DISTRIBUTORS – RHODE ISLAND SETTLEMENT AGREEMENT

Table of Contents

DISTRIBUTORS – RHODE ISLAND SETTLEMENT AGREEMENT

I. Overview

This Distributors Rhode Island Settlement Agreement ("*Agreement*") sets forth the terms and conditions of a settlement agreement between and among the State of Rhode Island, all "Participating Subdivisions" as that term is defined herein, McKesson Corporation ("*McKesson*"), Cardinal Health, Inc. ("*Cardinal*") and AmerisourceBergen Corporation ("*Amerisource*") (collectively, "*the Parties*") to resolve opioid-related Claims against McKesson, Cardinal, and/or Amerisource (collectively, "*Settling Distributors*").

The Parties intend the terms of this Agreement to be consistent with the terms of the Distributor Global Settlement Agreement ("*Global Settlement*"). As of the date of this signing, the State of Rhode Island intends to join the Global Settlement if it becomes effective. If the Global Settlement becomes effective by July 1, 2022, its terms will supersede the terms of this Agreement except for Sections III.B, V.C, V.J, V.L, VI, VIII, IX, XI.D, XI.F, XIII.D, XIII.E and XIII.Q. If the Global Settlement is not effective by the aforementioned date, this Agreement and the Rhode Island Consent Judgment giving effect to its terms will control.

The Settling Distributors have agreed to the below terms for the sole purpose of settlement, and nothing herein, including in any exhibit to this Agreement, may be taken as or construed to be an admission or concession of any violation of law, rule, or regulation, or of any other matter of fact or law, or of any liability or wrongdoing, or any misfeasance, nonfeasance, or malfeasance, all of which the Settling Distributors expressly deny. No part of this Agreement, including its statements and commitments, and its exhibits, shall constitute or be used as evidence of any liability, fault, or wrongdoing by the Settling Distributors. Unless the contrary is expressly stated, this Agreement is not intended for use by any third party for any purpose, including submission to any court for any purpose. This Agreement is not contingent on the Global Settlement taking effect.

This Agreement and the associated Rhode Island Consent Judgment resolve the litigation as to the Settling Distributors in *State of Rhode Island v. Purdue Pharma L.P. et al.*, C.A. No. PC-2018-4555.

II. Definitions

For all sections of this Agreement except as otherwise specified, the following definitions apply:

A. "*Action*." *State of Rhode Island v. Purdue Pharma L.P. et al.*, C.A. No. PC-2018-4555.

B. "*Agreement*." This Distributors Rhode Island Settlement Agreement, inclusive of all exhibits.

C. "*Alleged Harms*." The alleged past, present, and future financial, societal, and public nuisance harms and related expenditures arising out of the alleged misuse and abuse of Products, non-exclusive examples of which are described in the documents listed on Exhibit A, all of which were filed in connection with the case captioned *In re National Prescription Opiate Litigation*, No. 1-17-md-02804 (N.D. Ohio) ("*MDL*"), that have allegedly arisen as a result of the physical and bodily injuries sustained by individuals suffering from opioid-related addiction, abuse, death, and other related diseases and disorders, and that have allegedly been caused by the Settling Distributors.

D. "*Allocation Statute*." A state law that governs allocation, distribution, and/or use of some or all of the Rhode Island Settlement Amount. In addition to modifying the allocation set forth in Exhibit H, an Allocation Statute may, without limitation, contain a Statutory Trust, further restrict expenditures of funds, form an advisory committee, establish oversight and reporting requirements, or address other default provisions and other matters related to the funds.

E. "*Annual Payment*." The total amount payable by the Settling Distributors on the Payment Date each year, pursuant to Section V.B.1. For the avoidance of doubt, this term does not include amounts paid pursuant to Section VIII.

F. "*Appropriate Official*." As defined in Section XIII.F.3.

G. "*Bar*." Either: (1) a law in the State of Rhode Island barring Subdivisions from maintaining Released Claims against Released Entities (either through a direct bar or through a grant of authority to release claims and the exercise of such authority in full) or (2) a ruling by the Supreme Court of the State of Rhode Island setting forth the general principle that Subdivisions may not maintain any Released Claims against Released Entities, whether on the ground of this Agreement (or the release in it) or otherwise. For the avoidance of doubt, a law or ruling that is conditioned or predicated upon payment by a Released Entity (apart from the Annual Payments by Settling Distributors under this Agreement) shall not constitute a Bar.

H. "*Case-Specific Resolution*." Either: (1) a law in the State of Rhode Island barring the Subdivision at issue from maintaining any Released Claims against any Released Entities (either through a direct bar or through a grant of authority to release claims and the exercise of such authority in full); or (2) a ruling by a court of competent jurisdiction over the Subdivision at issue that the Subdivision may not maintain any Released Claims at issue against any Released Entities, whether on the ground of this Agreement (or the release in it) or otherwise. For the avoidance of doubt, a law or ruling that is conditioned or predicated upon payment by a Released Entity (apart from the Annual Payments by Settling Distributors under this Agreement) shall not constitute a Case-Specific Resolution.

I. "*Claim*." Any past, present or future cause of action, claim for relief, cross-claim or counterclaim, theory of liability, demand, derivative claim, request, assessment, charge, covenant, damage, debt, lien, loss, penalty, judgment, right, obligation, dispute, suit, contract, controversy, agreement, *parens patriae* claim, promise, performance, warranty, omission, or grievance of any nature whatsoever, whether legal, equitable, statutory, regulatory or administrative, whether arising under federal, state or local common law, statute, regulation, guidance, ordinance or principles of equity, whether filed or unfiled, whether asserted or unasserted,

whether known or unknown, whether accrued or unaccrued, whether foreseen, unforeseen or unforeseeable, whether discovered or undiscovered, whether suspected or unsuspected, whether fixed or contingent, and whether existing or hereafter arising, in all such cases, including, but not limited to, any request for declaratory, injunctive, or equitable relief, compensatory, punitive, or statutory damages, absolute liability, strict liability, restitution, abatement, subrogation, contribution, indemnity, apportionment, disgorgement, reimbursement, attorney fees, expert fees, consultant fees, fines, penalties, expenses, costs or any other legal, equitable, civil, administrative, or regulatory remedy whatsoever.

J. "*Claim-Over*." A Claim asserted by a Non-Released Entity against a Released Entity on the basis of contribution, indemnity, or other claim-over on any theory relating to a Non-Party Covered Conduct Claim asserted by a Releasor.

K. "*Compensatory Restitution Amount*." The aggregate amount of payments paid or incurred by the Settling Distributors hereunder other than amounts paid as attorneys' fees and costs pursuant to Section VIII.

L. "*Court*." The Superior Court of Providence County.

M. "*Covered Conduct*." Any actual or alleged act, failure to act, negligence, statement, error, omission, breach of any duty, conduct, event, transaction, agreement, misstatement, misleading statement or other activity of any kind whatsoever from the beginning of time through the Effective Date (and any past, present, or future consequence of any such act, failure to act, negligence, statement, error, omission, breach of duty, conduct, event, transaction, agreement, misstatement, misleading statement or other activity) relating in any way to (1) the discovery, development, manufacture, packaging, repackaging, marketing, promotion, advertising, labeling, recall, withdrawal, distribution, delivery, monitoring, reporting, supply, sale, prescribing, dispensing, physical security, warehousing, use or abuse of, or operating procedures relating to, any Product, or any system, plan, policy or advocacy relating to any Product or class of Products, including but not limited to any unbranded promotion, marketing, programs, or campaigns relating to any Product or class of Products; (2) the characteristics, properties, risks, or benefits of any Product; (3) the reporting, disclosure, non-reporting or non-disclosure to federal, state or other regulators of orders placed with any Released Entity; or (4) diversion control programs or suspicious order monitoring; *provided*, *however*, that as to any Claim that a Releasor has brought or could bring, Covered Conduct does not include non-compliance with statutory or administrative supply security standards concerning cleanliness of facilities or stopping counterfeit products, so long as such standards apply to the storage and distribution of both controlled and non-controlled pharmaceuticals.

N. "*Effective Date*." The date of entry of the Rhode Island Consent Judgment, which shall be filed not later than thirty (30) calendar days after the Initial Participation Date.

O. "*Final Order*." An order or judgment of a court of competent jurisdiction with respect to the applicable subject matter (1) which has not been reversed or superseded by a modified or amended order, is not currently stayed, and as to which any right to appeal or seek certiorari, review, reargument, stay, or rehearing has expired, and as to which no appeal or petition for certiorari, review, reargument, stay, or rehearing is pending or (2) as to which an appeal has

been taken or petition for certiorari, review, reargument, stay, or rehearing has been filed and (a) such appeal or petition for certiorari, review, reargument, stay, or rehearing has been resolved by the highest court to which the order or judgment was appealed or from which certiorari, review, reargument, stay, or rehearing was sought or (b) the time to appeal further or seek certiorari, review, reargument, stay, or rehearing has expired and no such further appeal or petition for certiorari, review, reargument, stay, or rehearing is pending.

P. "*Global Settlement*." The proposed agreement, in which the State of Rhode Island intends to participate if it becomes effective, the terms of which are set forth in or shall be materially the same as those set forth in the December 23, 2021 Distributor Settlement Agreement, resolving the litigation and claims brought or threatened to be brought by states and subdivisions against the Settling Distributors, including claims against the Settling Distributors asserted in the multi-district litigation *In re: Nationwide Prescription Opiate Litigation*, MDL No. 2804 (N.D. Ohio) and state court prescription opiate litigation.

Q. "*Global Settlement Net Abatement Amount*." The "Net Abatement Amount" defined in the Global Settlement, an amount of $18,554,013,693.

R. "*Global Settlement State Cost Fund*." The "State Cost Fund" described in Exhibit T of the Global Settlement, an amount of $56,538,461.54.

S. "*Global Settlement State Outside Counsel Fee Fund*." The "State Outside Counsel Fee Fund" described in Exhibit S of the Global Settlement, an amount of $282,692,307.70.

T. "*Incentive Payment A*." The incentive payment described in Section V.F.1.

U. "*Incentive Payment B*." The incentive payment described in Section V.F.2.

V. "*Incentive Payment C*." The incentive payment described in Section V.F.3.

W. "*Incentive Payment D*." The incentive payment described in Section V.F.4.

X. "*Incentive Payment Final Eligibility Date*." The date that is the earlier of (1) the fifth Payment Date; (2) the date of completion of opening statements in a trial of any action brought by a Subdivision that includes a Released Claim against a Released Entity when such date is more than two (2) years after the Effective Date; or (3) two (2) years after the Effective Date in the event a trial of an action brought by a Subdivision that includes a Released Claim against a Released Entity began after the Initial Participation Date but before two (2) years after the Effective Date.

Y. "*Initial Participating Subdivision*." A Subdivision that meets the requirement set forth in Section IV.B.

Z. "*Initial Participation Date*." January 26, 2022, unless extended by agreement of the Parties.

AA. "*Later Litigating Subdivision*." A Subdivision (or Subdivision official asserting the right of such a Subdivision to recover for alleged harms to the Subdivision and/or the people thereof) that: (1) first files a lawsuit bringing a Released Claim against a Released Entity after the

Effective Date; or (2) adds a Released Claim against a Released Entity after the Effective Date to a lawsuit brought before the Effective Date that, prior to the Effective Date, did not include any Released Claims against a Released Entity; (3) (a) was a Litigating Subdivision whose Released Claims against Released Entities were resolved by a legislative Bar or legislative Case-Specific Resolution as of the Effective Date, (b) such legislative Bar or legislative Case-Specific Resolution is subject to a Revocation Event after the Effective Date, and (c) the earlier of the date of completion of opening statements in a trial in an action brought by a Subdivision that includes a Released Claim against a Released Entity or one hundred eighty (180) calendar days from the Revocation Event passes without a Bar or Case-Specific Resolution being implemented as to that Litigating Subdivision or the Litigating Subdivision's Released Claims being dismissed; or (4) (a) was a Litigating Subdivision whose Released Claims against Released Entities were resolved by a judicial Bar or judicial Case-Specific Resolution as of the Effective Date, (b) such judicial Bar or Case-Specific Resolution is subject to a Revocation Event after the Effective Date, and (c) such Litigating Subdivision takes any action to further, assert, or revive a Released Claim in a lawsuit against a Released Entity other than seeking a stay or dismissal.

