from the Attorney Fee Fund or Cost Funds under the Teva Settlement Agreement and Allergan Settlement Agreement, and, if applicable, the CVS Settlement Agreement, Distributor Settlement Agreement, Janssen Settlement Agreement, Walgreens Settlement Agreement, and Walmart Settlement Agreement.

A Plaintiff Subdivision may separately agree to use its share of the CA Subdivision Fund to pay for fees or costs incurred by its contingency-fee counsel ("State Back-Stop Agreement"), pursuant to Exhibit R, section I(X), of the Teva Settlement Agreement and the MDL Fees Order,



so long as such contingency fees do not exceed a total contingency fee of 15% of the total gross recovery of the Plaintiff Subdivision pursuant to the Teva Settlement, inclusive of contingency fees from the national Attorney Fee Fund and this State Back-Stop Agreement. Before seeking fees or litigation costs and expenses from a State Back-Stop Agreement, private counsel representing Plaintiff Subdivisions must first seek contingency fees and costs from the Attorney Fee Fund or Cost Funds created under the Teva Settlement Agreement. Further, private counsel may only seek reimbursement for litigation fees and costs that have not previously been reimbursed through prior settlements or judgments.

To effectuate a State Back-Stop Agreement pursuant to this section, an agreement in the form of Appendix 3 may be entered into by a Plaintiff Subdivision, private counsel, and the California Office of the Attorney General. The California Office of the Attorney General shall, upon the request of a Plaintiff Subdivision, execute any agreement executed by a Plaintiff Subdivision and its private counsel if it is in the form of Appendix 3. The California Office of the Attorney General will also consider requests from Plaintiff Subdivisions to execute and enter into agreements presented in other forms.

For the avoidance of doubt, this agreement does not require a Plaintiff Subdivision to request or enter into a State Back-Stop Agreement, and no State Back-Stop Agreement shall impose any duty or obligation on the State of California or any of its agencies or officers, including without limitation the Attorney General.

5. State and Subdivision Reporting

- a) DHCS will prepare an annual written report regarding the State's use of funds from the settlement until those funds are fully expended and for one year thereafter. These reports will be made publicly available on the DHCS web site.
- b) Each CA Participating Subdivision that receives payments of funds from the settlement will prepare written reports at least annually regarding the use of those funds, until those funds are fully expended and for one year thereafter. These reports will also include a certification that all funds that the CA Participating Subdivision has received through the settlement have been used in compliance with the Teva Settlement Agreement and this CA Teva Allocation Agreement. The report will be in a form reasonably determined by DHCS. Prior to specifying the form of the report DHCS will confer with representatives of the Plaintiff Subdivisions.
- c) The State and all CA Participating Subdivisions receiving CA Abatement Accounts Funds will track all deposits and expenditures. Each such subdivision is responsible solely for the CA Abatement Accounts Funds it receives. A county is not responsible for oversight, reporting, or monitoring of CA Abatement Accounts Funds received by a city within that county that receives direct payment. Unless otherwise exempt, Subdivisions' expenditures and uses of CA Abatement Accounts Funds and other Settlement Funds will be subject to the normal budgetary and expenditure process of the Subdivision.



- d) Each Plaintiff Subdivision receiving CA Subdivision Funds will track all deposits and expenditures, as required by the Teva Settlement Agreement and this CA Teva Allocation Agreement. Among other things, Plaintiff Subdivisions using monies from the CA Subdivision Fund for purposes that do not qualify as Opioid Remediation must identify and include in their annual report, the amount and how such funds were used, including if used to pay attorneys' fees, investigation costs, or litigation costs. Pursuant to Section VIII(C) of the Teva Settlement Agreement, such information must also be reported to the Settlement Fund Administrator and Teva.
- e) In each year in which DHCS prepares an annual report DHCS will also host a meeting to discuss the annual report and the Opioid Remediation activities being carried out by the State and Participating Subdivisions.

6. Miscellaneous

- a) The State or any CA Participating Subdivision may bring a motion or action in the court where the State has filed its Consent Judgment to enforce the requirements of this CA Teva Allocation Agreement. Before filing such a motion or action the State will meet and confer with any CA Participating Subdivision that is the subject of the anticipated motion or action, and vice versa.
- b) Except as provided in the Teva Settlement Agreement, this CA Teva Allocation Agreement is not enforceable by any party other than the State and the CA Participating Subdivisions. It does not confer any rights or remedies upon, and shall not be enforceable by, any third party.
- c) Except as provided in the CA Teva Allocation Agreement, if any provision of this agreement or the application thereof to any person, entity, or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this agreement, or the application of such provision to persons, entities, or circumstances other than those as to which it is invalid or unenforceable, will not be affected thereby, and each other provision of this agreement will be valid and enforceable to the fullest extent permitted by law.
- a) Except as provided in the Teva Settlement Agreement, this agreement shall be governed by and interpreted in accordance with the laws of California.



The undersigned, Palo Alto city, ACKNOWLEDGES acceptance of this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Teva Settlement is a requirement to be an Initial Participating Subdivision in the Teva Settlement and ACCEPTS this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Teva Settlement. EXECUTED on _____.

Signature: _____

Name: _____

Title: _____

Date: _____



DISCLAIMER: The allocation percentages herein are estimates only and should not be relied on for decisions regarding legal rights, releases, waivers, or other decisions affecting current or potential legal claims. Percentages shown in the Plaintiff Subdivision Percentage column may change pursuant to Section 4.C. of the California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds—Teva Settlement, whereas the percentages shown in the Abatement Percentage column should not change. Participating Subdivisions, underlying calculations, and the calculated allocation percentages are subject to change. Regarding the column herein entitled “Abatement Percentage,” pursuant to Section 4.B.e., the State of California will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision. Regarding the column herein entitled “Plaintiff Subdivision Percentage,” payments allocated to a Plaintiff Subdivision, which is not an Initial Participating Subdivision, will be re-allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. Regarding the column herein entitled “Abatement Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the California Abatement Account Funds received, pursuant to Section 4.B. Regarding the column herein entitled “Plaintiff Subdivision Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the California Subdivision Funds received, pursuant to Section 4.C. Regarding the column herein entitled “Weighted Allocation Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the combined and weighted allocation of the Abatement Percentage and the Plaintiff Subdivision Percentage.



APPENDIX 1

**Attachment A
EXHIBIT 2**



| Participating Subdivision Classification | Participating Subdivision | County | 100.000% | | | 100.000% | | |
|--|----------------------------|--------------|----------------------|----------------------------------|--------------------------------|----------------------|----------------------------------|--------------------------------|
| | | | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
| County | Alameda County | Alameda | 2.332% | 2.853% | 2.4237952% | | | |
| City | Alameda | Alameda | 0.069% | | 0.0570162% | | | |
| City | Albany | Alameda | 0.013% | | 0.0107768% | | | |
| City | Berkeley | Alameda | 0.152% | | 0.1249656% | | | |
| City | Dublin | Alameda | 0.033% | 0.040% | 0.0338810% | | | |
| City | Emeryville | Alameda | 0.023% | | 0.0185765% | | | |
| City | Fremont | Alameda | 0.108% | | 0.0888576% | | | |
| City | Hayward | Alameda | 0.117% | | 0.0966218% | | | |
| City | Livermore | Alameda | 0.054% | | 0.0446740% | | | |
| City | Newark | Alameda | 0.026% | | 0.0217626% | | | |
| City | Oakland | Alameda | 0.486% | 0.595% | 0.5055601% | | | |
| City | Piedmont | Alameda | 0.014% | | 0.0114064% | | | |
| City | Pleasanton | Alameda | 0.067% | | 0.0554547% | | | |
| City | San Leandro | Alameda | 0.039% | | 0.0321267% | | | |
| City | Union City | Alameda | 0.043% | | 0.0352484% | | | |
| County | Amador County | Amador | 0.226% | 0.277% | 0.2349885% | | | |
| County | Butte County | Butte | 1.615% | 1.975% | 1.6783178% | | | |
| City | Chico | Butte | 0.216% | 0.264% | 0.2246499% | | | |
| City | Oroville | Butte | 0.079% | | 0.0646595% | | | |
| County | Calaveras County | Calaveras | 0.226% | 0.277% | 0.2351644% | | | |
| County | Colusa County | Colusa | 0.059% | | 0.0489221% | | | |
| County | Contra Costa County | Contra Costa | 2.102% | 2.571% | 2.1844585% | | | |
| City | Antioch | Contra Costa | 0.037% | | 0.0301879% | | | |
| City | Brentwood | Contra Costa | 0.026% | | 0.0215339% | | | |
| City | Clayton | Contra Costa | 0.002% | | 0.0018060% | | | |
| City | Concord | Contra Costa | 0.055% | | 0.0456676% | | | |
| City | Danville | Contra Costa | 0.010% | | 0.0082255% | | | |
| City | El Cerrito | Contra Costa | 0.023% | | 0.0189024% | | | |
| City | Hercules | Contra Costa | 0.010% | | 0.0078273% | | | |

APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|--------------|----------------------|----------------------------------|--------------------------------|
| City | Lafayette | Contra Costa | 0.006% | | 0.0046030% |
| City | Martinez | Contra Costa | 0.012% | | 0.0098593% |
| City | Moraga | Contra Costa | 0.004% | | 0.0031007% |
| City | Oakley | Contra Costa | 0.010% | | 0.0079416% |
| City | Orinda | Contra Costa | 0.005% | | 0.0038157% |
| City | Pinole | Contra Costa | 0.013% | | 0.0110909% |
| City | Pittsburg | Contra Costa | 0.053% | | 0.0436369% |
| City | Pleasant Hill | Contra Costa | 0.013% | | 0.0106309% |
| City | Richmond | Contra Costa | 0.146% | | 0.1201444% |
| City | San Pablo | Contra Costa | 0.018% | | 0.0148843% |
| City | San Ramon | Contra Costa | 0.021% | | 0.0176459% |
| City | Walnut Creek | Contra Costa | 0.026% | | 0.0212132% |
| County | Del Norte County | Del Norte | 0.114% | 0.140% | 0.1189608% |
| County | El Dorado County | El Dorado | 0.768% | 0.939% | 0.7980034% |
| City | Placerville | El Dorado | 0.015% | | 0.0127642% |
| City | South Lake Tahoe | El Dorado | 0.081% | | 0.0665456% |
| County | Fresno County | Fresno | 1.895% | 2.318% | 1.9693410% |
| City | Clovis | Fresno | 0.065% | | 0.0536211% |
| City | Coalinga | Fresno | 0.012% | | 0.0098554% |
| City | Fresno | Fresno | 0.397% | | 0.3270605% |
| City | Kerman | Fresno | 0.005% | | 0.0042534% |
| City | Kingsburg | Fresno | 0.008% | | 0.0066167% |
| City | Mendota | Fresno | 0.002% | | 0.0019387% |
| City | Orange Cove | Fresno | 0.004% | | 0.0035607% |
| City | Parlier | Fresno | 0.008% | | 0.0069755% |
| City | Reedley | Fresno | 0.012% | | 0.0098804% |
| City | Sanger | Fresno | 0.018% | | 0.0146135% |
| City | Selma | Fresno | 0.015% | | 0.0127537% |
| County | Glenn County | Glenn | 0.107% | 0.131% | 0.1116978% |
| County | Humboldt County | Humboldt | 1.030% | 1.260% | 1.0703185% |



APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|-------------|----------------------|----------------------------------|--------------------------------|
| City | Arcata | Humboldt | 0.054% | | 0.0447660% |
| City | Eureka | Humboldt | 0.117% | 0.143% | 0.1216284% |
| City | Fortuna | Humboldt | 0.032% | | 0.0266837% |
| County | Imperial County | Imperial | 0.258% | 0.315% | 0.2679006% |
| City | Brawley | Imperial | 0.011% | | 0.0087986% |
| City | Calxico | Imperial | 0.019% | | 0.0152799% |
| City | El Centro | Imperial | 0.158% | | 0.1302522% |
| City | Imperial | Imperial | 0.006% | | 0.0048791% |
| County | Inyo County | Inyo | 0.073% | 0.089% | 0.0754413% |
| County | Kern County | Kern | 2.517% | 3.079% | 2.6159145% |
| City | Arvin | Kern | 0.006% | | 0.0046425% |
| City | Bakersfield | Kern | 0.212% | | 0.1747198% |
| City | California City | Kern | 0.009% | | 0.0070820% |
| City | Delano | Kern | 0.030% | | 0.0249316% |
| City | McFarland | Kern | 0.003% | | 0.0025644% |
| City | Ridgecrest | Kern | 0.015% | | 0.0120938% |
| City | Shafter | Kern | 0.013% | | 0.0103417% |
| City | Tehachapi | Kern | 0.009% | | 0.0073580% |
| City | Wasco | Kern | 0.008% | | 0.0069861% |
| County | Kings County | Kings | 0.293% | | 0.2413469% |
| City | Avenal | Kings | 0.007% | | 0.0056335% |
| City | Corcoran | Kings | 0.013% | | 0.0107032% |
| City | Hanford | Kings | 0.027% | | 0.0226038% |
| City | Lemoore | Kings | 0.016% | | 0.0131900% |
| County | Lake County | Lake | 0.795% | | 0.6545389% |
| City | Clearlake | Lake | 0.041% | 0.050% | 0.0426253% |
| City | Lakeport | Lake | 0.021% | 0.026% | 0.0222964% |
| County | Lassen County | Lassen | 0.319% | 0.391% | 0.3320610% |
| City | Susanville | Lassen | 0.027% | | 0.0219295% |
| County | Los Angeles County | Los Angeles | 13.896% | 16.999% | 14.4437559% |



APPENDIX 1

**Attachment A
EXHIBIT 2**



| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|-------------|----------------------|----------------------------------|--------------------------------|
| City | Agoura Hills | Los Angeles | 0.005% | | 0.0040024% |
| City | Alhambra | Los Angeles | 0.042% | | 0.0343309% |
| City | Arcadia | Los Angeles | 0.033% | | 0.0267718% |
| City | Artesia | Los Angeles | 0.001% | | 0.0005100% |
| City | Azusa | Los Angeles | 0.026% | | 0.0210857% |
| City | Baldwin Park | Los Angeles | 0.027% | | 0.0218520% |
| City | Bell | Los Angeles | 0.008% | | 0.0068783% |
| City | Bellflower | Los Angeles | 0.002% | | 0.0014485% |
| City | Bell Gardens | Los Angeles | 0.014% | | 0.0114301% |
| City | Beverly Hills | Los Angeles | 0.065% | | 0.0534897% |
| City | Burbank | Los Angeles | 0.100% | | 0.0823132% |
| City | Calabasas | Los Angeles | 0.006% | | 0.0048948% |
| City | Carson | Los Angeles | 0.019% | | 0.0159805% |
| City | Cerritos | Los Angeles | 0.005% | | 0.0039682% |
| City | Claremont | Los Angeles | 0.010% | | 0.0082584% |
| City | Commerce | Los Angeles | 0.000% | | 0.0002971% |
| City | Compton | Los Angeles | 0.044% | | 0.0361882% |
| City | Covina | Los Angeles | 0.028% | | 0.0229127% |
| City | Cudahy | Los Angeles | 0.001% | | 0.0006020% |
| City | Culver City | Los Angeles | 0.055% | | 0.0449894% |
| City | Diamond Bar | Los Angeles | 0.001% | | 0.0006993% |
| City | Downey | Los Angeles | 0.052% | | 0.0429994% |
| City | Duarte | Los Angeles | 0.003% | | 0.0027261% |
| City | El Monte | Los Angeles | 0.031% | 0.038% | 0.0318985% |
| City | El Segundo | Los Angeles | 0.033% | | 0.0268020% |
| City | Gardena | Los Angeles | 0.034% | | 0.0278088% |
| City | Glendale | Los Angeles | 0.166% | | 0.1366586% |
| City | Glendora | Los Angeles | 0.016% | | 0.0134411% |
| City | Hawaiian Gardens | Los Angeles | 0.005% | | 0.0040549% |
| City | Hawthorne | Los Angeles | 0.050% | | 0.0407833% |

APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|-------------|----------------------|----------------------------------|--------------------------------|
| City | Hermosa Beach | Los Angeles | 0.018% | | 0.0145307% |
| City | Huntington Park | Los Angeles | 0.023% | | 0.0190667% |
| City | Inglewood | Los Angeles | 0.059% | | 0.0489195% |
| City | La Cañada Flintridge | Los Angeles | 0.003% | | 0.0025565% |
| City | Lakewood | Los Angeles | 0.005% | | 0.0039971% |
| City | La Mirada | Los Angeles | 0.010% | | 0.0081572% |
| City | Lancaster | Los Angeles | 0.045% | | 0.0369689% |
| City | La Puente | Los Angeles | 0.002% | | 0.0012999% |
| City | La Verne | Los Angeles | 0.024% | | 0.0194190% |
| City | Lawndale | Los Angeles | 0.002% | | 0.0017731% |
| City | Lomita | Los Angeles | 0.004% | | 0.0031940% |
| City | Long Beach | Los Angeles | 0.439% | | 0.3614151% |
| City | Los Angeles | Los Angeles | 2.715% | 3.321% | 2.8218811% |
| City | Lynwood | Los Angeles | 0.016% | | 0.0134345% |
| City | Malibu | Los Angeles | 0.002% | | 0.0019269% |
| City | Manhattan Beach | Los Angeles | 0.032% | | 0.0260686% |
| City | Maywood | Los Angeles | 0.004% | | 0.0035528% |
| City | Monrovia | Los Angeles | 0.031% | | 0.0254455% |
| City | Montebello | Los Angeles | 0.030% | | 0.0250670% |
| City | Monterey Park | Los Angeles | 0.031% | | 0.0256677% |
| City | Norwalk | Los Angeles | 0.031% | | 0.0258228% |
| City | Palmdale | Los Angeles | 0.046% | | 0.0375827% |
| City | Palos Verdes Estates | Los Angeles | 0.006% | | 0.0053102% |
| City | Paramount | Los Angeles | 0.011% | | 0.0091483% |
| City | Pasadena | Los Angeles | 0.146% | | 0.1200524% |
| City | Pico Rivera | Los Angeles | 0.022% | | 0.0183333% |
| City | Pomona | Los Angeles | 0.111% | | 0.0911933% |
| City | Rancho Palos Verdes | Los Angeles | 0.002% | | 0.0012645% |
| City | Redondo Beach | Los Angeles | 0.062% | | 0.0506992% |
| City | Rosemead | Los Angeles | 0.003% | | 0.0028260% |



APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|-------------|----------------------|----------------------------------|--------------------------------|
| City | San Dimas | Los Angeles | 0.003% | | 0.0022016% |
| City | San Fernando | Los Angeles | 0.013% | | 0.0104837% |
| City | San Gabriel | Los Angeles | 0.018% | | 0.0147726% |
| City | San Marino | Los Angeles | 0.009% | | 0.0073791% |
| City | Santa Clarita | Los Angeles | 0.022% | | 0.0178167% |
| City | Santa Fe Springs | Los Angeles | 0.031% | | 0.0257531% |
| City | Santa Monica | Los Angeles | 0.158% | | 0.1298513% |
| City | Sierra Madre | Los Angeles | 0.006% | | 0.0048646% |
| City | Signal Hill | Los Angeles | 0.010% | | 0.0084884% |
| City | South El Monte | Los Angeles | 0.005% | | 0.0039603% |
| City | South Gate | Los Angeles | 0.020% | | 0.0166272% |
| City | South Pasadena | Los Angeles | 0.012% | | 0.0095334% |
| City | Temple City | Los Angeles | 0.005% | | 0.0039498% |
| City | Torrance | Los Angeles | 0.112% | | 0.0919820% |
| City | Walnut | Los Angeles | 0.006% | | 0.0047305% |
| City | West Covina | Los Angeles | 0.049% | | 0.0404521% |
| City | West Hollywood | Los Angeles | 0.013% | | 0.0108517% |
| City | Whittier | Los Angeles | 0.032% | | 0.0260581% |
| County | Madera County | Madera | 0.349% | 0.427% | 0.3630669% |
| City | Chowchilla | Madera | 0.012% | | 0.0097332% |
| City | Madera | Madera | 0.039% | | 0.0318441% |
| County | Marin County | Marin | 0.564% | 0.690% | 0.5861325% |
| City | Larkspur | Marin | 0.015% | | 0.0124697% |
| City | Mill Valley | Marin | 0.020% | | 0.0168401% |
| City | Novato | Marin | 0.028% | | 0.0229824% |
| City | San Anselmo | Marin | 0.009% | | 0.0078062% |
| City | San Rafael | Marin | 0.089% | | 0.0729823% |
| County | Mariposa County | Mariposa | 0.084% | 0.103% | 0.0876131% |
| County | Mendocino County | Mendocino | 0.439% | 0.536% | 0.4558394% |
| City | Ukiah | Mendocino | 0.039% | | 0.0317153% |



APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|----------|----------------------|----------------------------------|--------------------------------|
| County | Merced County | Merced | 0.551% | 0.674% | 0.5724262% |
| City | Atwater | Merced | 0.024% | | 0.0195846% |
| City | Livingston | Merced | 0.006% | | 0.0045873% |
| City | Los Banos | Merced | 0.020% | | 0.0165142% |
| City | Merced | Merced | 0.061% | | 0.0500762% |
| County | Modoc County | Modoc | 0.065% | 0.080% | 0.0678250% |
| County | Mono County | Mono | 0.023% | 0.029% | 0.0242606% |
| County | Monterey County | Monterey | 0.908% | 1.111% | 0.9437083% |
| City | Greenfield | Monterey | 0.006% | | 0.0050552% |
| City | King City | Monterey | 0.005% | | 0.0037355% |
| City | Marina | Monterey | 0.017% | | 0.0144098% |
| City | Monterey | Monterey | 0.041% | | 0.0336540% |
| City | Pacific Grove | Monterey | 0.009% | | 0.0074842% |
| City | Salinas | Monterey | 0.094% | | 0.0776576% |
| City | Seaside | Monterey | 0.023% | | 0.0191772% |
| City | Soledad | Monterey | 0.007% | | 0.0060870% |
| County | Napa County | Napa | 0.288% | 0.352% | 0.2994325% |
| City | American Canyon | Napa | 0.017% | | 0.0136869% |
| City | Napa | Napa | 0.078% | | 0.0642783% |
| County | Nevada County | Nevada | 0.441% | 0.539% | 0.4579827% |
| City | Grass Valley | Nevada | 0.024% | | 0.0197805% |
| City | Truckee | Nevada | 0.003% | | 0.0023843% |
| County | Orange County | Orange | 4.364% | 5.339% | 4.5363576% |
| City | Aliso Viejo | Orange | 0.014% | | 0.0113841% |
| City | Anaheim | Orange | 0.554% | 0.678% | 0.5759282% |
| City | Brea | Orange | 0.086% | | 0.0708897% |
| City | Buena Park | Orange | 0.087% | | 0.0714352% |
| City | Costa Mesa | Orange | 0.124% | 0.152% | 0.1288366% |
| City | Cypress | Orange | 0.033% | | 0.0271937% |
| City | Dana Point | Orange | 0.001% | | 0.0005560% |



APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|--------|----------------------|----------------------------------|--------------------------------|
| City | Fountain Valley | Orange | 0.055% | | 0.0455980% |
| City | Fullerton | Orange | 0.137% | 0.168% | 0.1425744% |
| City | Garden Grove | Orange | 0.213% | | 0.1752482% |
| City | Huntington Beach | Orange | 0.247% | 0.302% | 0.2568420% |
| City | Irvine | Orange | 0.139% | 0.170% | 0.1442350% |
| City | Laguna Beach | Orange | 0.047% | 0.058% | 0.0493043% |
| City | Laguna Hills | Orange | 0.014% | | 0.0115457% |
| City | Laguna Niguel | Orange | 0.001% | | 0.0007071% |
| City | Laguna Woods | Orange | 0.001% | | 0.0006546% |
| City | La Habra | Orange | 0.060% | 0.073% | 0.0621049% |
| City | Lake Forest | Orange | 0.012% | | 0.0101249% |
| City | La Palma | Orange | 0.012% | | 0.0095439% |
| City | Los Alamitos | Orange | 0.008% | | 0.0069190% |
| City | Mission Viejo | Orange | 0.014% | | 0.0117560% |
| City | Newport Beach | Orange | 0.179% | | 0.1470134% |
| City | Orange | Orange | 0.150% | | 0.1231320% |
| City | Placentia | Orange | 0.029% | 0.035% | 0.0298912% |
| City | Rancho Santa Margarita | Orange | 0.001% | | 0.0006296% |
| City | San Clemente | Orange | 0.008% | 0.010% | 0.0086083% |
| City | San Juan Capistrano | Orange | 0.008% | | 0.0065510% |
| City | Santa Ana | Orange | 0.502% | 0.614% | 0.5213866% |
| City | Seal Beach | Orange | 0.020% | | 0.0165891% |
| City | Stanton | Orange | 0.035% | | 0.0291955% |
| City | Tustin | Orange | 0.073% | | 0.0600341% |
| City | Westminster | Orange | 0.104% | 0.127% | 0.1082721% |
| City | Yorba Linda | Orange | 0.044% | | 0.0362223% |
| County | Placer County | Placer | 1.045% | 1.278% | 1.0861002% |
| City | Auburn | Placer | 0.017% | | 0.0141114% |
| City | Lincoln | Placer | 0.031% | | 0.0255599% |
| City | Rocklin | Placer | 0.076% | | 0.0625485% |



APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|------------|----------------------|----------------------------------|--------------------------------|
| City | Roseville | Placer | 0.196% | | 0.1616559% |
| County | Plumas County | Plumas | 0.205% | 0.251% | 0.2128729% |
| County | Riverside County | Riverside | 4.534% | 5.547% | 4.7128296% |
| City | Banning | Riverside | 0.017% | | 0.0143848% |
| City | Beaumont | Riverside | 0.021% | | 0.0171135% |
| City | Blythe | Riverside | 0.012% | | 0.0096714% |
| City | Canyon Lake | Riverside | 0.000% | | 0.0001761% |
| City | Cathedral City | Riverside | 0.067% | | 0.0553614% |
| City | Coachella | Riverside | 0.021% | | 0.0173054% |
| City | Corona | Riverside | 0.147% | | 0.1207083% |
| City | Desert Hot Springs | Riverside | 0.024% | | 0.0200433% |
| City | Eastvale | Riverside | 0.000% | | 0.0002747% |
| City | Hemet | Riverside | 0.051% | | 0.0421792% |
| City | Indio | Riverside | 0.056% | | 0.0457794% |
| City | Jurupa Valley | Riverside | 0.001% | | 0.0008991% |
| City | Lake Elsinore | Riverside | 0.021% | | 0.0172949% |
| City | La Quinta | Riverside | 0.063% | | 0.0516732% |
| City | Menifee | Riverside | 0.032% | | 0.0260909% |
| City | Moreno Valley | Riverside | 0.137% | | 0.1130348% |
| City | Murrieta | Riverside | 0.048% | 0.059% | 0.0497423% |
| City | Norco | Riverside | 0.016% | | 0.0134542% |
| City | Palm Desert | Riverside | 0.083% | | 0.0682465% |
| City | Palm Springs | Riverside | 0.076% | | 0.0629862% |
| City | Perris | Riverside | 0.009% | | 0.0076774% |
| City | Rancho Mirage | Riverside | 0.052% | | 0.0431098% |
| City | Riverside | Riverside | 0.268% | | 0.2206279% |
| City | San Jacinto | Riverside | 0.010% | | 0.0085936% |
| City | Temecula | Riverside | 0.022% | | 0.0180086% |
| City | Wildomar | Riverside | 0.008% | | 0.0062500% |
| County | Sacramento County | Sacramento | 3.797% | 4.645% | 3.9465887% |



APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|------------------------------|----------------|----------------------|----------------------------------|--------------------------------|
| City | Citrus Heights | Sacramento | 0.057% | | 0.0465312% |
| City | Elk Grove | Sacramento | 0.130% | | 0.1066994% |
| City | Folsom | Sacramento | 0.108% | | 0.0890850% |
| City | Galt | Sacramento | 0.017% | | 0.0143704% |
| City | Rancho Cordova | Sacramento | 0.008% | | 0.0067679% |
| City | Sacramento | Sacramento | 0.721% | 0.882% | 0.7496530% |
| County | San Benito County | San Benito | 0.106% | 0.130% | 0.1101417% |
| City | Hollister | San Benito | 0.027% | | 0.0225355% |
| County | San Bernardino County | San Bernardino | 3.259% | 3.987% | 3.3878124% |
| City | Adelanto | San Bernardino | 0.008% | | 0.0066640% |
| City | Apple Valley | San Bernardino | 0.025% | | 0.0207360% |
| City | Barstow | San Bernardino | 0.015% | | 0.0122056% |
| City | Chino | San Bernardino | 0.064% | | 0.0525893% |
| City | Chino Hills | San Bernardino | 0.001% | | 0.0006388% |
| City | Colton | San Bernardino | 0.031% | | 0.0253443% |
| City | Fontana | San Bernardino | 0.112% | | 0.0920543% |
| City | Grand Terrace | San Bernardino | 0.006% | | 0.0051051% |
| City | Hesperia | San Bernardino | 0.035% | | 0.0291522% |
| City | Highland | San Bernardino | 0.004% | | 0.0029061% |
| City | Loma Linda | San Bernardino | 0.009% | | 0.0071188% |
| City | Montclair | San Bernardino | 0.039% | | 0.0322108% |
| City | Ontario | San Bernardino | 0.179% | | 0.1472934% |
| City | Rancho Cucamonga | San Bernardino | 0.084% | | 0.0689431% |
| City | Redlands | San Bernardino | 0.057% | | 0.0469150% |
| City | Rialto | San Bernardino | 0.073% | | 0.0603206% |
| City | San Bernardino | San Bernardino | 0.178% | | 0.1461880% |
| City | Twentynine Palms | San Bernardino | 0.002% | | 0.0012605% |
| City | Upland | San Bernardino | 0.052% | | 0.0424460% |
| City | Victorville | San Bernardino | 0.033% | | 0.0269400% |
| City | Yucaipa | San Bernardino | 0.016% | | 0.0128772% |



APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|-------------------------------|-----------------|----------------------|----------------------------------|--------------------------------|
| City | Yucca Valley | San Bernardino | 0.003% | | 0.0021228% |
| County | San Diego County | San Diego | 5.706% | 6.980% | 5.9309748% |
| City | Carlsbad | San Diego | 0.128% | | 0.1050485% |
| City | Chula Vista | San Diego | 0.189% | 0.231% | 0.1961456% |
| City | Coronado | San Diego | 0.044% | | 0.0359095% |
| City | El Cajon | San Diego | 0.113% | | 0.0933582% |
| City | Encinitas | San Diego | 0.061% | 0.074% | 0.0630289% |
| City | Escondido | San Diego | 0.145% | | 0.1192204% |
| City | Imperial Beach | San Diego | 0.014% | | 0.0118283% |
| City | La Mesa | San Diego | 0.055% | 0.068% | 0.0575593% |
| City | Lemon Grove | San Diego | 0.022% | | 0.0183911% |
| City | National City | San Diego | 0.080% | | 0.0656808% |
| City | Oceanside | San Diego | 0.213% | | 0.1753428% |
| City | Poway | San Diego | 0.062% | | 0.0511040% |
| City | San Diego | San Diego | 1.975% | 2.416% | 2.0531169% |
| City | San Marcos | San Diego | 0.089% | | 0.0733897% |
| City | Santee | San Diego | 0.033% | | 0.0268401% |
| City | Solana Beach | San Diego | 0.017% | | 0.0138564% |
| City | Vista | San Diego | 0.052% | | 0.0425144% |
| Consolidated | San Francisco | San Francisco | 3.026% | 3.702% | 3.1457169% |
| County | San Joaquin County | San Joaquin | 1.680% | 2.055% | 1.7460399% |
| City | Lathrop | San Joaquin | 0.009% | | 0.0075394% |
| City | Lodi | San Joaquin | 0.053% | | 0.0439484% |
| City | Manteca | San Joaquin | 0.054% | | 0.0443454% |
| City | Ripon | San Joaquin | 0.013% | | 0.0104219% |
| City | Stockton | San Joaquin | 0.313% | 0.383% | 0.3256176% |
| City | Tracy | San Joaquin | 0.084% | | 0.0692047% |
| County | San Luis Obispo County | San Luis Obispo | 0.816% | 0.999% | 0.8484126% |
| City | Arroyo Grande | San Luis Obispo | 0.024% | | 0.0199053% |
| City | Atascadero | San Luis Obispo | 0.029% | | 0.0240680% |



APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------------|-----------------|----------------------|----------------------------------|--------------------------------|
| City | El Paso de Robles (Paso Robles) | San Luis Obispo | 0.043% | | 0.0353456% |
| City | Grover Beach | San Luis Obispo | 0.017% | | 0.0137881% |
| City | Morro Bay | San Luis Obispo | 0.020% | | 0.0160922% |
| City | San Luis Obispo | San Luis Obispo | 0.077% | | 0.0637841% |
| County | San Mateo County | San Mateo | 1.074% | 1.313% | 1.1159599% |
| City | Belmont | San Mateo | 0.021% | | 0.0169860% |
| City | Burlingame | San Mateo | 0.019% | | 0.0152537% |
| City | Daly City | San Mateo | 0.044% | | 0.0363880% |
| City | East Palo Alto | San Mateo | 0.013% | | 0.0103982% |
| City | Foster City | San Mateo | 0.020% | | 0.0166101% |
| City | Half Moon Bay | San Mateo | 0.004% | | 0.0031638% |
| City | Hillsborough | San Mateo | 0.013% | | 0.0110029% |
| City | Menlo Park | San Mateo | 0.015% | | 0.0126209% |
| City | Millbrae | San Mateo | 0.013% | | 0.0105836% |
| City | Pacifica | San Mateo | 0.016% | | 0.0130625% |
| City | Redwood City | San Mateo | 0.056% | | 0.0463511% |
| City | San Bruno | San Mateo | 0.021% | | 0.0172161% |
| City | San Carlos | San Mateo | 0.013% | | 0.0108885% |
| City | San Mateo | San Mateo | 0.052% | | 0.0425841% |
| City | South San Francisco | San Mateo | 0.043% | | 0.0353943% |
| County | Santa Barbara County | Santa Barbara | 1.132% | 1.385% | 1.1768968% |
| City | Carpinteria | Santa Barbara | 0.001% | | 0.0008938% |
| City | Goleta | Santa Barbara | 0.004% | | 0.0028969% |
| City | Lompoc | Santa Barbara | 0.047% | | 0.0389379% |
| City | Santa Barbara | Santa Barbara | 0.122% | | 0.1004559% |
| City | Santa Maria | Santa Barbara | 0.058% | | 0.0479179% |
| County | Santa Clara County | Santa Clara | 2.404% | 2.941% | 2.4987553% |
| City | Campbell | Santa Clara | 0.014% | | 0.0112566% |
| City | Cupertino | Santa Clara | 0.008% | | 0.0066824% |
| City | Gilroy | Santa Clara | 0.025% | | 0.0202891% |



APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|-------------|----------------------|----------------------------------|--------------------------------|
| City | Los Altos | Santa Clara | 0.013% | | 0.0103338% |
| City | Los Gatos | Santa Clara | 0.013% | | 0.0103220% |
| City | Milpitas | Santa Clara | 0.036% | | 0.0298120% |
| City | Morgan Hill | Santa Clara | 0.015% | | 0.0124619% |
| City | Mountain View | Santa Clara | 0.041% | | 0.0334608% |
| City | Palo Alto | Santa Clara | 0.039% | | 0.0323080% |
| City | San Jose | Santa Clara | 0.294% | 0.360% | 0.3054960% |
| City | Santa Clara | Santa Clara | 0.067% | | 0.0549723% |
| City | Saratoga | Santa Clara | 0.004% | | 0.0034161% |
| City | Sunnyvale | Santa Clara | 0.053% | | 0.0434069% |
| County | Santa Cruz County | Santa Cruz | 0.783% | 0.957% | 0.8135396% |
| City | Capitola | Santa Cruz | 0.020% | | 0.0168191% |
| City | Santa Cruz | Santa Cruz | 0.143% | | 0.1180348% |
| City | Scotts Valley | Santa Cruz | 0.015% | | 0.0126525% |
| City | Watsonville | Santa Cruz | 0.063% | | 0.0520136% |
| County | Shasta County | Shasta | 1.095% | 1.339% | 1.1380191% |
| City | Anderson | Shasta | 0.024% | | 0.0198896% |
| City | Redding | Shasta | 0.284% | | 0.2334841% |
| City | Shasta Lake | Shasta | 0.004% | | 0.0031993% |
| County | Siskiyou County | Siskiyou | 0.228% | 0.279% | 0.2373393% |
| County | Solano County | Solano | 0.760% | | 0.6260795% |
| City | Benicia | Solano | 0.031% | | 0.0253903% |
| City | Dixon | Solano | 0.016% | | 0.0130849% |
| City | Fairfield | Solano | 0.109% | | 0.0897317% |
| City | Suisun City | Solano | 0.021% | | 0.0176183% |
| City | Vacaville | Solano | 0.119% | | 0.0976497% |
| City | Vallejo | Solano | 0.167% | | 0.1373644% |
| County | Sonoma County | Sonoma | 1.218% | 1.490% | 1.2661290% |
| City | Healdsburg | Sonoma | 0.032% | | 0.0266929% |
| City | Petaluma | Sonoma | 0.081% | | 0.0667507% |



APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|------------|----------------------|----------------------------------|--------------------------------|
| City | Rohnert Park | Sonoma | 0.041% | | 0.0340759% |
| City | Santa Rosa | Sonoma | 0.184% | | 0.1519070% |
| City | Sonoma | Sonoma | 0.022% | | 0.0183438% |
| City | Windsor | Sonoma | 0.016% | | 0.0129298% |
| County | Stanislaus County | Stanislaus | 1.722% | | 1.4182273% |
| City | Ceres | Stanislaus | 0.041% | | 0.0340260% |
| City | Modesto | Stanislaus | 0.217% | | 0.1788759% |
| City | Newman | Stanislaus | 0.006% | | 0.0046964% |
| City | Oakdale | Stanislaus | 0.018% | | 0.0145531% |
| City | Patterson | Stanislaus | 0.015% | | 0.0126590% |
| City | Riverbank | Stanislaus | 0.010% | | 0.0085699% |
| City | Turlock | Stanislaus | 0.065% | | 0.0531966% |
| County | Sutter County | Sutter | 0.306% | 0.374% | 0.3179548% |
| City | Yuba City | Sutter | 0.074% | | 0.0606242% |
| County | Tehama County | Tehama | 0.213% | 0.261% | 0.2216654% |
| City | Red Bluff | Tehama | 0.014% | | 0.0117771% |
| County | Trinity County | Trinity | 0.082% | 0.101% | 0.0855476% |
| County | Tulare County | Tulare | 0.809% | 0.990% | 0.8410949% |
| City | Dinuba | Tulare | 0.014% | | 0.0116929% |
| City | Exeter | Tulare | 0.004% | | 0.0032479% |
| City | Farmersville | Tulare | 0.003% | | 0.0027879% |
| City | Lindsay | Tulare | 0.007% | | 0.0057111% |
| City | Porterville | Tulare | 0.021% | | 0.0171845% |
| City | Tulare | Tulare | 0.037% | | 0.0302273% |
| City | Visalia | Tulare | 0.066% | | 0.0545872% |
| County | Tuolumne County | Tuolumne | 0.486% | 0.594% | 0.5047621% |
| County | Ventura County | Ventura | 2.192% | 2.681% | 2.2781201% |
| City | Camarillo | Ventura | 0.002% | | 0.0012815% |
| City | Fillmore | Ventura | 0.002% | | 0.0020294% |
| City | Moorpark | Ventura | 0.008% | | 0.0067337% |



APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|----------------------------|---------|----------------------|----------------------------------|--------------------------------|
| City | Oxnard | Ventura | 0.156% | 0.190% | 0.1617338% |
| City | Port Hueneme | Ventura | 0.021% | | 0.0174145% |
| City | San Buenaventura (Ventura) | Ventura | 0.085% | | 0.0702181% |
| City | Santa Paula | Ventura | 0.014% | | 0.0119072% |
| City | Simi Valley | Ventura | 0.065% | | 0.0533043% |
| City | Thousand Oaks | Ventura | 0.022% | | 0.0179902% |
| County | Yolo County | Yolo | 0.357% | 0.437% | 0.3713319% |
| City | Davis | Yolo | 0.055% | | 0.0451747% |
| City | West Sacramento | Yolo | 0.066% | | 0.0544321% |
| City | Woodland | Yolo | 0.058% | | 0.0477904% |
| County | Yuba County | Yuba | 0.214% | 0.262% | 0.2225679% |
| City | Marysville | Yuba | 0.014% | | 0.0112079% |



APPENDIX 2

Cost Reimbursement Procedure

1. Additional defined terms:

- a) *Costs* means the reasonable amounts paid for the attorney and other City Attorney and County Counsel staff time for individuals employed by a Plaintiff Subdivision at the contractual rate, inclusive of benefits and overhead, together with amounts paid for court reporters, experts, copying, electronic research, travel, vendors, and the like, which were not previously reimbursed and which were paid or incurred (i) prior to December 31, 2022 in litigation against any Opioid Defendant and/or (ii) in negotiating and drafting any CA Allocation Agreement(s) concerning a settlement with any Opioid Defendant(s). *Costs* does not include attorneys' fees, costs, or expenses incurred by private contingency fee counsel. No part of the CA Abatement Accounts Fund will be used to reimburse Costs.
- b) *First Claims Date* means October 1, 2023 or when all applications for reimbursement of Costs, in whole or in part, from funds available under Section XIV and Exhibit R of the Teva Settlement Agreement, Section XIII and Exhibit R of the Allergan Settlement Agreement, Section X and Exhibit R of the Distributor Settlement Agreement, Section XI and Exhibit R of the Janssen Settlement Agreement, Section X and Exhibit R of the CVS Settlement Agreement, Section IX and Exhibit R of the Walgreens Settlement Agreement, or Section IX and Exhibit R of the Walmart Settlement Agreement, have been finally determined under the provisions of those agreements, whichever comes first.
- c) *Special Master* means a retired judicial officer or former public lawyer, not presently employed or retained by a Plaintiff Subdivision, who will aggregate, review, and determine the reasonable Costs to be awarded to each Plaintiff Subdivision that submits a claim for reimbursement of Costs. The Special Master will be selected by a majority vote of the votes cast by Plaintiff Subdivisions, with each such subdivision having one vote.
- d) *Plaintiff Subdivision Committee* means the committee of Plaintiff Subdivisions that will review and approve the invoices submitted by the Special Master reflecting his or her reasonable time and expenses.

2. Cost Reimbursement to Plaintiff Subdivision

- a) Purpose. Substantial resources have been expended to hold Opioid Defendants accountable for creating and profiting from the opioid crisis, and this effort has been a significant catalyst in creating National Opioid Settlements with various manufacturers, distributors, and chain pharmacies.
- b) Claims Procedure.



EXHIBIT 2

- i. If a Plaintiff Subdivision is eligible to seek reimbursement of Costs, in whole or in part, from funds available under Section XIV and Exhibit R of the Teva Settlement Agreement, Section XIII and Exhibit R of the Allergan Settlement Agreement, Section X and Exhibit R of the CVS Settlement Agreement, Section IX and Exhibit R of the Walgreens Settlement Agreement, Section IX and Exhibit R of the Walmart Settlement Agreement, Section X or Exhibit R of the Distributor Settlement Agreement, or Section XI or Exhibit R of the Janssen Settlement Agreement, it must first make a timely application for reimbursement from such funds. To allow sufficient time for determination of those applications, no claim for Costs to the CA Subdivision Fund under this Agreement may be made before the First Claims Date.
- ii. A Plaintiff Subdivision that wishes to be reimbursed from the CA Subdivision Fund must submit a claim to the Special Master no later than forty-five (45) days after the First Claims Date. The Special Master will then compile and redistribute the aggregated claim totals for each Plaintiff Subdivision via email to representatives of all the Plaintiff Subdivisions. A claim for attorney and staff time must list, for each attorney or staff member included in the claim, the following information: name, title, total hours claimed, hourly rate (including, if sought, benefits and share of overhead), and narrative summarizing the general nature of the work performed by the attorney or staff member. For reimbursement of “hard” costs, the subdivision may aggregate across a category (e.g., total for travel costs). It is the intention of the Plaintiff Subdivisions that submission of documents related to reimbursement of Costs does not waive any attorney-client privilege or exemptions to the California Public Records Act.
- iii. The Special Master may request, at his or her sole option, additional documents or details to assist in the final award of Costs.
- iv. The Special Master will review claims for reasonableness and will notify each Plaintiff Subdivision of the final determination of its claim, and will provide a list of all final awards to all Plaintiff Subdivisions by email or, upon request, via First Class U.S. Mail. Any Plaintiff Subdivision may ask the Special Master to reconsider any final award within twenty-one (21) days. The Special Master will make a final determination on any such reconsideration request within thirty (30) days of receipt.
- v. Any decision of the Special Master is final and binding, and will be considered under the California Arbitration Act, Code of Civil Procedure section 1280 et seq. as a final arbitration award. Nothing in this agreement is intended to expand the scope of judicial review of the final award for errors of fact or law, and the Parties agree that they may only seek to vacate the award if clear and convincing evidence demonstrates one of the factors set forth in Code of Civil Procedure, section 1286.2, subdivision (a). Plaintiff Subdivisions will have fourteen (14) days after all final awards are made, together with any final determination of a request for reconsideration, to seek review in the Superior Court of California, pursuant to Code of Civil Procedure, section 1285, where the State has filed its Consent Judgment.



- vi. The Special Master will prepare a report of Costs that includes his or her fees and expenses at least ninety (90) days before the Payment Date for each Annual Payment. The Special Master's preparation of a report of Costs does not discharge a Plaintiff Subdivision's reporting requirement under Section VIII.C of the Teva Settlement Agreement.
- vii. A member of the Plaintiff Subdivision Committee, which is a CA Participating Subdivision, will submit to the Settlement Fund Administrator and Teva a report of the fees and expenses incurred by the Special Master pursuant to Section VIII.C of the Teva Settlement Agreement.

c) Claims Priority and Limitation.

- i. The Special Master will submit invoices for compensation of reasonable fees and expenses to the Plaintiff Subdivision Committee no later than ninety (90) days prior to the Payment Date for each Annual Payment. The Plaintiff Subdivision Committee will promptly review and, if reasonable, approve the Special Master's invoice for compensation. The Plaintiff Subdivision Committee will submit approved invoices to the Settlement Fund Administrator for payment. The Special Master's approved invoices have priority and will be paid first from the CA Subdivision Fund before any award of Costs, subject to the limitation in Section 2.c.v below.
- ii. Final Awards of Costs that do not exceed seventy-five thousand dollars (\$75,000.00) will be paid next in priority after the Special Master's approved invoices.
- iii. Final Awards of Costs in excess of seventy-five thousand dollars (\$75,000.00) will be paid proportionally from the funds remaining in that year's Annual Payment.
- iv. Any claim for Costs that is not paid in full will be allocated against the next year's distribution from the CA Subdivision Fund, until all approved claims for Costs are paid in full.
- v. In no event will more than 50% of the total CA Subdivision Fund received in any year be used to pay Costs or the Special Master's approved invoices.
- vi. In no event shall more than \$28 million of the total CA Subdivision Funds paid pursuant to the Teva Settlement Agreement, Allergan Settlement Agreement, Distributor Settlement Agreement, CVS Settlement Agreement, Janssen Settlement Agreement, Walgreens Settlement Agreement, and the Walmart Settlement Agreement be used to pay Costs.

d) Collateral Source Payments and Third-Party Settlement.

- i. In the event a Plaintiff Subdivision is awarded compensation, in whole or in part, by any source of funds created as a result of litigation against an Opioid Defendant for 4 its reasonable Costs, it will reduce its claim for Costs from the CA Subdivision Fund by that amount. If a Plaintiff Subdivision has already received a



EXHIBIT 2

final award of Costs from the CA Subdivision Fund, it will repay the fund up to the prior award of Costs via a payment to the Settlement Fund Administrator or notify the Settlement Fund Administrator that its allocation from the next and subsequent Annual Payments should be reduced accordingly. If the Plaintiff Subdivision is repaying any prior award of Costs, that repayment will occur as soon as is feasible after the Plaintiff Subdivision's receipt of Cost funds from the collateral source, but no more than 90 days after its receipt from the collateral source. The Settlement Fund Administrator will add any repaid Costs to the CA Subdivision Fund. Any Plaintiff Subdivision that has submitted for reimbursement to any national fund and has not received a final determination by the First Claims Date may request that the settlement administrator withhold some or all of its payment from the CA Subdivision Fund in order to avoid repayment.

- ii. In the event a Plaintiff Subdivision reaches a monetary settlement or compromise against any Opioid Defendant outside of the National Opioid Settlement, the monetary portion of such settlement, net of fees paid to outside contingency fee counsel and of funds earmarked strictly for abatement, will be credited against its Costs and the subdivision will be ineligible to recover those credited Costs from the CA Subdivision Fund. Plaintiff Subdivisions negotiating monetary settlements or compromises against any Opioid Defendant outside of the National Opioid Settlement will negotiate for funds to repay any Costs it previously received from the CA Subdivision Fund or for Costs it otherwise might be eligible to claim from the CA Subdivision Fund. If such a settlement is paid after all final approved claims for Costs by all Plaintiff Subdivisions are satisfied in full, the settling subdivision will reimburse the CA Subdivision Fund in that amount by making payment to the Settlement Fund Administrator to add to the CA Subdivision Fund in a manner consistent with the repayments described in section 2.d.i above.



APPENDIX 3

CALIFORNIA-SUBDIVISION BACKSTOP AGREEMENT

On August 6, 2021, Judge Polster of the US District Court for the Northern District of Ohio issued an Order (the Order), docket number 3814, in In Re National Prescription Opiate Litigation, MDL 2804, addressing contingent attorney fee contracts between political subdivisions eligible to participate in the Teva Settlement and their counsel.

In light of the Order, and at the request of [SUBDIVISION], the [SUBDIVISION], its counsel [COUNSEL], and the California Attorney General, on behalf of the State of California, are entering into this California-Subdivision Backstop Agreement (Backstop Agreement).

[SUBDIVISION] and [COUNSEL] intend this Backstop Agreement to constitute a State Back-Stop Agreement as that term is used in the Order and in Exhibit R (Agreement on Attorneys’ Fees, Costs, and Expenses) of the Teva Settlement Agreement.

Pursuant to this Backstop Agreement, [SUBDIVISION] may, subject to the limitations of the Teva Settlement Agreement and CA Teva Allocation Agreement, as well as any other limitations imposed by law, use funds that it receives from the Teva Settlement CA Subdivision Fund to pay a contingent fee to [COUNSEL]. Any such payment from [SUBDIVISION] to [COUNSEL], together with any contingency fees that [COUNSEL] may receive from the national Attorney Fee Fund, will not exceed a total contingency fee of [PERCENTAGE NOT TO EXCEED 15%] of the total gross recovery of [SUBDIVISION] from the Teva Settlement.

[COUNSEL] certify that they first sought fees and costs from the Attorney Fee Fund created under the Teva Settlement Agreement before seeking or accepting payment under this backstop agreement. [COUNSEL] further certify that they are not seeking and will not accept payment under this backstop agreement of any litigation fees or costs that have been reimbursed through prior settlements or judgments.

The Attorney General is executing this agreement solely because the definition of “State Back-Stop Agreement” in Exhibit R of the Teva Settlement Agreement requires such agreements to be between “a Settling State” and private counsel for a participating subdivision. Neither the California Attorney General nor the State of California have any obligations under this Backstop Agreement, and this Backstop Agreement does not require the payment of any state funds to [SUBDIVISION], [COUNSEL], or any other party.

[DATE]

[SUBDIVISION SIGNATURE BLOCK]

[DATE]

[COUNSEL SIGNATURE BLOCK]

[DATE]

[ATTORNEY GENERAL SIGNATURE BLOCK]



EXHIBIT K

Subdivision Participation and Release Form

Will your subdivision or special district be signing the settlement participation form for the Walgreens Settlement at this time?

Yes No

| | |
|-------------------------------------|-----------|
| Governmental Entity: Palo Alto city | State: CA |
| Authorized Signatory: | |
| Address 1: | |
| Address 2: | |
| City, State, Zip: | |
| Phone: | |
| Email: | |

The governmental entity identified above (“*Governmental Entity*”), in order to obtain and in consideration for the benefits provided to the Governmental Entity pursuant to the Settlement Agreement dated December 9, 2022 (“*Walgreens Settlement*”), and acting through the undersigned authorized official, hereby elects to participate in the Walgreens Settlement, release all Released Claims against all Released Entities, and agrees as follows.

1. The Governmental Entity is aware of and has reviewed the Walgreens Settlement, understands that all terms in this Participation and Release Form have the meanings defined therein, and agrees that by executing this Participation and Release Form, the Governmental Entity elects to participate in the Walgreens Settlement and become a Participating Subdivision as provided therein.
2. The Governmental Entity shall promptly, and in any event no later than 14 days after the Reference Date and prior to the filing of the Consent Judgment, dismiss with prejudice any Released Claims that it has filed. With respect to any Released Claims pending in *In re National Prescription Opiate Litigation*, MDL No. 2804, the Governmental Entity authorizes the Plaintiffs’ Executive Committee to execute and file on behalf of the Governmental Entity a Stipulation of Dismissal with Prejudice substantially in the form found at <https://nationalopiodsettlement.com>.
3. The Governmental Entity agrees to the terms of the Walgreens Settlement pertaining to Participating Subdivisions as defined therein.
4. By agreeing to the terms of the Walgreens Settlement and becoming a Releasor, the Governmental Entity is entitled to the benefits provided therein, including, if applicable, monetary payments beginning after the Effective Date.
5. The Governmental Entity agrees to use any monies it receives through the Walgreens Settlement solely for the purposes provided therein.



EXHIBIT 3

6. The Governmental Entity submits to the jurisdiction of the court in the Governmental Entity's state where the Consent Judgment is filed for purposes limited to that court's role as provided in, and for resolving disputes to the extent provided in, the Walgreens Settlement. The Governmental Entity likewise agrees to arbitrate before the National Arbitration Panel as provided in, and for resolving disputes to the extent otherwise provided in, the Walgreens Settlement.
7. The Governmental Entity has the right to enforce the Walgreens Settlement as provided therein.
8. The Governmental Entity, as a Participating Subdivision, hereby becomes a Releasor for all purposes in the Walgreens Settlement, including without limitation all provisions of Section XI (Release), and along with all departments, agencies, divisions, boards, commissions, districts, instrumentalities of any kind and attorneys, and any person in their official capacity elected or appointed to serve any of the foregoing and any agency, person, or other entity claiming by or through any of the foregoing, and any other entity identified in the definition of Releasor, provides for a release to the fullest extent of its authority. As a Releasor, the Governmental Entity hereby absolutely, unconditionally, and irrevocably covenants not to bring, file, or claim, or to cause, assist or permit to be brought, filed, or claimed, or to otherwise seek to establish liability for any Released Claims against any Released Entity in any forum whatsoever. The releases provided for in the Walgreens Settlement are intended by the Parties to be broad and shall be interpreted so as to give the Released Entities the broadest possible bar against any liability relating in any way to Released Claims and extend to the full extent of the power of the Governmental Entity to release claims. The Walgreens Settlement shall be a complete bar to any Released Claim.
9. The Governmental Entity hereby takes on all rights and obligations of a Participating Subdivision as set forth in the Walgreens Settlement.
10. In connection with the releases provided for in the Walgreens Settlement, each Governmental Entity expressly waives, releases, and forever discharges any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code, which reads:

General Release; extent. A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release that, if known by him or her would have materially affected his or her settlement with the debtor or released party.

A Releasor may hereafter discover facts other than or different from those which it knows, believes, or assumes to be true with respect to the Released Claims, but each Governmental Entity hereby expressly waives and fully, finally, and forever settles, releases and discharges, upon the Effective Date, any and all Released Claims that may exist as of such date but which Releasors do not know or suspect to exist, whether through ignorance, oversight, error, negligence or through no fault whatsoever, and which, if known, would materially affect the Governmental Entities' decision to participate in the Walgreens Settlement.



11. Nothing herein is intended to modify in any way the terms of the Walgreens Settlement, to which Governmental Entity hereby agrees. To the extent this Participation and Release Form is interpreted differently from the Walgreens Settlement in any respect, the Walgreens Settlement controls.

I have all necessary power and authorization to execute this Participation and Release Form on behalf of the Governmental Entity.

Signature: _____

Name: _____

Title: _____

Date: _____



**Proposed California State-Subdivision Agreement
Regarding Distribution and Use of
Settlement Funds – Walgreens Settlement**

1. Introduction

Pursuant to the Walgreens Settlement Agreement, dated as of December 9, 2022, and any revision thereto (the “Walgreens Settlement Agreement”), including Section V and Exhibit O, the State of California proposes this agreement (the “CA Walgreens Allocation Agreement”) to govern the allocation, distribution, and use of Settlement Fund payments made to California pursuant to Sections IV and V of the Walgreens Settlement Agreement. For the avoidance of doubt, this agreement does not apply to payments made pursuant to Section IX of the Walgreens Settlement Agreement.

Pursuant to Exhibit O, Paragraph 4, of the Walgreens Settlement Agreement, acceptance of this CA Walgreens Allocation Agreement is a requirement to be an Initial Participating Subdivision.

2. Definitions

- a) *CA Participating Subdivision* means a Participating Subdivision that is also (a) a Plaintiff Subdivision and/or (b) a Primary Subdivision with a population equal to or greater than 10,000. For the avoidance of doubt, eligible CA Participating Subdivisions are those California subdivisions listed in Exhibit C (excluding Litigating Special Districts) and/or Exhibit I to the Walgreens Settlement Agreement.
- b) *Allergan Settlement Agreement* means the Allergan Settlement Agreement dated November 22, 2022, and any revision thereto.
- c) *CVS Settlement Agreement* means the CVS Settlement Agreement dated December 9, 2022, and any revision thereto as well as any modification thereto entered into by the State of California and CVS.
- d) *Distributor Settlement Agreement* means the Distributor Settlement Agreement dated July 21, 2021, and any revision thereto.
- e) *Janssen Settlement Agreement* means the Janssen Settlement Agreement dated July 21, 2021, and any revision thereto.
- f) *Teva Settlement Agreement* means the Teva Settlement Agreement dated November 22, 2022, and any revision thereto.
- g) *Walmart Settlement Agreement* means the Walmart Settlement Agreement dated November 14, 2022, and any revision thereto.
- h) *CA Litigating Special District* means a Litigating Special District located in California. CA Litigating Special Districts include Downey Unified School District, Elk Grove Unified School District, Kern High School District, Montezuma Fire Protection District (located in Stockton, California), Santa Barbara San Luis Obispo Regional Health Authority, Inland Empire Health Plan, Health Plan of San Joaquin, San Leandro Unified School District,



Pleasant Valley School District Board, and LA Care Health Plan.

- i) *Plaintiff Subdivision* means a Subdivision located in California, other than a CA Litigating Special District, that filed a lawsuit, on behalf of the Subdivision and/or through an official of the Subdivision on behalf of the People of the State of California, against one or more Opioid Defendants prior to October 1, 2020.
- j) *Opioid Defendant* means any defendant (including but not limited to Walgreen Co., Teva Pharmaceutical Industries Ltd., Allergan Finance, LLC, Allergan Limited, CVS Health Corporation, CVS Pharmacy, Inc., Walmart Inc., Johnson & Johnson, Janssen Pharmaceuticals, Inc., Purdue Pharma L.P., Cardinal Health, Inc., AmerisourceBergen Corporation, and McKesson Corporation) named in a lawsuit seeking damages, abatement, or other remedies related to or caused by the opioid public health crisis in any lawsuit brought by any state or local government on or before October 1, 2020.

3. General Terms

This agreement is subject to the requirements of the Walgreens Settlement Agreement, as well as applicable law, and the Walgreens Settlement Agreement governs over any inconsistent provision of this CA Walgreens Allocation Agreement. Terms used in this CA Walgreens Allocation Agreement have the same meaning as in the Walgreens Settlement Agreement unless otherwise defined herein.

Pursuant to Section V(D)(1) of the Walgreens Settlement Agreement, (a) all Settlement Fund payments will be used for Opioid Remediation, except as allowed by Section V(B)(2) of the Walgreens Settlement Agreement; and (b) at least seventy percent (70%) of Settlement Fund payment amounts will be used solely for future Opioid Remediation.

4. State Allocation

The Settlement Fund payments to California,¹ pursuant to the Walgreens Settlement Agreement, shall be allocated as follows: 15% to the State Fund; 70% to the Abatement Accounts Fund; and 15% to the Subdivision Fund. For the avoidance of doubt, all funds allocated to California from the Settlement Fund shall be combined pursuant to this CA Walgreens Allocation Agreement, and 15% of that total shall be allocated to the State of California (the “State of California Allocation”), 70% to the California Abatement Accounts Fund (“CA Abatement Accounts Fund”), and 15% to the California Subdivision Fund (“CA Subdivision Fund”).

¹ For purposes of clarity, use of the term “California” refers to the geographic territory of California and the state and its local governments therein. The term “State” or “State of California” refers to the State of California as a governmental unit.



A. State of California Allocation

Fifteen percent of the total Settlement Fund payments will be allocated to the State and used by the State for future Opioid Remediation.

B. CA Abatement Accounts Fund**i. Allocation of CA Abatement Accounts Funds**

- a) Seventy percent of the total Settlement Fund payments will be allocated to the CA Abatement Accounts Fund. The funds in the CA Abatement Accounts Fund will be allocated based on the allocation model developed in connection with the proposed negotiating class in the National Prescription Opiate Litigation (MDL No. 2804), as adjusted to reflect only those cities and counties that are eligible, based on population or litigation status, to become a CA Participating Subdivision. The percentage from the CA Abatement Accounts Fund allocated to each CA Participating Subdivision is set forth in Appendix 1 in the column entitled abatement percentage (the “Local Allocation”). For the avoidance of doubt, CA Litigating Special Districts and California towns, cities, and counties with a population less than 10,000 are not eligible to receive an allocation of CA Abatement Accounts Funds.
- b) A CA Participating Subdivision that is a county, or a city and county, will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision, and will receive payments as provided in the Walgreens Settlement Agreement.
- c) A CA Participating Subdivision that is a city will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision. The Local Allocation share for a city that is a CA Participating Subdivision will be paid to the county in which the city is located, rather than to the city, so long as: (a) the county is a CA Participating Subdivision, and (b) the city has not advised the Settlement Fund Administrator that it requests direct payment at least 60 days prior to a Payment Date. A Local Allocation share allocated to a city but paid to a county is not required to be spent exclusively for abatement activities in that city, but will become part of the county’s share of the CA Abatement Accounts Funds, which will be used in accordance with Section 4.B.ii (Use of CA Abatement Accounts Funds) and reported on in accordance with Section 4.B.iii (CA Abatement Accounts Fund Oversight).
- d) A city within a county that is a CA Participating Subdivision may opt in or out of direct payment at any time, and it may also elect direct payment of only a portion of its share, with the remainder going to the county, by providing notice to the Settlement Fund Administrator at least 60 days prior to a Payment Date. For purposes of this CA Walgreens Allocation Agreement, the Cities of Los Angeles, Oakland, San Diego, San Jose and Eureka will be deemed to have elected direct payment if they become Participating Subdivisions.



