Thank you for registering your subdivision on the national settlement website and for considering participating in the proposed Settlement Agreement with Johnson & Johnson, Janssen Pharmaceuticals, Inc., Ortho-McNeil-Janssen Pharmaceuticals, Inc., and Janssen Pharmaceutica, Inc. (collectively "Janssen"). This virtual envelope contains a Participation Form for the settlement including a release of claims and a separate Signature Page for California's Proposed State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds. Both documents in this envelope must be executed, without alteration, and submitted in order for your subdivision to be considered potentially "participating."

The sign-on period for subdivisions ends on January 2, 2022. On or after that date, the states (in consultation with the subdivisions) and Janssen will determine whether the subdivision participation rate is sufficient for the settlement to move forward. If the deal moves forward, your release will become effective. If it does not, it will not.

As a reminder, if you have not already started your review of the settlement documentation, detailed information about the Settlements may be found at: https://nationalopioidsettlement.com/. This national settlement website also includes links to information about how the Settlements are being implemented in your state and how settlement funds will be allocated within your state, including information about, and links to, any applicable allocation agreement or legislation. This website will be supplemented as additional documents are created. California has also created a state-specific website which may be accessed here: https://oag.ca.gov/opioids. If you have questions, please contact OpioidSettlement-LocalGovernment@doj.ca.gov.

Settlement Participation Form

Governmental Entity: SAN BERNARDINO COU	INTY	State: CA
Authorized Signatory: Leonard X. Hernandez		
Address 1: 385 N. Arrowhead Avenue		
Address 2:		
City, State, Zip: San Bernardino	California	92415
Phone: 909-387-5418		
Email: leonard.hernandez@cao.sbcounty.gov		

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 July 21, 2021 ("Janssen Settlement"), and acting through the undersigned authorized official, hereby elects to participate in the Janssen Settlement, release all Released Claims against all Released Entities, and agrees as follows.

- 1. The Governmental Entity is aware of and has reviewed the Janssen 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 Janssen Settlement and become a Participating Subdivision as provided therein.
- 2. The Governmental Entity shall, within 14 days of the Reference Date and prior to the filing of the Consent Judgment, dismiss with prejudice any Released Claims that it has filed.
- 3. The Governmental Entity agrees to the terms of the Janssen Settlement pertaining to Subdivisions as defined therein.
- 4. By agreeing to the terms of the Janssen 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 Janssen 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 Janssen Settlement.
- 7. The Governmental Entity has the right to enforce the Janssen Settlement as provided therein.



- 8. The Governmental Entity, as a Participating Subdivision, hereby becomes a Releasor for all purposes in the Janssen Settlement, including but not limited to all provisions of Section IV (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 Janssen 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 Janssen Settlement shall be a complete bar to any Released Claim.
- 9. In connection with the releases provided for in the Janssen 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 Janssen Settlement.

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



I swear under penalty of perjury that I have all necessary power and authorization to execute this Election and Release on behalf of the Governmental Futity.

Signature:	Leonard Hernandez	
Name:	Leonard X. Hernandez	
Title:	CE0	
Date:	11/29/2021	



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

1. Introduction

Pursuant to the Janssen Settlement Agreement, dated as of July 21, 2021, and any revision thereto (the "Janssen Settlement Agreement"), including Section VI and Exhibit O, the State of California proposes this agreement (the "CA Janssen Allocation Agreement") to govern the allocation, distribution, and use of Settlement Fund payments made to California pursuant to Sections V and VI of the Janssen Settlement Agreement. For the avoidance of doubt, this agreement does not apply to payments made pursuant to Sections X or XI of the Janssen Settlement Agreement.

Pursuant to Exhibit O, Paragraph 4, of the Janssen Settlement Agreement, acceptance of this CA Janssen 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 Janssen Settlement Agreement.
- b) Distributor Settlement Agreement means the Distributor Settlement Agreement dated July 21, 2021, and any revision thereto.
- c) 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, and LA Care Health Plan.
- d) 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.
- e) Opioid Defendant means any defendant (including but not limited to Johnson & Johnson, Janssen Pharmaceuticals, Inc., Purdue Pharma L.P., Cardinal Health, Inc.,

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¹ A parallel but separate agreement (the "CA Distributor Allocation Agreement") will govern the allocation, distribution, and use of settlement fund payments under the Distributor Settlement Agreement. An eligible Subdivision may elect to participate in either the Distributor Settlement or the Janssen Settlement, or in both.