BB. "*Later Participating Subdivision*." A Participating Subdivision that is not an Initial Participating Subdivision but meets the requirements set forth in Section IV.C.

CC. "*Litigating Subdivision*." A Subdivision (or Subdivision official) that brought any Released Claim against any Released Entity prior to the Effective Date. Exhibit E is an agreed list of all Litigating Subdivisions. Exhibit E will be updated periodically, including any appropriate corrections, and a final version of Exhibit E will be attached hereto as of the Effective Date.

DD. "*Non-Litigating Subdivision*." Any Subdivision that is neither a Litigating Subdivision, nor a Later Litigating Subdivision.

EE. "*Non-Participating Subdivision*." Any Subdivision that is not a Participating Subdivision.

FF. "*Non-Party Covered Conduct Claim*." Claim against any Non-Released Entity involving, arising out of, or related to Covered Conduct (or conduct that would be Covered Conduct if engaged in by a Released Entity).

GG. "*Non-Party Settlement*." A settlement by any Releasor that settles any Non-Party Covered Conduct Claim and includes a release of any Non-Released Entity.

HH. "*Non-Released Entity*." An entity that is not a Released Entity.

II. "*Offset Cap*." The dollar amount which the dollar-for-dollar offset described in Section X.A cannot exceed in a Payment Year, to be calculated by multiplying the amount of the relevant Annual Payment apportioned to the State of Rhode Island and its Subdivisions for that Payment Year by the percentage for the applicable Participation Tier as set forth in Exhibit B.

JJ. "*Opioid Remediation*." Care, treatment, and other programs and expenditures (including, reimbursement for past such programs or expenditures[1] except where this Agreement

[1] Reimbursement includes amounts paid to any governmental entities for past expenditures or programs.

restricts the use of funds solely to future Opioid Remediation) designed to (1) address the misuse and abuse of opioid products; (2) treat or mitigate opioid use or related disorders; or (3) mitigate other alleged effects of, including on those injured as a result of, the opioid epidemic. Exhibit C provides a non-exhaustive list of expenditures that qualify as being paid for Opioid Remediation. Qualifying expenditures may include reasonable related administrative expenses.

KK. "*Opioid Tax*." Any tax, assessment, license fee, surcharge or any other fee (other than a fixed prospective excise tax or similar tax or fee that has no restriction on pass-through) imposed by the State of Rhode Island on a Settling Distributor on the sale, transfer or distribution of opioid products. Notwithstanding this definition, the currently enacted version of the State of Rhode Island's Opioid Stewardship Act (R.I. Gen. Laws §§ 21-28.10, *et seq.*) is not an Opioid Tax.

LL. "*Other State Resolution*." A settlement with, or judgment obtained by, a State other than Rhode Island and/or a Subdivision(s) in that other State relating to one or more Claims involving, arising out of or relating to Covered Conduct, including attorney's fees and costs payable under such settlement or judgment.

MM. "*Participating Subdivision*." Any Subdivision that meets the requirements for becoming a Participating Subdivision under Section IV. Participating Subdivisions include both Initial Participating Subdivisions and Later Participating Subdivisions.

NN. "*Participation Tier*." The Participation Tier shall be determined as set forth in Section V.L.

OO. "*Parties*." As defined in Section I (each, a "*Party*").

PP. "*Payment Date*." The date by which the Settling Distributors must make the Annual Payment pursuant to Section V.B. Pursuant to Section V.C, the Payment Date for Payment Year 1 shall be fifteen (15) calendar days after the Effective Date. The Payment Date for Payment Year 2 shall be July 15, 2022. The Payment Date for each subsequent Payment Year shall be July 15 of that Payment Year.

QQ. "*Payment Year*." The calendar year during which the applicable Annual Payment is due pursuant to Sections V.B and V.C. Payment Year 1 is 2021 (even if the payment terms provided for herein provide for the first payment to fall in 2022), Payment Year 2 is 2022 and so forth, with 2038 being the final Payment Year. References to payment "for a Payment Year" mean the Annual Payment due during that year. References to eligibility "for a Payment Year" mean eligibility in connection with the Annual Payment due during that year.

RR. "*Prepayment Notice*." As defined in Section V.J.1.

SS. "*Primary Subdivision*." A Subdivision that is a General Purpose Government (including, but not limited to, a municipality, county, county subdivision, city, town, township, parish, village, borough, gore, or any other entities that provide municipal-type government) with population over ten thousand (10,000); *provided, however,* that as used in connection with Incentive Payment C, the population threshold is thirty thousand (30,000). Attached as Exhibit D is an agreed list of the Primary Subdivisions.

TT. "*Product*." Any chemical substance, whether used for medicinal or non-medicinal purposes, and whether natural, synthetic, or semi-synthetic, or any finished pharmaceutical product made from or with such substance, that is: (1) an opioid or opiate, as well as any product containing any such substance; (2) benzodiazepine, carisoprodol, or gabapentin; or (3) a combination or "cocktail" of chemical substances prescribed, sold, bought, or dispensed to be used together that includes opioids or opiates. "Product" shall include, but is not limited to, any substance consisting of or containing buprenorphine, codeine, fentanyl, hydrocodone, hydromorphone, meperidine, methadone, morphine, oxycodone, oxymorphone, tapentadol, tramadol, opium, heroin, carfentanil, diazepam, estazolam, quazepam, alprazolam, clonazepam, oxazepam, flurazepam, triozolam, temazepam, midazolam, carisoprodol, gabapentin, any variant of these substances or any similar substance. Notwithstanding the foregoing, nothing in this Section prohibits the State of Rhode Island from taking administrative or regulatory action related to benzodiazepine (including, but not limited to, diazepam, estazolam, quazepam, alprazolam, clonazepam, oxazepam, flurazepam, triozolam, temazepam, and midazolam), carisoprodol, or gabapentin that is wholly independent from the use of such drugs in combination with opioids, *provided* such action does not seek money (including abatement and/or remediation) for conduct prior to the Effective Date.

UU. "*Released Claims*." Any and all Claims that directly or indirectly are based on, arise out of, or in any way relate to or concern the Covered Conduct occurring prior to the Effective Date. Without limiting the foregoing, Released Claims include any Claims that have been asserted against a Settling Distributor by the State of Rhode Island or a Litigating Subdivision in any federal, state or local action or proceeding (whether judicial, arbitral or administrative) based on, arising out of, or relating to, in whole or in part, the Covered Conduct, or any such Claims that could be or could have been asserted now or in the future in those actions or in any comparable action or proceeding brought by the State of Rhode Island, Subdivision or Releasor (whether or not the State of Rhode Island, Subdivision or Releasor has brought such action or proceeding). Released Claims also include all Claims asserted in any proceeding to be dismissed pursuant to this Agreement, whether or not such claims relate to Covered Conduct. The Parties intend that this term, "Released Claims," be interpreted broadly. This Agreement does not release Claims by private individuals. It is the intent of the Parties that Claims by private individuals be treated in accordance with applicable law. Released Claims is also used herein to describe claims brought by a Later Litigating Subdivision or other non-party Subdivision that would have been Released Claims if they had been brought by a Releasor against a Released Entity.

VV. "*Released Entities*." With respect to Released Claims, the Settling Distributors and (1) all past and present subsidiaries, divisions, predecessors, successors, and assigns (in each case, whether direct or indirect) of each Settling Distributor; (2) all past and present subsidiaries and divisions (in each case, whether direct or indirect) of any entity described in clause (1); (3) the respective past and present officers, directors, members, trustees, and employees of any of the foregoing (each for actions that occurred during and related to their work for, or employment with, any of the Settling Distributors or the foregoing entities); (4) all past and present joint ventures (whether direct or indirect) of each Settling Distributor or its subsidiaries, including in such Settling Distributor's or subsidiary's capacity as a participating member in such joint venture; (5) all direct or indirect parents and shareholders of the Settling Distributors (solely in their capacity as parents or shareholders of the applicable Settling Distributor with respect to Covered Conduct); and (6) any insurer of any Settling Distributor or any person or entity otherwise described in clauses (1)-(5) (solely in its role as insurer of such person or entity and subject to the last sentence of Section

IX.B.2). Any person or entity described in subsections (3)-(6) shall be a Released Entity solely in the capacity described in such clause and shall not be a Released Entity with respect to its conduct in any other capacity. For the avoidance of doubt, CVS Health Corp., Walgreens Boots Alliance, Inc., and Walmart Inc. (collectively, the "*Pharmacies*") are not Released Entities, nor are their direct or indirect past or present subsidiaries, divisions, predecessors, successors, assigns, joint ventures, shareholders, officers, directors, members, trustees, or employees (shareholders, officers, directors, members, trustees, and employees for actions related to their work for, employment with, or involvement with the Pharmacies) Released Entities. Notwithstanding the prior sentence, any joint venture or past or present subsidiary of a Settling Distributor is a Released Entity, including any joint venture between a Settling Distributor or any Settling Distributor's subsidiary and a Pharmacy (or any subsidiary of a Pharmacy); *provided, however*, that any joint venture partner of a Settling Distributor or a Settling Distributor's subsidiary is not a Released Entity unless it falls within subsections (1)-(6) above. Lists of Settling Distributors' subsidiaries, joint ventures, and predecessor entities are appended to this Agreement as Exhibit F. With respect to joint ventures (including predecessor entities), only entities listed on Exhibit F are Released Entities. With respect to wholly-owned subsidiaries (including predecessor entities), Exhibit F represents a good faith effort by the Settling Distributors to list all such entities, but any and all wholly-owned subsidiaries (including predecessor entities) of any Settling Distributor are Released Entities, whether or not they are listed on Exhibit F. For the avoidance of doubt, any entity acquired, or joint venture entered into, by a Settling Distributor after the Initial Participation Date is not a Released Entity.

WW. "*Releasors*." With respect to Released Claims, (1) the State of Rhode Island; (2) each Participating Subdivision; and (3) without limitation and to the maximum extent of the power of the State of Rhode Island's Attorney General and/or each Participating Subdivision to release Claims, (a) the State of Rhode Island's and Participating Subdivisions' departments, agencies, divisions, boards, commissions, Subdivisions, districts, instrumentalities of any kind and attorneys, including its Attorney General, and any person in his or her 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, (b) any public entities, public instrumentalities, public educational institutions, unincorporated districts, fire districts, irrigation districts and other Special Districts in the State of Rhode Island, and (c) any person or entity acting in a *parens patriae*, sovereign, quasi-sovereign, private attorney general, *qui tam*, taxpayer, or other capacity seeking relief on behalf of or generally applicable to the general public with respect to the State of Rhode Island or its Subdivisions, whether or not any of them participate in this Agreement. The inclusion of a specific reference to a type of entity in this definition shall not be construed as meaning that the entity is not a Subdivision. The State of Rhode Island's Attorney General represents that he or she has or has obtained (or will obtain no later than the Initial Participation Date) the authority set forth in Section IX.F. In addition to being a Releasor as provided herein, a Participating Subdivision shall also provide the Participation Form, providing for a release to the fullest extent of the Participating Subdivision's authority.

XX. "*Revocation Event*." With respect to a Bar, Settlement Class Resolution, or Case-Specific Resolution, a revocation, rescission, reversal, overruling, or interpretation that in any way limits the effect of such Bar, Settlement Class Resolution, or Case-Specific Resolution on Released Claims, or any other action or event that otherwise deprives the Bar, Settlement Class Resolution, or Case-Specific Resolution of force or effect in any material respect.