- e) The State will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision.
- f) Funds received by a CA Participating Subdivision, and not expended or encumbered within five years of receipt and in accordance with the Walgreens Settlement Agreement and this CA Walgreens Allocation Agreement shall be transferred to the State; provided however, that CA Participating Subdivisions have seven years to expend or encumber CA Abatement Accounts Funds designated to support capital outlay projects before they must be transferred to the State. This provision shall not apply to the Cost Reimbursement Funds, which shall be controlled by Appendix 2.

ii. Use of CA Abatement Accounts Funds

- a) The CA Abatement Accounts Funds will be used for future Opioid Remediation in one or more of the areas described in the List of Opioid Remediation Uses, which is Exhibit E to the Walgreens Settlement Agreement.
- b) In addition to this requirement, no less than 50% of the funds received by a CA Participating Subdivision from the Abatement Accounts Fund in each calendar year will be used for one or more of the following High Impact Abatement Activities:
 - (1) the provision of matching funds or operating costs for substance use disorder facilities within the Behavioral Health Continuum Infrastructure Program;
 - (2) creating new or expanded Substance Use Disorder (“SUD”) treatment infrastructure;
 - (3) addressing the needs of communities of color and vulnerable populations (including sheltered and unsheltered homeless populations) that are disproportionately impacted by SUD;
 - (4) diversion of people with SUD from the justice system into treatment, including by providing training and resources to first and early responders (sworn and non-sworn) and implementing best practices for outreach, diversion and deflection, employability, restorative justice, and harm reduction; and/or
 - (5) interventions to prevent drug addiction in vulnerable youth.
- c) The California Department of Health Care Services (“DHCS”) may add to this list (but not delete from it) by designating additional High Impact Abatement Activities. DHCS will make reasonable efforts to consult with stakeholders, including the CA Participating Subdivisions, before adding additional High Impact Abatement Activities to this list.
- d) For the avoidance of doubt, and subject to the requirements of the Walgreens Settlement Agreement and applicable law, CA Participating Subdivisions may form agreements or



ventures, or otherwise work in collaboration with, federal, state, local, tribal or private sector entities in pursuing Opioid Remediation activities funded from the CA Abatement Accounts Fund. Further, provided that all CA Abatement Accounts Funds are used for Opioid Remediation consistent with the Walgreens Settlement Agreement and this CA Walgreens Allocation Agreement, a county and any cities or towns within the county may agree to reallocate their respective shares of the CA Abatement Accounts Funds among themselves, provided that any direct distribution may only be to a CA Participating Subdivision and any CA Participating Subdivision must agree to their share being reallocated.

iii. CA Abatement Accounts Fund Oversight

- a) Pursuant to Section 5 below, CA Participating Subdivisions receiving settlement funds must prepare and file reports annually regarding the use of those funds. DHCS may regularly review the reports prepared by CA Participating Subdivisions about the use of CA Abatement Accounts Funds for compliance with the Walgreens Settlement Agreement and this CA Walgreens Allocation Agreement.
- b) If DHCS determines that a CA Participating Subdivision's use of CA Abatement Accounts Funds is inconsistent with the Walgreens Settlement Agreement or this CA Walgreens Allocation Agreement, whether through review of reports or information from any other sources, DHCS shall send a request to meet and confer with the CA Participating Subdivision. The parties shall meet and confer in an effort to resolve the concern.
- c) If the parties are unable to reach a resolution, DHCS may conduct an audit of the Subdivision's use of the CA Abatement Accounts Funds within one year of the request to meet and confer, unless the parties mutually agree in writing to extend the meet and confer time frame.
- d) If the concern still cannot be resolved, the State may bring a motion or action in the court where the State has filed its Consent Judgment to resolve the concern or otherwise enforce the requirements of the Walgreens Settlement Agreement or this CA Walgreens Allocation Agreement. However, in no case shall any audit be conducted, or motion be brought, as to a specific expenditure of funds, more than five years after the date on which the expenditure of the funds was reported to DHCS, in accordance with this agreement.
- e) Notwithstanding the foregoing, this Agreement does not limit the statutory or constitutional authority of any state or local agency or official to conduct audits, investigations, or other oversight activities, or to pursue administrative, civil, or criminal enforcement actions.



C. CA Subdivision Fund

- i. Fifteen percent of the total Settlement Fund payments will be allocated to the CA Subdivision Fund. All funds in the CA Subdivision Fund will be allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. The funds will be used, subject to any limits imposed by the Walgreens Settlement Agreement and this CA Walgreens Allocation Agreement, to fund future Opioid Remediation and reimburse past opioid-related expenses, which may include fees and expenses related to litigation, and to pay the reasonable fees and expenses of the Special Master as set forth in Appendix 2.

The CA Subdivision Funds will be allocated as follows:

- a) First, funds in the CA Subdivision Fund shall be used to pay the Special Master's reasonable fees and expenses in accordance with the procedures and limitations set forth in Appendix 2 to this document;
- b) Second, funds will be allocated to Plaintiff Subdivisions that are Initial Participating Subdivisions that have been awarded Costs, as defined by and in accordance with the procedures and limitations set forth in Appendix 2 to this document.
- c) Funds remaining in the CA Subdivision Fund, which shall consist of no less than 50% of the total CA Subdivision Fund received in any year pursuant to Appendix 2, Section 2.c.v, will be distributed to Plaintiff Subdivisions that are Initial Participating Subdivisions, in relative proportion to the Local Allocation. These funds shall be used to fund future opioid-related projects and to reimburse past opioid-related expenses, which may include fees and expenses related to litigation against any Opioid Defendant.

D. Provision for State Back-Stop Agreement

On August 6, 2021, Judge Dan Polster of the U.S. District Court, Northern District of Ohio, Eastern Division, issued an order (ECF Docket Number 3814) ("MDL Fees Order") in the National Prescription Opiate Litigation (MDL No. 2804) "cap[ping] all applicable contingent fee agreements at 15%." Private counsel representing Plaintiff Subdivisions should seek its contingency fees and costs from the Attorney Fee Fund or Cost Funds under the Walgreens Settlement Agreement, and, if applicable, the Teva Settlement Agreement, Allergan Settlement Agreement, CVS Settlement Agreement, Distributor Settlement Agreement, Janssen Settlement Agreement, and Walmart Settlement Agreement.

A Plaintiff Subdivision may separately agree to use its share of the CA Subdivision Fund to pay for fees or costs incurred by its contingency-fee counsel ("State Back-Stop Agreement"), pursuant to Exhibit R, section I(Y), of the Walgreens Settlement Agreement and the MDL Fees Order, so long as such contingency fees do not exceed a total contingency fee of 15% of the total gross recovery of the Plaintiff Subdivision pursuant to the Walgreens Settlement, inclusive of contingency fees from the national Attorney Fee Fund and this State Back-Stop Agreement. Before seeking fees or litigation costs and expenses from a State Back-Stop Agreement, private counsel representing Plaintiff Subdivisions must first seek contingency fees and costs from the Attorney Fee Fund or Cost Funds created under the Walgreens Settlement Agreement. Further,



private counsel may only seek reimbursement for litigation fees and costs that have not previously been reimbursed through prior settlements or judgments.

To effectuate a State Back-Stop Agreement pursuant to this section, an agreement in the form of Appendix 3 may be entered into by a Plaintiff Subdivision, private counsel, and the California Office of the Attorney General. The California Office of the Attorney General shall, upon the request of a Plaintiff Subdivision, execute any agreement executed by a Plaintiff Subdivision and its private counsel if it is in the form of Appendix 3. The California Office of the Attorney General will also consider requests from Plaintiff Subdivisions to execute and enter into agreements presented in other forms.

For the avoidance of doubt, this agreement does not require a Plaintiff Subdivision to request or enter into a State Back-Stop Agreement, and no State Back-Stop Agreement shall impose any duty or obligation on the State of California or any of its agencies or officers, including without limitation the Attorney General.

5. State and Subdivision Reporting

- a) DHCS will prepare an annual written report regarding the State's use of funds from the settlement until those funds are fully expended and for one year thereafter. These reports will be made publicly available on the DHCS web site.
- b) Each CA Participating Subdivision that receives payments of funds from the settlement will prepare written reports at least annually regarding the use of those funds, until those funds are fully expended and for one year thereafter. These reports will also include a certification that all funds that the CA Participating Subdivision has received through the settlement have been used in compliance with the Walgreens Settlement Agreement and this CA Walgreens Allocation Agreement. The report will be in a form reasonably determined by DHCS. Prior to specifying the form of the report DHCS will confer with representatives of the Plaintiff Subdivisions.
- c) The State and all CA Participating Subdivisions receiving CA Abatement Accounts Funds will track all deposits and expenditures. Each such subdivision is responsible solely for the CA Abatement Accounts Funds it receives. A county is not responsible for oversight, reporting, or monitoring of CA Abatement Accounts Funds received by a city within that county that receives direct payment. Unless otherwise exempt, Subdivisions' expenditures and uses of CA Abatement Accounts Funds and other Settlement Funds will be subject to the normal budgetary and expenditure process of the Subdivision.
- d) Each Plaintiff Subdivision receiving CA Subdivision Funds will track all deposits and expenditures, as required by the Walgreens Settlement Agreement and this CA Walgreens Allocation Agreement. Among other things, Plaintiff Subdivisions using monies from the CA Subdivision Fund for purposes that do not qualify as Opioid Remediation must identify and include in their annual report, the amount and how such funds were used, including if used to pay attorneys' fees, investigation costs, or litigation costs. Pursuant to Section V(B)(2) of the Walgreens Settlement Agreement, such information must also be reported to the Settlement Fund Administrator and Walgreens.



- e) In each year in which DHCS prepares an annual report DHCS will also host a meeting to discuss the annual report and the Opioid Remediation activities being carried out by the State and Participating Subdivisions.

6. Miscellaneous

- a) The State or any CA Participating Subdivision may bring a motion or action in the court where the State has filed its Consent Judgment to enforce the requirements of this CA Walgreens Allocation Agreement. Before filing such a motion or action the State will meet and confer with any CA Participating Subdivision that is the subject of the anticipated motion or action, and vice versa.
- b) Except as provided in the Walgreens Settlement Agreement, this CA Walgreens Allocation Agreement is not enforceable by any party other than the State and the CA Participating Subdivisions. It does not confer any rights or remedies upon, and shall not be enforceable by, any third party.
- c) Except as provided in the CA Walgreens Allocation Agreement, if any provision of this agreement or the application thereof to any person, entity, or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this agreement, or the application of such provision to persons, entities, or circumstances other than those as to which it is invalid or unenforceable, will not be affected thereby, and each other provision of this agreement will be valid and enforceable to the fullest extent permitted by law.
- d) Except as provided in the Walgreens Settlement Agreement, this agreement shall be governed by and interpreted in accordance with the laws of California.



The undersigned, Palo Alto city, ACKNOWLEDGES acceptance of this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Walgreens Settlement is a requirement to be an Initial Participating Subdivision in the Walgreens Settlement and ACCEPTS this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Walgreens Settlement. EXECUTED on _____.

Signature: _____

Name: _____

Title: _____

Date: _____





APPENDIX 1

DISCLAIMER: The allocation percentages herein are estimates only and should not be relied on for decisions regarding legal rights, releases, waivers, or other decisions affecting current or potential legal claims. Percentages shown in the Plaintiff Subdivision Percentage column may change pursuant to Section 4.C. of the California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds—Walgreens Settlement, whereas the percentages shown in the Abatement Percentage column should not change. Participating Subdivisions, underlying calculations, and the calculated allocation percentages are subject to change. Regarding the column herein entitled “Abatement Percentage,” pursuant to Section 4.B.e., the State of California will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision. Regarding the column herein entitled “Plaintiff Subdivision Percentage,” payments allocated to a Plaintiff Subdivision, which is not an Initial Participating Subdivision, will be re-allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. Regarding the column herein entitled “Abatement Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the California Abatement Account Funds received, pursuant to Section 4.B. Regarding the column herein entitled “Plaintiff Subdivision Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the California Subdivision Funds received, pursuant to Section 4.C. Regarding the column herein entitled “Weighted Allocation Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the combined and weighted allocation of the Abatement Percentage and the Plaintiff Subdivision Percentage.



APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | 100.000% | | | 100.000% | | |
|--|----------------------------|--------------|----------------------|----------------------------------|--------------------------------|----------------------|----------------------------------|--------------------------------|
| | | | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
| County | Alameda County | Alameda | 2.332% | 2.853% | 2.4237952% | | | |
| City | Alameda | Alameda | 0.069% | | 0.0570162% | | | |
| City | Albany | Alameda | 0.013% | | 0.0107768% | | | |
| City | Berkeley | Alameda | 0.152% | | 0.1249656% | | | |
| City | Dublin | Alameda | 0.033% | 0.040% | 0.0338810% | | | |
| City | Emeryville | Alameda | 0.023% | | 0.0185765% | | | |
| City | Fremont | Alameda | 0.108% | | 0.0888576% | | | |
| City | Hayward | Alameda | 0.117% | | 0.0966218% | | | |
| City | Livermore | Alameda | 0.054% | | 0.0446740% | | | |
| City | Newark | Alameda | 0.026% | | 0.0217626% | | | |
| City | Oakland | Alameda | 0.486% | 0.595% | 0.5055601% | | | |
| City | Piedmont | Alameda | 0.014% | | 0.0114064% | | | |
| City | Pleasanton | Alameda | 0.067% | | 0.0554547% | | | |
| City | San Leandro | Alameda | 0.039% | | 0.0321267% | | | |
| City | Union City | Alameda | 0.043% | | 0.0352484% | | | |
| County | Amador County | Amador | 0.226% | 0.277% | 0.2349885% | | | |
| County | Butte County | Butte | 1.615% | 1.975% | 1.6783178% | | | |
| City | Chico | Butte | 0.216% | 0.264% | 0.2246499% | | | |
| City | Oroville | Butte | 0.079% | | 0.0646595% | | | |
| County | Calaveras County | Calaveras | 0.226% | 0.277% | 0.2351644% | | | |
| County | Colusa County | Colusa | 0.059% | | 0.0489221% | | | |
| County | Contra Costa County | Contra Costa | 2.102% | 2.571% | 2.1844585% | | | |
| City | Antioch | Contra Costa | 0.037% | | 0.0301879% | | | |
| City | Brentwood | Contra Costa | 0.026% | | 0.0215339% | | | |
| City | Clayton | Contra Costa | 0.002% | | 0.0018060% | | | |
| City | Concord | Contra Costa | 0.055% | | 0.0456676% | | | |
| City | Danville | Contra Costa | 0.010% | | 0.0082255% | | | |
| City | El Cerrito | Contra Costa | 0.023% | | 0.0189024% | | | |
| City | Hercules | Contra Costa | 0.010% | | 0.0078273% | | | |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|--------------|----------------------|----------------------------------|--------------------------------|
| City | Lafayette | Contra Costa | 0.006% | | 0.0046030% |
| City | Martinez | Contra Costa | 0.012% | | 0.0098593% |
| City | Moraga | Contra Costa | 0.004% | | 0.0031007% |
| City | Oakley | Contra Costa | 0.010% | | 0.0079416% |
| City | Orinda | Contra Costa | 0.005% | | 0.0038157% |
| City | Pinole | Contra Costa | 0.013% | | 0.0110909% |
| City | Pittsburg | Contra Costa | 0.053% | | 0.0436369% |
| City | Pleasant Hill | Contra Costa | 0.013% | | 0.0106309% |
| City | Richmond | Contra Costa | 0.146% | | 0.1201444% |
| City | San Pablo | Contra Costa | 0.018% | | 0.0148843% |
| City | San Ramon | Contra Costa | 0.021% | | 0.0176459% |
| City | Walnut Creek | Contra Costa | 0.026% | | 0.0212132% |
| County | Del Norte County | Del Norte | 0.114% | 0.140% | 0.1189608% |
| County | El Dorado County | El Dorado | 0.768% | 0.939% | 0.7980034% |
| City | Placerville | El Dorado | 0.015% | | 0.0127642% |
| City | South Lake Tahoe | El Dorado | 0.081% | | 0.0665456% |
| County | Fresno County | Fresno | 1.895% | 2.318% | 1.9693410% |
| City | Clovis | Fresno | 0.065% | | 0.0536211% |
| City | Coalinga | Fresno | 0.012% | | 0.0098554% |
| City | Fresno | Fresno | 0.397% | | 0.3270605% |
| City | Kerman | Fresno | 0.005% | | 0.0042534% |
| City | Kingsburg | Fresno | 0.008% | | 0.0066167% |
| City | Mendota | Fresno | 0.002% | | 0.0019387% |
| City | Orange Cove | Fresno | 0.004% | | 0.0035607% |
| City | Parlier | Fresno | 0.008% | | 0.0069755% |
| City | Reedley | Fresno | 0.012% | | 0.0098804% |
| City | Sanger | Fresno | 0.018% | | 0.0146135% |
| City | Selma | Fresno | 0.015% | | 0.0127537% |
| County | Glenn County | Glenn | 0.107% | 0.131% | 0.1116978% |
| County | Humboldt County | Humboldt | 1.030% | 1.260% | 1.0703185% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|-------------|----------------------|----------------------------------|--------------------------------|
| City | Arcata | Humboldt | 0.054% | | 0.0447660% |
| City | Eureka | Humboldt | 0.117% | 0.143% | 0.1216284% |
| City | Fortuna | Humboldt | 0.032% | | 0.0266837% |
| County | Imperial County | Imperial | 0.258% | 0.315% | 0.2679006% |
| City | Brawley | Imperial | 0.011% | | 0.0087986% |
| City | Calexico | Imperial | 0.019% | | 0.0152799% |
| City | El Centro | Imperial | 0.158% | | 0.1302522% |
| City | Imperial | Imperial | 0.006% | | 0.0048791% |
| County | Inyo County | Inyo | 0.073% | 0.089% | 0.0754413% |
| County | Kern County | Kern | 2.517% | 3.079% | 2.6159145% |
| City | Arvin | Kern | 0.006% | | 0.0046425% |
| City | Bakersfield | Kern | 0.212% | | 0.1747198% |
| City | California City | Kern | 0.009% | | 0.0070820% |
| City | Delano | Kern | 0.030% | | 0.0249316% |
| City | McFarland | Kern | 0.003% | | 0.0025644% |
| City | Ridgecrest | Kern | 0.015% | | 0.0120938% |
| City | Shafter | Kern | 0.013% | | 0.0103417% |
| City | Tehachapi | Kern | 0.009% | | 0.0073580% |
| City | Wasco | Kern | 0.008% | | 0.0069861% |
| County | Kings County | Kings | 0.293% | | 0.2413469% |
| City | Avenal | Kings | 0.007% | | 0.0056335% |
| City | Corcoran | Kings | 0.013% | | 0.0107032% |
| City | Hanford | Kings | 0.027% | | 0.0226038% |
| City | Lemoore | Kings | 0.016% | | 0.0131900% |
| County | Lake County | Lake | 0.795% | | 0.6545389% |
| City | Clearlake | Lake | 0.041% | 0.050% | 0.0426253% |
| City | Lakeport | Lake | 0.021% | 0.026% | 0.022964% |
| County | Lassen County | Lassen | 0.319% | 0.391% | 0.3320610% |
| City | Susanville | Lassen | 0.027% | | 0.0219295% |
| County | Los Angeles County | Los Angeles | 13.896% | 16.999% | 14.4437559% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|-------------|----------------------|----------------------------------|--------------------------------|
| City | Agoura Hills | Los Angeles | 0.005% | | 0.0040024% |
| City | Alhambra | Los Angeles | 0.042% | | 0.0343309% |
| City | Arcadia | Los Angeles | 0.033% | | 0.0267718% |
| City | Artesia | Los Angeles | 0.001% | | 0.0005100% |
| City | Azusa | Los Angeles | 0.026% | | 0.0210857% |
| City | Baldwin Park | Los Angeles | 0.027% | | 0.0218520% |
| City | Bell | Los Angeles | 0.008% | | 0.0068783% |
| City | Bellflower | Los Angeles | 0.002% | | 0.0014485% |
| City | Bell Gardens | Los Angeles | 0.014% | | 0.0114301% |
| City | Beverly Hills | Los Angeles | 0.065% | | 0.0534897% |
| City | Burbank | Los Angeles | 0.100% | | 0.0823132% |
| City | Calabasas | Los Angeles | 0.006% | | 0.0048948% |
| City | Carson | Los Angeles | 0.019% | | 0.0159805% |
| City | Cerritos | Los Angeles | 0.005% | | 0.0039682% |
| City | Claremont | Los Angeles | 0.010% | | 0.0082584% |
| City | Commerce | Los Angeles | 0.000% | | 0.0002971% |
| City | Compton | Los Angeles | 0.044% | | 0.0361882% |
| City | Covina | Los Angeles | 0.028% | | 0.0229127% |
| City | Cudahy | Los Angeles | 0.001% | | 0.0006020% |
| City | Culver City | Los Angeles | 0.055% | | 0.0449894% |
| City | Diamond Bar | Los Angeles | 0.001% | | 0.0006993% |
| City | Downey | Los Angeles | 0.052% | | 0.0429994% |
| City | Duarte | Los Angeles | 0.003% | | 0.0027261% |
| City | El Monte | Los Angeles | 0.031% | 0.038% | 0.0318985% |
| City | El Segundo | Los Angeles | 0.033% | | 0.0268020% |
| City | Gardena | Los Angeles | 0.034% | | 0.0278088% |
| City | Glendale | Los Angeles | 0.166% | | 0.1366586% |
| City | Glendora | Los Angeles | 0.016% | | 0.0134411% |
| City | Hawaiian Gardens | Los Angeles | 0.005% | | 0.0040549% |
| City | Hawthorne | Los Angeles | 0.050% | | 0.0407833% |



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| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|-------------|----------------------|----------------------------------|--------------------------------|
| City | Hermosa Beach | Los Angeles | 0.018% | | 0.0145307% |
| City | Huntington Park | Los Angeles | 0.023% | | 0.0190667% |
| City | Inglewood | Los Angeles | 0.059% | | 0.0489195% |
| City | La Cañada Flintridge | Los Angeles | 0.003% | | 0.0025565% |
| City | Lakewood | Los Angeles | 0.005% | | 0.0039971% |
| City | La Mirada | Los Angeles | 0.010% | | 0.0081572% |
| City | Lancaster | Los Angeles | 0.045% | | 0.0369689% |
| City | La Puente | Los Angeles | 0.002% | | 0.0012999% |
| City | La Verne | Los Angeles | 0.024% | | 0.0194190% |
| City | Lawndale | Los Angeles | 0.002% | | 0.0017731% |
| City | Lomita | Los Angeles | 0.004% | | 0.0031940% |
| City | Long Beach | Los Angeles | 0.439% | | 0.3614151% |
| City | Los Angeles | Los Angeles | 2.715% | 3.321% | 2.8218811% |
| City | Lynwood | Los Angeles | 0.016% | | 0.0134345% |
| City | Malibu | Los Angeles | 0.002% | | 0.0019269% |
| City | Manhattan Beach | Los Angeles | 0.032% | | 0.0260686% |
| City | Maywood | Los Angeles | 0.004% | | 0.0035528% |
| City | Monrovia | Los Angeles | 0.031% | | 0.0254455% |
| City | Montebello | Los Angeles | 0.030% | | 0.0250670% |
| City | Monterey Park | Los Angeles | 0.031% | | 0.0256677% |
| City | Norwalk | Los Angeles | 0.031% | | 0.0258228% |
| City | Palmdale | Los Angeles | 0.046% | | 0.0375827% |
| City | Palos Verdes Estates | Los Angeles | 0.006% | | 0.0053102% |
| City | Paramount | Los Angeles | 0.011% | | 0.0091483% |
| City | Pasadena | Los Angeles | 0.146% | | 0.1200524% |
| City | Pico Rivera | Los Angeles | 0.022% | | 0.0183333% |
| City | Pomona | Los Angeles | 0.111% | | 0.0911933% |
| City | Rancho Palos Verdes | Los Angeles | 0.002% | | 0.0012645% |
| City | Redondo Beach | Los Angeles | 0.062% | | 0.0506992% |
| City | Rosemead | Los Angeles | 0.003% | | 0.0028260% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|-------------|----------------------|----------------------------------|--------------------------------|
| City | San Dimas | Los Angeles | 0.003% | | 0.0022016% |
| City | San Fernando | Los Angeles | 0.013% | | 0.0104837% |
| City | San Gabriel | Los Angeles | 0.018% | | 0.0147726% |
| City | San Marino | Los Angeles | 0.009% | | 0.0073791% |
| City | Santa Clarita | Los Angeles | 0.022% | | 0.0178167% |
| City | Santa Fe Springs | Los Angeles | 0.031% | | 0.0257531% |
| City | Santa Monica | Los Angeles | 0.158% | | 0.1298513% |
| City | Sierra Madre | Los Angeles | 0.006% | | 0.0048646% |
| City | Signal Hill | Los Angeles | 0.010% | | 0.0084884% |
| City | South El Monte | Los Angeles | 0.005% | | 0.0039603% |
| City | South Gate | Los Angeles | 0.020% | | 0.0166272% |
| City | South Pasadena | Los Angeles | 0.012% | | 0.0095334% |
| City | Temple City | Los Angeles | 0.005% | | 0.0039498% |
| City | Torrance | Los Angeles | 0.112% | | 0.0919820% |
| City | Walnut | Los Angeles | 0.006% | | 0.0047305% |
| City | West Covina | Los Angeles | 0.049% | | 0.0404521% |
| City | West Hollywood | Los Angeles | 0.013% | | 0.0108517% |
| City | Whittier | Los Angeles | 0.032% | | 0.0260581% |
| County | Madera County | Madera | 0.349% | 0.427% | 0.3630669% |
| City | Chowchilla | Madera | 0.012% | | 0.0097332% |
| City | Madera | Madera | 0.039% | | 0.0318441% |
| County | Marin County | Marin | 0.564% | 0.690% | 0.5861325% |
| City | Larkspur | Marin | 0.015% | | 0.0124697% |
| City | Mill Valley | Marin | 0.020% | | 0.0168401% |
| City | Novato | Marin | 0.028% | | 0.0229824% |
| City | San Anselmo | Marin | 0.009% | | 0.0078062% |
| City | San Rafael | Marin | 0.089% | | 0.0729823% |
| County | Mariposa County | Mariposa | 0.084% | 0.103% | 0.0876131% |
| County | Mendocino County | Mendocino | 0.439% | 0.536% | 0.4558394% |
| City | Ukiah | Mendocino | 0.039% | | 0.0317153% |



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| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|----------|----------------------|----------------------------------|--------------------------------|
| County | Merced County | Merced | 0.551% | 0.674% | 0.5724262% |
| City | Atwater | Merced | 0.024% | | 0.0195846% |
| City | Livingston | Merced | 0.006% | | 0.0045873% |
| City | Los Banos | Merced | 0.020% | | 0.0165142% |
| City | Merced | Merced | 0.061% | | 0.0500762% |
| County | Modoc County | Modoc | 0.065% | 0.080% | 0.0678250% |
| County | Mono County | Mono | 0.023% | 0.029% | 0.0242606% |
| County | Monterey County | Monterey | 0.908% | 1.111% | 0.9437083% |
| City | Greenfield | Monterey | 0.006% | | 0.0050552% |
| City | King City | Monterey | 0.005% | | 0.0037355% |
| City | Marina | Monterey | 0.017% | | 0.0144098% |
| City | Monterey | Monterey | 0.041% | | 0.0336540% |
| City | Pacific Grove | Monterey | 0.009% | | 0.0074842% |
| City | Salinas | Monterey | 0.094% | | 0.0776576% |
| City | Seaside | Monterey | 0.023% | | 0.0191772% |
| City | Soledad | Monterey | 0.007% | | 0.0060870% |
| County | Napa County | Napa | 0.288% | 0.352% | 0.2994325% |
| City | American Canyon | Napa | 0.017% | | 0.0136869% |
| City | Napa | Napa | 0.078% | | 0.0642783% |
| County | Nevada County | Nevada | 0.441% | 0.539% | 0.4579827% |
| City | Grass Valley | Nevada | 0.024% | | 0.0197805% |
| City | Truckee | Nevada | 0.003% | | 0.0023843% |
| County | Orange County | Orange | 4.364% | 5.339% | 4.5363576% |
| City | Aliso Viejo | Orange | 0.014% | | 0.0113841% |
| City | Anaheim | Orange | 0.554% | 0.678% | 0.5759282% |
| City | Brea | Orange | 0.086% | | 0.0708897% |
| City | Buena Park | Orange | 0.087% | | 0.0714352% |
| City | Costa Mesa | Orange | 0.124% | 0.152% | 0.1288366% |
| City | Cypress | Orange | 0.033% | | 0.0271937% |
| City | Dana Point | Orange | 0.001% | | 0.0005560% |

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| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|--------|----------------------|----------------------------------|--------------------------------|
| City | Fountain Valley | Orange | 0.055% | | 0.0455980% |
| City | Fullerton | Orange | 0.137% | 0.168% | 0.1425744% |
| City | Garden Grove | Orange | 0.213% | | 0.1752482% |
| City | Huntington Beach | Orange | 0.247% | 0.302% | 0.2568420% |
| City | Irvine | Orange | 0.139% | 0.170% | 0.1442350% |
| City | Laguna Beach | Orange | 0.047% | 0.058% | 0.0493043% |
| City | Laguna Hills | Orange | 0.014% | | 0.0115457% |
| City | Laguna Niguel | Orange | 0.001% | | 0.0007071% |
| City | Laguna Woods | Orange | 0.001% | | 0.0006546% |
| City | La Habra | Orange | 0.060% | 0.073% | 0.0621049% |
| City | Lake Forest | Orange | 0.012% | | 0.0101249% |
| City | La Palma | Orange | 0.012% | | 0.0095439% |
| City | Los Alamitos | Orange | 0.008% | | 0.0069190% |
| City | Mission Viejo | Orange | 0.014% | | 0.0117560% |
| City | Newport Beach | Orange | 0.179% | | 0.1470134% |
| City | Orange | Orange | 0.150% | | 0.1231320% |
| City | Placentia | Orange | 0.029% | 0.035% | 0.0298912% |
| City | Rancho Santa Margarita | Orange | 0.001% | | 0.0006296% |
| City | San Clemente | Orange | 0.008% | 0.010% | 0.0086083% |
| City | San Juan Capistrano | Orange | 0.008% | | 0.0065510% |
| City | Santa Ana | Orange | 0.502% | 0.614% | 0.5213866% |
| City | Seal Beach | Orange | 0.020% | | 0.0165891% |
| City | Stanton | Orange | 0.035% | | 0.0291955% |
| City | Tustin | Orange | 0.073% | | 0.0600341% |
| City | Westminster | Orange | 0.104% | 0.127% | 0.1082721% |
| City | Yorba Linda | Orange | 0.044% | | 0.0362223% |
| County | Placer County | Placer | 1.045% | 1.278% | 1.0861002% |
| City | Auburn | Placer | 0.017% | | 0.0141114% |
| City | Lincoln | Placer | 0.031% | | 0.0255599% |
| City | Rocklin | Placer | 0.076% | | 0.0625485% |





APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|------------|----------------------|----------------------------------|--------------------------------|
| City | Roseville | Placer | 0.196% | | 0.1616559% |
| County | Plumas County | Plumas | 0.205% | 0.251% | 0.2128729% |
| County | Riverside County | Riverside | 4.534% | 5.547% | 4.7128296% |
| City | Banning | Riverside | 0.017% | | 0.0143848% |
| City | Beaumont | Riverside | 0.021% | | 0.0171135% |
| City | Blythe | Riverside | 0.012% | | 0.0096714% |
| City | Canyon Lake | Riverside | 0.000% | | 0.0001761% |
| City | Cathedral City | Riverside | 0.067% | | 0.0553614% |
| City | Coachella | Riverside | 0.021% | | 0.0173054% |
| City | Corona | Riverside | 0.147% | | 0.1207083% |
| City | Desert Hot Springs | Riverside | 0.024% | | 0.0200433% |
| City | Eastvale | Riverside | 0.000% | | 0.0002747% |
| City | Hemet | Riverside | 0.051% | | 0.0421792% |
| City | Indio | Riverside | 0.056% | | 0.0457794% |
| City | Jurupa Valley | Riverside | 0.001% | | 0.0008991% |
| City | Lake Elsinore | Riverside | 0.021% | | 0.0172949% |
| City | La Quinta | Riverside | 0.063% | | 0.0516732% |
| City | Menifee | Riverside | 0.032% | | 0.0260909% |
| City | Moreno Valley | Riverside | 0.137% | | 0.1130348% |
| City | Murrieta | Riverside | 0.048% | 0.059% | 0.0497423% |
| City | Norco | Riverside | 0.016% | | 0.0134542% |
| City | Palm Desert | Riverside | 0.083% | | 0.0682465% |
| City | Palm Springs | Riverside | 0.076% | | 0.0629862% |
| City | Perris | Riverside | 0.009% | | 0.0076774% |
| City | Rancho Mirage | Riverside | 0.052% | | 0.0431098% |
| City | Riverside | Riverside | 0.268% | | 0.2206279% |
| City | San Jacinto | Riverside | 0.010% | | 0.0085936% |
| City | Temecula | Riverside | 0.022% | | 0.0180086% |
| City | Wildomar | Riverside | 0.008% | | 0.0062500% |
| County | Sacramento County | Sacramento | 3.797% | 4.645% | 3.9465887% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|------------------------------|----------------|----------------------|----------------------------------|--------------------------------|
| City | Citrus Heights | Sacramento | 0.057% | | 0.0465312% |
| City | Elk Grove | Sacramento | 0.130% | | 0.1066994% |
| City | Folsom | Sacramento | 0.108% | | 0.0890850% |
| City | Galt | Sacramento | 0.017% | | 0.0143704% |
| City | Rancho Cordova | Sacramento | 0.008% | | 0.0067679% |
| City | Sacramento | Sacramento | 0.721% | 0.882% | 0.7496530% |
| County | San Benito County | San Benito | 0.106% | 0.130% | 0.1101417% |
| City | Hollister | San Benito | 0.027% | | 0.0225355% |
| County | San Bernardino County | San Bernardino | 3.259% | 3.987% | 3.3878124% |
| City | Adelanto | San Bernardino | 0.008% | | 0.0066640% |
| City | Apple Valley | San Bernardino | 0.025% | | 0.0207360% |
| City | Barstow | San Bernardino | 0.015% | | 0.0122056% |
| City | Chino | San Bernardino | 0.064% | | 0.0525893% |
| City | Chino Hills | San Bernardino | 0.001% | | 0.0006388% |
| City | Colton | San Bernardino | 0.031% | | 0.0253443% |
| City | Fontana | San Bernardino | 0.112% | | 0.0920543% |
| City | Grand Terrace | San Bernardino | 0.006% | | 0.0051051% |
| City | Hesperia | San Bernardino | 0.035% | | 0.0291522% |
| City | Highland | San Bernardino | 0.004% | | 0.0029061% |
| City | Loma Linda | San Bernardino | 0.009% | | 0.0071188% |
| City | Montclair | San Bernardino | 0.039% | | 0.0322108% |
| City | Ontario | San Bernardino | 0.179% | | 0.1472934% |
| City | Rancho Cucamonga | San Bernardino | 0.084% | | 0.0689431% |
| City | Redlands | San Bernardino | 0.057% | | 0.0469150% |
| City | Rialto | San Bernardino | 0.073% | | 0.0603206% |
| City | San Bernardino | San Bernardino | 0.178% | | 0.1461880% |
| City | Twentynine Palms | San Bernardino | 0.002% | | 0.0012605% |
| City | Upland | San Bernardino | 0.052% | | 0.0424460% |
| City | Victorville | San Bernardino | 0.033% | | 0.0269400% |
| City | Yucaipa | San Bernardino | 0.016% | | 0.0128772% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|-------------------------------|-----------------|----------------------|----------------------------------|--------------------------------|
| City | Yucca Valley | San Bernardino | 0.003% | | 0.0021228% |
| County | San Diego County | San Diego | 5.706% | 6.980% | 5.9309748% |
| City | Carlsbad | San Diego | 0.128% | | 0.1050485% |
| City | Chula Vista | San Diego | 0.189% | 0.231% | 0.1961456% |
| City | Coronado | San Diego | 0.044% | | 0.0359095% |
| City | El Cajon | San Diego | 0.113% | | 0.0933582% |
| City | Encinitas | San Diego | 0.061% | 0.074% | 0.0630289% |
| City | Escondido | San Diego | 0.145% | | 0.1192204% |
| City | Imperial Beach | San Diego | 0.014% | | 0.0118283% |
| City | La Mesa | San Diego | 0.055% | 0.068% | 0.0575593% |
| City | Lemon Grove | San Diego | 0.022% | | 0.0183911% |
| City | National City | San Diego | 0.080% | | 0.0656808% |
| City | Oceanside | San Diego | 0.213% | | 0.1753428% |
| City | Poway | San Diego | 0.062% | | 0.0511040% |
| City | San Diego | San Diego | 1.975% | 2.416% | 2.0531169% |
| City | San Marcos | San Diego | 0.089% | | 0.0733897% |
| City | Santee | San Diego | 0.033% | | 0.0268401% |
| City | Solana Beach | San Diego | 0.017% | | 0.0138564% |
| City | Vista | San Diego | 0.052% | | 0.0425144% |
| Consolidated | San Francisco | San Francisco | 3.026% | 3.702% | 3.1457169% |
| County | San Joaquin County | San Joaquin | 1.680% | 2.055% | 1.7460399% |
| City | Lathrop | San Joaquin | 0.009% | | 0.0075394% |
| City | Lodi | San Joaquin | 0.053% | | 0.0439484% |
| City | Manteca | San Joaquin | 0.054% | | 0.0443454% |
| City | Ripon | San Joaquin | 0.013% | | 0.0104219% |
| City | Stockton | San Joaquin | 0.313% | 0.383% | 0.3256176% |
| City | Tracy | San Joaquin | 0.084% | | 0.0692047% |
| County | San Luis Obispo County | San Luis Obispo | 0.816% | 0.999% | 0.8484126% |
| City | Arroyo Grande | San Luis Obispo | 0.024% | | 0.0199053% |
| City | Atascadero | San Luis Obispo | 0.029% | | 0.0240680% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------------|-----------------|----------------------|----------------------------------|--------------------------------|
| City | El Paso de Robles (Paso Robles) | San Luis Obispo | 0.043% | | 0.0353456% |
| City | Grover Beach | San Luis Obispo | 0.017% | | 0.0137881% |
| City | Morro Bay | San Luis Obispo | 0.020% | | 0.0160922% |
| City | San Luis Obispo | San Luis Obispo | 0.077% | | 0.0637841% |
| County | San Mateo County | San Mateo | 1.074% | 1.313% | 1.1159599% |
| City | Belmont | San Mateo | 0.021% | | 0.0169860% |
| City | Burlingame | San Mateo | 0.019% | | 0.0152537% |
| City | Daly City | San Mateo | 0.044% | | 0.0363880% |
| City | East Palo Alto | San Mateo | 0.013% | | 0.0103982% |
| City | Foster City | San Mateo | 0.020% | | 0.0166101% |
| City | Half Moon Bay | San Mateo | 0.004% | | 0.0031638% |
| City | Hillsborough | San Mateo | 0.013% | | 0.0110029% |
| City | Menlo Park | San Mateo | 0.015% | | 0.0126209% |
| City | Millbrae | San Mateo | 0.013% | | 0.0105836% |
| City | Pacifica | San Mateo | 0.016% | | 0.0130625% |
| City | Redwood City | San Mateo | 0.056% | | 0.0463511% |
| City | San Bruno | San Mateo | 0.021% | | 0.0172161% |
| City | San Carlos | San Mateo | 0.013% | | 0.0108885% |
| City | San Mateo | San Mateo | 0.052% | | 0.0425841% |
| City | South San Francisco | San Mateo | 0.043% | | 0.0353943% |
| County | Santa Barbara County | Santa Barbara | 1.132% | 1.385% | 1.1768968% |
| City | Carpinteria | Santa Barbara | 0.001% | | 0.0008938% |
| City | Goleta | Santa Barbara | 0.004% | | 0.0028969% |
| City | Lompoc | Santa Barbara | 0.047% | | 0.0389379% |
| City | Santa Barbara | Santa Barbara | 0.122% | | 0.1004559% |
| City | Santa Maria | Santa Barbara | 0.058% | | 0.0479179% |
| County | Santa Clara County | Santa Clara | 2.404% | 2.941% | 2.4987553% |
| City | Campbell | Santa Clara | 0.014% | | 0.0112566% |
| City | Cupertino | Santa Clara | 0.008% | | 0.0066824% |
| City | Gilroy | Santa Clara | 0.025% | | 0.0202891% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|-------------|----------------------|----------------------------------|--------------------------------|
| City | Los Altos | Santa Clara | 0.013% | | 0.0103338% |
| City | Los Gatos | Santa Clara | 0.013% | | 0.0103220% |
| City | Milpitas | Santa Clara | 0.036% | | 0.0298120% |
| City | Morgan Hill | Santa Clara | 0.015% | | 0.0124619% |
| City | Mountain View | Santa Clara | 0.041% | | 0.0334608% |
| City | Palo Alto | Santa Clara | 0.039% | | 0.0323080% |
| City | San Jose | Santa Clara | 0.294% | 0.360% | 0.3054960% |
| City | Santa Clara | Santa Clara | 0.067% | | 0.0549723% |
| City | Saratoga | Santa Clara | 0.004% | | 0.0034161% |
| City | Sunnyvale | Santa Clara | 0.053% | | 0.0434069% |
| County | Santa Cruz County | Santa Cruz | 0.783% | 0.957% | 0.8135396% |
| City | Capitola | Santa Cruz | 0.020% | | 0.0168191% |
| City | Santa Cruz | Santa Cruz | 0.143% | | 0.1180348% |
| City | Scotts Valley | Santa Cruz | 0.015% | | 0.0126525% |
| City | Watsonville | Santa Cruz | 0.063% | | 0.0520136% |
| County | Shasta County | Shasta | 1.095% | 1.339% | 1.1380191% |
| City | Anderson | Shasta | 0.024% | | 0.0198896% |
| City | Redding | Shasta | 0.284% | | 0.2334841% |
| City | Shasta Lake | Shasta | 0.004% | | 0.0031993% |
| County | Siskiyou County | Siskiyou | 0.228% | 0.279% | 0.2373393% |
| County | Solano County | Solano | 0.760% | | 0.6260795% |
| City | Benicia | Solano | 0.031% | | 0.0253903% |
| City | Dixon | Solano | 0.016% | | 0.0130849% |
| City | Fairfield | Solano | 0.109% | | 0.0897317% |
| City | Suisun City | Solano | 0.021% | | 0.0176183% |
| City | Vacaville | Solano | 0.119% | | 0.0976497% |
| City | Vallejo | Solano | 0.167% | | 0.1373644% |
| County | Sonoma County | Sonoma | 1.218% | 1.490% | 1.2661290% |
| City | Healdsburg | Sonoma | 0.032% | | 0.0266929% |
| City | Petaluma | Sonoma | 0.081% | | 0.0667507% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|------------|----------------------|----------------------------------|--------------------------------|
| City | Rohnert Park | Sonoma | 0.041% | | 0.0340759% |
| City | Santa Rosa | Sonoma | 0.184% | | 0.1519070% |
| City | Sonoma | Sonoma | 0.022% | | 0.0183438% |
| City | Windsor | Sonoma | 0.016% | | 0.0129298% |
| County | Stanislaus County | Stanislaus | 1.722% | | 1.4182273% |
| City | Ceres | Stanislaus | 0.041% | | 0.0340260% |
| City | Modesto | Stanislaus | 0.217% | | 0.1788759% |
| City | Newman | Stanislaus | 0.006% | | 0.0046964% |
| City | Oakdale | Stanislaus | 0.018% | | 0.0145531% |
| City | Patterson | Stanislaus | 0.015% | | 0.0126590% |
| City | Riverbank | Stanislaus | 0.010% | | 0.0085699% |
| City | Turlock | Stanislaus | 0.065% | | 0.0531966% |
| County | Sutter County | Sutter | 0.306% | 0.374% | 0.3179548% |
| City | Yuba City | Sutter | 0.074% | | 0.0606242% |
| County | Tehama County | Tehama | 0.213% | 0.261% | 0.2216654% |
| City | Red Bluff | Tehama | 0.014% | | 0.0117771% |
| County | Trinity County | Trinity | 0.082% | 0.101% | 0.0855476% |
| County | Tulare County | Tulare | 0.809% | 0.990% | 0.8410949% |
| City | Dimuba | Tulare | 0.014% | | 0.0116929% |
| City | Exeter | Tulare | 0.004% | | 0.0032479% |
| City | Farmersville | Tulare | 0.003% | | 0.0027879% |
| City | Lindsay | Tulare | 0.007% | | 0.0057111% |
| City | Porterville | Tulare | 0.021% | | 0.0171845% |
| City | Tulare | Tulare | 0.037% | | 0.0302273% |
| City | Visalia | Tulare | 0.066% | | 0.0545872% |
| County | Tuolumne County | Tuolumne | 0.486% | 0.594% | 0.5047621% |
| County | Ventura County | Ventura | 2.192% | 2.681% | 2.2781201% |
| City | Camarillo | Ventura | 0.002% | | 0.0012815% |
| City | Fillmore | Ventura | 0.002% | | 0.0020294% |
| City | Moorpark | Ventura | 0.008% | | 0.0067337% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|----------------------------|---------|----------------------|----------------------------------|--------------------------------|
| City | Oxnard | Ventura | 0.156% | 0.190% | 0.1617338% |
| City | Port Hueneme | Ventura | 0.021% | | 0.0174145% |
| City | San Buenaventura (Ventura) | Ventura | 0.085% | | 0.0702181% |
| City | Santa Paula | Ventura | 0.014% | | 0.0119072% |
| City | Simi Valley | Ventura | 0.065% | | 0.0533043% |
| City | Thousand Oaks | Ventura | 0.022% | | 0.0179902% |
| County | Yolo County | Yolo | 0.357% | 0.437% | 0.3713319% |
| City | Davis | Yolo | 0.055% | | 0.0451747% |
| City | West Sacramento | Yolo | 0.066% | | 0.0544321% |
| City | Woodland | Yolo | 0.058% | | 0.0477904% |
| County | Yuba County | Yuba | 0.214% | 0.262% | 0.2225679% |
| City | Marysville | Yuba | 0.014% | | 0.0112079% |

APPENDIX 2

Cost Reimbursement Procedure

1. Additional defined terms:

- a) *Costs* means the reasonable amounts paid for the attorney and other City Attorney and County Counsel staff time for individuals employed by a Plaintiff Subdivision at the contractual rate, inclusive of benefits and overhead, together with amounts paid for court reporters, experts, copying, electronic research, travel, vendors, and the like, which were not previously reimbursed and which were paid or incurred (i) prior to December 31, 2022 in litigation against any Opioid Defendant and/or (ii) in negotiating and drafting any CA Allocation Agreement(s) concerning a settlement with any Opioid Defendant(s). *Costs* does not include attorneys' fees, costs, or expenses incurred by private contingency fee counsel. No part of the CA Abatement Accounts Fund will be used to reimburse Costs.
- b) *First Claims Date* means October 1, 2023 or when all applications for reimbursement of Costs, in whole or in part, from funds available under Section IX and Exhibit R of the Walgreens Settlement Agreement, Section XIV and Exhibit R of the Teva Settlement Agreement, Section XIII and Exhibit R of the Allergan Settlement Agreement, Section X and Exhibit R of the Distributor Settlement Agreement, Section XI and Exhibit R of the Janssen Settlement Agreement, Section X and Exhibit R of the CVS Settlement Agreement, or Section IX and Exhibit R of the Walmart Settlement Agreement, have been finally determined under the provisions of those agreements, whichever comes first.
- c) *Special Master* means a retired judicial officer or former public lawyer, not presently employed or retained by a Plaintiff Subdivision, who will aggregate, review, and determine the reasonable Costs to be awarded to each Plaintiff Subdivision that submits a claim for reimbursement of Costs. The Special Master will be selected by a majority vote of the votes cast by Plaintiff Subdivisions, with each such subdivision having one vote.
- d) *Plaintiff Subdivision Committee* means the committee of Plaintiff Subdivisions that will review and approve the invoices submitted by the Special Master reflecting his or her reasonable time and expenses.

2. Cost Reimbursement to Plaintiff Subdivision

- a) Purpose. Substantial resources have been expended to hold Opioid Defendants accountable for creating and profiting from the opioid crisis, and this effort has been a significant catalyst in creating National Opioid Settlements with various manufacturers, distributors, and chain pharmacies.
- b) Claims Procedure.
 - i. If a Plaintiff Subdivision is eligible to seek reimbursement of Costs, in whole or in part, from funds available under Section IX and Exhibit R of the Walgreens



EXHIBIT 3

Settlement Agreement, Section XIV and Exhibit R of the Teva Settlement Agreement, Section XIII and Exhibit R of the Allergan Settlement Agreement, Section X and Exhibit R of the CVS Settlement Agreement, Section IX and Exhibit R of the Walmart Settlement Agreement, Section X or Exhibit R of the Distributor Settlement Agreement, or Section XI or Exhibit R of the Janssen Settlement Agreement, it must first make a timely application for reimbursement from such funds. To allow sufficient time for determination of those applications, no claim for Costs to the CA Subdivision Fund under this Agreement may be made before the First Claims Date.

- ii. A Plaintiff Subdivision that wishes to be reimbursed from the CA Subdivision Fund must submit a claim to the Special Master no later than forty-five (45) days after the First Claims Date. The Special Master will then compile and redistribute the aggregated claim totals for each Plaintiff Subdivision via email to representatives of all the Plaintiff Subdivisions. A claim for attorney and staff time must list, for each attorney or staff member included in the claim, the following information: name, title, total hours claimed, hourly rate (including, if sought, benefits and share of overhead), and narrative summarizing the general nature of the work performed by the attorney or staff member. For reimbursement of “hard” costs, the subdivision may aggregate across a category (e.g., total for travel costs). It is the intention of the Plaintiff Subdivisions that submission of documents related to reimbursement of Costs does not waive any attorney-client privilege or exemptions to the California Public Records Act.
- iii. The Special Master may request, at his or her sole option, additional documents or details to assist in the final award of Costs.
- iv. The Special Master will review claims for reasonableness and will notify each Plaintiff Subdivision of the final determination of its claim, and will provide a list of all final awards to all Plaintiff Subdivisions by email or, upon request, via First Class U.S. Mail. Any Plaintiff Subdivision may ask the Special Master to reconsider any final award within twenty-one (21) days. The Special Master will make a final determination on any such reconsideration request within thirty (30) days of receipt.
- v. Any decision of the Special Master is final and binding, and will be considered under the California Arbitration Act, Code of Civil Procedure section 1280 et seq. as a final arbitration award. Nothing in this agreement is intended to expand the scope of judicial review of the final award for errors of fact or law, and the Parties agree that they may only seek to vacate the award if clear and convincing evidence demonstrates one of the factors set forth in Code of Civil Procedure, section 1286.2, subdivision (a). Plaintiff Subdivisions will have fourteen (14) days after all final awards are made, together with any final determination of a request for



reconsideration, to seek review in the Superior Court of California, pursuant to Code of Civil Procedure, section 1285, where the State has filed its Consent Judgment.

- vi. The Special Master will prepare a report of Costs that includes his or her fees and expenses at least ninety (90) days before the Payment Date for each Annual Payment. The Special Master's preparation of a report of Costs does not discharge a Plaintiff Subdivision's reporting requirement under Section V(B)(2) of the Walgreens Settlement Agreement.
- vii. A member of the Plaintiff Subdivision Committee, which is a CA Participating Subdivision, will submit to the Settlement Fund Administrator and Walgreens a report of the fees and expenses incurred by the Special Master pursuant to Section V(B)(2) of the Walgreens Settlement Agreement.

c) Claims Priority and Limitation.

- i. The Special Master will submit invoices for compensation of reasonable fees and expenses to the Plaintiff Subdivision Committee no later than ninety (90) days prior to the Payment Date for each Annual Payment. The Plaintiff Subdivision Committee will promptly review and, if reasonable, approve the Special Master's invoice for compensation. The Plaintiff Subdivision Committee will submit approved invoices to the Settlement Fund Administrator for payment. The Special Master's approved invoices have priority and will be paid first from the CA Subdivision Fund before any award of Costs, subject to the limitation in Section 2.c.v below.
- ii. Final Awards of Costs that do not exceed seventy-five thousand dollars (\$75,000.00) will be paid next in priority after the Special Master's approved invoices.
- iii. Final Awards of Costs in excess of seventy-five thousand dollars (\$75,000.00) will be paid proportionally from the funds remaining in that year's Annual Payment.
- iv. Any claim for Costs that is not paid in full will be allocated against the next year's distribution from the CA Subdivision Fund, until all approved claims for Costs are paid in full.
- v. In no event will more than 50% of the total CA Subdivision Fund received in any year be used to pay Costs or the Special Master's approved invoices.
- vi. In no event shall more than \$28 million of the total CA Subdivision Funds paid pursuant to the Walgreens Settlement Agreement, Teva Settlement Agreement, Allergan Settlement Agreement, Distributor Settlement Agreement, CVS Settlement Agreement, Janssen Settlement Agreement, and the Walmart Settlement Agreement be used to pay Costs.



d) Collateral Source Payments and Third-Party Settlement.

- i. In the event a Plaintiff Subdivision is awarded compensation, in whole or in part, by any source of funds created as a result of litigation against an Opioid Defendant for its reasonable Costs, it will reduce its claim for Costs from the CA Subdivision Fund by that amount. If a Plaintiff Subdivision has already received a final award of Costs from the CA Subdivision Fund, it will repay the fund up to the prior award of Costs via a payment to the Settlement Fund Administrator or notify the Settlement Fund Administrator that its allocation from the next and subsequent Annual Payments should be reduced accordingly. If the Plaintiff Subdivision is repaying any prior award of Costs, that repayment will occur as soon as is feasible after the Plaintiff Subdivision's receipt of Cost funds from the collateral source, but no more than 90 days after its receipt from the collateral source. The Settlement Fund Administrator will add any repaid Costs to the CA Subdivision Fund. Any Plaintiff Subdivision that has submitted for reimbursement to any national fund and has not received a final determination by the First Claims Date may request that the settlement administrator withhold some or all of its payment from the CA Subdivision Fund in order to avoid repayment.

- ii. In the event a Plaintiff Subdivision reaches a monetary settlement or compromise against any Opioid Defendant outside of the National Opioid Settlement, the monetary portion of such settlement, net of fees paid to outside contingency fee counsel and of funds earmarked strictly for abatement, will be credited against its Costs and the subdivision will be ineligible to recover those credited Costs from the CA Subdivision Fund. Plaintiff Subdivisions negotiating monetary settlements or compromises against any Opioid Defendant outside of the National Opioid Settlement will negotiate for funds to repay any Costs it previously received from the CA Subdivision Fund or for Costs it otherwise might be eligible to claim from the CA Subdivision Fund. If such a settlement is paid after all final approved claims for Costs by all Plaintiff Subdivisions are satisfied in full, the settling subdivision will reimburse the CA Subdivision Fund in that amount by making payment to the Settlement Fund Administrator to add to the CA Subdivision Fund in a manner consistent with the repayments described in section 2.d.i above.



APPENDIX 3

CALIFORNIA-SUBDIVISION BACKSTOP AGREEMENT

On August 6, 2021, Judge Polster of the US District Court for the Northern District of Ohio issued an Order (the Order), docket number 3814, in In Re National Prescription Opiate Litigation, MDL 2804, addressing contingent attorney fee contracts between political subdivisions eligible to participate in the Walgreens Settlement and their counsel.

In light of the Order, and at the request of [SUBDIVISION], the [SUBDIVISION], its counsel [COUNSEL], and the California Attorney General, on behalf of the State of California, are entering into this California-Subdivision Backstop Agreement (Backstop Agreement).

[SUBDIVISION] and [COUNSEL] intend this Backstop Agreement to constitute a State Back-Stop Agreement as that term is used in the Order and in Exhibit R (Agreement on Attorneys’ Fees, Costs, and Expenses) of the Walgreens Settlement Agreement.

Pursuant to this Backstop Agreement, [SUBDIVISION] may, subject to the limitations of the Walgreens Settlement Agreement and CA Walgreens Allocation Agreement, as well as any other limitations imposed by law, use funds that it receives from the Walgreens Settlement CA Subdivision Fund to pay a contingent fee to [COUNSEL]. Any such payment from [SUBDIVISION] to [COUNSEL], together with any contingency fees that [COUNSEL] may receive from the national Attorney Fee Fund, will not exceed a total contingency fee of [PERCENTAGE NOT TO EXCEED 15%] of the total gross recovery of [SUBDIVISION] from the Walgreens Settlement.

[COUNSEL] certify that they first sought fees and costs from the Attorney Fee Fund created under the Walgreens Settlement Agreement before seeking or accepting payment under this backstop agreement. [COUNSEL] further certify that they are not seeking and will not accept payment under this backstop agreement of any litigation fees or costs that have been reimbursed through prior settlements or judgments.

The Attorney General is executing this agreement solely because the definition of “State Back-Stop Agreement” in Exhibit R of the Walgreens Settlement Agreement requires such agreements to be between “a Settling State” and private counsel for a participating subdivision. Neither the California Attorney General nor the State of California have any obligations under this Backstop Agreement, and this Backstop Agreement does not require the payment of any state funds to [SUBDIVISION], [COUNSEL], or any other party.

[DATE]

[SUBDIVISION SIGNATURE BLOCK]

[DATE]

[COUNSEL SIGNATURE BLOCK]

[DATE]

[ATTORNEY GENERAL SIGNATURE BLOCK]



EXHIBIT K

Subdivision Participation and Release Form

Will your subdivision or special district be signing the settlement participation form for the CVS Settlement at this time?

Yes No

| | |
|-------------------------------------|-----------|
| Governmental Entity: Palo Alto city | State: CA |
| Authorized Signatory: | |
| Address 1: | |
| Address 2: | |
| City, State, Zip: | |
| Phone: | |
| Email: | |

The governmental entity identified above (“*Governmental Entity*”), in order to obtain and in consideration for the benefits provided to the Governmental Entity pursuant to the Settlement Agreement dated December 9, 2022 (“*CVS Settlement*”), and acting through the undersigned authorized official, hereby elects to participate in the CVS Settlement, release all Released Claims against all Released Entities, and agrees as follows.

1. The Governmental Entity is aware of and has reviewed the CVS Settlement, understands that all terms in this Participation and Release Form have the meanings defined therein, and agrees that by executing this Participation and Release Form, the Governmental Entity elects to participate in the CVS Settlement and become a Participating Subdivision as provided therein.
2. The Governmental Entity shall promptly, and in any event no later than 14 days after the Reference Date and prior to the filing of the Consent Judgment, dismiss with prejudice any Released Claims that it has filed. With respect to any Released Claims pending in *In re National Prescription Opiate Litigation*, MDL No. 2804, the Governmental Entity authorizes the Plaintiffs’ Executive Committee to execute and file on behalf of the Governmental Entity a Stipulation of Dismissal with Prejudice substantially in the form found at <https://nationalopiodsettlement.com>.
3. The Governmental Entity agrees to the terms of the CVS Settlement pertaining to Participating Subdivisions as defined therein.
4. By agreeing to the terms of the CVS Settlement and becoming a Releasor, the Governmental Entity is entitled to the benefits provided therein, including, if applicable, monetary payments beginning after the Effective Date.
5. The Governmental Entity agrees to use any monies it receives through the CVS Settlement solely for the purposes provided therein.



EXHIBIT 4

6. The Governmental Entity submits to the jurisdiction of the court in the Governmental Entity's state where the Consent Judgment is filed for purposes limited to that court's role as provided in, and for resolving disputes to the extent provided in, the CVS Settlement. The Governmental Entity likewise agrees to arbitrate before the National Arbitration Panel as provided in, and for resolving disputes to the extent otherwise provided in, the CVS Settlement.
7. The Governmental Entity has the right to enforce the CVS Settlement as provided therein.
8. The Governmental Entity, as a Participating Subdivision, hereby becomes a Releasor for all purposes in the CVS Settlement, including without limitation all provisions of Section XI (Release), and along with all departments, agencies, divisions, boards, commissions, districts, instrumentalities of any kind and attorneys, and any person in their official capacity elected or appointed to serve any of the foregoing and any agency, person, or other entity claiming by or through any of the foregoing, and any other entity identified in the definition of Releasor, provides for a release to the fullest extent of its authority. As a Releasor, the Governmental Entity hereby absolutely, unconditionally, and irrevocably covenants not to bring, file, or claim, or to cause, assist or permit to be brought, filed, or claimed, or to otherwise seek to establish liability for any Released Claims against any Released Entity in any forum whatsoever. The releases provided for in the CVS Settlement are intended by the Parties to be broad and shall be interpreted so as to give the Released Entities the broadest possible bar against any liability relating in any way to Released Claims and extend to the full extent of the power of the Governmental Entity to release claims. The CVS Settlement shall be a complete bar to any Released Claim.
9. The Governmental Entity hereby takes on all rights and obligations of a Participating Subdivision as set forth in the CVS Settlement.
10. In connection with the releases provided for in the CVS Settlement, each Governmental Entity expressly waives, releases, and forever discharges any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code, which reads:

General Release; extent. A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release that, if known by him or her would have materially affected his or her settlement with the debtor or released party.

A Releasor may hereafter discover facts other than or different from those which it knows, believes, or assumes to be true with respect to the Released Claims, but each Governmental Entity hereby expressly waives and fully, finally, and forever settles, releases and discharges, upon the Effective Date, any and all Released Claims that may exist as of such date but which Releasors do not know or suspect to exist, whether through ignorance, oversight, error, negligence or through no fault whatsoever, and which, if known, would materially affect the Governmental Entities' decision to participate in the CVS Settlement.



11. Nothing herein is intended to modify in any way the terms of the CVS Settlement, to which Governmental Entity hereby agrees. To the extent this Participation and Release Form is interpreted differently from the CVS Settlement in any respect, the CVS Settlement controls.

I have all necessary power and authorization to execute this Participation and Release Form on behalf of the Governmental Entity.

Signature: _____

Name: _____

Title: _____

Date: _____



**Proposed California State-Subdivision Agreement
Regarding Distribution and Use of
Settlement Funds – CVS Settlement**

1. Introduction

Pursuant to the CVS Settlement Agreement, dated as of December 9, 2022, and any revision thereto as well as any modification thereto entered into by the State of California and CVS (the “CVS Settlement Agreement”), including Section V and Exhibit O, the State of California proposes this agreement (the “CA CVS Allocation Agreement”) to govern the allocation, distribution, and use of Settlement Fund payments made to California pursuant to Sections IV and V of the CVS Settlement Agreement. For the avoidance of doubt, this agreement does not apply to payments made pursuant to Sections IX or X of the CVS Settlement Agreement.

Pursuant to Exhibit O, Paragraph 4, of the CVS Settlement Agreement, acceptance of this CA CVS Allocation Agreement is a requirement to be an Initial Participating Subdivision.

2. Definitions

- a) *CA Participating Subdivision* means a Participating Subdivision that is also (a) a Plaintiff Subdivision and/or (b) a Primary Subdivision with a population equal to or greater than 10,000. For the avoidance of doubt, eligible CA Participating Subdivisions are those California subdivisions listed in Exhibit C (excluding Litigating Special Districts) and/or Exhibit I to the CVS Settlement Agreement.
- b) *Allergan Settlement Agreement* means the Allergan Settlement Agreement dated November 22, 2022, and any revision thereto.
- c) *Distributor Settlement Agreement* means the Distributor Settlement Agreement dated July 21, 2021, and any revision thereto.
- d) *Janssen Settlement Agreement* means the Janssen Settlement Agreement dated July 21, 2021, and any revision thereto.
- e) *Teva Settlement Agreement* means the Teva Settlement Agreement dated November 22, 2022, and any revision thereto.
- f) *Walgreens Settlement Agreement* means the Walgreens Settlement Agreement dated December 9, 2022, and any revision thereto.
- g) *Walmart Settlement Agreement* means the Walmart Settlement Agreement dated November 14, 2022, and any revision thereto.
- h) *CA Litigating Special District* means a Litigating Special District located in California. CA Litigating Special Districts include Downey Unified School District, Elk Grove Unified School District, Kern High School District, Montezuma Fire Protection District (located in Stockton, California), Santa Barbara San Luis Obispo Regional Health Authority, Inland Empire Health Plan, Health Plan of San Joaquin, San Leandro Unified School District, Pleasant Valley School District Board, and LA Care Health Plan.
- i) *Plaintiff Subdivision* means a Subdivision located in California, other than a CA



Litigating Special District, that filed a lawsuit, on behalf of the Subdivision and/or through an official of the Subdivision on behalf of the People of the State of California, against one or more Opioid Defendants prior to October 1, 2020.

- j) *Opioid Defendant* means any defendant (including but not limited to Teva Pharmaceutical Industries Ltd., Allergan Finance, LLC, Allergan Limited, CVS Health Corporation, CVS Pharmacy, Inc., Walgreen Co., Walmart Inc., Johnson & Johnson, Janssen Pharmaceuticals, Inc., Purdue Pharma L.P., Cardinal Health, Inc., AmerisourceBergen Corporation, and McKesson Corporation) named in a lawsuit seeking damages, abatement, or other remedies related to or caused by the opioid public health crisis in any lawsuit brought by any state or local government on or before October 1, 2020.

3. General Terms

This agreement is subject to the requirements of the CVS Settlement Agreement, as well as applicable law, and the CVS Settlement Agreement governs over any inconsistent provision of this CA CVS Allocation Agreement. Terms used in this CA CVS Allocation Agreement have the same meaning as in the CVS Settlement Agreement unless otherwise defined herein.