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 Janssen Settlement Agreement, as well as applicable law, and the Janssen Settlement Agreement governs over any inconsistent provision of this CA Janssen Allocation Agreement. Terms used in this CA Janssen Allocation Agreement have the same meaning as in the Janssen Settlement Agreement unless otherwise defined herein.

Pursuant to Section VI(D)(1) of the Janssen Settlement Agreement, (a) all Settlement Fund payments will be used for Opioid Remediation, except as allowed by Section VI(B)(2) of the Janssen 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 Janssen 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 Janssen 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

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.

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 Janssen 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.iii (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 Janssen 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 Janssen Settlement Agreement and this CA Janssen 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 Janssen 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 Janssen 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 Janssen Settlement Agreement and this CA Janssen 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 Janssen Settlement Agreement and this CA Janssen Allocation Agreement.
- b) If DHCS determines that a CA Participating Subdivision's use of CA Abatement Accounts Funds is inconsistent with the Janssen Settlement Agreement or this CA Janssen 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 Janssen Settlement Agreement or this CA Janssen 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 Janssen Settlement Agreement and this CA Janssen 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 Janssen Settlement Agreement and, if applicable, the Distributor 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(R), of the Janssen 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 Janssen Settlement, and if applicable, the Distributor 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 Janssen Settlement Agreement and, if applicable, the Distributor 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 Janssen Settlement Agreement and this CA Janssen 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 Janssen Settlement Agreement and this CA Janssen 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 VI(B)(2) of the Janssen Settlement Agreement, such information must also be reported to the Settlement Fund Administrator and Janssen.
- 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 Janssen 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 Janssen Settlement Agreement, this CA Janssen 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 Janssen 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 Janssen Settlement Agreement, this agreement shall be governed by and interpreted in accordance with the laws of California.

The undersigned, SAN BERNARDINO COUNTY, ACKNOWLEDGES acceptance of this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds - Janssen Settlement is a requirement to be an Initial Participating Subdivision in the Janssen Settlement and ACCEPTS this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds - Janssen Settlement.

I swear under penalty of perjury that I have all necessary power and authorization to execute this Election and Release on behalf of the Governmental Entity.

Signature:	leonard Hernandez	
Name:	Leonard X. Hernandez	
Title:	CE0	
Date:	11/29/2021	



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

			100,000 /0	100.000 /0	100.000
Participating			Abatement	Plaintiff	Weighted
Subdivision	Participating Subdivision	County	Porcontogo	Subdivision	Allcation
Classification			i ci celliage	Percentage	Percentage
County	Alameda County	Alameda	2.332%	2.853%	2.4237952%
City	Alameda	Alameda	%690.0		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%

tiff Weighted		0	0.0098593%	0.0031007%	0.0079416%	0.0038157%	0.0110909%	0.0436369%	0.0106309%	0.1201444%	0.0148843%	0.0176459%	0.0212132%	0.1189608%	9% 0.7980034%	0.0127642%	0.0665456%	8% 1.9693410%	0.0536211%	0.0098554%	0.3270605%	0.0042534%	0.0066167%	0.0019387%	0.0035607%	0.0069755%	0.0098804%	0.0146135%	0.0127537%	10% 0 111160780%
Abatement Subdivision	Percentage Percentage	%900.0	0.012%	0.004%	0.010%	0.005%	0.013%	0.053%	0.013%	0.146%	0.018%	0.021%	0.026%	0.114% 0.140%	0.768% 0.939%	0.015%	0.081%	1.895% 2.318%	0.065%	0.012%	0.397%	0.005%	%800.0	0.002%	0.004%	0.008%	0.012%	0.018%	0.015%	0.107% 0.131%
County		Contra Costa 0	Contra Costa 0	Contra Costa 0	Contra Costa 0	Contra Costa 0	Contra Costa 0	Contra Costa 0	Contra Costa 0	Contra Costa 0	Contra Costa 0	Contra Costa 0	Contra Costa 0	Del Norte 0	El Dorado 0	El Dorado 0	El Dorado 0	Fresno 1	Fresno 0	Fresno 0	Fresno 0	Fresno 0	Fresno 0	Fresno 0	Fresno 0	Fresno 0	Fresno 0	Fresno 0	Fresno 0	Glenn 0
Darficipating Subdivision		Lafayette	Martinez	Moraga	Oakley	Orinda	Pinole	Pittsburg	Pleasant Hill	Richmond	San Pablo	San Ramon	Walnut Creek	Del Norte County	El Dorado County	Placerville	South Lake Tahoe	Fresno County	Clovis	Coalinga	Fresno	Kerman	Kingsburg	Mendota	Orange Cove	Parlier	Reedley	Sanger	Selma	Glenn County
Participating	Classification	City	City	City	City	City	City	City	City	City	City	City	City	County	County	City	City	County	City	City	City	City	City	County						