YY. "*Rhode Island Abatement Amount*." $90,833,526.93, which is the Global Settlement Net Abatement Amount multiplied by the Rhode Island Overall Allocation Percentage. The Rhode Island Abatement Amount shall not be changed whether or not the Global Settlement becomes effective, except pursuant to Section XIII.E.

ZZ. "*Rhode Island Memorandum of Understanding.*" The Rhode Island Memorandum of Understanding Between the State and Cities and Towns Receiving Opioid Settlement Funds that, among other things, allocates payments received under this Agreement between the State of Rhode Island and its Participating Subdivisions and limits the use of such funds to Opioid Remediation. Exhibit H is the unexecuted Rhode Island Memorandum of Understanding Between the State and Cities and Towns Receiving Opioid Settlement Funds. Exhibit H, and any amendments or revisions thereto, shall be effective if approved pursuant to the provisions of Exhibit S or if adopted by statute. An executed version of Exhibit H will be attached hereto as of the Effective Date.[2]

AAA. "*Rhode Island Consent Judgment*." A consent judgment in a form to be agreed upon by the State of Rhode Island and the Settling Distributors prior to the Initial Participation Date that, among other things, (1) approves this Agreement and (2) provides for the release set forth in Section IX, including the dismissal with prejudice of any Released Claims that the State of Rhode Island has brought against Released Entities. The Rhode Island Consent Judgment, attached as Exhibit N, shall be filed in the Superior Court of Providence County.

BBB. "*Rhode Island Overall Allocation Percentage*." 0.4895626814%, which is the State of Rhode Island's Overall Allocation Percentage as set forth in the Global Settlement.

CCC. "*Rhode Island Qualified Settlement Fund*." The fund to be established pursuant to this Agreement into which the Annual Payments are made under Section V. The Rhode Island Qualified Settlement Fund shall be structured and operated in a manner so that it qualifies as a "Qualified Settlement Fund" within the meaning of section 468B of the Internal Revenue Code of 1986, as amended, as described in Treasury Regulations Section 1.468B-1 et seq., and shall remain subject to the continuing jurisdiction of the Court.

DDD. "*Rhode Island Qualified Settlement Fund Administrator*." The entity that annually determines the Annual Payment (which may include calculating Incentive Payments pursuant to Section V.F and any amounts subject to suspension, offset, or reduction pursuant to Sections X and XI) administers the Rhode Island Qualified Settlement Fund, and distributes amounts from the Rhode Island Qualified Settlement Fund pursuant to this Agreement. The Rhode Island Qualified Settlement Fund Administrator shall be selected by the State of Rhode Island with input from the Distributors. The duties of the Rhode Island Qualified Settlement Fund Administrator shall be governed by this Agreement. For Payment Years 1 and 2, the Parties agree that the duties of the Rhode Island Qualified Settlement Fund Administrator will be limited to distribution of the Annual Payments for Payment Years 1 and 2 in accordance with Section V.C and Exhibit R. Exhibit R will be updated periodically, as subdivisions become Participating Subdivisions, and a final version of

[2] For the avoidance of doubt, the Settling Distributors are not parties to Exhibit H and dispute, and do not concede, any characterizations of their conduct therein. Further, the Settling Distributors expressly deny any statements or implications within Exhibit H, concerning alleged misconduct by any Settling Distributor. As stated herein, the Settling Distributors expressly deny any liability, fault, or wrongdoing. The Settling Distributors have entered into this Agreement to avoid the delay, expense, inconvenience, and uncertainty of further litigation.

Exhibit R will be attached hereto as of the Effective Date. If the Global Settlement does not become effective by July 1, 2022, the Parties will meet and confer to specify in detail the duties of the Rhode Island Qualified Settlement Fund Administrator for Payment Years 3 and beyond.

EEE. "*Rhode Island Qualified Settlement Fund Escrow*." The interest-bearing escrow fund established to hold disputed or suspended payments made under this Agreement, which can be, at the Parties' election, the Settlement Fund Escrow established pursuant to the Global Settlement.

FFF. *"Rhode Island Settlement Amount.*" The amounts provided for in Sections V and VIII.

GGG. "*Settlement Class Resolution*." A class action resolution in a court of competent jurisdiction with respect to a class of Subdivisions that (1) conforms with the State of Rhode Island's statutes, case law, and rules of procedure regarding class actions; (2) is approved and entered as an order of a court of competent jurisdiction in the State of Rhode Island and such order has become a Final Order; (3) is binding on all Non-Participating Subdivisions (other than opt-outs as permitted under the next sentence); (4) provides that all such Non-Participating Subdivisions may not bring any Released Claims against any Released Entities, whether on the ground of this Agreement (or the releases herein) or otherwise; and (5) does not impose any costs or obligations on Settling Distributors other than those provided for in this Agreement, or contain any provision inconsistent with any provision of this Agreement. If applicable state law requires that opt-out rights be afforded to members of the class, a class action resolution otherwise meeting the foregoing requirements shall qualify as a Settlement Class Resolution unless Subdivisions collectively representing more than the one percent (1%) of the total population of the State opt out. In seeking certification of any Settlement Class, the State of Rhode Island and Participating Subdivisions shall make clear that certification is sought solely for settlement purposes and should have no applicability beyond approval of the settlement for which certification is sought. Nothing in this Agreement constitutes an admission by any Party that class certification would be appropriate for litigation purposes in any case or for purposes unrelated to this Agreement.

HHH. "*Settlement Payment Schedule*." The schedule attached to this Agreement as Exhibit G.

III. "*Settlement Prepayment*." As defined in Section V.J.1.

JJJ. "*Settlement Prepayment Reduction Schedule*." As defined in Section V.J.1.

KKK. "*Settling Distributors*." McKesson Corporation, Cardinal Health, Inc., and AmerisourceBergen Corporation (each, a "*Settling Distributor*").

LLL. "*State Cap*." The total of a Settling Distributor's share of the amounts payable under the Global Settlement (a) to a State other than the State of Rhode Island for a Payment Year assuming that State is eligible for Incentive Payments A and D and that no offset or suspension is applicable with respect to that State, and (b) for attorney's fees and costs that would have been owed during that Payment Year times that State's allocable share as specified in the Global Settlement.

MMM. "*States*." The states, commonwealths, and territories of the United States of America, as well as the District of Columbia, but not including West Virginia (each a "*State*"). The fifty-five (55) States are listed in Exhibit O. Each "State" also includes its departments, agencies, divisions, boards, commissions, districts, instrumentalities of any kind, any other units of State government, attorneys, including its Attorney General, and any person in his or her 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.

NNN. "*Subdivision*." Any (1) General Purpose Government (including, but not limited to, a municipality, county, county subdivision, city, town, township, parish, village, borough, gore, or any other entities that provide municipal-type government), School District, or Special District within the State of Rhode Island and (2) any other subdivision or subdivision official or sub-entity of or located within the State of Rhode Island (whether political, geographical or otherwise, whether functioning or non-functioning, regardless of population overlap, and including, but not limited to, Nonfunctioning Governmental Units and public institutions) that has filed a lawsuit that includes a Released Claim against a Released Entity in a direct, *parens patriae*, or any other capacity. "General Purpose Government," "School District," and "Special District" shall correspond to the "five basic types of local governments" recognized by the U.S. Census Bureau and match the 2017 list of Governmental Units.[3] The three (3) General Purpose Governments are county, municipal, and township governments; the two (2) special purpose governments are School Districts and Special Districts.[4] "Fire District," "Health District," "Hospital District," and "Library District" shall correspond to categories of Special Districts recognized by the U.S. Census Bureau.[5] References to the State of Rhode Island's Subdivisions or to a Subdivision "in," "of" or "within" the State of Rhode Island include Subdivisions located within the State of Rhode Island even if they are not formally or legally a sub-entity of the State of Rhode Island; *provided*, *however*, that a "Health District" that includes any of the following words or phrases in its name shall not be considered a Subdivision: mosquito, pest, insect, spray, vector, animal, air quality, air pollution, clean air, coastal water, tuberculosis, and sanitary.

OOO. "*Subdivision Settlement Participation Form*." The form attached as Exhibit M, or a substantially similar form, that Participating Subdivisions must execute and return to the Settling Distributors, and which shall (1) make such Participating Subdivisions signatories to this Agreement, (2) include a full and complete release of any and all such Subdivision's claims, and (3) require the prompt dismissal with prejudice of any Released Claims that have been filed by any

[3] https://www.census.gov/data/datasets/2017/econ/gus/public-use-files.html.

[4] *E.g.*, U.S. Census Bureau, "Technical Documentation: 2017 Public Use Files for State and Local Government Organization" at 7 (noting that "the Census Bureau recognizes five basic types of local governments," that three of those are "general purpose governments" (county governments, municipal governments, and township governments), and that the other two are "school district and special district governments"), https://www2.census.gov/programs-surveys/gus/datasets/2017/2017_gov_org_meth_tech_doc.pdf.

[5] A list of 2017 Government Units provided by the Census Bureau identifies 38,542 Special Districts and categorizes them by "FUNCTION_NAME." "Govt_Units_2017_Final" spreadsheet, "Special District" sheet, included in "Independent Governments - list of governments with reference information," https://www.census.gov/data/datasets/2017/econ/gus/public-use-files.html. As used herein, "Fire District" corresponds to Special District function name "24 – Local Fire Protection," "Health District" corresponds to Special District function name "32 – Health," "Hospital District" corresponds to Special District function name "40 – Hospitals," and "Library District" corresponds to Special District function name "52 – Libraries." *See id.*

such Participating Subdivision. For the avoidance of doubt, the Parties agree that to the extent the form references the Global Settlement, it is intended to include this Agreement.

PPP. "*Suspension Amount*." The amount calculated as follows: the per capita amount corresponding to the applicable Participation Tier as set forth in Exhibit B multiplied by the population of the Later Litigating Subdivision.

QQQ. "*Suspension Cap*." The amount calculated as follows: the suspension percentage corresponding to the applicable Participation Tier as set forth in Exhibit B multiplied by the amount of the relevant Annual Payment apportioned to the State of Rhode Island and the Participating Subdivisions in each year of the suspension.

RRR. "*Suspension Deadline*." With respect to a lawsuit filed by a Later Litigating Subdivision asserting a Released Claim, the deadline set forth in Exhibit B corresponding to the applicable Participation Tier.

SSS. "*Threshold Motion*." A motion to dismiss or equivalent dispositive motion made at the outset of litigation under applicable procedure. A Threshold Motion must include as potential grounds for dismissal any applicable Bar or the relevant release by the State of Rhode Island or Participating Subdivision provided under this Agreement and, where appropriate under applicable law, any applicable limitations defense.

III. Condition to Effectiveness of Agreement

A. *Participation.* It is a condition of this Agreement that all Litigating and Primary Subdivisions in the State of Rhode Island become Participating Subdivisions by the Initial Participation Date. If all Litigating and Primary Subdivisions in the State of Rhode Island become Participating Subdivisions on or before the Initial Participation Date, the Parties shall proceed to file the Consent Judgment as set forth in Section III.B. If this condition is not met, the Settling Distributors, in their sole discretion, may determine to proceed with this Agreement. If they do not so determine, this Agreement will have no further effect and all releases and other commitments or obligations contained herein will be void.

B. *Dismissal of Claims.* Provided that the condition in Section III.A has been fulfilled, the State of Rhode Island shall file the Rhode Island Consent Judgment in the Court, including a dismissal with prejudice of its Claims against Settling Distributors. The date of entry of the Rhode Island Consent Judgment shall be the Effective Date. In the event that the Court declines to enter the Rhode Island Consent Judgment, each Settling Distributor shall be entitled to terminate the Agreement as to itself and shall be excused from all obligations under the Agreement, and if a Settling Distributor terminates the Agreement as to itself, all releases and other commitments or obligations contained herein with respect to that Settling Distributor will be null and void.