Pursuant to Section V(E)(1) of the CVS Settlement Agreement, (a) all Settlement Fund payments will be used for Opioid Remediation, except as allowed by Section V(B)(2) of the CVS Settlement Agreement; and (b) at least seventy percent (70%) of Settlement Fund payment amounts will be used solely for future Opioid Remediation.

4. State Allocation

The Settlement Fund payments to California,¹ pursuant to the CVS Settlement Agreement, shall be allocated as follows: 15% to the State Fund; 70% to the Abatement Accounts Fund; and 15% to the Subdivision Fund. For the avoidance of doubt, all funds allocated to California from the Settlement Fund shall be combined pursuant to this CA CVS Allocation Agreement, and 15% of that total shall be allocated to the State of California (the “State of California Allocation”), 70% to the California Abatement Accounts Fund (“CA Abatement Accounts Fund”), and 15% to the California Subdivision Fund (“CA Subdivision Fund”).

¹ For purposes of clarity, use of the term “California” refers to the geographic territory of California and the state and its local governments therein. The term “State” or “State of California” refers to the State of California as a governmental unit.



A. State of California Allocation

Fifteen percent of the total Settlement Fund payments will be allocated to the State and used by the State for future Opioid Remediation.

B. CA Abatement Accounts Fund**i. Allocation of CA Abatement Accounts Funds**

- a) Seventy percent of the total Settlement Fund payments will be allocated to the CA Abatement Accounts Fund. The funds in the CA Abatement Accounts Fund will be allocated based on the allocation model developed in connection with the proposed negotiating class in the National Prescription Opiate Litigation (MDL No. 2804), as adjusted to reflect only those cities and counties that are eligible, based on population or litigation status, to become a CA Participating Subdivision. The percentage from the CA Abatement Accounts Fund allocated to each CA Participating Subdivision is set forth in Appendix 1 in the column entitled abatement percentage (the “Local Allocation”). For the avoidance of doubt, CA Litigating Special Districts and California towns, cities, and counties with a population less than 10,000 are not eligible to receive an allocation of CA Abatement Accounts Funds.
- b) A CA Participating Subdivision that is a county, or a city and county, will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision, and will receive payments as provided in the CVS Settlement Agreement.
- c) A CA Participating Subdivision that is a city will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision. The Local Allocation share for a city that is a CA Participating Subdivision will be paid to the county in which the city is located, rather than to the city, so long as: (a) the county is a CA Participating Subdivision, and (b) the city has not advised the Settlement Fund Administrator that it requests direct payment at least 60 days prior to a Payment Date. A Local Allocation share allocated to a city but paid to a county is not required to be spent exclusively for abatement activities in that city, but will become part of the county’s share of the CA Abatement Accounts Funds, which will be used in accordance with Section 4.B.ii (Use of CA Abatement Accounts Funds) and reported on in accordance with Section 4.B.iii (CA Abatement Accounts Fund Oversight).
- d) A city within a county that is a CA Participating Subdivision may opt in or out of direct payment at any time, and it may also elect direct payment of only a portion of its share, with the remainder going to the county, by providing notice to the Settlement Fund Administrator at least 60 days prior to a Payment Date. For purposes of this CA CVS Allocation Agreement, the Cities of Los Angeles, Oakland, San Diego, San Jose and Eureka will be deemed to have elected direct payment if they become Participating Subdivisions.



- e) The State will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision.
- f) Funds received by a CA Participating Subdivision, and not expended or encumbered within five years of receipt and in accordance with the CVS Settlement Agreement and this CA CVS Allocation Agreement shall be transferred to the State; provided however, that CA Participating Subdivisions have seven years to expend or encumber CA Abatement Accounts Funds designated to support capital outlay projects before they must be transferred to the State. This provision shall not apply to the Cost Reimbursement Funds, which shall be controlled by Appendix 2.

ii. Use of CA Abatement Accounts Funds

- a) The CA Abatement Accounts Funds will be used for future Opioid Remediation in one or more of the areas described in the List of Opioid Remediation Uses, which is Exhibit E to the CVS Settlement Agreement.
- b) In addition to this requirement, no less than 50% of the funds received by a CA Participating Subdivision from the Abatement Accounts Fund in each calendar year will be used for one or more of the following High Impact Abatement Activities:
 - (1) the provision of matching funds or operating costs for substance use disorder facilities within the Behavioral Health Continuum Infrastructure Program;
 - (2) creating new or expanded Substance Use Disorder (“SUD”) treatment infrastructure;
 - (3) addressing the needs of communities of color and vulnerable populations (including sheltered and unsheltered homeless populations) that are disproportionately impacted by SUD;
 - (4) diversion of people with SUD from the justice system into treatment, including by providing training and resources to first and early responders (sworn and non-sworn) and implementing best practices for outreach, diversion and deflection, employability, restorative justice, and harm reduction; and/or
 - (5) interventions to prevent drug addiction in vulnerable youth.
- c) The California Department of Health Care Services (“DHCS”) may add to this list (but not delete from it) by designating additional High Impact Abatement Activities. DHCS will make reasonable efforts to consult with stakeholders, including the CA Participating Subdivisions, before adding additional High Impact Abatement Activities to this list.
- d) For the avoidance of doubt, and subject to the requirements of the CVS Settlement Agreement and applicable law, CA Participating Subdivisions may form agreements or



ventures, or otherwise work in collaboration with, federal, state, local, tribal or private sector entities in pursuing Opioid Remediation activities funded from the CA Abatement Accounts Fund. Further, provided that all CA Abatement Accounts Funds are used for Opioid Remediation consistent with the CVS Settlement Agreement and this CA CVS Allocation Agreement, a county and any cities or towns within the county may agree to reallocate their respective shares of the CA Abatement Accounts Funds among themselves, provided that any direct distribution may only be to a CA Participating Subdivision and any CA Participating Subdivision must agree to their share being reallocated.

iii. CA Abatement Accounts Fund Oversight

- a) Pursuant to Section 5 below, CA Participating Subdivisions receiving settlement funds must prepare and file reports annually regarding the use of those funds. DHCS may regularly review the reports prepared by CA Participating Subdivisions about the use of CA Abatement Accounts Funds for compliance with the CVS Settlement Agreement and this CA CVS Allocation Agreement.
- b) If DHCS determines that a CA Participating Subdivision's use of CA Abatement Accounts Funds is inconsistent with the CVS Settlement Agreement or this CA CVS Allocation Agreement, whether through review of reports or information from any other sources, DHCS shall send a request to meet and confer with the CA Participating Subdivision. The parties shall meet and confer in an effort to resolve the concern.
- c) If the parties are unable to reach a resolution, DHCS may conduct an audit of the Subdivision's use of the CA Abatement Accounts Funds within one year of the request to meet and confer, unless the parties mutually agree in writing to extend the meet and confer time frame.
- d) If the concern still cannot be resolved, the State may bring a motion or action in the court where the State has filed its Consent Judgment to resolve the concern or otherwise enforce the requirements of the CVS Settlement Agreement or this CA CVS Allocation Agreement. However, in no case shall any audit be conducted, or motion be brought, as to a specific expenditure of funds, more than five years after the date on which the expenditure of the funds was reported to DHCS, in accordance with this agreement.
- e) Notwithstanding the foregoing, this Agreement does not limit the statutory or constitutional authority of any state or local agency or official to conduct audits, investigations, or other oversight activities, or to pursue administrative, civil, or criminal enforcement actions.



C. CA Subdivision Fund

- i. Fifteen percent of the total Settlement Fund payments will be allocated to the CA Subdivision Fund. All funds in the CA Subdivision Fund will be allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. The funds will be used, subject to any limits imposed by the CVS Settlement Agreement and this CA CVS Allocation Agreement, to fund future Opioid Remediation and reimburse past opioid-related expenses, which may include fees and expenses related to litigation, and to pay the reasonable fees and expenses of the Special Master as set forth in Appendix 2.

The CA Subdivision Funds will be allocated as follows:

- a) First, funds in the CA Subdivision Fund shall be used to pay the Special Master's reasonable fees and expenses in accordance with the procedures and limitations set forth in Appendix 2 to this document;
- b) Second, funds will be allocated to Plaintiff Subdivisions that are Initial Participating Subdivisions that have been awarded Costs, as defined by and in accordance with the procedures and limitations set forth in Appendix 2 to this document.
- c) Funds remaining in the CA Subdivision Fund, which shall consist of no less than 50% of the total CA Subdivision Fund received in any year pursuant to Appendix 2, Section 2.c.v, will be distributed to Plaintiff Subdivisions that are Initial Participating Subdivisions, in relative proportion to the Local Allocation. These funds shall be used to fund future opioid-related projects and to reimburse past opioid-related expenses, which may include fees and expenses related to litigation against any Opioid Defendant.

D. Provision for State Back-Stop Agreement

On August 6, 2021, Judge Dan Polster of the U.S. District Court, Northern District of Ohio, Eastern Division, issued an order (ECF Docket Number 3814) ("MDL Fees Order") in the National Prescription Opiate Litigation (MDL No. 2804) "cap[ping] all applicable contingent fee agreements at 15%." Private counsel representing Plaintiff Subdivisions should seek its contingency fees and costs from the Attorney Fee Fund or Cost Funds under the CVS Settlement Agreement, and, if applicable, the Teva Settlement Agreement, Allergan Settlement Agreement, Distributor Settlement Agreement, Janssen Settlement Agreement, Walgreens Settlement Agreement, and Walmart Settlement Agreement.

A Plaintiff Subdivision may separately agree to use its share of the CA Subdivision Fund to pay for fees or costs incurred by its contingency-fee counsel ("State Back-Stop Agreement"), pursuant to Exhibit R, section I(Y), of the CVS Settlement Agreement and the MDL Fees Order, so long as such contingency fees do not exceed a total contingency fee of 15% of the total gross recovery of the Plaintiff Subdivision pursuant to the CVS Settlement, inclusive of contingency fees from the national Attorney Fee Fund and this State Back-Stop Agreement. Before seeking fees or litigation costs and expenses from a State Back-Stop Agreement, private counsel



representing Plaintiff Subdivisions must first seek contingency fees and costs from the Attorney Fee Fund or Cost Funds created under the CVS Settlement Agreement. Further, private counsel may only seek reimbursement for litigation fees and costs that have not previously been reimbursed through prior settlements or judgments.

To effectuate a State Back-Stop Agreement pursuant to this section, an agreement in the form of Appendix 3 may be entered into by a Plaintiff Subdivision, private counsel, and the California Office of the Attorney General. The California Office of the Attorney General shall, upon the request of a Plaintiff Subdivision, execute any agreement executed by a Plaintiff Subdivision and its private counsel if it is in the form of Appendix 3. The California Office of the Attorney General will also consider requests from Plaintiff Subdivisions to execute and enter into agreements presented in other forms.

For the avoidance of doubt, this agreement does not require a Plaintiff Subdivision to request or enter into a State Back-Stop Agreement, and no State Back-Stop Agreement shall impose any duty or obligation on the State of California or any of its agencies or officers, including without limitation the Attorney General.

5. State and Subdivision Reporting

- a) DHCS will prepare an annual written report regarding the State's use of funds from the settlement until those funds are fully expended and for one year thereafter. These reports will be made publicly available on the DHCS web site.
- b) Each CA Participating Subdivision that receives payments of funds from the settlement will prepare written reports at least annually regarding the use of those funds, until those funds are fully expended and for one year thereafter. These reports will also include a certification that all funds that the CA Participating Subdivision has received through the settlement have been used in compliance with the CVS Settlement Agreement and this CA CVS Allocation Agreement. The report will be in a form reasonably determined by DHCS. Prior to specifying the form of the report DHCS will confer with representatives of the Plaintiff Subdivisions.
- c) The State and all CA Participating Subdivisions receiving CA Abatement Accounts Funds will track all deposits and expenditures. Each such subdivision is responsible solely for the CA Abatement Accounts Funds it receives. A county is not responsible for oversight, reporting, or monitoring of CA Abatement Accounts Funds received by a city within that county that receives direct payment. Unless otherwise exempt, Subdivisions' expenditures and uses of CA Abatement Accounts Funds and other Settlement Funds will be subject to the normal budgetary and expenditure process of the Subdivision.
- d) Each Plaintiff Subdivision receiving CA Subdivision Funds will track all deposits and expenditures, as required by the CVS Settlement Agreement and this CA CVS Allocation Agreement. Among other things, Plaintiff Subdivisions using monies from the CA Subdivision Fund for purposes that do not qualify as Opioid Remediation must identify and include in their annual report, the amount and how such funds were used, including if used to pay attorneys' fees, investigation costs, or litigation costs. Pursuant to Section V(B)(2) of the CVS Settlement Agreement, such information must also be reported to the Settlement Fund Administrator and CVS.



- e) In each year in which DHCS prepares an annual report DHCS will also host a meeting to discuss the annual report and the Opioid Remediation activities being carried out by the State and Participating Subdivisions.

6. Miscellaneous

- a) The State or any CA Participating Subdivision may bring a motion or action in the court where the State has filed its Consent Judgment to enforce the requirements of this CA CVS Allocation Agreement. Before filing such a motion or action the State will meet and confer with any CA Participating Subdivision that is the subject of the anticipated motion or action, and vice versa.
- b) Except as provided in the CVS Settlement Agreement, this CA CVS Allocation Agreement is not enforceable by any party other than the State and the CA Participating Subdivisions. It does not confer any rights or remedies upon, and shall not be enforceable by, any third party.
- c) Except as provided in the CA CVS Allocation Agreement, if any provision of this agreement or the application thereof to any person, entity, or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this agreement, or the application of such provision to persons, entities, or circumstances other than those as to which it is invalid or unenforceable, will not be affected thereby, and each other provision of this agreement will be valid and enforceable to the fullest extent permitted by law.
- d) Except as provided in the CVS Settlement Agreement, this agreement shall be governed by and interpreted in accordance with the laws of California.



The undersigned, Palo Alto city, ACKNOWLEDGES acceptance of this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – CVS Settlement is a requirement to be an Initial Participating Subdivision in the CVS Settlement and ACCEPTS this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – CVS Settlement. EXECUTED on _____.

Signature: _____

Name: _____

Title: _____

Date: _____



APPENDIX 1

DISCLAIMER: The allocation percentages herein are estimates only and should not be relied on for decisions regarding legal rights, releases, waivers, or other decisions affecting current or potential legal claims. Percentages shown in the Plaintiff Subdivision Percentage column may change pursuant to Section 4.C. of the California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds—CVS Settlement, whereas the percentages shown in the Abatement Percentage column should not change. Participating Subdivisions, underlying calculations, and the calculated allocation percentages are subject to change. Regarding the column herein entitled “Abatement Percentage,” pursuant to Section 4.B.e., the State of California will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision. Regarding the column herein entitled “Plaintiff Subdivision Percentage,” payments allocated to a Plaintiff Subdivision, which is not an Initial Participating Subdivision, will be re-allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. Regarding the column herein entitled “Abatement Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the California Abatement Account Funds received, pursuant to Section 4.B. Regarding the column herein entitled “Plaintiff Subdivision Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the California Subdivision Funds received, pursuant to Section 4.C. Regarding the column herein entitled “Weighted Allocation Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the combined and weighted allocation of the Abatement Percentage and the Plaintiff Subdivision Percentage.





APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | 100.000% | | | 100.000% | | |
|--|----------------------------|--------------|----------------------|----------------------------------|--------------------------------|----------------------|----------------------------------|--------------------------------|
| | | | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
| County | Alameda County | Alameda | 2.332% | 2.853% | 2.4237952% | | | |
| City | Alameda | Alameda | 0.069% | | 0.0570162% | | | |
| City | Albany | Alameda | 0.013% | | 0.0107768% | | | |
| City | Berkeley | Alameda | 0.152% | | 0.1249656% | | | |
| City | Dublin | Alameda | 0.033% | 0.040% | 0.0338810% | | | |
| City | Emeryville | Alameda | 0.023% | | 0.0185765% | | | |
| City | Fremont | Alameda | 0.108% | | 0.0888576% | | | |
| City | Hayward | Alameda | 0.117% | | 0.0966218% | | | |
| City | Livermore | Alameda | 0.054% | | 0.0446740% | | | |
| City | Newark | Alameda | 0.026% | | 0.0217626% | | | |
| City | Oakland | Alameda | 0.486% | 0.595% | 0.5055601% | | | |
| City | Piedmont | Alameda | 0.014% | | 0.0114064% | | | |
| City | Pleasanton | Alameda | 0.067% | | 0.0554547% | | | |
| City | San Leandro | Alameda | 0.039% | | 0.0321267% | | | |
| City | Union City | Alameda | 0.043% | | 0.0352484% | | | |
| County | Amador County | Amador | 0.226% | 0.277% | 0.2349885% | | | |
| County | Butte County | Butte | 1.615% | 1.975% | 1.6783178% | | | |
| City | Chico | Butte | 0.216% | 0.264% | 0.2246499% | | | |
| City | Oroville | Butte | 0.079% | | 0.0646595% | | | |
| County | Calaveras County | Calaveras | 0.226% | 0.277% | 0.2351644% | | | |
| County | Colusa County | Colusa | 0.059% | | 0.0489221% | | | |
| County | Contra Costa County | Contra Costa | 2.102% | 2.571% | 2.1844585% | | | |
| City | Antioch | Contra Costa | 0.037% | | 0.0301879% | | | |
| City | Brentwood | Contra Costa | 0.026% | | 0.0215339% | | | |
| City | Clayton | Contra Costa | 0.002% | | 0.0018060% | | | |
| City | Concord | Contra Costa | 0.055% | | 0.0456676% | | | |
| City | Danville | Contra Costa | 0.010% | | 0.0082255% | | | |
| City | El Cerrito | Contra Costa | 0.023% | | 0.0189024% | | | |
| City | Hercules | Contra Costa | 0.010% | | 0.0078273% | | | |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|--------------|----------------------|----------------------------------|--------------------------------|
| City | Lafayette | Contra Costa | 0.006% | | 0.0046030% |
| City | Martinez | Contra Costa | 0.012% | | 0.0098593% |
| City | Moraga | Contra Costa | 0.004% | | 0.0031007% |
| City | Oakley | Contra Costa | 0.010% | | 0.0079416% |
| City | Orinda | Contra Costa | 0.005% | | 0.0038157% |
| City | Pinole | Contra Costa | 0.013% | | 0.0110909% |
| City | Pittsburg | Contra Costa | 0.053% | | 0.0436369% |
| City | Pleasant Hill | Contra Costa | 0.013% | | 0.0106309% |
| City | Richmond | Contra Costa | 0.146% | | 0.1201444% |
| City | San Pablo | Contra Costa | 0.018% | | 0.0148843% |
| City | San Ramon | Contra Costa | 0.021% | | 0.0176459% |
| City | Walnut Creek | Contra Costa | 0.026% | | 0.0212132% |
| County | Del Norte County | Del Norte | 0.114% | 0.140% | 0.1189608% |
| County | El Dorado County | El Dorado | 0.768% | 0.939% | 0.7980034% |
| City | Placerville | El Dorado | 0.015% | | 0.0127642% |
| City | South Lake Tahoe | El Dorado | 0.081% | | 0.0665456% |
| County | Fresno County | Fresno | 1.895% | 2.318% | 1.9693410% |
| City | Clovis | Fresno | 0.065% | | 0.0536211% |
| City | Coalinga | Fresno | 0.012% | | 0.0098554% |
| City | Fresno | Fresno | 0.397% | | 0.3270605% |
| City | Kerman | Fresno | 0.005% | | 0.0042534% |
| City | Kingsburg | Fresno | 0.008% | | 0.0066167% |
| City | Mendota | Fresno | 0.002% | | 0.0019387% |
| City | Orange Cove | Fresno | 0.004% | | 0.0035607% |
| City | Parlier | Fresno | 0.008% | | 0.0069755% |
| City | Reedley | Fresno | 0.012% | | 0.0098804% |
| City | Sanger | Fresno | 0.018% | | 0.0146135% |
| City | Selma | Fresno | 0.015% | | 0.0127537% |
| County | Glenn County | Glenn | 0.107% | 0.131% | 0.1116978% |
| County | Humboldt County | Humboldt | 1.030% | 1.260% | 1.0703185% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|-------------|----------------------|----------------------------------|--------------------------------|
| City | Arcata | Humboldt | 0.054% | | 0.0447660% |
| City | Eureka | Humboldt | 0.117% | 0.143% | 0.1216284% |
| City | Fortuna | Humboldt | 0.032% | | 0.0266837% |
| County | Imperial County | Imperial | 0.258% | 0.315% | 0.2679006% |
| City | Brawley | Imperial | 0.011% | | 0.0087986% |
| City | Calexico | Imperial | 0.019% | | 0.0152799% |
| City | El Centro | Imperial | 0.158% | | 0.1302522% |
| City | Imperial | Imperial | 0.006% | | 0.0048791% |
| County | Inyo County | Inyo | 0.073% | 0.089% | 0.0754413% |
| County | Kern County | Kern | 2.517% | 3.079% | 2.6159145% |
| City | Arvin | Kern | 0.006% | | 0.0046425% |
| City | Bakersfield | Kern | 0.212% | | 0.1747198% |
| City | California City | Kern | 0.009% | | 0.0070820% |
| City | Delano | Kern | 0.030% | | 0.0249316% |
| City | McFarland | Kern | 0.003% | | 0.0025644% |
| City | Ridgecrest | Kern | 0.015% | | 0.0120938% |
| City | Shafter | Kern | 0.013% | | 0.0103417% |
| City | Tehachapi | Kern | 0.009% | | 0.0073580% |
| City | Wasco | Kern | 0.008% | | 0.0069861% |
| County | Kings County | Kings | 0.293% | | 0.2413469% |
| City | Avenal | Kings | 0.007% | | 0.0056335% |
| City | Corcoran | Kings | 0.013% | | 0.0107032% |
| City | Hanford | Kings | 0.027% | | 0.0226038% |
| City | Lemoore | Kings | 0.016% | | 0.0131900% |
| County | Lake County | Lake | 0.795% | | 0.6545389% |
| City | Clearlake | Lake | 0.041% | 0.050% | 0.0426253% |
| City | Lakeport | Lake | 0.021% | 0.026% | 0.022964% |
| County | Lassen County | Lassen | 0.319% | 0.391% | 0.3320610% |
| City | Susanville | Lassen | 0.027% | | 0.0219295% |
| County | Los Angeles County | Los Angeles | 13.896% | 16.999% | 14.4437559% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|-------------|----------------------|----------------------------------|--------------------------------|
| City | Agoura Hills | Los Angeles | 0.005% | | 0.0040024% |
| City | Alhambra | Los Angeles | 0.042% | | 0.0343309% |
| City | Arcadia | Los Angeles | 0.033% | | 0.0267718% |
| City | Artesia | Los Angeles | 0.001% | | 0.0005100% |
| City | Azusa | Los Angeles | 0.026% | | 0.0210857% |
| City | Baldwin Park | Los Angeles | 0.027% | | 0.0218520% |
| City | Bell | Los Angeles | 0.008% | | 0.0068783% |
| City | Bellflower | Los Angeles | 0.002% | | 0.0014485% |
| City | Bell Gardens | Los Angeles | 0.014% | | 0.0114301% |
| City | Beverly Hills | Los Angeles | 0.065% | | 0.0534897% |
| City | Burbank | Los Angeles | 0.100% | | 0.0823132% |
| City | Calabasas | Los Angeles | 0.006% | | 0.0048948% |
| City | Carson | Los Angeles | 0.019% | | 0.0159805% |
| City | Cerritos | Los Angeles | 0.005% | | 0.0039682% |
| City | Claremont | Los Angeles | 0.010% | | 0.0082584% |
| City | Commerce | Los Angeles | 0.000% | | 0.0002971% |
| City | Compton | Los Angeles | 0.044% | | 0.0361882% |
| City | Covina | Los Angeles | 0.028% | | 0.0229127% |
| City | Cudahy | Los Angeles | 0.001% | | 0.0006020% |
| City | Culver City | Los Angeles | 0.055% | | 0.0449894% |
| City | Diamond Bar | Los Angeles | 0.001% | | 0.0006993% |
| City | Downey | Los Angeles | 0.052% | | 0.0429994% |
| City | Duarte | Los Angeles | 0.003% | | 0.0027261% |
| City | El Monte | Los Angeles | 0.031% | 0.038% | 0.0318985% |
| City | El Segundo | Los Angeles | 0.033% | | 0.0268020% |
| City | Gardena | Los Angeles | 0.034% | | 0.0278088% |
| City | Glendale | Los Angeles | 0.166% | | 0.1366586% |
| City | Glendora | Los Angeles | 0.016% | | 0.0134411% |
| City | Hawaiian Gardens | Los Angeles | 0.005% | | 0.0040549% |
| City | Hawthorne | Los Angeles | 0.050% | | 0.0407833% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|-------------|----------------------|----------------------------------|--------------------------------|
| City | Hermosa Beach | Los Angeles | 0.018% | | 0.0145307% |
| City | Huntington Park | Los Angeles | 0.023% | | 0.0190667% |
| City | Inglewood | Los Angeles | 0.059% | | 0.0489195% |
| City | La Cañada Flintridge | Los Angeles | 0.003% | | 0.0025565% |
| City | Lakewood | Los Angeles | 0.005% | | 0.0039971% |
| City | La Mirada | Los Angeles | 0.010% | | 0.0081572% |
| City | Lancaster | Los Angeles | 0.045% | | 0.0369689% |
| City | La Puente | Los Angeles | 0.002% | | 0.0012999% |
| City | La Verne | Los Angeles | 0.024% | | 0.0194190% |
| City | Lawndale | Los Angeles | 0.002% | | 0.0017731% |
| City | Lomita | Los Angeles | 0.004% | | 0.0031940% |
| City | Long Beach | Los Angeles | 0.439% | | 0.3614151% |
| City | Los Angeles | Los Angeles | 2.715% | 3.321% | 2.8218811% |
| City | Lynwood | Los Angeles | 0.016% | | 0.0134345% |
| City | Malibu | Los Angeles | 0.002% | | 0.0019269% |
| City | Manhattan Beach | Los Angeles | 0.032% | | 0.0260686% |
| City | Maywood | Los Angeles | 0.004% | | 0.0035528% |
| City | Monrovia | Los Angeles | 0.031% | | 0.0254455% |
| City | Montebello | Los Angeles | 0.030% | | 0.0250670% |
| City | Monterey Park | Los Angeles | 0.031% | | 0.0256677% |
| City | Norwalk | Los Angeles | 0.031% | | 0.0258228% |
| City | Palmdale | Los Angeles | 0.046% | | 0.0375827% |
| City | Palos Verdes Estates | Los Angeles | 0.006% | | 0.0053102% |
| City | Paramount | Los Angeles | 0.011% | | 0.0091483% |
| City | Pasadena | Los Angeles | 0.146% | | 0.1200524% |
| City | Pico Rivera | Los Angeles | 0.022% | | 0.0183333% |
| City | Pomona | Los Angeles | 0.111% | | 0.0911933% |
| City | Rancho Palos Verdes | Los Angeles | 0.002% | | 0.0012645% |
| City | Redondo Beach | Los Angeles | 0.062% | | 0.0506992% |
| City | Rosemead | Los Angeles | 0.003% | | 0.0028260% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|-------------|----------------------|----------------------------------|--------------------------------|
| City | San Dimas | Los Angeles | 0.003% | | 0.0022016% |
| City | San Fernando | Los Angeles | 0.013% | | 0.0104837% |
| City | San Gabriel | Los Angeles | 0.018% | | 0.0147726% |
| City | San Marino | Los Angeles | 0.009% | | 0.0073791% |
| City | Santa Clarita | Los Angeles | 0.022% | | 0.0178167% |
| City | Santa Fe Springs | Los Angeles | 0.031% | | 0.0257531% |
| City | Santa Monica | Los Angeles | 0.158% | | 0.1298513% |
| City | Sierra Madre | Los Angeles | 0.006% | | 0.0048646% |
| City | Signal Hill | Los Angeles | 0.010% | | 0.0084884% |
| City | South El Monte | Los Angeles | 0.005% | | 0.0039603% |
| City | South Gate | Los Angeles | 0.020% | | 0.0166272% |
| City | South Pasadena | Los Angeles | 0.012% | | 0.0095334% |
| City | Temple City | Los Angeles | 0.005% | | 0.0039498% |
| City | Torrance | Los Angeles | 0.112% | | 0.0919820% |
| City | Walnut | Los Angeles | 0.006% | | 0.0047305% |
| City | West Covina | Los Angeles | 0.049% | | 0.0404521% |
| City | West Hollywood | Los Angeles | 0.013% | | 0.0108517% |
| City | Whittier | Los Angeles | 0.032% | | 0.0260581% |
| County | Madera County | Madera | 0.349% | 0.427% | 0.3630669% |
| City | Chowchilla | Madera | 0.012% | | 0.0097332% |
| City | Madera | Madera | 0.039% | | 0.0318441% |
| County | Marin County | Marin | 0.564% | 0.690% | 0.5861325% |
| City | Larkspur | Marin | 0.015% | | 0.0124697% |
| City | Mill Valley | Marin | 0.020% | | 0.0168401% |
| City | Novato | Marin | 0.028% | | 0.0229824% |
| City | San Anselmo | Marin | 0.009% | | 0.0078062% |
| City | San Rafael | Marin | 0.089% | | 0.0729823% |
| County | Mariposa County | Mariposa | 0.084% | 0.103% | 0.0876131% |
| County | Mendocino County | Mendocino | 0.439% | 0.536% | 0.4558394% |
| City | Ukiah | Mendocino | 0.039% | | 0.0317153% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|----------|----------------------|----------------------------------|--------------------------------|
| County | Merced County | Merced | 0.551% | 0.674% | 0.5724262% |
| City | Atwater | Merced | 0.024% | | 0.0195846% |
| City | Livingston | Merced | 0.006% | | 0.0045873% |
| City | Los Banos | Merced | 0.020% | | 0.0165142% |
| City | Merced | Merced | 0.061% | | 0.0500762% |
| County | Modoc County | Modoc | 0.065% | 0.080% | 0.0678250% |
| County | Mono County | Mono | 0.023% | 0.029% | 0.0242606% |
| County | Monterey County | Monterey | 0.908% | 1.111% | 0.9437083% |
| City | Greenfield | Monterey | 0.006% | | 0.0050552% |
| City | King City | Monterey | 0.005% | | 0.0037355% |
| City | Marina | Monterey | 0.017% | | 0.0144098% |
| City | Monterey | Monterey | 0.041% | | 0.0336540% |
| City | Pacific Grove | Monterey | 0.009% | | 0.0074842% |
| City | Salinas | Monterey | 0.094% | | 0.0776576% |
| City | Seaside | Monterey | 0.023% | | 0.0191772% |
| City | Soledad | Monterey | 0.007% | | 0.0060870% |
| County | Napa County | Napa | 0.288% | 0.352% | 0.2994325% |
| City | American Canyon | Napa | 0.017% | | 0.0136869% |
| City | Napa | Napa | 0.078% | | 0.0642783% |
| County | Nevada County | Nevada | 0.441% | 0.539% | 0.4579827% |
| City | Grass Valley | Nevada | 0.024% | | 0.0197805% |
| City | Truckee | Nevada | 0.003% | | 0.0023843% |
| County | Orange County | Orange | 4.364% | 5.339% | 4.5363576% |
| City | Aliso Viejo | Orange | 0.014% | | 0.0113841% |
| City | Anaheim | Orange | 0.554% | 0.678% | 0.5759282% |
| City | Brea | Orange | 0.086% | | 0.0708897% |
| City | Buena Park | Orange | 0.087% | | 0.0714352% |
| City | Costa Mesa | Orange | 0.124% | 0.152% | 0.1288366% |
| City | Cypress | Orange | 0.033% | | 0.0271937% |
| City | Dana Point | Orange | 0.001% | | 0.0005560% |



APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|--------|----------------------|----------------------------------|--------------------------------|
| City | Fountain Valley | Orange | 0.055% | | 0.0455980% |
| City | Fullerton | Orange | 0.137% | 0.168% | 0.1425744% |
| City | Garden Grove | Orange | 0.213% | | 0.1752482% |
| City | Huntington Beach | Orange | 0.247% | 0.302% | 0.2568420% |
| City | Irvine | Orange | 0.139% | 0.170% | 0.1442350% |
| City | Laguna Beach | Orange | 0.047% | 0.058% | 0.0493043% |
| City | Laguna Hills | Orange | 0.014% | | 0.0115457% |
| City | Laguna Niguel | Orange | 0.001% | | 0.0007071% |
| City | Laguna Woods | Orange | 0.001% | | 0.0006546% |
| City | La Habra | Orange | 0.060% | 0.073% | 0.0621049% |
| City | Lake Forest | Orange | 0.012% | | 0.0101249% |
| City | La Palma | Orange | 0.012% | | 0.0095439% |
| City | Los Alamitos | Orange | 0.008% | | 0.0069190% |
| City | Mission Viejo | Orange | 0.014% | | 0.0117560% |
| City | Newport Beach | Orange | 0.179% | | 0.1470134% |
| City | Orange | Orange | 0.150% | | 0.1231320% |
| City | Placentia | Orange | 0.029% | 0.035% | 0.0298912% |
| City | Rancho Santa Margarita | Orange | 0.001% | | 0.0006296% |
| City | San Clemente | Orange | 0.008% | 0.010% | 0.0086083% |
| City | San Juan Capistrano | Orange | 0.008% | | 0.0065510% |
| City | Santa Ana | Orange | 0.502% | 0.614% | 0.5213866% |
| City | Seal Beach | Orange | 0.020% | | 0.0165891% |
| City | Stanton | Orange | 0.035% | | 0.0291955% |
| City | Tustin | Orange | 0.073% | | 0.0600341% |
| City | Westminster | Orange | 0.104% | 0.127% | 0.1082721% |
| City | Yorba Linda | Orange | 0.044% | | 0.0362223% |
| County | Placer County | Placer | 1.045% | 1.278% | 1.0861002% |
| City | Auburn | Placer | 0.017% | | 0.0141114% |
| City | Lincoln | Placer | 0.031% | | 0.0255599% |
| City | Rocklin | Placer | 0.076% | | 0.0625485% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|------------|----------------------|----------------------------------|--------------------------------|
| City | Roseville | Placer | 0.196% | | 0.1616559% |
| County | Plumas County | Plumas | 0.205% | 0.251% | 0.2128729% |
| County | Riverside County | Riverside | 4.534% | 5.547% | 4.7128296% |
| City | Banning | Riverside | 0.017% | | 0.0143848% |
| City | Beaumont | Riverside | 0.021% | | 0.0171135% |
| City | Blythe | Riverside | 0.012% | | 0.0096714% |
| City | Canyon Lake | Riverside | 0.000% | | 0.0001761% |
| City | Cathedral City | Riverside | 0.067% | | 0.0553614% |
| City | Coachella | Riverside | 0.021% | | 0.0173054% |
| City | Corona | Riverside | 0.147% | | 0.1207083% |
| City | Desert Hot Springs | Riverside | 0.024% | | 0.0200433% |
| City | Eastvale | Riverside | 0.000% | | 0.0002747% |
| City | Hemet | Riverside | 0.051% | | 0.0421792% |
| City | Indio | Riverside | 0.056% | | 0.0457794% |
| City | Jurupa Valley | Riverside | 0.001% | | 0.0008991% |
| City | Lake Elsinore | Riverside | 0.021% | | 0.0172949% |
| City | La Quinta | Riverside | 0.063% | | 0.0516732% |
| City | Menifee | Riverside | 0.032% | | 0.0260909% |
| City | Moreno Valley | Riverside | 0.137% | | 0.1130348% |
| City | Murrieta | Riverside | 0.048% | 0.059% | 0.0497423% |
| City | Norco | Riverside | 0.016% | | 0.0134542% |
| City | Palm Desert | Riverside | 0.083% | | 0.0682465% |
| City | Palm Springs | Riverside | 0.076% | | 0.0629862% |
| City | Perris | Riverside | 0.009% | | 0.0076774% |
| City | Rancho Mirage | Riverside | 0.052% | | 0.0431098% |
| City | Riverside | Riverside | 0.268% | | 0.2206279% |
| City | San Jacinto | Riverside | 0.010% | | 0.0085936% |
| City | Temecula | Riverside | 0.022% | | 0.0180086% |
| City | Wildomar | Riverside | 0.008% | | 0.0062500% |
| County | Sacramento County | Sacramento | 3.797% | 4.645% | 3.9465887% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|------------------------------|----------------|----------------------|----------------------------------|--------------------------------|
| City | Citrus Heights | Sacramento | 0.057% | | 0.0465312% |
| City | Elk Grove | Sacramento | 0.130% | | 0.1066994% |
| City | Folsom | Sacramento | 0.108% | | 0.0890850% |
| City | Galt | Sacramento | 0.017% | | 0.0143704% |
| City | Rancho Cordova | Sacramento | 0.008% | | 0.0067679% |
| City | Sacramento | Sacramento | 0.721% | 0.882% | 0.7496530% |
| County | San Benito County | San Benito | 0.106% | 0.130% | 0.1101417% |
| City | Hollister | San Benito | 0.027% | | 0.0225355% |
| County | San Bernardino County | San Bernardino | 3.259% | 3.987% | 3.3878124% |
| City | Adelanto | San Bernardino | 0.008% | | 0.0066640% |
| City | Apple Valley | San Bernardino | 0.025% | | 0.0207360% |
| City | Barstow | San Bernardino | 0.015% | | 0.0122056% |
| City | Chino | San Bernardino | 0.064% | | 0.0525893% |
| City | Chino Hills | San Bernardino | 0.001% | | 0.0006388% |
| City | Colton | San Bernardino | 0.031% | | 0.0253443% |
| City | Fontana | San Bernardino | 0.112% | | 0.0920543% |
| City | Grand Terrace | San Bernardino | 0.006% | | 0.0051051% |
| City | Hesperia | San Bernardino | 0.035% | | 0.0291522% |
| City | Highland | San Bernardino | 0.004% | | 0.0029061% |
| City | Loma Linda | San Bernardino | 0.009% | | 0.0071188% |
| City | Montclair | San Bernardino | 0.039% | | 0.0322108% |
| City | Ontario | San Bernardino | 0.179% | | 0.1472934% |
| City | Rancho Cucamonga | San Bernardino | 0.084% | | 0.0689431% |
| City | Redlands | San Bernardino | 0.057% | | 0.0469150% |
| City | Rialto | San Bernardino | 0.073% | | 0.0603206% |
| City | San Bernardino | San Bernardino | 0.178% | | 0.1461880% |
| City | Twentynine Palms | San Bernardino | 0.002% | | 0.0012605% |
| City | Upland | San Bernardino | 0.052% | | 0.0424460% |
| City | Victorville | San Bernardino | 0.033% | | 0.0269400% |
| City | Yucaipa | San Bernardino | 0.016% | | 0.0128772% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|-------------------------------|-----------------|----------------------|----------------------------------|--------------------------------|
| City | Yucca Valley | San Bernardino | 0.003% | | 0.0021228% |
| County | San Diego County | San Diego | 5.706% | 6.980% | 5.9309748% |
| City | Carlsbad | San Diego | 0.128% | | 0.1050485% |
| City | Chula Vista | San Diego | 0.189% | 0.231% | 0.1961456% |
| City | Coronado | San Diego | 0.044% | | 0.0359095% |
| City | El Cajon | San Diego | 0.113% | | 0.0933582% |
| City | Encinitas | San Diego | 0.061% | 0.074% | 0.0630289% |
| City | Escondido | San Diego | 0.145% | | 0.1192204% |
| City | Imperial Beach | San Diego | 0.014% | | 0.0118283% |
| City | La Mesa | San Diego | 0.055% | 0.068% | 0.0575593% |
| City | Lemon Grove | San Diego | 0.022% | | 0.0183911% |
| City | National City | San Diego | 0.080% | | 0.0656808% |
| City | Oceanside | San Diego | 0.213% | | 0.1753428% |
| City | Poway | San Diego | 0.062% | | 0.0511040% |
| City | San Diego | San Diego | 1.975% | 2.416% | 2.0531169% |
| City | San Marcos | San Diego | 0.089% | | 0.0733897% |
| City | Santee | San Diego | 0.033% | | 0.0268401% |
| City | Solana Beach | San Diego | 0.017% | | 0.0138564% |
| City | Vista | San Diego | 0.052% | | 0.0425144% |
| Consolidated | San Francisco | San Francisco | 3.026% | 3.702% | 3.1457169% |
| County | San Joaquin County | San Joaquin | 1.680% | 2.055% | 1.7460399% |
| City | Lathrop | San Joaquin | 0.009% | | 0.0075394% |
| City | Lodi | San Joaquin | 0.053% | | 0.0439484% |
| City | Manteca | San Joaquin | 0.054% | | 0.0443454% |
| City | Ripon | San Joaquin | 0.013% | | 0.0104219% |
| City | Stockton | San Joaquin | 0.313% | 0.383% | 0.3256176% |
| City | Tracy | San Joaquin | 0.084% | | 0.0692047% |
| County | San Luis Obispo County | San Luis Obispo | 0.816% | 0.999% | 0.8484126% |
| City | Arroyo Grande | San Luis Obispo | 0.024% | | 0.0199053% |
| City | Atascadero | San Luis Obispo | 0.029% | | 0.0240680% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------------|-----------------|----------------------|----------------------------------|--------------------------------|
| City | El Paso de Robles (Paso Robles) | San Luis Obispo | 0.043% | | 0.0353456% |
| City | Grover Beach | San Luis Obispo | 0.017% | | 0.0137881% |
| City | Morro Bay | San Luis Obispo | 0.020% | | 0.0160922% |
| City | San Luis Obispo | San Luis Obispo | 0.077% | | 0.0637841% |
| County | San Mateo County | San Mateo | 1.074% | 1.313% | 1.1159599% |
| City | Belmont | San Mateo | 0.021% | | 0.0169860% |
| City | Burlingame | San Mateo | 0.019% | | 0.0152537% |
| City | Daly City | San Mateo | 0.044% | | 0.0363880% |
| City | East Palo Alto | San Mateo | 0.013% | | 0.0103982% |
| City | Foster City | San Mateo | 0.020% | | 0.0166101% |
| City | Half Moon Bay | San Mateo | 0.004% | | 0.0031638% |
| City | Hillsborough | San Mateo | 0.013% | | 0.0110029% |
| City | Menlo Park | San Mateo | 0.015% | | 0.0126209% |
| City | Millbrae | San Mateo | 0.013% | | 0.0105836% |
| City | Pacifica | San Mateo | 0.016% | | 0.0130625% |
| City | Redwood City | San Mateo | 0.056% | | 0.0463511% |
| City | San Bruno | San Mateo | 0.021% | | 0.0172161% |
| City | San Carlos | San Mateo | 0.013% | | 0.0108885% |
| City | San Mateo | San Mateo | 0.052% | | 0.0425841% |
| City | South San Francisco | San Mateo | 0.043% | | 0.0353943% |
| County | Santa Barbara County | Santa Barbara | 1.132% | 1.385% | 1.1768968% |
| City | Carpinteria | Santa Barbara | 0.001% | | 0.0008938% |
| City | Goleta | Santa Barbara | 0.004% | | 0.0028969% |
| City | Lompoc | Santa Barbara | 0.047% | | 0.0389379% |
| City | Santa Barbara | Santa Barbara | 0.122% | | 0.1004559% |
| City | Santa Maria | Santa Barbara | 0.058% | | 0.0479179% |
| County | Santa Clara County | Santa Clara | 2.404% | 2.941% | 2.4987553% |
| City | Campbell | Santa Clara | 0.014% | | 0.0112566% |
| City | Cupertino | Santa Clara | 0.008% | | 0.0066824% |
| City | Gilroy | Santa Clara | 0.025% | | 0.0202891% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|-------------|----------------------|----------------------------------|--------------------------------|
| City | Los Altos | Santa Clara | 0.013% | | 0.0103338% |
| City | Los Gatos | Santa Clara | 0.013% | | 0.0103220% |
| City | Milpitas | Santa Clara | 0.036% | | 0.0298120% |
| City | Morgan Hill | Santa Clara | 0.015% | | 0.0124619% |
| City | Mountain View | Santa Clara | 0.041% | | 0.0334608% |
| City | Palo Alto | Santa Clara | 0.039% | | 0.0323080% |
| City | San Jose | Santa Clara | 0.294% | 0.360% | 0.3054960% |
| City | Santa Clara | Santa Clara | 0.067% | | 0.0549723% |
| City | Saratoga | Santa Clara | 0.004% | | 0.0034161% |
| City | Sunnyvale | Santa Clara | 0.053% | | 0.0434069% |
| County | Santa Cruz County | Santa Cruz | 0.783% | 0.957% | 0.8135396% |
| City | Capitola | Santa Cruz | 0.020% | | 0.0168191% |
| City | Santa Cruz | Santa Cruz | 0.143% | | 0.1180348% |
| City | Scotts Valley | Santa Cruz | 0.015% | | 0.0126525% |
| City | Watsonville | Santa Cruz | 0.063% | | 0.0520136% |
| County | Shasta County | Shasta | 1.095% | 1.339% | 1.1380191% |
| City | Anderson | Shasta | 0.024% | | 0.0198896% |
| City | Redding | Shasta | 0.284% | | 0.2334841% |
| City | Shasta Lake | Shasta | 0.004% | | 0.0031993% |
| County | Siskiyou County | Siskiyou | 0.228% | 0.279% | 0.2373393% |
| County | Solano County | Solano | 0.760% | | 0.6260795% |
| City | Benicia | Solano | 0.031% | | 0.0253903% |
| City | Dixon | Solano | 0.016% | | 0.0130849% |
| City | Fairfield | Solano | 0.109% | | 0.0897317% |
| City | Suisun City | Solano | 0.021% | | 0.0176183% |
| City | Vacaville | Solano | 0.119% | | 0.0976497% |
| City | Vallejo | Solano | 0.167% | | 0.1373644% |
| County | Sonoma County | Sonoma | 1.218% | 1.490% | 1.2661290% |
| City | Healdsburg | Sonoma | 0.032% | | 0.0266929% |
| City | Petaluma | Sonoma | 0.081% | | 0.0667507% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|------------|----------------------|----------------------------------|--------------------------------|
| City | Rohnert Park | Sonoma | 0.041% | | 0.0340759% |
| City | Santa Rosa | Sonoma | 0.184% | | 0.1519070% |
| City | Sonoma | Sonoma | 0.022% | | 0.0183438% |
| City | Windsor | Sonoma | 0.016% | | 0.0129298% |
| County | Stanislaus County | Stanislaus | 1.722% | | 1.4182273% |
| City | Ceres | Stanislaus | 0.041% | | 0.0340260% |
| City | Modesto | Stanislaus | 0.217% | | 0.1788759% |
| City | Newman | Stanislaus | 0.006% | | 0.0046964% |
| City | Oakdale | Stanislaus | 0.018% | | 0.0145531% |
| City | Patterson | Stanislaus | 0.015% | | 0.0126590% |
| City | Riverbank | Stanislaus | 0.010% | | 0.0085699% |
| City | Turlock | Stanislaus | 0.065% | | 0.0531966% |
| County | Sutter County | Sutter | 0.306% | 0.374% | 0.3179548% |
| City | Yuba City | Sutter | 0.074% | | 0.0606242% |
| County | Tehama County | Tehama | 0.213% | 0.261% | 0.2216654% |
| City | Red Bluff | Tehama | 0.014% | | 0.0117771% |
| County | Trinity County | Trinity | 0.082% | 0.101% | 0.0855476% |
| County | Tulare County | Tulare | 0.809% | 0.990% | 0.8410949% |
| City | Dimuba | Tulare | 0.014% | | 0.0116929% |
| City | Exeter | Tulare | 0.004% | | 0.0032479% |
| City | Farmersville | Tulare | 0.003% | | 0.0027879% |
| City | Lindsay | Tulare | 0.007% | | 0.0057111% |
| City | Porterville | Tulare | 0.021% | | 0.0171845% |
| City | Tulare | Tulare | 0.037% | | 0.0302273% |
| City | Visalia | Tulare | 0.066% | | 0.0545872% |
| County | Tuolumne County | Tuolumne | 0.486% | 0.594% | 0.5047621% |
| County | Ventura County | Ventura | 2.192% | 2.681% | 2.2781201% |
| City | Camarillo | Ventura | 0.002% | | 0.0012815% |
| City | Fillmore | Ventura | 0.002% | | 0.0020294% |
| City | Moorpark | Ventura | 0.008% | | 0.0067337% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|----------------------------|---------|----------------------|----------------------------------|--------------------------------|
| City | Oxnard | Ventura | 0.156% | 0.190% | 0.1617338% |
| City | Port Hueneme | Ventura | 0.021% | | 0.0174145% |
| City | San Buenaventura (Ventura) | Ventura | 0.085% | | 0.0702181% |
| City | Santa Paula | Ventura | 0.014% | | 0.0119072% |
| City | Simi Valley | Ventura | 0.065% | | 0.0533043% |
| City | Thousand Oaks | Ventura | 0.022% | | 0.0179902% |
| County | Yolo County | Yolo | 0.357% | 0.437% | 0.3713319% |
| City | Davis | Yolo | 0.055% | | 0.0451747% |
| City | West Sacramento | Yolo | 0.066% | | 0.0544321% |
| City | Woodland | Yolo | 0.058% | | 0.0477904% |
| County | Yuba County | Yuba | 0.214% | 0.262% | 0.2225679% |
| City | Marysville | Yuba | 0.014% | | 0.0112079% |

APPENDIX 2

Cost Reimbursement Procedure

1. Additional defined terms:

- a) *Costs* means the reasonable amounts paid for the attorney and other City Attorney and County Counsel staff time for individuals employed by a Plaintiff Subdivision at the contractual rate, inclusive of benefits and overhead, together with amounts paid for court reporters, experts, copying, electronic research, travel, vendors, and the like, which were not previously reimbursed and which were paid or incurred (i) prior to December 31, 2022 in litigation against any Opioid Defendant and/or (ii) in negotiating and drafting any CA Allocation Agreement(s) concerning a settlement with any Opioid Defendant(s). *Costs* does not include attorneys' fees, costs, or expenses incurred by private contingency fee counsel. No part of the CA Abatement Accounts Fund will be used to reimburse Costs.
- b) *First Claims Date* means October 1, 2023 or when all applications for reimbursement of Costs, in whole or in part, from funds available under Section X and Exhibit R of the CVS Settlement Agreement, Section XIV and Exhibit R of the Teva Settlement Agreement, Section XIII and Exhibit R of the Allergan Settlement Agreement, Section X and Exhibit R of the Distributor Settlement Agreement, Section XI and Exhibit R of the Janssen Settlement Agreement, Section IX and Exhibit R of the Walgreens Settlement Agreement, or Section IX and Exhibit R of the Walmart Settlement Agreement, have been finally determined under the provisions of those agreements, whichever comes first.
- c) *Special Master* means a retired judicial officer or former public lawyer, not presently employed or retained by a Plaintiff Subdivision, who will aggregate, review, and determine the reasonable Costs to be awarded to each Plaintiff Subdivision that submits a claim for reimbursement of Costs. The Special Master will be selected by a majority vote of the votes cast by Plaintiff Subdivisions, with each such subdivision having one vote.
- d) *Plaintiff Subdivision Committee* means the committee of Plaintiff Subdivisions that will review and approve the invoices submitted by the Special Master reflecting his or her reasonable time and expenses.

2. Cost Reimbursement to Plaintiff Subdivision

- a) Purpose. Substantial resources have been expended to hold Opioid Defendants accountable for creating and profiting from the opioid crisis, and this effort has been a significant catalyst in creating National Opioid Settlements with various manufacturers, distributors, and chain pharmacies.
- b) Claims Procedure.
 - i. If a Plaintiff Subdivision is eligible to seek reimbursement of Costs, in whole or in part, from funds available under Section X and Exhibit R of the CVS Settlement



EXHIBIT 4

Agreement, Section XIV and Exhibit R of the Teva Settlement Agreement, Section XIII and Exhibit R of the Allergan Settlement Agreement, Section IX and Exhibit R of the Walgreens Settlement Agreement, Section IX and Exhibit R of the Walmart Settlement Agreement, Section X or Exhibit R of the Distributor Settlement Agreement, or Section XI or Exhibit R of the Janssen Settlement Agreement, it must first make a timely application for reimbursement from such funds. To allow sufficient time for determination of those applications, no claim for Costs to the CA Subdivision Fund under this Agreement may be made before the First Claims Date.

- ii. A Plaintiff Subdivision that wishes to be reimbursed from the CA Subdivision Fund must submit a claim to the Special Master no later than forty-five (45) days after the First Claims Date. The Special Master will then compile and redistribute the aggregated claim totals for each Plaintiff Subdivision via email to representatives of all the Plaintiff Subdivisions. A claim for attorney and staff time must list, for each attorney or staff member included in the claim, the following information: name, title, total hours claimed, hourly rate (including, if sought, benefits and share of overhead), and narrative summarizing the general nature of the work performed by the attorney or staff member. For reimbursement of “hard” costs, the subdivision may aggregate across a category (e.g., total for travel costs). It is the intention of the Plaintiff Subdivisions that submission of documents related to reimbursement of Costs does not waive any attorney-client privilege or exemptions to the California Public Records Act.
- iii. The Special Master may request, at his or her sole option, additional documents or details to assist in the final award of Costs.
- iv. The Special Master will review claims for reasonableness and will notify each Plaintiff Subdivision of the final determination of its claim, and will provide a list of all final awards to all Plaintiff Subdivisions by email or, upon request, via First Class U.S. Mail. Any Plaintiff Subdivision may ask the Special Master to reconsider any final award within twenty-one (21) days. The Special Master will make a final determination on any such reconsideration request within thirty (30) days of receipt.
- v. Any decision of the Special Master is final and binding, and will be considered under the California Arbitration Act, Code of Civil Procedure section 1280 et seq. as a final arbitration award. Nothing in this agreement is intended to expand the scope of judicial review of the final award for errors of fact or law, and the Parties agree that they may only seek to vacate the award if clear and convincing evidence demonstrates one of the factors set forth in Code of Civil Procedure, section 1286.2, subdivision (a). Plaintiff Subdivisions will have fourteen (14) days after all final awards are made, together with any final determination of a request for



reconsideration, to seek review in the Superior Court of California, pursuant to Code of Civil Procedure, section 1285, where the State has filed its Consent Judgment.

- vi. The Special Master will prepare a report of Costs that includes his or her fees and expenses at least ninety (90) days before the Payment Date for each Annual Payment. The Special Master's preparation of a report of Costs does not discharge a Plaintiff Subdivision's reporting requirement under Section V(B)(2) of the CVS Settlement Agreement.
 - vii. A member of the Plaintiff Subdivision Committee, which is a CA Participating Subdivision, will submit to the Settlement Fund Administrator and CVS a report of the fees and expenses incurred by the Special Master pursuant to Section V(B)(2) of the CVS Settlement Agreement.
- c) Claims Priority and Limitation.
- i. The Special Master will submit invoices for compensation of reasonable fees and expenses to the Plaintiff Subdivision Committee no later than ninety (90) days prior to the Payment Date for each Annual Payment. The Plaintiff Subdivision Committee will promptly review and, if reasonable, approve the Special Master's invoice for compensation. The Plaintiff Subdivision Committee will submit approved invoices to the Settlement Fund Administrator for payment. The Special Master's approved invoices have priority and will be paid first from the CA Subdivision Fund before any award of Costs, subject to the limitation in Section 2.c.v below.
 - ii. Final Awards of Costs that do not exceed seventy-five thousand dollars (\$75,000.00) will be paid next in priority after the Special Master's approved invoices.
 - iii. Final Awards of Costs in excess of seventy-five thousand dollars (\$75,000.00) will be paid proportionally from the funds remaining in that year's Annual Payment.
 - iv. Any claim for Costs that is not paid in full will be allocated against the next year's distribution from the CA Subdivision Fund, until all approved claims for Costs are paid in full.
 - v. In no event will more than 50% of the total CA Subdivision Fund received in any year be used to pay Costs or the Special Master's approved invoices.
 - vi. In no event shall more than \$28 million of the total CA Subdivision Funds paid pursuant to the CVS Settlement Agreement, Teva Settlement Agreement, Allergan Settlement Agreement, Distributor Settlement Agreement, Janssen Settlement Agreement, Walgreens Settlement Agreement, and the Walmart Settlement Agreement be used to pay Costs.



d) Collateral Source Payments and Third-Party Settlement.

- i. In the event a Plaintiff Subdivision is awarded compensation, in whole or in part, by any source of funds created as a result of litigation against an Opioid Defendant for its reasonable Costs, it will reduce its claim for Costs from the CA Subdivision Fund by that amount. If a Plaintiff Subdivision has already received a final award of Costs from the CA Subdivision Fund, it will repay the fund up to the prior award of Costs via a payment to the Settlement Fund Administrator or notify the Settlement Fund Administrator that its allocation from the next and subsequent Annual Payments should be reduced accordingly. If the Plaintiff Subdivision is repaying any prior award of Costs, that repayment will occur as soon as is feasible after the Plaintiff Subdivision's receipt of Cost funds from the collateral source, but no more than 90 days after its receipt from the collateral source. The Settlement Fund Administrator will add any repaid Costs to the CA Subdivision Fund. Any Plaintiff Subdivision that has submitted for reimbursement to any national fund and has not received a final determination by the First Claims Date may request that the settlement administrator withhold some or all of its payment from the CA Subdivision Fund in order to avoid repayment.
- ii. In the event a Plaintiff Subdivision reaches a monetary settlement or compromise against any Opioid Defendant outside of the National Opioid Settlement, the monetary portion of such settlement, net of fees paid to outside contingency fee counsel and of funds earmarked strictly for abatement, will be credited against its Costs and the subdivision will be ineligible to recover those credited Costs from the CA Subdivision Fund. Plaintiff Subdivisions negotiating monetary settlements or compromises against any Opioid Defendant outside of the National Opioid Settlement will negotiate for funds to repay any Costs it previously received from the CA Subdivision Fund or for Costs it otherwise might be eligible to claim from the CA Subdivision Fund. If such a settlement is paid after all final approved claims for Costs by all Plaintiff Subdivisions are satisfied in full, the settling subdivision will reimburse the CA Subdivision Fund in that amount by making payment to the Settlement Fund Administrator to add to the CA Subdivision Fund in a manner consistent with the repayments described in section 2.d.i above.



APPENDIX 3

CALIFORNIA-SUBDIVISION BACKSTOP AGREEMENT

On August 6, 2021, Judge Polster of the US District Court for the Northern District of Ohio issued an Order (the Order), docket number 3814, in In Re National Prescription Opiate Litigation, MDL 2804, addressing contingent attorney fee contracts between political subdivisions eligible to participate in the CVS Settlement and their counsel.

In light of the Order, and at the request of [SUBDIVISION], the [SUBDIVISION], its counsel [COUNSEL], and the California Attorney General, on behalf of the State of California, are entering into this California-Subdivision Backstop Agreement (Backstop Agreement).

[SUBDIVISION] and [COUNSEL] intend this Backstop Agreement to constitute a State Back-Stop Agreement as that term is used in the Order and in Exhibit R (Agreement on Attorneys’ Fees, Costs, and Expenses) of the CVS Settlement Agreement.

Pursuant to this Backstop Agreement, [SUBDIVISION] may, subject to the limitations of the CVS Settlement Agreement and CA CVS Allocation Agreement, as well as any other limitations imposed by law, use funds that it receives from the CVS Settlement CA Subdivision Fund to pay a contingent fee to [COUNSEL]. Any such payment from [SUBDIVISION] to [COUNSEL], together with any contingency fees that [COUNSEL] may receive from the national Attorney Fee Fund, will not exceed a total contingency fee of [PERCENTAGE NOT TO EXCEED 15%] of the total gross recovery of [SUBDIVISION] from the CVS Settlement.

[COUNSEL] certify that they first sought fees and costs from the Attorney Fee Fund created under the CVS Settlement Agreement before seeking or accepting payment under this backstop agreement. [COUNSEL] further certify that they are not seeking and will not accept payment under this backstop agreement of any litigation fees or costs that have been reimbursed through prior settlements or judgments.

The Attorney General is executing this agreement solely because the definition of “State Back-Stop Agreement” in Exhibit R of the CVS Settlement Agreement requires such agreements to be between “a Settling State” and private counsel for a participating subdivision. Neither the California Attorney General nor the State of California have any obligations under this Backstop Agreement, and this Backstop Agreement does not require the payment of any state funds to [SUBDIVISION], [COUNSEL], or any other party.

[DATE]

[SUBDIVISION SIGNATURE BLOCK]

[DATE]

[COUNSEL SIGNATURE BLOCK]

[DATE]

[ATTORNEY GENERAL SIGNATURE BLOCK]



EXHIBIT **K**

Subdivision Participation Form

Will your subdivision or special district be signing the settlement participation form for the Walmart Settlement at this time?

Yes No

| | |
|-------------------------------------|-----------|
| Governmental Entity: Palo Alto city | State: CA |
| Authorized Official: | |
| Address 1: | |
| Address 2: | |
| City, State, Zip: | |
| Phone: | |
| Email: | |

The governmental entity identified above (“Governmental Entity”), in order to obtain and in consideration for the benefits provided to the Governmental Entity pursuant to the Settlement Agreement dated November 14, 2022 (“Walmart Settlement”), and acting through the undersigned authorized official, hereby elects to participate in the Walmart Settlement, release all Released Claims against all Released Entities, and agrees as follows.

1. The Governmental Entity is aware of and has reviewed the Walmart Settlement, understands that all terms in this Election and Release have the meanings defined therein, and agrees that by this Election, the Governmental Entity elects to participate in the Walmart Settlement and become a Participating Subdivision as provided therein.
2. The Governmental Entity shall promptly, and in any event within 14 days of the Effective Date and prior to the filing of the Consent Judgment, dismiss with prejudice any Released Claims that it has filed. With respect to any Released Claims pending in In re National Prescription Opiate Litigation, MDL No. 2804, the Governmental Entity authorizes the Plaintiffs’ Executive Committee to execute and file on behalf of the Governmental Entity a Stipulation of Dismissal With Prejudice substantially in the form found at <https://nationalopioidsettlement.com/>.
3. The Governmental Entity agrees to the terms of the Walmart Settlement pertaining to Subdivisions as defined therein.
4. By agreeing to the terms of the Walmart Settlement and becoming a Releasor, the Governmental Entity is entitled to the benefits provided therein, including, if applicable, monetary payments beginning after the Effective Date.
5. The Governmental Entity agrees to use any monies it receives through the Walmart Settlement solely for the purposes provided therein.



6. The Governmental Entity submits to the jurisdiction of the court in the Governmental Entity's state where the Consent Judgment is filed for purposes limited to that court's role as provided in, and for resolving disputes to the extent provided in, the Walmart Settlement.
7. The Governmental Entity has the right to enforce the Walmart Settlement as provided therein.
8. The Governmental Entity, as a Participating Subdivision, hereby becomes a Releasor for all purposes in the Walmart Settlement, including but not limited to all provisions of Section X (Release), and along with all departments, agencies, divisions, boards, commissions, districts, instrumentalities of any kind and attorneys, and any person in their official capacity elected or appointed to serve any of the foregoing and any agency, person, or other entity claiming by or through any of the foregoing, and any other entity identified in the definition of Releasor, provides for a release to the fullest extent of its authority. As a Releasor, the Governmental Entity hereby absolutely, unconditionally, and irrevocably covenants not to bring, file, or claim, or to cause, assist or permit to be brought, filed, or claimed, or to otherwise seek to establish liability for any Released Claims against any Released Entity in any forum whatsoever. The releases provided for in the Walmart Settlement are intended by the Parties to be broad and shall be interpreted so as to give the Released Entities the broadest possible bar against any liability relating in any way to Released Claims and extend to the full extent of the power of the Governmental Entity to release claims. The Walmart Settlement shall be a complete bar to any Released Claim.
9. In connection with the releases provided for in the Walmart Settlement, each Governmental Entity expressly waives, releases, and forever discharges any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code, which reads:

General Release; extent. A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

A Releasor may hereafter discover facts other than or different from those which it knows, believes, or assumes to be true with respect to the Released Claims, but each Governmental Entity hereby expressly waives and fully, finally, and forever settles, releases and discharges, upon the Effective Date, any and all Released Claims that may exist as of such date but which Releasors do not know or suspect to exist, whether through ignorance, oversight, error, negligence or through no fault whatsoever, and which, if known, would materially affect the Governmental Entities' decision to participate in the Walmart Settlement.

10. Nothing herein is intended to modify in any way the terms of the Walmart Settlement, to which Governmental Entity hereby agrees. To the extent this Election and Release is interpreted differently from the Walmart Settlement in any respect, the Walmart Settlement controls.



I have all necessary power and authorization to execute this Election and Release on behalf of the Governmental Entity.