Participating Subdivision	County Abatement Subdivision Allcation
	Percentage Percentage
Arcata	Humboldt 0.054% 0.0447660%
Eureka	Humboldt 0.117% 0.143% 0.1216284%
Fortuna	Humboldt 0.032% 0.0266837%
Imperial County	Imperial 0.258% 0.315% 0.2679006%
Brawley	Imperial 0.011% 0.0087986%
Calexico	Imperial 0.019% 0.0152799%
El Centro.	Imperial 0.158% 0.1302522%
Imperial	Imperial 0.006% 0.0048791%
Inyo County	Inyo 0.073% 0.089% 0.0754413%
Kern County	Kern 2.517% 3.079% 2.6159145%
	Kern 0.006% 0.0046425%
Bakersfield	Kern 0.212% 0.1747198%
California City	Kern 0.009% 0.0070820%
	Kern 0.030% 0.0249316%
McFarland	Kern 0.003% 0.0025644%
Ridgecrest	Kern 0.015% 0.0120938%
	Kern 0.013% 0.0103417%
Tehachapi	Kern 0.009% 0.0073580%
	Kern 0.008% 0.0069861%
Kings County	Kings 0.293% 0.2413469%
	Kings 0.007% 0.0056335%
Corcoran	Kings 0.013% 0.0107032%
Hanford	Kings 0.027% 0.0226038%
Lemoore	Kings 0.016% 0.0131900%
Lake County	Lake 0.795% 0.6545389%
Clearlake	Lake 0.041% 0.050% 0.0426253%
Lakeport	Lake 0.021% 0.026% 0.0222964%
Lassen County	Lassen 0.319% 0.391% 0.3320610%
Susanville	Lassen 0.027% 0.0219295%
Los Angeles County	Los Angeles 13.896% 16.999% 14.4437559%
	13.09070 10.99970

Participating Subdivision
Hermosa Beach
Huntington Park
Cañada Flintridge
Manhattan Beach
Palos Verdes Estates
Rancho Palos Verdes
Redondo Beach

Weighted	Allcation	0.0022016%	0.0104837%	0.0147726%	0.0073791%	0.0178167%	0.0257531%	0.1298513%	0.0048646%	0.0084884%	0.0039603%	0.0166272%	0.0095334%	0.0039498%	0.0919820%	0.0047305%	0.0404521%	0.0108517%	0.0260581%	0.3630669%	0.0097332%	0.0318441%	0.5861325%	0.0124697%	0.0168401%	0.0229824%	0.0078062%	0.0729823%	0.0876131%	0.4558394%	0.0317153%
Plaintiff	Subdivision																			0.427%			%069.0						0.103%	0.536%	
Abatement	Percentage	0.003%	0.013%	0.018%	%600.0	0.022%	0.031%	0.158%	0.006%	0.010%	0.005%	0.020%	0.012%	0.005%	0.112%	0.006%	0.049%	0.013%	0.032%	0.349%	0.012%	0.039%	0.564%	0.015%	0.020%	0.028%	0.009%	0.089%	0.084%	0.439%	0.039%
	County	Los Angeles	Los Angeles	Los Angeles	Los Angeles	Los Angeles	Los Angeles	Los Angeles	Los Angeles	Los Angeles	Los Angeles	Los Angeles	Los Angeles	Los Angeles	Los Angeles	Los Angeles	Los Angeles	Los Angeles	Los Angeles	Madera	Madera	Madera	Marin	Marin	Marin	Marin	Marin	Marin	Mariposa	Mendocino	Mendocino
	Farticipating Subdivision	San Dimas	San Fernando	San Gabriel	San Marino	Santa Clarita	Santa Fe Springs	Santa Monica	Sierra Madre	Signal Hill	South El Monte	South Gate	South Pasadena	Temple City	Torrance	Walnut	West Covina	West Hollywood	Whittier	Madera County	Chowchilla	Madera	Marin County	Larkspur	Mill Valley	Novato	San Anselmo	San Rafael	Mariposa County	Mendocino County	Ukiah
Participating	Classification	City	City	City	City	City	City	City	City	City	City	City	City	City	City	City	City	City	City	County	City	City	County	City	City	City	City	City	County	County	City