IV. Participation by Subdivisions

A. *Requirements for Becoming a Participating Subdivision—Litigating Subdivisions/Later Litigating Subdivisions*. A Litigating Subdivision or Later Litigating

Subdivision may become a Participating Subdivision by either returning an executed Subdivision Settlement Participation Form specifying (1) that the Subdivision agrees to the terms of this Agreement pertaining to Subdivisions; (2) that the Subdivision releases all Released Claims against all Released Entities; (3) that the Subdivision agrees to use monies it receives, if any, pursuant to the applicable requirements of Section VI; and (4) that the Subdivision submits to the jurisdiction of the Court for purposes limited to the Court's role under the Agreement, and upon prompt dismissal of its legal action; or by having its claims extinguished by operation of law or released by the Rhode Island Attorney General's Office. The required Subdivision Settlement Participation Form shall be in the form attached as Exhibit M or in a substantially similar form. For the avoidance of doubt, the Parties agree that to the extent the form references the Global Settlement, it is intended to include this Agreement. A Litigating Subdivision or Later Litigating Subdivision may not become a Participating Subdivision after the completion of opening statements in a trial of the lawsuit it brought that includes a Released Claim against a Released Entity.

B. *Initial Participating Subdivisions*. A Subdivision qualifies as an Initial Participating Subdivision if it meets the applicable requirements for becoming a Participating Subdivision by the Initial Participation Date.

C. *Later Participating Subdivisions*. A Subdivision that is not an Initial Participating Subdivision may become a Later Participating Subdivision by meeting the applicable requirements for becoming a Participating Subdivision after the Initial Participation Date and agreeing to be subject to the terms of the agreement reached by the State of Rhode Island with Initial Participating Subdivisions. A Later Participating Subdivision shall not receive any share of any base or incentive payments paid to the Rhode Island Qualified Settlement Fund that were due before it became a Participating Subdivision.

D. *Notice*. The Office of the State of Rhode Island Attorney General shall send individual notice and the requirements for participation to all Subdivisions eligible to participate in the settlement, who have not returned an executed Subdivision Settlement Participation Form five (5) days prior to the Initial Participation Date. Such notice may include publication and other standard forms of notification. Nothing contained herein shall preclude the State of Rhode Island from providing further notice to, or from contacting any of its Subdivision(s) about, becoming a Participating Subdivision.

E. *Requirements for Becoming a Participating Subdivision—Non-Litigating Subdivisions*. A Non-Litigating Subdivision may become a Participating Subdivision by either returning an executed Subdivision Settlement Participation Form specifying (1) that the Subdivision agrees to the terms of this Agreement pertaining to Subdivisions; (2) that the Subdivision releases all Released Claims against all Released Entities; (3) that the Subdivision agrees to use monies it receives, if any, pursuant to the applicable requirements of Section VI; and (4) that the Subdivision submits to the jurisdiction of the Court for purposes limited to the Court's role under the Agreement, or by having their claims extinguished by operation or law or release by the Rhode Island Attorney General's Office. The required Subdivision Settlement Participation Form shall be in the form attached as Exhibit M or in a substantially similar form. For the avoidance of doubt, the Parties agree that to the extent the form references the Global Settlement, it is intended to include this Agreement.

F. *Non-Participating Subdivisions*. Non-Participating Subdivisions shall not directly receive any portion of any base or incentive payments paid to the Rhode Island Qualified Settlement Fund and the State of Rhode Island may choose that its Non-Participating Subdivisions are ineligible for benefits from the fund.

G. *Unpaid Allocations to Later Participating Subdivisions and Non-Participating Subdivisions*. Any base payment and incentive payments allocated to a Later Participating Subdivision or Non-Participating Subdivision that cannot be paid pursuant to Section IV.C will be allocated consistent with the terms of Exhibit H or a State Allocation Statute.

H. *Subdivision Settlement Participation Forms.* Within seven (7) calendar days of the Effective Date, the State of Rhode Island shall transmit to the Settling Distributors copies of all Subdivision Settlement Participation Forms received as of the Effective Date. If any Subdivision subsequently becomes a Participating Subdivision, the State of Rhode Island will transmit a copy of that Subdivision Settlement Participation Form within seven (7) calendar days of receipt.

V. Settlement Payments

A. *Rhode Island Qualified Settlement Fund*. Until such time as the Global Settlement becomes effective, all payments under this Section V shall be made into the Rhode Island Qualified Settlement Fund, except that where specified, they shall be made into the Rhode Island Qualified Settlement Fund Escrow. The Rhode Island Qualified Settlement Fund shall be allocated and used only as specified in Section VI.

B. *Annual Payments*. The Settling Distributors shall make eighteen (18) Annual Payments, each comprised of base and incentive payments as provided in this Section V and as determined by the Rhode Island Qualified Settlement Fund Administrator as set forth in this Agreement.

1. All data relevant to the determination of the Annual Payment and allocations to the State of Rhode Island and its Participating Subdivisions shall be submitted to the Settlement Administrator no later than sixty (60) calendar days prior to the Payment Date for each Annual Payment. The Qualified Settlement Fund Administrator shall then determine the Annual Payment and the amount to be paid to the State of Rhode Island and the Participating Subdivisions by:

a. determining, the amount of base and incentive payments to which the State of Rhode Island is entitled by applying the criteria under Sections V.D, E and F;

b. applying any suspensions, offsets or reductions as specified under Sections V, X and XI;

c. applying any adjustment required as a result of prepayment or significant financial constraint, as specified under Sections V.I and V.K; and

d. determining the total amount owed by Settling Distributors (including any amounts to be held in the Rhode Island Qualified Settlement Fund Escrow pending resolution of a case by a Later Litigating Subdivision as described in Section X) to the State of Rhode Island and the Participating Subdivisions.

The Rhode Island Qualified Settlement Fund Administrator shall then allocate the Annual Payment to the State of Rhode Island, and then among the Participating Subdivisions receiving direct allocations.

2. The Rhode Island Qualified Settlement Fund Administrator shall also apply the allocation percentages set forth in Section V.H and determine for each Settling Distributor the amount of its allocable share of the Annual Payment. For the avoidance of doubt, each Settling Distributor's liability for its share of the Annual Payment is several, and not joint.

3. As soon as possible, but no later than fifty (50) calendar days prior to the Payment Date for each Annual Payment and following the determination described in Section V.B.1 above, the Rhode Island Qualified Settlement Fund Administrator shall give notice to the Settling Distributors and the State of Rhode Island the amount of the Annual Payment, the amount to be received by the State of Rhode Island and the amount to be received by Participating Subdivisions receiving direct allocations. For the amount to be received by the State of Rhode Island, the Rhode Island Qualified Settlement Fund Administrator shall further provide notice of the Subdivision allocation amounts. The Rhode Island Qualified Settlement Fund Administrator shall also apply the allocation percentages set forth in Section V.H and give notice to each Settling Distributor of the amount of its allocable share of the Annual Payment.

4. Within twenty-one (21) calendar days of the notice provided by the Rhode Island Qualified Settlement Fund Administrator, the State of Rhode Island and any Settling Distributor may dispute, in writing, the calculation of the Annual Payment, or the amount to be received by the State of Rhode Island and/or its Participating Subdivisions. Such disputing Party must provide a written notice of dispute to the Rhode Island Qualified Settlement Fund Administrator, the State of Rhode Island, and the Settling Distributors identifying the nature of the dispute and the amount of money that is disputed.

5. Within twenty-one (21) calendar days of the sending of a written notice of dispute, if the State of Rhode Island or any Settling Distributor is affected by the dispute, the State of Rhode Island or the affected Settling Distributor(s) may each submit a response, in writing, to the Rhode Island Qualified Settlement Fund Administrator, the State of Rhode Island and the Settling Distributors identifying the basis for disagreement with the notice of dispute.

6. If no response is filed, the Rhode Island Qualified Settlement Fund Administrator shall adjust the amount calculated consistent with the written notice of dispute, and Settling Distributors shall pay the adjusted amount as the Annual Payment on the Payment Date. If a written response to the written notice of dispute is timely sent to the Rhode Island Qualified Settlement Fund Administrator, the Rhode Island Qualified

Settlement Fund Administrator shall notify the Settling Distributors of the preliminary amount to be paid, which shall be the greater of the amount originally calculated by the Rhode Island Qualified Settlement Fund Administrator or the amount that would be consistent with the notice of dispute, *provided, however* that in no circumstances shall the preliminary amount to be paid be higher than the maximum amount of base and Incentive Payments A and D for that Payment Year as set forth on Exhibit G. For the avoidance of doubt, a transfer of suspended payments from the Rhode Island Qualified Settlement Fund Escrow pursuant to Section X does not count toward determining whether the amount to be paid is higher than the maximum amount of base and Incentive Payments A and D for that Payment Year as set forth in Exhibit G.

7. The Rhode Island Qualified Settlement Fund Administrator shall place any disputed amount of the preliminary amount paid by the Settling Distributors into the Rhode Island Qualified Settlement Fund Escrow and shall disburse any undisputed amount to the State of Rhode Island and the Participating Subdivisions within fifteen (15) calendar days of the Payment Date or at such later time as directed by the State of Rhode Island.

8. Disputes described in this Section V.B shall be resolved in accordance with the terms of Section VII.

C. *Procedure for Annual Payment in Payment Years 1 and 2*. The process described in Section V.B shall not apply to Payment Years 1 and 2. The procedure in lieu of Section V.B for Payment Years 1 and 2 is as set forth below:

1. The Payment Date for Payment Year 1 shall be fifteen (15) calendar days after the Effective Date. By the Payment Date for Payment Year 1, the Settling Distributors shall pay into the Rhode Island Qualified Settlement Fund the total amount of the base payment and Incentive Payment A for the State of Rhode Island (as those amounts are specified in Exhibit G) for Payment Year 1. The Rhode Island Qualified Settlement Fund for Payment Year 1 will be in an account designated by the Rhode Island Consent Judgment. The Year 1 payment shall thereafter be disbursed pursuant to Section VI.A and the Rhode Island Memorandum of Understanding (Exhibit H), to the State of Rhode Island and the Participating Subdivisions receiving a direct allocation in the amounts set forth on Exhibit R.

2. The Payment Date for Payment Year 2 shall be July 15, 2022. On or before the Payment Date for Payment Year 2, the Settling Distributors shall pay into the Rhode Island Qualified Settlement Fund the total amount of the base payment and Incentive Payment A for the State of Rhode Island (as those amounts are specified in Exhibit G) for Payment Year 2. The Rhode Island Qualified Settlement Fund for Payment Year 2 will be in an account designated by the Rhode Island Consent Judgment. The Year 2 payment shall be disbursed pursuant to Section VI.A and the Rhode Island Memorandum of Understanding (Exhibit H), to the State of Rhode Island and the Participating Subdivisions receiving a direct allocation in the amounts set forth on Exhibit R within fifteen (15) calendar days of the Payment Date or at such later time as directed by the State of Rhode Island. At that time, any amounts remaining in the Rhode Island Qualified Settlement Fund for allocations to Subdivisions that have not become Participating Subdivisions shall be

distributed according to Section VI.A and the Rhode Island Memorandum of Understanding (Exhibit H).

D. *Procedure for Annual Payment in Payment Year 3 and Subsequent Payment Years*. For Payment Year 3 and successive Payment Years, the Annual Payment shall be made pursuant to the process set forth in Section V.B, except that, with respect to Payment Year 3, the State of Rhode Island shall have up to the Payment Date for Payment Year 3 to become eligible for Incentive Payment A and thus avoid the reductions set forth in Section XI. If the State of Rhode Island enacts a Bar less than sixty (60) calendar days before the Payment Date for Payment Year 3, the Settling Distributors shall pay, within thirty (30) calendar days of the Payment Year 3 Payment Date, the difference between the Annual Payment as calculated by the Rhode Island Qualified Settlement Fund Administrator and the amount that would have been owed had the Rhode Island Qualified Settlement Fund Administrator taken the Bar into account.