Signature: _____

Name: _____

Title: _____

Date: _____



**Proposed California State-Subdivision Agreement
Regarding Distribution and Use of
Settlement Funds – Walmart Settlement**

1. Introduction

Pursuant to the Walmart Settlement Agreement, dated as of November 14, 2022, and any revision thereto (the “Walmart Settlement Agreement”), including Section V and Exhibit O, the State of California proposes this agreement (the “CA Walmart Allocation Agreement”) to govern the allocation, distribution, and use of Settlement Fund payments made to California pursuant to Sections IV and V of the Walmart Settlement Agreement. For the avoidance of doubt, this agreement does not apply to payments made pursuant to Sections VIII or IX of the Walmart Settlement Agreement.

Pursuant to Exhibit O, Paragraph 4, of the Walmart Settlement Agreement, acceptance of this CA Walmart Allocation Agreement is a requirement to be a Participating Subdivision.

2. Definitions

- a) *CA Participating Subdivision* means a Participating Subdivision that is also (a) a Plaintiff Subdivision and/or (b) a Primary Subdivision with a population equal to or greater than 10,000. For the avoidance of doubt, eligible CA Participating Subdivisions are those California subdivisions listed in Exhibit C (excluding Litigating Special Districts) and/or Exhibit I to the Walmart Settlement Agreement.
- b) *Allergan Settlement Agreement* means the Allergan Settlement Agreement dated November 22, 2022, and any revision thereto.
- c) *CVS Settlement Agreement* means the CVS Settlement Agreement dated December 9, 2022, and any revision thereto as well as any modification thereto entered into by the State of California and CVS.
- d) *Distributor Settlement Agreement* means the Distributor Settlement Agreement dated July 21, 2021, and any revision thereto.
- e) *Janssen Settlement Agreement* means the Janssen Settlement Agreement dated July 21, 2021, and any revision thereto.
- f) *Teva Settlement Agreement* means the Teva Settlement Agreement dated November 22, 2022, and any revision thereto.
- g) *Walgreens Settlement Agreement* means the Walgreens Settlement Agreement dated December 9, 2022, and any revision thereto.
- h) *CA Litigating Special District* means a Litigating Special District located in California. CA Litigating Special Districts include Downey Unified School District, Elk Grove Unified School District, Kern High School District, Montezuma Fire Protection District (located in Stockton, California), Santa Barbara San Luis Obispo Regional Health Authority, Inland Empire Health Plan, Health Plan of San Joaquin, San Leandro Unified School District, Pleasant Valley School District Board, and LA Care Health Plan.



- i) *Plaintiff Subdivision* means a Subdivision located in California, other than a CA Litigating Special District, that filed a lawsuit, on behalf of the Subdivision and/or through an official of the Subdivision on behalf of the People of the State of California, against one or more Opioid Defendants prior to October 1, 2020.
- j) *Opioid Defendant* means any defendant (including but not limited to Teva Pharmaceutical Industries Ltd., Allergan Finance, LLC, Allergan Limited, CVS Health Corporation, CVS Pharmacy, Inc., Walgreen Co., Walmart Inc., Johnson & Johnson, Janssen Pharmaceuticals, Inc., Purdue Pharma L.P., Cardinal Health, Inc., AmerisourceBergen Corporation, and McKesson Corporation) named in a lawsuit seeking damages, abatement, or other remedies related to or caused by the opioid public health crisis in any lawsuit brought by any state or local government on or before October 1, 2020.

3. General Terms

This agreement is subject to the requirements of the Walmart Settlement Agreement, as well as applicable law, and the Walmart Settlement Agreement governs over any inconsistent provision of this CA Walmart Allocation Agreement. Terms used in this CA Walmart Allocation Agreement have the same meaning as in the Walmart Settlement Agreement unless otherwise defined herein.

Pursuant to Section V(D)(1) of the Walmart Settlement Agreement, (a) all Settlement Fund payments will be used for Opioid Remediation, except as allowed by Section V(B)(2) of the Walmart Settlement Agreement; and (b) at least seventy percent (70%) of Settlement Fund payment amounts will be used solely for future Opioid Remediation.

4. State Allocation

The Settlement Fund payments to California,¹ pursuant to the Walmart Settlement Agreement, shall be allocated as follows: 15% to the State Fund; 70% to the Abatement Accounts Fund; and 15% to the Subdivision Fund. For the avoidance of doubt, all funds allocated to California from the Settlement Fund shall be combined pursuant to this CA Walmart Allocation Agreement, and 15% of that total shall be allocated to the State of California (the “State of California Allocation”), 70% to the California Abatement Accounts Fund (“CA Abatement Accounts Fund”), and 15% to the California Subdivision Fund (“CA Subdivision Fund”).

¹ For purposes of clarity, use of the term “California” refers to the geographic territory of California and the state and its local governments therein. The term “State” or “State of California” refers to the State of California as a governmental unit.



A. State of California Allocation

Fifteen percent of the total Settlement Fund payments will be allocated to the State and used by the State for future Opioid Remediation.

B. CA Abatement Accounts Fund**i. Allocation of CA Abatement Accounts Funds**

- a) Seventy percent of the total Settlement Fund payments will be allocated to the CA Abatement Accounts Fund. The funds in the CA Abatement Accounts Fund will be allocated based on the allocation model developed in connection with the proposed negotiating class in the National Prescription Opiate Litigation (MDL No. 2804), as adjusted to reflect only those cities and counties that are eligible, based on population or litigation status, to become a CA Participating Subdivision. The percentage from the CA Abatement Accounts Fund allocated to each CA Participating Subdivision is set forth in Appendix 1 in the column entitled abatement percentage (the “Local Allocation”). For the avoidance of doubt, CA Litigating Special Districts and California towns, cities, and counties with a population less than 10,000 are not eligible to receive an allocation of CA Abatement Accounts Funds.
- b) A CA Participating Subdivision that is a county, or a city and county, will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision, and will receive payments as provided in the Walmart Settlement Agreement.
- c) A CA Participating Subdivision that is a city will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision. The Local Allocation share for a city that is a CA Participating Subdivision will be paid to the county in which the city is located, rather than to the city, so long as: (a) the county is a CA Participating Subdivision, and (b) the city has not advised the Settlement Fund Administrator that it requests direct payment at least 60 days prior to a Payment Date. A Local Allocation share allocated to a city but paid to a county is not required to be spent exclusively for abatement activities in that city, but will become part of the county’s share of the CA Abatement Accounts Funds, which will be used in accordance with Section 4.B.ii (Use of CA Abatement Accounts Funds) and reported on in accordance with Section 4.B.iii (CA Abatement Accounts Fund Oversight).
- d) A city within a county that is a CA Participating Subdivision may opt in or out of direct payment at any time, and it may also elect direct payment of only a portion of its share, with the remainder going to the county, by providing notice to the Settlement Fund Administrator at least 60 days prior to a Payment Date. For purposes of this CA Walmart Allocation Agreement, the Cities of Los Angeles, Oakland, San Diego, San Jose and Eureka will be deemed to have elected direct payment if they become Participating Subdivisions.



- e) The State will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision.
- f) Funds received by a CA Participating Subdivision, and not expended or encumbered within five years of receipt and in accordance with the Walmart Settlement Agreement and this CA Walmart Allocation Agreement shall be transferred to the State; provided however, that CA Participating Subdivisions have seven years to expend or encumber CA Abatement Accounts Funds designated to support capital outlay projects before they must be transferred to the State. This provision shall not apply to the Cost Reimbursement Funds, which shall be controlled by Appendix 2.

ii. Use of CA Abatement Accounts Funds

- a) The CA Abatement Accounts Funds will be used for future Opioid Remediation in one or more of the areas described in the List of Opioid Remediation Uses, which is Exhibit E to the Walmart Settlement Agreement.
- b) In addition to this requirement, no less than 50% of the funds received by a CA Participating Subdivision from the Abatement Accounts Fund in each calendar year will be used for one or more of the following High Impact Abatement Activities:
 - (1) the provision of matching funds or operating costs for substance use disorder facilities within the Behavioral Health Continuum Infrastructure Program;
 - (2) creating new or expanded Substance Use Disorder (“SUD”) treatment infrastructure;
 - (3) addressing the needs of communities of color and vulnerable populations (including sheltered and unsheltered homeless populations) that are disproportionately impacted by SUD;
 - (4) diversion of people with SUD from the justice system into treatment, including by providing training and resources to first and early responders (sworn and non-sworn) and implementing best practices for outreach, diversion and deflection, employability, restorative justice, and harm reduction; and/or
 - (5) interventions to prevent drug addiction in vulnerable youth.
- c) The California Department of Health Care Services (“DHCS”) may add to this list (but not delete from it) by designating additional High Impact Abatement Activities. DHCS will make reasonable efforts to consult with stakeholders, including the CA Participating Subdivisions, before adding additional High Impact Abatement Activities to this list.
- d) For the avoidance of doubt, and subject to the requirements of the Walmart Settlement Agreement and applicable law, CA Participating Subdivisions may form agreements or ventures, or otherwise work in collaboration with, federal, state, local, tribal or private sector entities in pursuing Opioid Remediation activities funded from the CA Abatement



Accounts Fund. Further, provided that all CA Abatement Accounts Funds are used for Opioid Remediation consistent with the Walmart Settlement Agreement and this CA Walmart Allocation Agreement, a county and any cities or towns within the county may agree to reallocate their respective shares of the CA Abatement Accounts Funds among themselves, provided that any direct distribution may only be to a CA Participating Subdivision and any CA Participating Subdivision must agree to their share being reallocated.

iii. CA Abatement Accounts Fund Oversight

- a) Pursuant to Section 5 below, CA Participating Subdivisions receiving settlement funds must prepare and file reports annually regarding the use of those funds. DHCS may regularly review the reports prepared by CA Participating Subdivisions about the use of CA Abatement Accounts Funds for compliance with the Walmart Settlement Agreement and this CA Walmart Allocation Agreement.
- b) If DHCS determines that a CA Participating Subdivision's use of CA Abatement Accounts Funds is inconsistent with the Walmart Settlement Agreement or this CA Walmart Allocation Agreement, whether through review of reports or information from any other sources, DHCS shall send a request to meet and confer with the CA Participating Subdivision. The parties shall meet and confer in an effort to resolve the concern.
- c) If the parties are unable to reach a resolution, DHCS may conduct an audit of the Subdivision's use of the CA Abatement Accounts Funds within one year of the request to meet and confer, unless the parties mutually agree in writing to extend the meet and confer time frame.
- d) If the concern still cannot be resolved, the State may bring a motion or action in the court where the State has filed its Consent Judgment to resolve the concern or otherwise enforce the requirements of the Walmart Settlement Agreement or this CA Walmart Allocation Agreement. However, in no case shall any audit be conducted, or motion be brought, as to a specific expenditure of funds, more than five years after the date on which the expenditure of the funds was reported to DHCS, in accordance with this agreement.
- e) Notwithstanding the foregoing, this Agreement does not limit the statutory or constitutional authority of any state or local agency or official to conduct audits, investigations, or other oversight activities, or to pursue administrative, civil, or criminal enforcement actions.



C. CA Subdivision Fund

- i. Fifteen percent of the total Settlement Fund payments will be allocated to the CA Subdivision Fund. All funds in the CA Subdivision Fund will be allocated among the Plaintiff Subdivisions that are Participating Subdivisions. The funds will be used, subject to any limits imposed by the Walmart Settlement Agreement and this CA Walmart Allocation Agreement, to fund future Opioid Remediation and reimburse past opioid-related expenses, which may include fees and expenses related to litigation, and to pay the reasonable fees and expenses of the Special Master as set forth in Appendix 2.

The CA Subdivision Funds will be allocated as follows:

- a) First, funds in the CA Subdivision Fund shall be used to pay the Special Master's reasonable fees and expenses in accordance with the procedures and limitations set forth in Appendix 2 to this document;
- b) Second, funds will be allocated to Plaintiff Subdivisions that are Participating Subdivisions that have been awarded Costs, as defined by and in accordance with the procedures and limitations set forth in Appendix 2 to this document.
- c) Funds remaining in the CA Subdivision Fund, which shall consist of no less than 50% of the total CA Subdivision Fund received in any year pursuant to Appendix 2, Section 2.c.v, will be distributed to Plaintiff Subdivisions that are Participating Subdivisions, in relative proportion to the Local Allocation. These funds shall be used to fund future opioid-related projects and to reimburse past opioid-related expenses, which may include fees and expenses related to litigation against any Opioid Defendant.

D. Provision for State Back-Stop Agreement

On August 6, 2021, Judge Dan Polster of the U.S. District Court, Northern District of Ohio, Eastern Division, issued an order (ECF Docket Number 3814) ("MDL Fees Order") in the National Prescription Opiate Litigation (MDL No. 2804) "cap[ping] all applicable contingent fee agreements at 15%." Private counsel representing Plaintiff Subdivisions should seek its contingency fees and costs from the Attorney Fee Fund or Cost Funds under the Walmart Settlement Agreement, and, if applicable, the Allergan Settlement Agreement, CVS Settlement Agreement, Distributor Settlement Agreement, Janssen Settlement Agreement, Teva Settlement Agreement, and Walgreens Settlement Agreement.

A Plaintiff Subdivision may separately agree to use its share of the CA Subdivision Fund to pay for fees or costs incurred by its contingency-fee counsel ("State Back-Stop Agreement"), pursuant to Exhibit R, section I(W), of the Walmart Settlement Agreement and the MDL Fees Order, so long as such contingency fees do not exceed a total contingency fee of 15% of the total gross recovery of the Plaintiff Subdivision pursuant to the Walmart Settlement, inclusive of contingency fees from the national Attorney Fee Fund and this State Back-Stop Agreement. Before seeking fees or litigation costs and expenses from a State Back-Stop Agreement, private



counsel representing Plaintiff Subdivisions must first seek contingency fees and costs from the Attorney Fee Fund or Cost Funds created under the Walmart Settlement Agreement. Further, private counsel may only seek reimbursement for litigation fees and costs that have not previously been reimbursed through prior settlements or judgments.

To effectuate a State Back-Stop Agreement pursuant to this section, an agreement in the form of Appendix 3 may be entered into by a Plaintiff Subdivision, private counsel, and the California Office of the Attorney General. The California Office of the Attorney General shall, upon the request of a Plaintiff Subdivision, execute any agreement executed by a Plaintiff Subdivision and its private counsel if it is in the form of Appendix 3. The California Office of the Attorney General will also consider requests from Plaintiff Subdivisions to execute and enter into agreements presented in other forms.

For the avoidance of doubt, this agreement does not require a Plaintiff Subdivision to request or enter into a State Back-Stop Agreement, and no State Back-Stop Agreement shall impose any duty or obligation on the State of California or any of its agencies or officers, including without limitation the Attorney General.

5. State and Subdivision Reporting

- a) DHCS will prepare an annual written report regarding the State's use of funds from the settlement until those funds are fully expended and for one year thereafter. These reports will be made publicly available on the DHCS web site.
- b) Each CA Participating Subdivision that receives payments of funds from the settlement will prepare written reports at least annually regarding the use of those funds, until those funds are fully expended and for one year thereafter. These reports will also include a certification that all funds that the CA Participating Subdivision has received through the settlement have been used in compliance with the Walmart Settlement Agreement and this CA Walmart Allocation Agreement. The report will be in a form reasonably determined by DHCS. Prior to specifying the form of the report DHCS will confer with representatives of the Plaintiff Subdivisions.
- c) The State and all CA Participating Subdivisions receiving CA Abatement Accounts Funds will track all deposits and expenditures. Each such subdivision is responsible solely for the CA Abatement Accounts Funds it receives. A county is not responsible for oversight, reporting, or monitoring of CA Abatement Accounts Funds received by a city within that county that receives direct payment. Unless otherwise exempt, Subdivisions' expenditures and uses of CA Abatement Accounts Funds and other Settlement Funds will be subject to the normal budgetary and expenditure process of the Subdivision.
- d) Each Plaintiff Subdivision receiving CA Subdivision Funds will track all deposits and expenditures, as required by the Walmart Settlement Agreement and this CA Walmart Allocation Agreement. Among other things, Plaintiff Subdivisions using monies from the CA Subdivision Fund for purposes that do not qualify as Opioid Remediation must identify and include in their annual report, the amount and how such funds were used, including if used to pay attorneys' fees, investigation costs, or litigation costs. Pursuant to Section V(B)(2) of the Walmart Settlement Agreement, such information must also be reported to the Settlement Fund Administrator and Walmart.



- e) In each year in which DHCS prepares an annual report DHCS will also host a meeting to discuss the annual report and the Opioid Remediation activities being carried out by the State and Participating Subdivisions.

6. Miscellaneous

- a) The State or any CA Participating Subdivision may bring a motion or action in the court where the State has filed its Consent Judgment to enforce the requirements of this CA Walmart Allocation Agreement. Before filing such a motion or action the State will meet and confer with any CA Participating Subdivision that is the subject of the anticipated motion or action, and vice versa.
- b) Except as provided in the Walmart Settlement Agreement, this CA Walmart Allocation Agreement is not enforceable by any party other than the State and the CA Participating Subdivisions. It does not confer any rights or remedies upon, and shall not be enforceable by, any third party.
- c) Except as provided in the CA Walmart Allocation Agreement, if any provision of this agreement or the application thereof to any person, entity, or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this agreement, or the application of such provision to persons, entities, or circumstances other than those as to which it is invalid or unenforceable, will not be affected thereby, and each other provision of this agreement will be valid and enforceable to the fullest extent permitted by law.
- d) Except as provided in the Walmart Settlement Agreement, this agreement shall be governed by and interpreted in accordance with the laws of California.



The undersigned, Palo Alto city, ACKNOWLEDGES acceptance of this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Walmart Settlement is a requirement to be an Initial Participating Subdivision in the Walmart Settlement and ACCEPTS this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Walmart Settlement. EXECUTED on _____.

Signature: _____

Name: _____

Title: _____

Date: _____





APPENDIX 1

DISCLAIMER: The allocation percentages herein are estimates only and should not be relied on for decisions regarding legal rights, releases, waivers, or other decisions affecting current or potential legal claims. Percentages shown in the Plaintiff Subdivision Percentage column may change pursuant to Section 4.C. of the California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds—Walmart Settlement, whereas the percentages shown in the Abatement Percentage column should not change. Participating Subdivisions, underlying calculations, and the calculated allocation percentages are subject to change. Regarding the column herein entitled “Abatement Percentage,” pursuant to Section 4.B.e., the State of California will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision. Regarding the column herein entitled “Plaintiff Subdivision Percentage,” payments allocated to a Plaintiff Subdivision, which is not an Initial Participating Subdivision, will be re-allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. Regarding the column herein entitled “Abatement Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the California Abatement Account Funds received, pursuant to Section 4.B. Regarding the column herein entitled “Plaintiff Subdivision Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the California Subdivision Funds received, pursuant to Section 4.C. Regarding the column herein entitled “Weighted Allocation Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the combined and weighted allocation of the Abatement Percentage and the Plaintiff Subdivision Percentage.



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | 100.000% | | | 100.000% | | |
|--|----------------------------|--------------|----------------------|----------------------------------|--------------------------------|----------------------|----------------------------------|--------------------------------|
| | | | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
| County | Alameda County | Alameda | 2.332% | 2.853% | 2.4237952% | | | |
| City | Alameda | Alameda | 0.069% | | 0.0570162% | | | |
| City | Albany | Alameda | 0.013% | | 0.0107768% | | | |
| City | Berkeley | Alameda | 0.152% | | 0.1249656% | | | |
| City | Dublin | Alameda | 0.033% | 0.040% | 0.0338810% | | | |
| City | Emeryville | Alameda | 0.023% | | 0.0185765% | | | |
| City | Fremont | Alameda | 0.108% | | 0.0888576% | | | |
| City | Hayward | Alameda | 0.117% | | 0.0966218% | | | |
| City | Livermore | Alameda | 0.054% | | 0.0446740% | | | |
| City | Newark | Alameda | 0.026% | | 0.0217626% | | | |
| City | Oakland | Alameda | 0.486% | 0.595% | 0.5055601% | | | |
| City | Piedmont | Alameda | 0.014% | | 0.0114064% | | | |
| City | Pleasanton | Alameda | 0.067% | | 0.0554547% | | | |
| City | San Leandro | Alameda | 0.039% | | 0.0321267% | | | |
| City | Union City | Alameda | 0.043% | | 0.0352484% | | | |
| County | Amador County | Amador | 0.226% | 0.277% | 0.2349885% | | | |
| County | Butte County | Butte | 1.615% | 1.975% | 1.6783178% | | | |
| City | Chico | Butte | 0.216% | 0.264% | 0.2246499% | | | |
| City | Oroville | Butte | 0.079% | | 0.0646595% | | | |
| County | Calaveras County | Calaveras | 0.226% | 0.277% | 0.2351644% | | | |
| County | Colusa County | Colusa | 0.059% | | 0.0489221% | | | |
| County | Contra Costa County | Contra Costa | 2.102% | 2.571% | 2.1844585% | | | |
| City | Antioch | Contra Costa | 0.037% | | 0.0301879% | | | |
| City | Brentwood | Contra Costa | 0.026% | | 0.0215339% | | | |
| City | Clayton | Contra Costa | 0.002% | | 0.0018060% | | | |
| City | Concord | Contra Costa | 0.055% | | 0.0456676% | | | |
| City | Danville | Contra Costa | 0.010% | | 0.0082255% | | | |
| City | El Cerrito | Contra Costa | 0.023% | | 0.0189024% | | | |
| City | Hercules | Contra Costa | 0.010% | | 0.0078273% | | | |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|--------------|----------------------|----------------------------------|--------------------------------|
| City | Lafayette | Contra Costa | 0.006% | | 0.0046030% |
| City | Martinez | Contra Costa | 0.012% | | 0.0098593% |
| City | Moraga | Contra Costa | 0.004% | | 0.0031007% |
| City | Oakley | Contra Costa | 0.010% | | 0.0079416% |
| City | Orinda | Contra Costa | 0.005% | | 0.0038157% |
| City | Pinole | Contra Costa | 0.013% | | 0.0110909% |
| City | Pittsburg | Contra Costa | 0.053% | | 0.0436369% |
| City | Pleasant Hill | Contra Costa | 0.013% | | 0.0106309% |
| City | Richmond | Contra Costa | 0.146% | | 0.1201444% |
| City | San Pablo | Contra Costa | 0.018% | | 0.0148843% |
| City | San Ramon | Contra Costa | 0.021% | | 0.0176459% |
| City | Walnut Creek | Contra Costa | 0.026% | | 0.0212132% |
| County | Del Norte County | Del Norte | 0.114% | 0.140% | 0.1189608% |
| County | El Dorado County | El Dorado | 0.768% | 0.939% | 0.7980034% |
| City | Placerville | El Dorado | 0.015% | | 0.0127642% |
| City | South Lake Tahoe | El Dorado | 0.081% | | 0.0665456% |
| County | Fresno County | Fresno | 1.895% | 2.318% | 1.9693410% |
| City | Clovis | Fresno | 0.065% | | 0.0536211% |
| City | Coalinga | Fresno | 0.012% | | 0.0098554% |
| City | Fresno | Fresno | 0.397% | | 0.3270605% |
| City | Kerman | Fresno | 0.005% | | 0.0042534% |
| City | Kingsburg | Fresno | 0.008% | | 0.0066167% |
| City | Mendota | Fresno | 0.002% | | 0.0019387% |
| City | Orange Cove | Fresno | 0.004% | | 0.0035607% |
| City | Parlier | Fresno | 0.008% | | 0.0069755% |
| City | Reedley | Fresno | 0.012% | | 0.0098804% |
| City | Sanger | Fresno | 0.018% | | 0.0146135% |
| City | Selma | Fresno | 0.015% | | 0.0127537% |
| County | Glenn County | Glenn | 0.107% | 0.131% | 0.1116978% |
| County | Humboldt County | Humboldt | 1.030% | 1.260% | 1.0703185% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|-------------|----------------------|----------------------------------|--------------------------------|
| City | Arcata | Humboldt | 0.054% | | 0.0447660% |
| City | Eureka | Humboldt | 0.117% | 0.143% | 0.1216284% |
| City | Fortuna | Humboldt | 0.032% | | 0.0266837% |
| County | Imperial County | Imperial | 0.258% | 0.315% | 0.2679006% |
| City | Brawley | Imperial | 0.011% | | 0.0087986% |
| City | Calexico | Imperial | 0.019% | | 0.0152799% |
| City | El Centro | Imperial | 0.158% | | 0.1302522% |
| City | Imperial | Imperial | 0.006% | | 0.0048791% |
| County | Inyo County | Inyo | 0.073% | 0.089% | 0.0754413% |
| County | Kern County | Kern | 2.517% | 3.079% | 2.6159145% |
| City | Arvin | Kern | 0.006% | | 0.0046425% |
| City | Bakersfield | Kern | 0.212% | | 0.1747198% |
| City | California City | Kern | 0.009% | | 0.0070820% |
| City | Delano | Kern | 0.030% | | 0.0249316% |
| City | McFarland | Kern | 0.003% | | 0.0025644% |
| City | Ridgecrest | Kern | 0.015% | | 0.0120938% |
| City | Shafter | Kern | 0.013% | | 0.0103417% |
| City | Tehachapi | Kern | 0.009% | | 0.0073580% |
| City | Wasco | Kern | 0.008% | | 0.0069861% |
| County | Kings County | Kings | 0.293% | | 0.2413469% |
| City | Avenal | Kings | 0.007% | | 0.0056335% |
| City | Corcoran | Kings | 0.013% | | 0.0107032% |
| City | Hanford | Kings | 0.027% | | 0.0226038% |
| City | Lemoore | Kings | 0.016% | | 0.0131900% |
| County | Lake County | Lake | 0.795% | | 0.6545389% |
| City | Clearlake | Lake | 0.041% | 0.050% | 0.0426253% |
| City | Lakeport | Lake | 0.021% | 0.026% | 0.0222964% |
| County | Lassen County | Lassen | 0.319% | 0.391% | 0.3320610% |
| City | Susanville | Lassen | 0.027% | | 0.0219295% |
| County | Los Angeles County | Los Angeles | 13.896% | 16.999% | 14.4437559% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|-------------|----------------------|----------------------------------|--------------------------------|
| City | Agoura Hills | Los Angeles | 0.005% | | 0.0040024% |
| City | Alhambra | Los Angeles | 0.042% | | 0.0343309% |
| City | Arcadia | Los Angeles | 0.033% | | 0.0267718% |
| City | Artesia | Los Angeles | 0.001% | | 0.0005100% |
| City | Azusa | Los Angeles | 0.026% | | 0.0210857% |
| City | Baldwin Park | Los Angeles | 0.027% | | 0.0218520% |
| City | Bell | Los Angeles | 0.008% | | 0.0068783% |
| City | Bellflower | Los Angeles | 0.002% | | 0.0014485% |
| City | Bell Gardens | Los Angeles | 0.014% | | 0.0114301% |
| City | Beverly Hills | Los Angeles | 0.065% | | 0.0534897% |
| City | Burbank | Los Angeles | 0.100% | | 0.0823132% |
| City | Calabasas | Los Angeles | 0.006% | | 0.0048948% |
| City | Carson | Los Angeles | 0.019% | | 0.0159805% |
| City | Cerritos | Los Angeles | 0.005% | | 0.0039682% |
| City | Claremont | Los Angeles | 0.010% | | 0.0082584% |
| City | Commerce | Los Angeles | 0.000% | | 0.0002971% |
| City | Compton | Los Angeles | 0.044% | | 0.0361882% |
| City | Covina | Los Angeles | 0.028% | | 0.0229127% |
| City | Cudahy | Los Angeles | 0.001% | | 0.0006020% |
| City | Culver City | Los Angeles | 0.055% | | 0.0449894% |
| City | Diamond Bar | Los Angeles | 0.001% | | 0.0006993% |
| City | Downey | Los Angeles | 0.052% | | 0.0429994% |
| City | Duarte | Los Angeles | 0.003% | | 0.0027261% |
| City | El Monte | Los Angeles | 0.031% | 0.038% | 0.0318985% |
| City | El Segundo | Los Angeles | 0.033% | | 0.0268020% |
| City | Gardena | Los Angeles | 0.034% | | 0.0278088% |
| City | Glendale | Los Angeles | 0.166% | | 0.1366586% |
| City | Glendora | Los Angeles | 0.016% | | 0.0134411% |
| City | Hawaiian Gardens | Los Angeles | 0.005% | | 0.0040549% |
| City | Hawthorne | Los Angeles | 0.050% | | 0.0407833% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|-------------|----------------------|----------------------------------|--------------------------------|
| City | Hermosa Beach | Los Angeles | 0.018% | | 0.0145307% |
| City | Huntington Park | Los Angeles | 0.023% | | 0.0190667% |
| City | Inglewood | Los Angeles | 0.059% | | 0.0489195% |
| City | La Cañada Flintridge | Los Angeles | 0.003% | | 0.0025565% |
| City | Lakewood | Los Angeles | 0.005% | | 0.0039971% |
| City | La Mirada | Los Angeles | 0.010% | | 0.0081572% |
| City | Lancaster | Los Angeles | 0.045% | | 0.0369689% |
| City | La Puente | Los Angeles | 0.002% | | 0.0012999% |
| City | La Verne | Los Angeles | 0.024% | | 0.0194190% |
| City | Lawndale | Los Angeles | 0.002% | | 0.0017731% |
| City | Lomita | Los Angeles | 0.004% | | 0.0031940% |
| City | Long Beach | Los Angeles | 0.439% | | 0.3614151% |
| City | Los Angeles | Los Angeles | 2.715% | 3.321% | 2.8218811% |
| City | Lynwood | Los Angeles | 0.016% | | 0.0134345% |
| City | Malibu | Los Angeles | 0.002% | | 0.0019269% |
| City | Manhattan Beach | Los Angeles | 0.032% | | 0.0260686% |
| City | Maywood | Los Angeles | 0.004% | | 0.0035528% |
| City | Monrovia | Los Angeles | 0.031% | | 0.0254455% |
| City | Montebello | Los Angeles | 0.030% | | 0.0250670% |
| City | Monterey Park | Los Angeles | 0.031% | | 0.0256677% |
| City | Norwalk | Los Angeles | 0.031% | | 0.0258228% |
| City | Palmdale | Los Angeles | 0.046% | | 0.0375827% |
| City | Palos Verdes Estates | Los Angeles | 0.006% | | 0.0053102% |
| City | Paramount | Los Angeles | 0.011% | | 0.0091483% |
| City | Pasadena | Los Angeles | 0.146% | | 0.1200524% |
| City | Pico Rivera | Los Angeles | 0.022% | | 0.0183333% |
| City | Pomona | Los Angeles | 0.111% | | 0.0911933% |
| City | Rancho Palos Verdes | Los Angeles | 0.002% | | 0.0012645% |
| City | Redondo Beach | Los Angeles | 0.062% | | 0.0506992% |
| City | Rosemead | Los Angeles | 0.003% | | 0.0028260% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|-------------|----------------------|----------------------------------|--------------------------------|
| City | San Dimas | Los Angeles | 0.003% | | 0.0022016% |
| City | San Fernando | Los Angeles | 0.013% | | 0.0104837% |
| City | San Gabriel | Los Angeles | 0.018% | | 0.0147726% |
| City | San Marino | Los Angeles | 0.009% | | 0.0073791% |
| City | Santa Clarita | Los Angeles | 0.022% | | 0.0178167% |
| City | Santa Fe Springs | Los Angeles | 0.031% | | 0.0257531% |
| City | Santa Monica | Los Angeles | 0.158% | | 0.1298513% |
| City | Sierra Madre | Los Angeles | 0.006% | | 0.0048646% |
| City | Signal Hill | Los Angeles | 0.010% | | 0.0084884% |
| City | South El Monte | Los Angeles | 0.005% | | 0.0039603% |
| City | South Gate | Los Angeles | 0.020% | | 0.0166272% |
| City | South Pasadena | Los Angeles | 0.012% | | 0.0095334% |
| City | Temple City | Los Angeles | 0.005% | | 0.0039498% |
| City | Torrance | Los Angeles | 0.112% | | 0.0919820% |
| City | Walnut | Los Angeles | 0.006% | | 0.0047305% |
| City | West Covina | Los Angeles | 0.049% | | 0.0404521% |
| City | West Hollywood | Los Angeles | 0.013% | | 0.0108517% |
| City | Whittier | Los Angeles | 0.032% | | 0.0260581% |
| County | Madera County | Madera | 0.349% | 0.427% | 0.3630669% |
| City | Chowchilla | Madera | 0.012% | | 0.0097332% |
| City | Madera | Madera | 0.039% | | 0.0318441% |
| County | Marin County | Marin | 0.564% | 0.690% | 0.5861325% |
| City | Larkspur | Marin | 0.015% | | 0.0124697% |
| City | Mill Valley | Marin | 0.020% | | 0.0168401% |
| City | Novato | Marin | 0.028% | | 0.0229824% |
| City | San Anselmo | Marin | 0.009% | | 0.0078062% |
| City | San Rafael | Marin | 0.089% | | 0.0729823% |
| County | Mariposa County | Mariposa | 0.084% | 0.103% | 0.0876131% |
| County | Mendocino County | Mendocino | 0.439% | 0.536% | 0.4558394% |
| City | Ukiah | Mendocino | 0.039% | | 0.0317153% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|----------|----------------------|----------------------------------|--------------------------------|
| County | Merced County | Merced | 0.551% | 0.674% | 0.5724262% |
| City | Atwater | Merced | 0.024% | | 0.0195846% |
| City | Livingston | Merced | 0.006% | | 0.0045873% |
| City | Los Banos | Merced | 0.020% | | 0.0165142% |
| City | Merced | Merced | 0.061% | | 0.0500762% |
| County | Modoc County | Modoc | 0.065% | 0.080% | 0.0678250% |
| County | Mono County | Mono | 0.023% | 0.029% | 0.0242606% |
| County | Monterey County | Monterey | 0.908% | 1.111% | 0.9437083% |
| City | Greenfield | Monterey | 0.006% | | 0.0050552% |
| City | King City | Monterey | 0.005% | | 0.0037355% |
| City | Marina | Monterey | 0.017% | | 0.0144098% |
| City | Monterey | Monterey | 0.041% | | 0.0336540% |
| City | Pacific Grove | Monterey | 0.009% | | 0.0074842% |
| City | Salinas | Monterey | 0.094% | | 0.0776576% |
| City | Seaside | Monterey | 0.023% | | 0.0191772% |
| City | Soledad | Monterey | 0.007% | | 0.0060870% |
| County | Napa County | Napa | 0.288% | 0.352% | 0.2994325% |
| City | American Canyon | Napa | 0.017% | | 0.0136869% |
| City | Napa | Napa | 0.078% | | 0.0642783% |
| County | Nevada County | Nevada | 0.441% | 0.539% | 0.4579827% |
| City | Grass Valley | Nevada | 0.024% | | 0.0197805% |
| City | Truckee | Nevada | 0.003% | | 0.0023843% |
| County | Orange County | Orange | 4.364% | 5.339% | 4.5363576% |
| City | Aliso Viejo | Orange | 0.014% | | 0.0113841% |
| City | Anaheim | Orange | 0.554% | 0.678% | 0.5759282% |
| City | Brea | Orange | 0.086% | | 0.0708897% |
| City | Buena Park | Orange | 0.087% | | 0.0714352% |
| City | Costa Mesa | Orange | 0.124% | 0.152% | 0.1288366% |
| City | Cypress | Orange | 0.033% | | 0.0271937% |
| City | Dana Point | Orange | 0.001% | | 0.0005560% |