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

Participating Subdivision	County	Abatement Percentage	Subdivision	Weignted
Roseville	Placer	0.196%	Percentage	0.1616559%
Plumas County	Plumas	0.205%	0.251%	0.2128729%
Riverside County	Riverside	4.534%	5.547%	4.7128296%
Banning	Riverside	0.017%		0.0143848%
Beaumont	Riverside	0.021%		0.0171135%
Blythe	Riverside	0.012%		0.0096714%
Canyon Lake	Riverside	0.000%		0.0001761%
Cathedral City	Riverside	0.067%		0.0553614%
Coachella	Riverside	0.021%		0.0173054%
Corona	Riverside	0.147%		0.1207083%
Desert Hot Springs	Riverside	0.024%		0.0200433%
Eastvale	Riverside	0.000%		0.0002747%
Hemet	Riverside	0.051%		0.0421792%
Indio	Riverside	0.056%		0.0457794%
Jurupa Valley	Riverside	0.001%		0.0008991%
Lake Elsinore	Riverside	0.021%		0.0172949%
La Quinta	Riverside	0.063%		0.0516732%
Menifee	Riverside	0.032%		0.0260909%
Moreno Valley	Riverside	0.137%		0.1130348%
Murrieta	Riverside	0.048%	0.059%	0.0497423%
Norco	Riverside	0.016%		0.0134542%
Palm Desert	Riverside	0.083%		0.0682465%
Palm Springs	Riverside	%9/0.0		0.0629862%
Perris	Riverside	0.009%		0.0076774%
Rancho Mirage	Riverside	0.052%		0.0431098%
Riverside	Riverside	0.268%		0.2206279%
San Jacinto	Riverside	0.010%		0.0085936%
Temecula	Riverside	0.022%		0.0180086%
Wildomar	Riverside	0.008%		0.0062500%
Sacramento County	Sacramento	3.797%	4.645%	3.9465887%

Participating Subdivision
Citrus Heights
Rancho Cordova
San Benito County
Bernardino County
San Bernardino
San Bernardino
Rancho Cucamonga San Bernardino
San Bernardino
San Bernardino
Twentynine Palms San Bernardino
San Bernardino
San Bernardino
San Bernardino

Weighted	Allcation	Percentage	0.0021228%	5.9309748%	0.1050485%	0.1961456%	0.0359095%	0.0933582%	0.0630289%	0.1192204%	0.0118283%	0.0575593%	0.0183911%	0.0656808%	0.1753428%	0.0511040%	2.0531169%	0.0733897%	0.0268401%	0.0138564%	0.0425144%	3.1457169%	1.7460399%	0.0075394%	0.0439484%	0.0443454%	0.0104219%	0.3256176%	0.0692047%	0.8484126%	0.0199053%	0.0240680%
Plaintiff	Subdivision	Percentage	0	6.980% 5	0	0.231% 0	0	0	0.074% 0	0	0	0.068% 0	0	0	0	0	2.416% 2	0	0	0	0	3.702% 3.	2.055% 1	0	0	0	0	0.383% 0.	0	0.999% 0	0.	0
	Abatement	900000	0.003%	2.706%	0.128%	0.189%	0.044%	0.113%	0.061%	0.145%	0.014%	0.055%	0.022%	0.080%	0.213%	0.062%	1.975%	0.089%	0.033%	0.017%	0.052%	3.026%	1.680%	0.009%	0.053%	0.054%	0.013%	0.313%	0.084%	0.816%	0.024%	0.029%
	County		San Bernardino	San Diego	San Diego	San Diego	San Diego	San Diego	San Diego	San Diego	San Diego	San Diego	San Diego	San Diego	San Diego	San Diego	San Diego	San Diego	San Diego	San Diego	San Diego	San Francisco	San Joaquin	San Joaquin	San Joaquin	San Joaquin	San Joaquin	San Joaquin	San Joaquin	San Luis Obispo	San Luis Obispo	San Luis Obispo
	Participating Subdivision		Yucca Valley	San Diego County	Carlsbad	Chula Vista	Coronado	El Cajon	Encinitas	Escondido	Imperial Beach	La Mesa	Lemon Grove	National City	Oceanside	Poway	San Diego	San Marcos	Santee	Solana Beach	Vista	San Francisco	San Joaquin County	Lathrop	Lodi	Manteca	Ripon	Stockton	Tracy	San Luis Obispo County	Arroyo Grande	Atascadero
Participating	Subdivision	Classification	City	County	City	City	City	City	City	City	City	City	City	City	City	City	City	City	City	City	City	Consolidated	County	City	City	City	City	City	City	County	City	City