E. *Base Payments*. Subject to the suspension, reduction and offset provisions set forth in Sections X and XI, the Settling Distributors shall collectively make base payments equal to fifty-five percent (55%) of the Rhode Island Abatement Amount. These payments will be due in installments consistent with Exhibit G over the eighteen (18) Payment Years and as adjusted by the Rhode Island Qualified Settlement Fund Administrator pursuant to the provisions in Sections V, X and XI.

F. *Incentive Payments*. Subject to the suspension, reduction, and offset provisions set forth in Sections X and XI, the Settling Distributors shall collectively make potential additional incentive payments totaling up to a maximum of forty-five percent (45%) of the Rhode Island Abatement Amount, with the actual amount depending on whether and the extent to which the State of Rhode Island meets the criteria set forth below. The incentive payments shall be divided among four (4) categories, referred to as Incentive Payments A-D. Incentive Payments A-C will be due in installments over the eighteen (18) Payment Years, and Incentive Payment D will be due in installments over thirteen (13) years beginning with Payment Year 6. The incentive payments shall be made to the State of Rhode Island based on its eligibility for that year under the criteria set forth below.

1. Incentive Payment A. Incentive Payment A shall be equal to forty percent (40%) of the Rhode Island Settlement Abatement Amount, *provided* that the State of Rhode Island satisfies the requirements of Incentive Payment A. Incentive Payment A will be due as part of the Annual Payment in each of the eighteen (18) Payment Years that the State of Rhode Island is eligible for Incentive Payment A and shall equal a total potential maximum of $36,333,411 if the State of Rhode Island is eligible for all eighteen (18) Payment Years. The State of Rhode Island's share of Incentive Payment A in a given year, *provided* that the State of Rhode Island is eligible, shall equal the total maximum amount available for Incentive Payment A for that year as reflected in Exhibit G. Eligibility for Incentive Payment A is as follows:

a. For the Payment Years 1 and 2, the State of Rhode Island is deemed eligible for Incentive Payment A.

b. For each Payment Year other than Payment Years 1 and 2, the State of Rhode Island is eligible for Incentive Payment A if, as of sixty (60) calendar days prior to the Payment Date (except that in Payment Year 3, this date is as of the Payment Date), (i) there is a Bar in full force and effect, (ii) there is a Settlement Class Resolution in full force and effect, (iii) the Released Claims of all of the following entities are released through the execution of Subdivision Settlement Participation Forms, or there is a Case-Specific Resolution against such entities: all Primary Subdivisions, Litigating Subdivisions, School Districts with a K-12 student enrollment of at least 25,000 or 0.10% of the State of Rhode Island's population, whichever is greater, and Health Districts and Hospital Districts that have at least one hundred twenty-five (125) hospital beds in one or more hospitals rendering services in that district; or (iv) a combination of the actions in clauses (i)-(iii) has achieved the same level of resolution of Claims by Subdivisions (*e.g.*, a Bar against future litigation combined with full joinder by Litigating Subdivisions). For the avoidance of doubt, clause (iv) cannot be satisfied unless all Litigating Subdivisions are Participating Subdivisions or there is a Case-Specific Resolution against any such Subdivisions that are not Participating Subdivisions.

c. Notwithstanding Section V.F.1.b, for each Payment Year other than Payment Years 1 and 2, if the State of Rhode Island is not eligible for Incentive Payment A as of the Incentive Payment Final Eligibility Date, the State of Rhode Island shall not be eligible for Incentive Payment A for that Payment Year or any subsequent Payment Years.

d. If the Settling Distributors made a payment under Incentive Payment A solely on the basis of a Bar or Settlement Class Resolution and that Bar or Settlement Class Resolution is subsequently removed, revoked, rescinded, reversed, overruled, interpreted in a manner to limit the scope of the release, or otherwise deprived of force or effect in any material respect, the State of Rhode Island shall not be eligible for Incentive Payment A thereafter, unless the State of Rhode Island requalifies for Incentive Payment A through any method pursuant to Section V.F.1.b, in which case the State of Rhode Island shall be eligible for Incentive Payment A less any litigation fees and costs incurred by Settling Distributor in the interim, except that, if the re-imposition occurs after the completion of opening statements in a trial involving a Released Claim, the State of Rhode Island shall not be eligible for Incentive Payment A (unless this exception is waived by the Settling Distributors).

2. Incentive Payment B. Incentive Payment B shall be available to the State of Rhode Island if it is not eligible for Incentive Payment A for the applicable Payment Year. Incentive Payment B shall be equal to up to twenty-five percent (25%) of the Rhode Island Settlement Abatement Amount. Incentive Payment B will be due as part of the Annual Payment in each of the eighteen (18) Payment Years that the State of Rhode Island is eligible for Incentive Payment B and equal a total potential maximum of $22,708,382 if the State of Rhode Island is eligible for all eighteen (18) Payment Years. The State of Rhode Island's maximum share of Incentive Payment B in a given year shall equal the total

maximum amount available for Incentive Payment B for that year as reflected in Exhibit G. Eligibility for Incentive Payment B is as follows:

a. The State of Rhode Island is not eligible for Incentive Payment B for a Payment Year for which it is eligible for Incentive Payment A.

b. Subject to Section V.F.2.a, the amount of Incentive Payment B for which the State of Rhode Island is eligible in a Payment Year shall be a percentage of the State of Rhode Island's maximum share of Incentive Payment B based on the extent to which (A) Litigating Subdivisions are Participating Subdivisions or (B) there is a Case-Specific Resolution against Litigating Subdivisions, collectively, "*Incentive B Eligible Subdivisions*." The percentage of the State of Rhode Island's maximum share of Incentive Payment B that the State of Rhode Island is eligible for in a Payment Year shall be determined according to the table below:

Percentage of Litigating Subdivision Population that is Incentive B Eligible Subdivision Population[6]	**Incentive Payment B State of Rhode Island Eligibility Percentage**
Up to 85%	0%
85%+	30%
86+	40%
91+	50%
95+	60%
99%+	95%
100%	100%

[6] The "Percentage of Litigating Subdivision Population that is Incentive B Eligible Subdivision Population" shall be determined by the aggregate population of the State of Rhode Island's Litigating Subdivisions that are Incentive B Eligible Subdivisions divided by the aggregate population of the State of Rhode Island's Litigating Subdivisions. In calculating the State of Rhode Island's population that resides in Litigating Subdivisions, (a) the population of the State of Rhode Island's Litigating Subdivisions shall be the sum of the population of all Litigating Subdivisions, notwithstanding that persons may be included within the population of more than one Litigating Subdivision, and (b) the population that resides in Incentive B Eligible Subdivisions shall be the sum of the population of the Incentive B Eligible Subdivisions, notwithstanding that persons may be included within the population of more than one Incentive B Eligible Subdivision. An individual Litigating Subdivision shall not be included more than once in the numerator, and shall not be included more than once in the denominator, of the calculation regardless if it (or any of its officials) is named as multiple plaintiffs in the same lawsuit; *provided, however*, that, for the avoidance of doubt, no Litigating Subdivision will be excluded from the numerator or denominator under this sentence unless a Litigating Subdivision otherwise counted in the denominator has the authority to release the Claims (consistent with Section IX) of the Litigating Subdivision to be excluded. For the avoidance of doubt, if the population that resides in Incentive B Eligible Subdivisions is less than eighty-five percent (85%) of the population of Litigating Subdivisions, the State of Rhode Island shall not be eligible for any portion of Incentive Payment B.

c. The State of Rhode Island's Incentive Payment B amount shall be discounted to reflect the State of Rhode Island's eligibility percentage for that Payment Year per the table above.

d. The State of Rhode Island's eligibility for Incentive Payment B for a Payment Year shall be determined as of sixty (60) calendar days prior to the Payment Date for that Payment Year, with the exception of Payment Year 1, which shall be determined on the Initial Participation Date; *provided* that the percentage of Incentive Payment B for which the State of Rhode Island is eligible as of the Incentive Payment Final Eligibility Date shall cap its eligibility for that Payment Year and all subsequent Payment Years.

3. Incentive Payment C. Incentive Payment C shall be available to the State of Rhode Island if the State of Rhode Island is not eligible for Incentive Payment A for a Payment Year. Incentive Payment C shall be equal to up to fifteen percent (15%) of the Rhode Island Settlement Abatement Amount. Incentive Payment C will be due as part of the Annual Payment in each of the eighteen (18) Payment Years that the State of Rhode Island is eligible for Incentive Payment C and equal a total potential maximum of $13,625,029 if the State of Rhode Island is eligible for all eighteen (18) Payment Years. The maximum Incentive Payment C in a given year shall equal the total maximum amount available for Incentive Payment C for that year as reflected in Exhibit G multiplied by the State of Rhode Island's Incentive Payment C Eligibility Percentage. Eligibility for Incentive Payment C is as follows:

a. The State of Rhode Island is not eligible for Incentive Payment C for a Payment Year in which it is eligible for Incentive Payment A.

b. Subject to Section V.F.3.a, the amount of Incentive Payment C for which the State of Rhode Island is eligible in a Payment Year shall be a percentage of the State of Rhode Island's maximum share of Incentive Payment C based on the extent to which (A) Non-Litigating Primary Subdivisions with a population over 30,000 and Litigating Subdivisions are Participating Subdivisions or (B) there is a Case-Specific Resolution against Non-Litigating Primary Subdivisions with a population over 30,000 and Litigating Subdivisions, collectively, "*Incentive C Eligible Subdivisions*." The percentage of the State of Rhode Island's maximum share of Incentive Payment C that the State is eligible for in a Payment Year shall be determined according to the table below:

Percentage of Relevant Subdivision Population that is Incentive C Eligible Population[7]	**Incentive Payment C State of Rhode Island Eligibility Percentage**
Up to 60%	0%

[7] The "Percentage of Relevant Subdivision Population that is Incentive C Eligible Population" shall be determined by the aggregate population of Incentive C Eligible Subdivisions divided by the aggregate population of the Non-Litigating Primary Subdivisions with a population over thirty thousand (30,000) and Litigating Subdivisions ("*Incentive Payment C Subdivisions*"). None of the population figures shall include Prior Litigating Subdivisions. In

Percentage of Relevant Subdivision Population that is Incentive C Eligible Population[7]	Incentive Payment C State of Rhode Island Eligibility Percentage
60%+	25%
70%+	35%
75%+	40%
80%+	45%
85%+	55%
90%+	60%
93%+	65%
94%+	75%
95+	90%
98+	95%
100%	100%

c. The amount the State of Rhode Island receives under Incentive Payment C shall be discounted to reflect the State of Rhode Island's eligibility percentage for that Payment Year per the table above.

d. The State of Rhode Island's eligibility for Incentive Payment C for a Payment Year shall be determined as of sixty (60) calendar days prior to the Payment Date for that Payment Year with the exception of Payment Year 1, which shall be determined on the Initial Participation Date; *provided* that the percentage of Incentive Payment C for which the State of Rhode Island is eligible as of the Incentive Payment Final Eligibility Date shall cap its eligibility for that Payment Year and all subsequent Payment Years.