APPENDIX 1

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|--------|----------------------|----------------------------------|--------------------------------|
| City | Fountain Valley | Orange | 0.055% | | 0.0455980% |
| City | Fullerton | Orange | 0.137% | 0.168% | 0.1425744% |
| City | Garden Grove | Orange | 0.213% | | 0.1752482% |
| City | Huntington Beach | Orange | 0.247% | 0.302% | 0.2568420% |
| City | Irvine | Orange | 0.139% | 0.170% | 0.1442350% |
| City | Laguna Beach | Orange | 0.047% | 0.058% | 0.0493043% |
| City | Laguna Hills | Orange | 0.014% | | 0.0115457% |
| City | Laguna Niguel | Orange | 0.001% | | 0.0007071% |
| City | Laguna Woods | Orange | 0.001% | | 0.0006546% |
| City | La Habra | Orange | 0.060% | 0.073% | 0.0621049% |
| City | Lake Forest | Orange | 0.012% | | 0.0101249% |
| City | La Palma | Orange | 0.012% | | 0.0095439% |
| City | Los Alamitos | Orange | 0.008% | | 0.0069190% |
| City | Mission Viejo | Orange | 0.014% | | 0.0117560% |
| City | Newport Beach | Orange | 0.179% | | 0.1470134% |
| City | Orange | Orange | 0.150% | | 0.1231320% |
| City | Placentia | Orange | 0.029% | 0.035% | 0.0298912% |
| City | Rancho Santa Margarita | Orange | 0.001% | | 0.0006296% |
| City | San Clemente | Orange | 0.008% | 0.010% | 0.0086083% |
| City | San Juan Capistrano | Orange | 0.008% | | 0.0065510% |
| City | Santa Ana | Orange | 0.502% | 0.614% | 0.5213866% |
| City | Seal Beach | Orange | 0.020% | | 0.0165891% |
| City | Stanton | Orange | 0.035% | | 0.0291955% |
| City | Tustin | Orange | 0.073% | | 0.0600341% |
| City | Westminster | Orange | 0.104% | 0.127% | 0.1082721% |
| City | Yorba Linda | Orange | 0.044% | | 0.0362223% |
| County | Placer County | Placer | 1.045% | 1.278% | 1.0861002% |
| City | Auburn | Placer | 0.017% | | 0.0141114% |
| City | Lincoln | Placer | 0.031% | | 0.0255599% |
| City | Rocklin | Placer | 0.076% | | 0.0625485% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|------------|----------------------|----------------------------------|--------------------------------|
| City | Roseville | Placer | 0.196% | | 0.1616559% |
| County | Plumas County | Plumas | 0.205% | 0.251% | 0.2128729% |
| County | Riverside County | Riverside | 4.534% | 5.547% | 4.7128296% |
| City | Banning | Riverside | 0.017% | | 0.0143848% |
| City | Beaumont | Riverside | 0.021% | | 0.0171135% |
| City | Blythe | Riverside | 0.012% | | 0.0096714% |
| City | Canyon Lake | Riverside | 0.000% | | 0.0001761% |
| City | Cathedral City | Riverside | 0.067% | | 0.0553614% |
| City | Coachella | Riverside | 0.021% | | 0.0173054% |
| City | Corona | Riverside | 0.147% | | 0.1207083% |
| City | Desert Hot Springs | Riverside | 0.024% | | 0.0200433% |
| City | Eastvale | Riverside | 0.000% | | 0.0002747% |
| City | Hemet | Riverside | 0.051% | | 0.0421792% |
| City | Indio | Riverside | 0.056% | | 0.0457794% |
| City | Jurupa Valley | Riverside | 0.001% | | 0.0008991% |
| City | Lake Elsinore | Riverside | 0.021% | | 0.0172949% |
| City | La Quinta | Riverside | 0.063% | | 0.0516732% |
| City | Menifee | Riverside | 0.032% | | 0.0260909% |
| City | Moreno Valley | Riverside | 0.137% | | 0.1130348% |
| City | Murrieta | Riverside | 0.048% | 0.059% | 0.0497423% |
| City | Norco | Riverside | 0.016% | | 0.0134542% |
| City | Palm Desert | Riverside | 0.083% | | 0.0682465% |
| City | Palm Springs | Riverside | 0.076% | | 0.0629862% |
| City | Perris | Riverside | 0.009% | | 0.0076774% |
| City | Rancho Mirage | Riverside | 0.052% | | 0.0431098% |
| City | Riverside | Riverside | 0.268% | | 0.2206279% |
| City | San Jacinto | Riverside | 0.010% | | 0.0085936% |
| City | Temecula | Riverside | 0.022% | | 0.0180086% |
| City | Wildomar | Riverside | 0.008% | | 0.0062500% |
| County | Sacramento County | Sacramento | 3.797% | 4.645% | 3.9465887% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|------------------------------|----------------|----------------------|----------------------------------|--------------------------------|
| City | Citrus Heights | Sacramento | 0.057% | | 0.0465312% |
| City | Elk Grove | Sacramento | 0.130% | | 0.1066994% |
| City | Folsom | Sacramento | 0.108% | | 0.0890850% |
| City | Galt | Sacramento | 0.017% | | 0.0143704% |
| City | Rancho Cordova | Sacramento | 0.008% | | 0.0067679% |
| City | Sacramento | Sacramento | 0.721% | 0.882% | 0.7496530% |
| County | San Benito County | San Benito | 0.106% | 0.130% | 0.1101417% |
| City | Hollister | San Benito | 0.027% | | 0.0225355% |
| County | San Bernardino County | San Bernardino | 3.259% | 3.987% | 3.3878124% |
| City | Adelanto | San Bernardino | 0.008% | | 0.0066640% |
| City | Apple Valley | San Bernardino | 0.025% | | 0.0207360% |
| City | Barstow | San Bernardino | 0.015% | | 0.0122056% |
| City | Chino | San Bernardino | 0.064% | | 0.0525893% |
| City | Chino Hills | San Bernardino | 0.001% | | 0.0006388% |
| City | Colton | San Bernardino | 0.031% | | 0.0253443% |
| City | Fontana | San Bernardino | 0.112% | | 0.0920543% |
| City | Grand Terrace | San Bernardino | 0.006% | | 0.0051051% |
| City | Hesperia | San Bernardino | 0.035% | | 0.0291522% |
| City | Highland | San Bernardino | 0.004% | | 0.0029061% |
| City | Loma Linda | San Bernardino | 0.009% | | 0.0071188% |
| City | Montclair | San Bernardino | 0.039% | | 0.0322108% |
| City | Ontario | San Bernardino | 0.179% | | 0.1472934% |
| City | Rancho Cucamonga | San Bernardino | 0.084% | | 0.0689431% |
| City | Redlands | San Bernardino | 0.057% | | 0.0469150% |
| City | Rialto | San Bernardino | 0.073% | | 0.0603206% |
| City | San Bernardino | San Bernardino | 0.178% | | 0.1461880% |
| City | Twentynine Palms | San Bernardino | 0.002% | | 0.0012605% |
| City | Upland | San Bernardino | 0.052% | | 0.0424460% |
| City | Victorville | San Bernardino | 0.033% | | 0.0269400% |
| City | Yucaipa | San Bernardino | 0.016% | | 0.0128772% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|-------------------------------|-----------------|----------------------|----------------------------------|--------------------------------|
| City | Yucca Valley | San Bernardino | 0.003% | | 0.0021228% |
| County | San Diego County | San Diego | 5.706% | 6.980% | 5.9309748% |
| City | Carlsbad | San Diego | 0.128% | | 0.1050485% |
| City | Chula Vista | San Diego | 0.189% | 0.231% | 0.1961456% |
| City | Coronado | San Diego | 0.044% | | 0.0359095% |
| City | El Cajon | San Diego | 0.113% | | 0.0933582% |
| City | Encinitas | San Diego | 0.061% | 0.074% | 0.0630289% |
| City | Escondido | San Diego | 0.145% | | 0.1192204% |
| City | Imperial Beach | San Diego | 0.014% | | 0.0118283% |
| City | La Mesa | San Diego | 0.055% | 0.068% | 0.0575593% |
| City | Lemon Grove | San Diego | 0.022% | | 0.0183911% |
| City | National City | San Diego | 0.080% | | 0.0656808% |
| City | Oceanside | San Diego | 0.213% | | 0.1753428% |
| City | Poway | San Diego | 0.062% | | 0.0511040% |
| City | San Diego | San Diego | 1.975% | 2.416% | 2.0531169% |
| City | San Marcos | San Diego | 0.089% | | 0.0733897% |
| City | Santee | San Diego | 0.033% | | 0.0268401% |
| City | Solana Beach | San Diego | 0.017% | | 0.0138564% |
| City | Vista | San Diego | 0.052% | | 0.0425144% |
| Consolidated | San Francisco | San Francisco | 3.026% | 3.702% | 3.1457169% |
| County | San Joaquin County | San Joaquin | 1.680% | 2.055% | 1.7460399% |
| City | Lathrop | San Joaquin | 0.009% | | 0.0075394% |
| City | Lodi | San Joaquin | 0.053% | | 0.0439484% |
| City | Manteca | San Joaquin | 0.054% | | 0.0443454% |
| City | Ripon | San Joaquin | 0.013% | | 0.0104219% |
| City | Stockton | San Joaquin | 0.313% | 0.383% | 0.3256176% |
| City | Tracy | San Joaquin | 0.084% | | 0.0692047% |
| County | San Luis Obispo County | San Luis Obispo | 0.816% | 0.999% | 0.8484126% |
| City | Arroyo Grande | San Luis Obispo | 0.024% | | 0.0199053% |
| City | Atascadero | San Luis Obispo | 0.029% | | 0.0240680% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------------|-----------------|----------------------|----------------------------------|--------------------------------|
| City | El Paso de Robles (Paso Robles) | San Luis Obispo | 0.043% | | 0.0353456% |
| City | Grover Beach | San Luis Obispo | 0.017% | | 0.0137881% |
| City | Morro Bay | San Luis Obispo | 0.020% | | 0.0160922% |
| City | San Luis Obispo | San Luis Obispo | 0.077% | | 0.0637841% |
| County | San Mateo County | San Mateo | 1.074% | 1.313% | 1.1159599% |
| City | Belmont | San Mateo | 0.021% | | 0.0169860% |
| City | Burlingame | San Mateo | 0.019% | | 0.0152537% |
| City | Daly City | San Mateo | 0.044% | | 0.0363880% |
| City | East Palo Alto | San Mateo | 0.013% | | 0.0103982% |
| City | Foster City | San Mateo | 0.020% | | 0.0166101% |
| City | Half Moon Bay | San Mateo | 0.004% | | 0.0031638% |
| City | Hillsborough | San Mateo | 0.013% | | 0.0110029% |
| City | Menlo Park | San Mateo | 0.015% | | 0.0126209% |
| City | Millbrae | San Mateo | 0.013% | | 0.0105836% |
| City | Pacifica | San Mateo | 0.016% | | 0.0130625% |
| City | Redwood City | San Mateo | 0.056% | | 0.0463511% |
| City | San Bruno | San Mateo | 0.021% | | 0.0172161% |
| City | San Carlos | San Mateo | 0.013% | | 0.0108885% |
| City | San Mateo | San Mateo | 0.052% | | 0.0425841% |
| City | South San Francisco | San Mateo | 0.043% | | 0.0353943% |
| County | Santa Barbara County | Santa Barbara | 1.132% | 1.385% | 1.1768968% |
| City | Carpinteria | Santa Barbara | 0.001% | | 0.0008938% |
| City | Goleta | Santa Barbara | 0.004% | | 0.0028969% |
| City | Lompoc | Santa Barbara | 0.047% | | 0.0389379% |
| City | Santa Barbara | Santa Barbara | 0.122% | | 0.1004559% |
| City | Santa Maria | Santa Barbara | 0.058% | | 0.0479179% |
| County | Santa Clara County | Santa Clara | 2.404% | 2.941% | 2.4987553% |
| City | Campbell | Santa Clara | 0.014% | | 0.0112566% |
| City | Cupertino | Santa Clara | 0.008% | | 0.0066824% |
| City | Gilroy | Santa Clara | 0.025% | | 0.0202891% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|-------------|----------------------|----------------------------------|--------------------------------|
| City | Los Altos | Santa Clara | 0.013% | | 0.0103338% |
| City | Los Gatos | Santa Clara | 0.013% | | 0.0103220% |
| City | Milpitas | Santa Clara | 0.036% | | 0.0298120% |
| City | Morgan Hill | Santa Clara | 0.015% | | 0.0124619% |
| City | Mountain View | Santa Clara | 0.041% | | 0.0334608% |
| City | Palo Alto | Santa Clara | 0.039% | | 0.0323080% |
| City | San Jose | Santa Clara | 0.294% | 0.360% | 0.3054960% |
| City | Santa Clara | Santa Clara | 0.067% | | 0.0549723% |
| City | Saratoga | Santa Clara | 0.004% | | 0.0034161% |
| City | Sunnyvale | Santa Clara | 0.053% | | 0.0434069% |
| County | Santa Cruz County | Santa Cruz | 0.783% | 0.957% | 0.8135396% |
| City | Capitola | Santa Cruz | 0.020% | | 0.0168191% |
| City | Santa Cruz | Santa Cruz | 0.143% | | 0.1180348% |
| City | Scotts Valley | Santa Cruz | 0.015% | | 0.0126525% |
| City | Watsonville | Santa Cruz | 0.063% | | 0.0520136% |
| County | Shasta County | Shasta | 1.095% | 1.339% | 1.1380191% |
| City | Anderson | Shasta | 0.024% | | 0.0198896% |
| City | Redding | Shasta | 0.284% | | 0.2334841% |
| City | Shasta Lake | Shasta | 0.004% | | 0.0031993% |
| County | Siskiyou County | Siskiyou | 0.228% | 0.279% | 0.2373393% |
| County | Solano County | Solano | 0.760% | | 0.6260795% |
| City | Benicia | Solano | 0.031% | | 0.0253903% |
| City | Dixon | Solano | 0.016% | | 0.0130849% |
| City | Fairfield | Solano | 0.109% | | 0.0897317% |
| City | Suisun City | Solano | 0.021% | | 0.0176183% |
| City | Vacaville | Solano | 0.119% | | 0.0976497% |
| City | Vallejo | Solano | 0.167% | | 0.1373644% |
| County | Sonoma County | Sonoma | 1.218% | 1.490% | 1.2661290% |
| City | Healdsburg | Sonoma | 0.032% | | 0.0266929% |
| City | Petaluma | Sonoma | 0.081% | | 0.0667507% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|---------------------------|------------|----------------------|----------------------------------|--------------------------------|
| City | Rohnert Park | Sonoma | 0.041% | | 0.0340759% |
| City | Santa Rosa | Sonoma | 0.184% | | 0.1519070% |
| City | Sonoma | Sonoma | 0.022% | | 0.0183438% |
| City | Windsor | Sonoma | 0.016% | | 0.0129298% |
| County | Stanislaus County | Stanislaus | 1.722% | | 1.4182273% |
| City | Ceres | Stanislaus | 0.041% | | 0.0340260% |
| City | Modesto | Stanislaus | 0.217% | | 0.1788759% |
| City | Newman | Stanislaus | 0.006% | | 0.0046964% |
| City | Oakdale | Stanislaus | 0.018% | | 0.0145531% |
| City | Patterson | Stanislaus | 0.015% | | 0.0126590% |
| City | Riverbank | Stanislaus | 0.010% | | 0.0085699% |
| City | Turlock | Stanislaus | 0.065% | | 0.0531966% |
| County | Sutter County | Sutter | 0.306% | 0.374% | 0.3179548% |
| City | Yuba City | Sutter | 0.074% | | 0.0606242% |
| County | Tehama County | Tehama | 0.213% | 0.261% | 0.2216654% |
| City | Red Bluff | Tehama | 0.014% | | 0.0117771% |
| County | Trinity County | Trinity | 0.082% | 0.101% | 0.0855476% |
| County | Tulare County | Tulare | 0.809% | 0.990% | 0.8410949% |
| City | Dimuba | Tulare | 0.014% | | 0.0116929% |
| City | Exeter | Tulare | 0.004% | | 0.0032479% |
| City | Farmersville | Tulare | 0.003% | | 0.0027879% |
| City | Lindsay | Tulare | 0.007% | | 0.0057111% |
| City | Porterville | Tulare | 0.021% | | 0.0171845% |
| City | Tulare | Tulare | 0.037% | | 0.0302273% |
| City | Visalia | Tulare | 0.066% | | 0.0545872% |
| County | Tuolumne County | Tuolumne | 0.486% | 0.594% | 0.5047621% |
| County | Ventura County | Ventura | 2.192% | 2.681% | 2.2781201% |
| City | Camarillo | Ventura | 0.002% | | 0.0012815% |
| City | Fillmore | Ventura | 0.002% | | 0.0020294% |
| City | Moorpark | Ventura | 0.008% | | 0.0067337% |



APPENDIX I

| Participating Subdivision Classification | Participating Subdivision | County | Abatement Percentage | Plaintiff Subdivision Percentage | Weighted Allocation Percentage |
|--|----------------------------|---------|----------------------|----------------------------------|--------------------------------|
| City | Oxnard | Ventura | 0.156% | 0.190% | 0.1617338% |
| City | Port Hueneme | Ventura | 0.021% | | 0.0174145% |
| City | San Buenaventura (Ventura) | Ventura | 0.085% | | 0.0702181% |
| City | Santa Paula | Ventura | 0.014% | | 0.0119072% |
| City | Simi Valley | Ventura | 0.065% | | 0.0533043% |
| City | Thousand Oaks | Ventura | 0.022% | | 0.0179902% |
| County | Yolo County | Yolo | 0.357% | 0.437% | 0.3713319% |
| City | Davis | Yolo | 0.055% | | 0.0451747% |
| City | West Sacramento | Yolo | 0.066% | | 0.0544321% |
| City | Woodland | Yolo | 0.058% | | 0.0477904% |
| County | Yuba County | Yuba | 0.214% | 0.262% | 0.2225679% |
| City | Marysville | Yuba | 0.014% | | 0.0112079% |

APPENDIX 2

Cost Reimbursement Procedure

1. Additional defined terms:

- a) *Costs* means the reasonable amounts paid for the attorney and other City Attorney and County Counsel staff time for individuals employed by a Plaintiff Subdivision at the contractual rate, inclusive of benefits and overhead, together with amounts paid for court reporters, experts, copying, electronic research, travel, vendors, and the like, which were not previously reimbursed and which were paid or incurred (i) prior to December 31, 2022 in litigation against any Opioid Defendant and/or (ii) in negotiating and drafting any CA Allocation Agreement(s) concerning a settlement with any Opioid Defendant(s). *Costs* does not include attorneys' fees, costs, or expenses incurred by private contingency fee counsel. No part of the CA Abatement Accounts Fund will be used to reimburse Costs.
- b) *First Claims Date* means October 1, 2023 or when all applications for reimbursement of Costs, in whole or in part, from funds available under Section IX and Exhibit R of the Walmart Settlement Agreement, Section XIV and Exhibit R of the Teva Settlement Agreement, Section XIII and Exhibit R of the Allergan Settlement Agreement, Section X and Exhibit R of the Distributor Settlement Agreement, Section XI and Exhibit R of the Janssen Settlement Agreement, Section X and Exhibit R of the CVS Settlement Agreement, or Section IX and Exhibit R of the Walgreens Settlement Agreement, have been finally determined under the provisions of those agreements, whichever comes first.
- c) *Special Master* means a retired judicial officer or former public lawyer, not presently employed or retained by a Plaintiff Subdivision, who will aggregate, review, and determine the reasonable Costs to be awarded to each Plaintiff Subdivision that submits a claim for reimbursement of Costs. The Special Master will be selected by a majority vote of the votes cast by Plaintiff Subdivisions, with each such subdivision having one vote.
- d) *Plaintiff Subdivision Committee* means the committee of Plaintiff Subdivisions that will review and approve the invoices submitted by the Special Master reflecting his or her reasonable time and expenses.

2. Cost Reimbursement to Plaintiff Subdivision

- a) Purpose. Substantial resources have been expended to hold Opioid Defendants accountable for creating and profiting from the opioid crisis, and this effort has been a significant catalyst in creating National Opioid Settlements with various manufacturers, distributors, and chain pharmacies.
- b) Claims Procedure.
 - i. If a Plaintiff Subdivision is eligible to seek reimbursement of Costs, in whole or in



part, from funds available under Section IX and Exhibit R of the Walmart Settlement Agreement, Section XIV and Exhibit R of the Teva Settlement Agreement, Section XIII and Exhibit R of the Allergan Settlement Agreement, Section X and Exhibit R of the CVS Settlement Agreement, Section IX and Exhibit R of the Walgreens Settlement Agreement, Section X or Exhibit R of the Distributor Settlement Agreement, or Section XI or Exhibit R of the Janssen Settlement Agreement, it must first make a timely application for reimbursement from such funds. To allow sufficient time for determination of those applications, no claim for Costs to the CA Subdivision Fund under this Agreement may be made before the First Claims Date.

- ii. A Plaintiff Subdivision that wishes to be reimbursed from the CA Subdivision Fund must submit a claim to the Special Master no later than forty-five (45) days after the First Claims Date. The Special Master will then compile and redistribute the aggregated claim totals for each Plaintiff Subdivision via email to representatives of all the Plaintiff Subdivisions. A claim for attorney and staff time must list, for each attorney or staff member included in the claim, the following information: name, title, total hours claimed, hourly rate (including, if sought, benefits and share of overhead), and narrative summarizing the general nature of the work performed by the attorney or staff member. For reimbursement of “hard” costs, the subdivision may aggregate across a category (e.g., total for travel costs). It is the intention of the Plaintiff Subdivisions that submission of documents related to reimbursement of Costs does not waive any attorney-client privilege or exemptions to the California Public Records Act.
- iii. The Special Master may request, at his or her sole option, additional documents or details to assist in the final award of Costs.
- iv. The Special Master will review claims for reasonableness and will notify each Plaintiff Subdivision of the final determination of its claim, and will provide a list of all final awards to all Plaintiff Subdivisions by email or, upon request, via First Class U.S. Mail. Any Plaintiff Subdivision may ask the Special Master to reconsider any final award within twenty-one (21) days. The Special Master will make a final determination on any such reconsideration request within thirty (30) days of receipt.
- v. Any decision of the Special Master is final and binding, and will be considered under the California Arbitration Act, Code of Civil Procedure section 1280 et seq. as a final arbitration award. Nothing in this agreement is intended to expand the scope of judicial review of the final award for errors of fact or law, and the Parties agree that they may only seek to vacate the award if clear and convincing evidence demonstrates one of the factors set forth in Code of Civil Procedure, section 1286.2, subdivision (a). Plaintiff Subdivisions will have fourteen (14) days after all final awards are made, together with any final determination of a request for



reconsideration, to seek review in the Superior Court of California, pursuant to Code of Civil Procedure, section 1285, where the State has filed its Consent Judgment.

- vi. The Special Master will prepare a report of Costs that includes his or her fees and expenses at least ninety (90) days before the Payment Date for each Annual Payment. The Special Master's preparation of a report of Costs does not discharge a Plaintiff Subdivision's reporting requirement under Section V(B)(2) of the Walmart Settlement Agreement.
 - vii. A member of the Plaintiff Subdivision Committee, which is a CA Participating Subdivision, will submit to the Settlement Fund Administrator and Walmart a report of the fees and expenses incurred by the Special Master pursuant to Section V(B)(2) of the Walmart Settlement Agreement.
- c) Claims Priority and Limitation.
- i. The Special Master will submit invoices for compensation of reasonable fees and expenses to the Plaintiff Subdivision Committee no later than ninety (90) days prior to the Payment Date for each Annual Payment. The Plaintiff Subdivision Committee will promptly review and, if reasonable, approve the Special Master's invoice for compensation. The Plaintiff Subdivision Committee will submit approved invoices to the Settlement Fund Administrator for payment. The Special Master's approved invoices have priority and will be paid first from the CA Subdivision Fund before any award of Costs, subject to the limitation in Section 2.c.v below.
 - ii. Final Awards of Costs that do not exceed seventy-five thousand dollars (\$75,000.00) will be paid next in priority after the Special Master's approved invoices.
 - iii. Final Awards of Costs in excess of seventy-five thousand dollars (\$75,000.00) will be paid proportionally from the funds remaining in that year's Annual Payment.
 - iv. Any claim for Costs that is not paid in full will be allocated against the next year's distribution from the CA Subdivision Fund, until all approved claims for Costs are paid in full.
 - v. In no event will more than 50% of the total CA Subdivision Fund received in any year be used to pay Costs or the Special Master's approved invoices.
 - vi. In no event shall more than \$28 million of the total CA Subdivision Funds paid pursuant to the Walmart Settlement Agreement, Teva Settlement Agreement, Allergan Settlement Agreement, Distributor Settlement Agreement, CVS Settlement Agreement, Janssen Settlement Agreement, and the Walgreens Settlement Agreement be used to pay Costs.



d) Collateral Source Payments and Third-Party Settlement.

- i. In the event a Plaintiff Subdivision is awarded compensation, in whole or in part, by any source of funds created as a result of litigation against an Opioid Defendant for its reasonable Costs, it will reduce its claim for Costs from the CA Subdivision Fund by that amount. If a Plaintiff Subdivision has already received a final award of Costs from the CA Subdivision Fund, it will repay the fund up to the prior award of Costs via a payment to the Settlement Fund Administrator or notify the Settlement Fund Administrator that its allocation from the next and subsequent Annual Payments should be reduced accordingly. If the Plaintiff Subdivision is repaying any prior award of Costs, that repayment will occur as soon as is feasible after the Plaintiff Subdivision's receipt of Cost funds from the collateral source, but no more than 90 days after its receipt from the collateral source. The Settlement Fund Administrator will add any repaid Costs to the CA Subdivision Fund. Any Plaintiff Subdivision that has submitted for reimbursement to any national fund and has not received a final determination by the First Claims Date may request that the settlement administrator withhold some or all of its payment from the CA Subdivision Fund in order to avoid repayment.
- ii. In the event a Plaintiff Subdivision reaches a monetary settlement or compromise against any Opioid Defendant outside of the National Opioid Settlement, the monetary portion of such settlement, net of fees paid to outside contingency fee counsel and of funds earmarked strictly for abatement, will be credited against its Costs and the subdivision will be ineligible to recover those credited Costs from the CA Subdivision Fund. Plaintiff Subdivisions negotiating monetary settlements or compromises against any Opioid Defendant outside of the National Opioid Settlement will negotiate for funds to repay any Costs it previously received from the CA Subdivision Fund or for Costs it otherwise might be eligible to claim from the CA Subdivision Fund. If such a settlement is paid after all final approved claims for Costs by all Plaintiff Subdivisions are satisfied in full, the settling subdivision will reimburse the CA Subdivision Fund in that amount by making payment to the Settlement Fund Administrator to add to the CA Subdivision Fund in a manner consistent with the repayments described in section 2.d.i above.



APPENDIX 3

CALIFORNIA-SUBDIVISION BACKSTOP AGREEMENT

On August 6, 2021, Judge Polster of the US District Court for the Northern District of Ohio issued an Order (the Order), docket number 3814, in In Re National Prescription Opiate Litigation, MDL 2804, addressing contingent attorney fee contracts between political subdivisions eligible to participate in the Walmart Settlement and their counsel.

In light of the Order, and at the request of [SUBDIVISION], the [SUBDIVISION], its counsel [COUNSEL], and the California Attorney General, on behalf of the State of California, are entering into this California-Subdivision Backstop Agreement (Backstop Agreement).

[SUBDIVISION] and [COUNSEL] intend this Backstop Agreement to constitute a State Back-Stop Agreement as that term is used in the Order and in Exhibit R (Agreement on Attorneys’ Fees, Costs, and Expenses) of the Walmart Settlement Agreement.

Pursuant to this Backstop Agreement, [SUBDIVISION] may, subject to the limitations of the Walmart Settlement Agreement and CA Walmart Allocation Agreement, as well as any other limitations imposed by law, use funds that it receives from the Walmart Settlement CA Subdivision Fund to pay a contingent fee to [COUNSEL]. Any such payment from [SUBDIVISION] to [COUNSEL], together with any contingency fees that [COUNSEL] may receive from the national Attorney Fee Fund, will not exceed a total contingency fee of [PERCENTAGE NOT TO EXCEED 15%] of the total gross recovery of [SUBDIVISION] from the Walmart Settlement.

[COUNSEL] certify that they first sought fees and costs from the Attorney Fee Fund created under the Walmart Settlement Agreement before seeking or accepting payment under this backstop agreement. [COUNSEL] further certify that they are not seeking and will not accept payment under this backstop agreement of any litigation fees or costs that have been reimbursed through prior settlements or judgments.

The Attorney General is executing this agreement solely because the definition of “State Back-Stop Agreement” in Exhibit R of the Walmart Settlement Agreement requires such agreements to be between “a Settling State” and private counsel for a participating subdivision. Neither the California Attorney General nor the State of California have any obligations under this Backstop Agreement, and this Backstop Agreement does not require the payment of any state funds to [SUBDIVISION], [COUNSEL], or any other party.

| | |
|--------|------------------------------------|
| [DATE] | [SUBDIVISION SIGNATURE BLOCK] |
| [DATE] | [COUNSEL SIGNATURE BLOCK] |
| [DATE] | [ATTORNEY GENERAL SIGNATURE BLOCK] |