ntiff Weighted		ntage Percentage	0.0103338%	0.0103220%	0.0298120%	0.0124619%	0.0334608%	0.0323080%	0.360% 0.3054960%	0.0549723%	0.0034161%	0.0434069%	7% 0.8135396%	0.0168191%	0.1180348%	0.0126525%	0.0520136%	9% 1.1380191%	0.0198896%	0.2334841%	0.0031993%	9% 0.2373393%	0.6260795%	0.0253903%	0.0130849%	0.0897317%	0.0176183%	0.0976497%	0.1373644%		1.490% 1.2661290%
Plaintiff	Abatement Subdivision	rercentage Percentage	0.013%	0.013%	0.036%	0.015%	0.041%	0.039%	0.294% 0.36	0.067%	0.004%	0.053%	0.783% 0.957%	0.020%	0.143%	0.015%	0.063%	1.095% 1.339%	0.024%	0.284%	0.004%	0.228% 0.279%	0.760%	0.031%	0.016%	0.109%	0.021%	0.119%	0.167%	1 2 1 8 0 1 1 10	
	County		Santa Clara	Santa Clara	Santa Clara	Santa Clara	Santa Clara	Santa Clara	Santa Cruz	Santa Cruz	Santa Cruz	Santa Cruz	Santa Cruz	Shasta	Shasta	Shasta	Shasta	Siskiyon	Solano	Solano	Solano	Solano	Solano	Solano	Solano	Conomo	SOHOHIA				
	Participating Subdivision		Los Altos	Los Gatos	Milpitas	Morgan Hill	Mountain View	Palo Alto	San Jose	Santa Clara	Saratoga	Sunnyvale	Santa Cruz County	Capitola	Santa Cruz	Scotts Valley	Watsonville	Shasta County	Anderson	Redding	Shasta Lake	Siskiyou County	Solano County	Benicia	Dixon	Fairfield	Suisun City	Vacaville	Vallejo	Sonoma County	Dononia County
Particinating	Subdivision	Classification	City	City	City	City	City	City	City	City	City	City	County	City	City	City	City	County	City	City	City	County	County	City	City	City	City	City	City	County	Councy

articipating				Plaintiff	Weighted
Subdivision	Participating Subdivision	County	Abatement	Subdivision	Allcation
Classification			rercentage	Percentage	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%

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Ventura
Yolo
Yolo
Yolo
Yolo
Yuba
Yuba

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 paid or incurred (i) prior to July 21, 2021 in litigation against any Opioid Defendant and/or (ii) in negotiating and drafting this CA Janssen Allocation Agreement. 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 Distributor Settlement Agreement or Section XI and Exhibit R of the Janssen 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 a National Opioid Settlement with Distributors, Johnson & Johnson, and others.
- 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 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 VI.B.2 of the Janssen Agreement.
- vii. A member of the Plaintiff Subdivision Committee, which is a CA Participating Subdivision, will submit to the Settlement Fund Administrator and Janssen a report

of the fees and expenses incurred by the Special Master pursuant to Section VI.B.2 of the Janssen 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 Distributor Settlement Agreement and the Janssen 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.

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.

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 Janssen 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 Janssen Settlement Agreement.

Pursuant to this Backstop Agreement, [SUBDIVISION] may, subject to the limitations of the Janssen Settlement Agreement and CA Janssen Allocation Agreement, as well as any other limitations imposed by law, use funds that it receives from the Janssen 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 Distributors Settlement.

[COUNSEL] certify that they first sought fees and costs from the Attorney Fee Fund created under the Janssen 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 Janssen 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]