4. Incentive Payment D. Incentive Payment D shall be applied at Payment Year 6. Incentive Payment D shall be equal to five percent (5%) of the Rhode Island Settlement Abatement Amount. Incentive Payment D will be due as part of the Annual Payment for each of thirteen (13) Payment Years (from Payment Year 6 to Payment Year 18) that the State of Rhode Island is eligible for Incentive Payment D and equal a total

calculating the population that resides in Incentive Payment C Subdivisions, (a) the population shall be the sum of the population of all Incentive Payment C Subdivisions, notwithstanding that persons may be included within the population of more than one Incentive Payment C Subdivision, and (b) the population that resides in Incentive C Eligible Subdivisions shall be the sum of the population of the Incentive C Eligible Subdivisions, notwithstanding that persons may be included within the population of more than one Incentive C Eligible Subdivision. An individual Incentive Payment C Subdivision shall not be included more than once in the numerator, and shall not be included more than once in the denominator, of the calculation regardless if it (or any of its officials) is named as multiple plaintiffs in the same lawsuit. For the avoidance of doubt, if the population that resides in Incentive C Eligible Subdivisions is less than sixty percent (60%) of the population of Incentive Payment C Subdivisions, the State of Rhode Island shall not be eligible for any portion of Incentive Payment C.

potential maximum of $4,541,676 if the State of Rhode Island is eligible for all thirteen (13) Payment Years. The State of Rhode Island's Incentive Payment D in a given year shall equal the total maximum amount set forth in Exhibit G. Eligibility for Incentive Payment D is as follows:

a. The State of Rhode Island is eligible for Incentive Payment D if there has been no Later Litigating Subdivision that has had a Claim against a Released Entity survive more than six (6) months after denial in whole or in part of a Threshold Motion.

b. The State of Rhode Island's eligibility for Incentive Payment D shall be determined as of sixty (60) calendar days prior to the Payment Date. If a Later Litigating Subdivision's lawsuit survives more than six (6) months after denial in whole or in part of a Threshold Motion after that date, the State of Rhode Island shall not be eligible for Incentive Payment D for the Payment Year in which that occurs and any subsequent Payment Year.

c. Notwithstanding Section V.F.4.b, the State of Rhode Island can become re-eligible for Incentive Payment D if the lawsuit that survived a Threshold Motion is dismissed pursuant to a later motion on grounds included in the Threshold Motion, in which case the State of Rhode Island shall be eligible for Incentive Payment D less any litigation fees and costs incurred by Settling Distributor in the interim, except that if the dismissal motion occurs after the completion of opening statements in such action, the State of Rhode Island shall not be eligible for Incentive Payment D.

d. For the avoidance of doubt, the State of Rhode Island may be eligible for Incentive Payment D whether or not it is eligible for Incentive Payments A-C.

5. The eligibility criteria set forth in Section V.F.1-4 above are intended to be consistent with the Global Settlement. To the extent that the Global Settlement is consummated and the terms of the eligibility criteria for Incentive Payments A-D are more favorable to the State of Rhode Island under the Global Settlement than the terms set forth in Section V.F.1-4, the terms of the Global Settlement shall control.

G. *Reductions/Offsets*. The base and incentive payments are subject to suspension, reduction, and offset as provided in Sections X and XI.

H. *Allocation of Payments among Settling Distributors*. Payments due from the Settling Distributors under this Section V and Section VIII will be allocated among the Settling Distributors as follows: McKesson – 38.1%; Amerisource – 31.0%; Cardinal – 30.9%. A Settling Distributor's sole responsibility for payments under this Agreement shall be to make its share of each payment. The obligations of the Settling Distributors in this Agreement are several and not joint. No Settling Distributor shall be responsible for any portion of another Settling Distributor's share.

I. *Rhode Island Qualified Settlement Fund Administrator*. If the Global Settlement does not become effective by July 1, 2022, the Parties will meet and confer about the selection and removal processes for and the identity of the Rhode Island Qualified Settlement Fund Administrator, and a detailed description of the Rhode Island Qualified Settlement Fund Administrator's duties and responsibilities, including payment of the Rhode Island Qualified Settlement Fund Administrator's fees and costs. The Parties will use best efforts to coordinate discussions on these matters with the States of New York and Ohio, and the Parties agree that, to the extent practicable, there should be a single settlement administrator for these three (3) States.

J. *Prepayment Option*.

1. Any Settling Distributor shall have the right, subject to the limitations set forth in Section V.J.3, to prepay any base payment or incentive payment in whole or in part, without premium or penalty (a "*Settlement Prepayment*") by providing at least fourteen (14) calendar days prior written notice to the Rhode Island Qualified Settlement Fund Administrator (a "*Prepayment Notice*"). Any Prepayment Notice shall specify: (a) the gross amount of the Settlement Prepayment; (b) the manner in which such Settlement Prepayment shall be applied to reduce such Settling Distributor's future share of Annual Payments (*i.e.*, to which future Annual Payments owed by such Settling Distributor the Settlement Prepayment should be applied) (such manner of application, a "*Settlement Prepayment Reduction Schedule*"); (c) the net present value of the Settlement Prepayment as of the Prepayment Date based on the Settlement Prepayment Reduction Schedule using a discount rate equal to the prime rate as published by *The Wall Street Journal* on the date of the Prepayment Notice plus 1.75% (such net present value amount, the "*Net Settlement Prepayment Amount*"); and (d) the date on which the prepayment will be made, which shall be no more than fifteen (15) calendar days after the date of the Prepayment Notice (the "*Prepayment Date*").

2. On the Prepayment Date the Settling Distributor shall pay the Net Settlement Prepayment Amount to the Rhode Island Qualified Settlement Fund and such amount shall be used only as specified in Section VI. Following such payment, all future Annual Payments allocated to the applicable Settling Distributor under Sections V.E and V.F shall be reduced pursuant to the Settlement Prepayment Reduction Schedule, and Exhibit G will be updated to give effect to such reduction, and going forward such updated schedule will be Exhibit G.

3. A Settling Distributor's right to make prepayments shall be subject to the following limitations:

a. Prepayments may apply to base payments or to both base and incentive payments. If the prepayment applies to both base and incentive payments, the prepayments will apply proportionately across base and incentive payments.

b. A Settling Distributor shall make no more than three (3) prepayments over the eighteen (18) year payment term. A Settling Distributor shall not make more than one (1) prepayment in a five (5) year period.

c. Prepayments shall only be applied to one (1) or more of the last three (3) Payment Years (*i.e.*, Payment Years 16-18), and each prepayment will apply, first, to the Settling Distributor's allocable share of the last Annual Payment due, starting with Payment Year 18 and, after fully prepaying the Settling Distributor's allocable share of Payment Year 18, prepayment will apply to the Settling Distributor's allocable share of Payment Year 17, and, after fully prepaying the Settling Distributor's allocable share of Payment Year 17, prepayment will apply to the Settling Distributor's allocable share of Payment Year 16.

d. The total amount of a prepayment of base payments after discounting calculations shall not be larger than the base payment for the Payment Year with the lowest Annual Payment amount affected by the prepayment. The total amount of a prepayment for both base payments and incentive payments shall not be larger than the base payment and anticipated incentive payments for the lowest Payment Year affected by the prepayment. The "anticipated incentive payment" for a future Payment Year shall reflect the incentives earned by the State of Rhode Island as of the time of the prepayment and any offsets or adjustments known at that time.

e. In a Payment Year against which there has been a prepayment, if the amount the State of Rhode Island is calculated to receive is greater than the amount prepaid prior to discounting calculations, the Settling Distributor shall pay the difference. If, in a Payment Year for which there has been a prepayment, the amount that the State of Rhode Island is calculated to receive is less than the amount calculated at the time of the prepayment, there shall be a credit for the difference to the Settling Distributor to be applied in the subsequent Payment Year(s), if any.

4. For illustrative purposes only, attached as Exhibit I are examples showing a Settlement Prepayment, the related calculation of the Net Settlement Prepayment Amount, and the related adjustment to the Settlement Payment Schedule.

5. Notwithstanding any contrary provision in this Agreement, the terms of this Section V.J shall remain effective as to the State of Rhode Island even if the Global Settlement becomes effective.

K. *Significant Financial Constraint.*

1. If the Global Settlement does not become effective, a Settling Distributor's allocable share of the Annual Payment for a Payment Year may, at the election of such Settling Distributor, be deferred either (a) up to the amount by which that share plus (i) such Settling Distributor's share of amounts payable during that Payment Year under Section V and Section VIII and (ii) amounts payable (if any) during that Payment Year by that Settling Distributor under any Other State Resolutions up to the applicable State Caps for the States of such Other State Resolutions, would in total exceed twenty percent (20%) of such Settling Distributor's total operating cash flow (as determined pursuant to United States

generally accepted accounting principles) for its fiscal year that concluded most recently prior to the due date for that Annual Payment; or (b) (i) up to twenty-five percent (25%) if, as of thirty (30) calendar days preceding that payment date, the company's credit rating from one or more of the three (3) nationally recognized rating agencies is below BBB or Baa2 or (ii) up to one hundred percent (100%) if, as of thirty (30) calendar days preceding that payment date, the company's credit rating from one or more of the three (3) nationally recognized rating agencies is below BBB- or Baa3. As used herein, the "applicable" State Cap refers to the State that is the beneficiary of the Other State Resolution at issue or, in the case of an Other State Resolution with a Subdivision(s), the State in which such Subdivision(s) is located. In the case of multiple Other State Resolutions in a State (e.g., with the State and/or separately with Subdivisions in it), payments under them shall count cumulatively towards the applicable State Cap.

2. If the reason for exceeding twenty percent (20%) of a Settling Distributor's total operating cash flow or the decrease in credit rating is substantially attributable to the incurrence of debt to fund post-settlement acquisitions or to the payment of dividends and/or share repurchases that together are of an amount that exceeds the total amount of those two items for the prior fiscal year, no deferral is available. A Settling Distributor shall not be allowed to defer payment for a Payment Year if that Settling Distributor engaged in any share repurchases in the three (3) fiscal quarters prior to the Payment Date for that Payment Year.

3. If a Settling Distributor has reason to believe that it will not be able to pay some or all of its allocable share of the Annual Payment for a Payment Year, it shall provide at least ninety (90) calendar days' prior written notice to the Rhode Island Settlement Fund Administrator (a "*Deferred Payment Notice*"). Any Deferred Payment Notice shall specify and include: (a) the gross amount of the payments owed (including the estimated allocable portion of the Annual Payment, and amounts owed under Section V and Section VIII, by the relevant Settling Distributor); (b) the amount that the Settling Distributor believes it will be unable to pay; (c) the accounting and audited financial documents upon which the Settling Distributor relied for making this determination; and (d) any other relevant information for the State of Rhode Island to consider.

4. A Settling Distributor shall not utilize this provision during the first three (3) Payment Years. If a Settling Distributor defers some or all of the payments due in a Payment Year pursuant to this Section V.K, it shall not repurchase any shares, or fund new acquisitions with an acquisition price greater than $250 million, during the deferral period until the deferred amount is fully repaid with interest. Any amounts deferred shall bear interest at an interest rate equal to the prime rate as published by the Wall Street Journal on the date of the Deferral Payment Notice plus 0.5%.

5. The Settling Distributor shall pay all deferred amounts, including applicable interest on the next Payment Date. If the amounts previously deferred (including interest) together with the Settling Distributor's share of all payments due for a Payment Year would allow for a deferral under Section V.K.1, the Settling Distributor shall pay as much of the previously deferred amounts (including interest) as it can pay without triggering the ability

to defer payment and may defer the remainder as permitted under (and subject to the restrictions of) this Section V.K.

6. Deferrals will apply proportionally across base payments and incentive payments. For the avoidance of doubt, this Section V.K applies fully to Payment Years after the first three (3) Payment Years, including the base payments and all incentive payments due pursuant to this Agreement during the Payment Year at issue.

7. If a Settling Distributor could pay a portion of its allocable share of the Annual Payments due pursuant to this Agreement during a Payment Year without triggering this Section V.K, the Settling Distributor shall be required to pay that portion as scheduled and only the excess would be subject to deferral at the election of the Settling Distributor (in whole or in part) as provided herein.

8. The Settling Distributor shall pay any deferred amounts, including applicable interest on or before the date on which the payment is due for Payment Year 18.

9. If the Global Settlement becomes Effective, this provision shall be superseded by the Significant Financial Constraint provision set forth therein.

L. *Participation Tier Calculations*. The Participation Tier for the State of Rhode Island shall be determined pursuant to the criteria set forth in Exhibit Q. Based on the representation of the State of Rhode Island that as of the date hereof, over ninety-nine percent (99%) (by population, as calculated in this Agreement) of the Litigating Subdivisions and Primary Subdivisions in Rhode Island are Participating Subdivisions, the Participation Tier for the State of Rhode Island will be determined pursuant to Exhibit Q, whether or not the Global Settlement becomes effective, and the State of Rhode Island will not be eligible for the Global Settlement Participation Tier; *provided, however*, that if at any time less than ninety-nine (99%) (by population, as calculated in this Agreement) of Litigating Subdivisions or Primary Subdivisions in the State of Rhode Island are Participating Subdivisions, and the Global Settlement Participation Tier in effect is lower than the Participation Tier for the State of Rhode Island, then the Global Settlement Participation Tier shall apply in the State of Rhode Island. For the avoidance of doubt, the State of Rhode Island and its Subdivisions will be included in the Global Settlement Participation Tier calculation. Any disputes as to the determination of the Participation Tier shall be decided pursuant to Section VII.

VI. Allocation and Use of Settlement Payments

A. *Allocation of Settlement Payments.* Payments shall be allocated between the State of Rhode Island and the Participating Subdivisions according to the Rhode Island Memorandum of Understanding as specified in Exhibit H, or according to a State Allocation Statute, subject to the following provisions:

B. *Use of Settlement Payments.* The State of Rhode Island and Participating Subdivisions shall use the Rhode Island Abatement Amount for Opioid Remediation as set forth in Exhibits C and H. In no event may any future amendments or revisions to Exhibit H provide for a use of the Rhode Island Abatement Amount that is for purposes other than Opioid Remediation.

C. *Nature of Payment*. Each of the Parties and each of the Participating Subdivisions acknowledges and agrees that notwithstanding anything to the contrary in this Agreement, including, but not limited to, the scope of the Released Claims, and any agreement between the State of Rhode Island and Participating Subdivisions such as the Rhode Island Memorandum of Understanding:

1. It has entered into this Agreement to avoid the delay, expense, inconvenience, and uncertainty of further litigation;

2. (a) The State of Rhode Island and Participating Subdivisions sought compensatory restitution (within the meaning of 26 U.S.C. § 162(f)(2)(A)) as damages for the Alleged Harms allegedly suffered by the State of Rhode Island and Participating Subdivisions; (b) the Compensatory Restitution Amount is no greater than the amount, in the aggregate, of the Alleged Harms allegedly suffered by the State of Rhode Island and Participating Subdivisions; and (c) the portion of the Compensatory Restitution Amount received by the State of Rhode Island or Participating Subdivision is no greater than the amount of the Alleged Harms allegedly suffered by the State of Rhode Island or Participating Subdivision;

3. The payment of the Compensatory Restitution Amount by the Settling Distributors constitutes, and is paid for, compensatory restitution (within the meaning of 26 U.S.C. § 162(f)(2)(A)) for alleged damage or harm (as compensation for alleged damage or harm arising out of alleged bodily injury) allegedly caused by the Settling Distributors;

4. The Compensatory Restitution Amount is being paid as compensatory restitution (within the meaning of 26 U.S.C. § 162(f)(2)(A)) in order to restore, in whole or in part, the State of Rhode Island and Participating Subdivisions to the same position or condition that they would be in had the State of Rhode Island and Participating Subdivisions not suffered the Alleged Harms; and

5. For the avoidance of doubt: (a) no portion of the Compensatory Restitution Amount represents reimbursement to the State of Rhode Island or any Participating Subdivision or other person or entity for the costs of any investigation or litigation, (b) the entire Compensatory Restitution Amount is properly characterized as described in Section VI.C, and (c) no portion of the Compensatory Restitution Amount constitutes disgorgement or is properly characterized as the payment of statutory or other fines, penalties, punitive damages, or other punitive assessments.

VII. Enforcement

A. *Enforceability*. The terms of the Agreement and the Rhode Island Consent Judgment will be enforceable solely by the State of Rhode Island and the Settling Distributors. Participating Subdivisions shall not have enforcement rights against the Settling Distributors with respect to the Agreement or Rhode Island Consent Judgment except as to payments that would be allocated to the Rhode Island Qualified Settlement Fund for subdivision use; *provided*, *however*, that the State of Rhode Island shall establish a process for Participating Subdivisions to notify it of any perceived violations of the Agreement or Rhode Island Consent Judgment.

B. *Jurisdiction.* The Settling Distributors consent to the jurisdiction of the Court for the limited purpose of enforcing this Agreement and the Rhode Island Consent Judgment.

C. *Dispute Resolution.* The parties to a dispute shall promptly meet and confer in good faith to resolve any dispute. If the parties cannot resolve the dispute informally, and unless otherwise agreed in writing, they shall follow the remaining provisions of this Section to resolve the dispute.

D. *Resolution by the Court.* If the Global Settlement is not in effect, disputes under this Agreement and the Rhode Island Consent Judgment not resolved informally shall be resolved in the Court, except as to disputes involving Injunctive Relief, which shall be governed by Section XII.

E. *Enforcement if the Global Settlement is Effective.* If the Global Settlement becomes effective by July 1, 2022, disputes between or among the Parties shall be governed by the enforcement and dispute resolution provisions of the Global Settlement, notwithstanding any contrary provision in this Agreement.

VIII. Plaintiffs' Attorneys' Fees and Costs

A. *State Outside Counsel Fees and Costs.* The Parties have not reached agreement on a specific amount of fees and costs to be paid to the State of Rhode Island, but agree to a minimum amount to be paid and a process for resolving the maximum amount that the State of Rhode Island and its outside counsel may receive. If the conditions set forth in Section III.A are met and this Distributors Rhode Island Settlement Agreement comes into effect, and regardless of whether and when the Global Settlement becomes effective:

1. Settling Distributors shall pay $19,000,000.00 to the State of Rhode Island for attorneys' fees and costs, including the fees and costs incurred by outside counsel for the State of Rhode Island and incurred by the State. The State of Rhode Island shall have full discretion to determine the allocation of such funds between fees and costs, including among in-house fees and costs and outside counsel fees and costs. Such payments shall be made in four (4) installments, with the first installment (forty percent (40%) of the total) due fifteen (15) calendar days after the Effective Date. The second, third, and fourth installments (each twenty percent (20%) of the total) shall be paid on the Payment Dates for Payment Years 2, 3, and 4.

2. The State of Rhode Island and its outside counsel may apply to the Court and demonstrate with supporting documentation an additional amount of attorneys' fees and costs, up to a total (including the $19,000,000.00 paid pursuant to Section VIII.A.1) of $33,000,000.00 in attorneys' fees and costs, including in-house and outside counsel fees and costs ("*Fee Application*"). Pursuant to such procedures as the Court may establish, the Settling Distributors will notify the Court that the Settling Distributors, in lieu of submitting responses to the specific fees and costs in the Fee Application, will defer to the Court's review and determination of the reasonableness of the Fee Application, *provided* that the total fees and costs sought or awarded do not exceed $33,000,000.00, including the $19,000,000.00 paid pursuant to Section VIII.A.1. The Settling Distributors may respond to

any questions the Court may have and may also respond to any contentions about their conduct or other matters that are extraneous to the Fee Application. The Settling Distributors will pay any amount of fees and costs that the Court determines, upon review of supporting documentation, were reasonably incurred in good faith, up to a total of $33,000,000.00 (including the $19,000,000.00 paid pursuant to Section VIII.A.1), with such payments being made in four (4) installments. The first installment (forty percent (40%) of the total) will be due fifteen (15) calendar days after the entry of the Court's findings and decision on the Fee Application. The second, third, and fourth installments (each twenty percent (20%) of the total) will be due on the three (3) Payment Dates following the deadline for payment of the first installment. In no event shall the Settling Distributors pay more than $33,000,000.00 in attorneys' fees and costs, including amounts paid under Section VIII.A.1 and, following a determination of the Court, under this Section VIII.A.2. All such payments ordered by the Court shall be deposited into an attorneys' fees and costs escrow account designated by the Rhode Island Attorney General's Office.

3. In the event that the Global Settlement becomes effective, the State of Rhode Island and its outside counsel shall seek reimbursement for attorneys' fees associated with their representation of the State of Rhode Island in connection with the Action against Settling Distributors from the portion of the Global Settlement State Outside Counsel Fee Fund payable by the Settling Distributors. The State of Rhode Island and its outside counsel shall direct the administrator of the Global Settlement State Outside Counsel Fee Fund to pay any amounts of their allocation from the portion of the Global Settlement State Outside Counsel Fee Fund payable by the Settling Distributors to the Settling Distributors.

4. If the Global Settlement becomes effective, the State of Rhode Island and its outside counsel will submit their litigation costs and expenses to the Global Settlement State Cost Fund and shall direct the administrator of the Global Settlement State Cost Fund to disburse any and all payments allocated to them and payable by the Settling Distributors to the Settling Distributors.

5. Counsel for the State of Rhode Island and the Settling Distributors shall obtain the agreement of the Settling State members of the Enforcement Committee that Settling Distributors will not be placing into the Global Settlement escrow the Year 1 fixed amount of $1,009,594.98 allocated to Rhode Island as that amount will be paid as part of Section VIII.A.1 above.[8]

B. *Fees and Costs for Participating Subdivisions' Attorneys.*

1. Litigating Subdivision contingency fees shall be paid in accordance with Section VIII.B.2 or Section VIII.B.4 of this Agreement, and, if the Global Settlement becomes effective by July 1, 2022, the Global Settlement Contingency Fee Fund. To be eligible to receive payment from the Global Settlement Contingency Fee Fund, eligible counsel shall agree to waive enforcement of contingency fee contracts against their Participating Subdivision clients.

[8] As used herein, Enforcement Committee means the Enforcement Committee established pursuant to Exhibit B of the Global Settlement.

2. Within ten (10) days of the Effective Date, the Settling Distributors shall pay $337,212.88 to an account designated by Levin, Papantonio, Rafferty, Proctor Buchanan, O'Brien, Barr, & Mougey ("Levin Papantonio Rafferty"), to be disbursed to Participating Subdivisions and their counsel in fulfillment of the Contingency Fund component of Payment Year 1 as set forth on Exhibit G. If the Global Settlement becomes effective by July 1, 2022, Participating Subdivisions and their counsel shall direct the administrators of the Global Settlement Contingency Fee Fund and the Global Settlement Common Benefit Funds to disburse any and all payments allocated to counsel for the Participating Subdivisions to the Settling Distributors until the Settling Distributors have been repaid the $337,212.88 paid under this provision.

3. Within ten (10) days of the Effective Date, the Settling Distributors shall pay $50,000.00 to Levin Papantonio Rafferty, to be disbursed to Participating Subdivisions and their counsel for costs. If the Global Settlement becomes effective by July 1, 2022, Participating Subdivisions and their counsel shall submit their costs to the administrators of the Global Settlement Litigating Subdivision Cost Fund pursuant to Exhibit R of the Global Settlement and direct the administrators to disburse any and all payments allocated to counsel for the Participating Subdivisions to the Settling Distributors until the Settling Distributors have been repaid the $50,000.00 paid under this provision. For the avoidance of doubt, if the Global Settlement is not effective by July 1, 2022, there shall be no further payments of costs to Participating Subdivisions or their counsel.

4. If the Global Settlement is not effective by July 1, 2022, the Settling Distributors shall pay into an account designated by Levin Papantonio Rafferty the following amounts, consistent with the schedule specified below:

a. $3,203,240.00, less the $337,212.88 paid pursuant to Section VIII.B.2, to reimburse Participating Subdivision attorneys' fees upon application by eligible counsel who waive enforcement of their contingency fee contracts against their Participating Subdivision clients. This amount was calculated assuming that, under the Global Settlement, the Contingency Fee Fund is 40% of the Attorney Fee Fund, and that Rhode Island litigants' share of the contingency fee fund is calculated pursuant to Exhibit A to the Fee Agreement attached to the Global Settlement as Exhibit R. If there is a later determination that changes any of these assumptions, this payment will be adjusted accordingly.

(i) In the event that any Litigating Subdivision is not a Participating Subdivision, the amount to be paid by Settling Distributors under this subsection shall be reduced for the non-Participating Litigating Subdivision's share consistent with the mathematical model set forth in Exhibit A to the Fee Agreement attached to the Global Settlement as Exhibit R.

b. The amounts paid by Settling Distributors under this Section VIII.B will be paid as set forth on Exhibit G, which is consistent with the schedule set forth in the Global Settlement. For avoidance of doubt, the $337,212.88 paid pursuant to Section VIII.B.2 shall satisfy the Payment Year 1 payment to

Participating Subdivision counsel in the event that the Global Settlement does not become effective.

IX. Release

A. *Scope*. As of the Effective Date, the Released Entities are hereby released and forever discharged from all Released Claims. The State of Rhode Island (for itself and its Releasors) and each Participating Subdivision hereby absolutely, unconditionally, and irrevocably covenant 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 this Agreement 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 State of Rhode Island and its Attorney General to release claims. This Agreement shall be a complete bar to any Released Claim.

B. *Claim-Over and Non-Party Settlement*.

1. It is the intent of the Parties that:

a. Released Entities should not seek contribution or indemnification (other than pursuant to an insurance contract), from other parties for their payment obligations under this Agreement;

b. the payments made under this Agreement shall be the sole payments made by the Released Entities to the Releasors involving, arising out of, or related to Covered Conduct (or conduct that would be Covered Conduct if engaged in by a Released Entity);

c. Claims by Releasors against non-Parties should not result in additional payments by Released Entities, whether through contribution, indemnification or any other means; and

d. the Agreement meets the requirements of the Uniform Contribution Among Joint Tortfeasors Act and any similar state law or doctrine that reduces or discharges a released party's liability to any other parties.

The provisions of this Section IX.B are intended to be implemented consistent with these principles. This Agreement and the releases and dismissals provided for herein are made in good faith.

2. No Released Entity shall seek to recover for amounts paid under this Agreement based on indemnification, contribution, or any other theory from a manufacturer, pharmacy, hospital, pharmacy benefit manager, health insurer, third-party vendor, trade association, distributor, or health care practitioner; *provided* that a Released Entity shall be relieved of this prohibition with respect to any entity that asserts a Claim-Over against it.

For the avoidance of doubt, nothing herein shall prohibit a Released Entity from recovering amounts owed pursuant to insurance contracts.

3. To the extent that, on or after the Effective Date, any Releasor enters into a Non-Party Settlement, including in any bankruptcy case or through any plan of reorganization (whether individually or as a class of creditors), the Releasor will include (or in the case of a Non-Party Settlement made in connection with a bankruptcy case, will cause the debtor to include), unless prohibited from doing so under applicable law, in the Non-Party Settlement a prohibition on contribution or indemnity of any kind substantially equivalent to that required from the Settling Distributors in Section IX.B.2, or a release from such Non-Released Entity in favor of the Released Entities (in a form equivalent to the releases contained in this Agreement) of any Claim-Over. The obligation to obtain the prohibition and/or release required by this subsection is a material term of this Agreement.

4. In the event that any Releasor obtains a judgment with respect to Non-Party Covered Conduct against a Non-Released Entity that does not contain a prohibition like that described in Section IX.B.3, or any Releasor files a Non-Party Covered Conduct Claim against a Non-Released Entity in bankruptcy or a Releasor is prevented for any reason from obtaining a prohibition/release in a Non-Party Settlement as provided in Section IX.B.3, and such Non-Released Entity asserts a Claim-Over against a Released Entity, the Released Entity shall be relieved of the prohibition in Section IX.B.2 with respect to that Non-Released Entity and that Releasor and the Settling Distributors shall take the following actions to ensure that the Released Entities do not pay more with respect to Covered Conduct to Releasors or to Non-Released Entities than the amounts owed under this Settlement Agreement by the Settling Distributors:

a. Settling Distributors shall notify that Releasor of the Claim-Over within sixty (60) calendar days of the assertion of the Claim-Over or sixty (60) calendar days of the Effective Date of this Settlement Agreement, whichever is later.

b. Settling Distributors and that Releasor shall meet and confer concerning the means to hold Released Entities harmless and ensure that they are not required to pay more with respect to Covered Conduct than the amounts owed by Settling Distributors under this Agreement.

c. That Releasor and Settling Distributors shall take steps sufficient and permissible under the law of the State of the Releasor to hold Released Entities harmless from the Claim-Over and ensure Released Entities are not required to pay more with respect to Covered Conduct than the amounts owed by Settling Distributors under this Agreement. Such steps may include, where permissible:

(i) Filing of motions to dismiss or such other appropriate motion by Settling Distributors or Released Entities, and supported by Releasors, in response to any claim filed in litigation or arbitration;

(ii) Reduction of that Releasor's Claim and any judgment it has obtained or may obtain against such Non-Released Entity by whatever amount or percentage is necessary to extinguish such Claim-Over under applicable law, up to the amount that Releasor has obtained, may obtain, or has authority to control from such Non-Released Entity;

(iii) Placement into escrow of funds paid by the Non-Released Entities such that those funds are available to satisfy the Claim-Over;

(iv) Return of monies paid by Settling Distributors to that Releasor under this Settlement Agreement to permit satisfaction of a judgment against or settlement with the Non-Released Entity to satisfy the Claim-Over;

(v) Payment of monies to Settling Distributors by that Releasor to ensure they are held harmless from such Claim-Over, up to the amount that Releasor has obtained, may obtain, or has authority to control from such Non-Released Entity;

(vi) Credit to the Settling Distributors under this Agreement to reduce the overall amounts to be paid under the Agreement such that they are held harmless from the Claim-Over; and

(vii) Such other actions as that Releasor and Settling Distributors may devise to hold Settling Distributors harmless from the Claim-Over.

d. The actions of that Releasor and Settling Distributors taken pursuant to paragraph (c) must, in combination, ensure Settling Distributors are not required to pay more with respect to Covered Conduct than the amounts owed by Settling Distributors under this Agreement.

e. In the event of any dispute over the sufficiency of the actions taken pursuant to paragraph c, that Releasor and the Settling Distributors may seek review by the National Arbitration Panel, if such panel is created by the Global Settlement, or, if not or if the Parties agree, by the Court. The National Arbitration Panel and/or the Court shall have authority to require Releasors to implement a remedy that includes one or more of the actions specified in Section IX.B.4.c sufficient to hold Released Entities fully harmless. In the event that the Panel's actions do not result in Released Entities being held fully harmless, Settling Distributors shall have a claim for breach of this Agreement by Releasors, with the remedy being payment of sufficient funds to hold Settling Distributors harmless from the Claim-Over. For the avoidance of doubt, the prior sentence does not limit or eliminate any other remedy that Settling Distributors may have.

5. To the extent that the Claim-Over is based on a contractual indemnity, the obligations under Section IX.B.4 shall extend solely to a Non-Party Covered Conduct Claim against a pharmacy, clinic, hospital or other purchaser or dispenser of Products, a manufacturer that sold Products, a consultant, and/or a pharmacy benefit manager or other

third-party payor. Each Settling Distributor shall notify the Settling States, to the extent permitted by applicable law, in the event that any of these types of Non-Released Entity asserts a Claim-Over arising out of contractual indemnity against it.

C. *General Release*. In connection with the releases provided for in this Agreement, the State of Rhode Island (for itself and its Releasors) and each Participating Subdivision expressly waive, release, and forever discharge 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 and 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 the State of Rhode Island (for itself and its Releasors) and each Participating Subdivision hereby expressly waive and fully, finally, and forever settle, release and discharge, 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 State of Rhode Island's decision to enter into this Agreement or the Participating Subdivisions' decision to participate in this Agreement.

D. *Assigned Interest Waiver*. To the extent that the State of Rhode Island has any direct or indirect interest in any rights of a third-party that is a debtor under the Bankruptcy Code as a result of a claim arising out of Covered Conduct by way of assignment or otherwise, including as a result of being the beneficiary of a trust or other distribution entity, to assert claims against a Settling Distributor (whether derivatively or otherwise), under any legal or equitable theory, including for indemnification, contribution, or subrogation, the State of Rhode Island waives the right to assert any such claim, or to receive a distribution or any benefit on account of such claim and such claim, distribution, or benefit shall be deemed assigned to such Settling Distributor.

E. *Res Judicata*. Nothing in this Agreement shall be deemed to reduce the scope of the res judicata or claim preclusive effect that the settlement memorialized in this Agreement, and/or any Rhode Island Consent Judgment or other judgment entered on this Agreement, gives rise to under applicable law.

F. *Representation and Warranty*. The signatories hereto on behalf of the State of Rhode Island expressly represent and warrant that they have (or have obtained, or will obtain no later than the Initial Participation Date) the authority to settle and release, to the maximum extent of the State of Rhode Island's power, all Released Claims of (1) the State of Rhode Island; (2) all past and present executive departments, state agencies, divisions, boards, commissions and instrumentalities with the regulatory authority to enforce state and federal controlled substances acts; (3) any of State of Rhode Island's past and present executive departments, agencies, divisions, boards, commissions and instrumentalities that have the authority to bring Claims related to

Covered Conduct seeking money (including abatement and/or remediation) or revocation of a pharmaceutical distribution license; and (4) any Participating Subdivision. For the purposes of clause (3) above, executive departments, agencies, divisions, boards, commissions, and instrumentalities are those that are under the executive authority or direct control of the State of Rhode Island's Governor. Also for the purposes of clause (3), a release from the State of Rhode Island's Governor is sufficient to demonstrate that the appropriate releases have been obtained.

G. *Effectiveness*. The releases set forth in this Agreement shall not be impacted in any way by any dispute that exists, has existed, or may later exist between or among the Releasors. Nor shall such releases be impacted in any way by any current or future law, regulation, ordinance, or court or agency order limiting, seizing, or controlling the distribution or use of the Rhode Island Qualified Settlement Fund or any portion thereof, or by the enactment of future laws, or by any seizure of the Rhode Island Qualified Settlement Fund or any portion thereof.

H. *Cooperation*. Releasors (1) will not encourage any person or entity to bring or maintain any Released Claim against any Released Entity, and (2) will reasonably cooperate with and not oppose any effort by Settling Distributors to secure the prompt dismissal of any and all Released Claims.

I. *Non-Released Claims*. Notwithstanding the foregoing or anything in the definition of Released Claims, this Agreement does not waive, release or limit any criminal liability, Claims for liability under tax law, Claims under securities law by the State of Rhode Island as an investor, Claims against parties who are not Released Entities, Claims by private individuals and any claims arising under this Agreement for enforcement of this Agreement.

X. Later Litigating Subdivisions

A. *Released Claims against Released Entities*. Subject to Section X.B, the following shall apply in the event that a Later Litigating Subdivision maintains a lawsuit for a Released Claim against a Released Entity after the Effective Date:

1. The Released Entity shall take ordinary and reasonable measures to defend the action, including filing a Threshold Motion with respect to the Released Claim. The Released Entity shall further notify the State of Rhode Island and the Rhode Island Qualified Settlement Fund Administrator immediately upon notice of a Later Litigating Subdivision bringing a lawsuit for a Released Claim, and shall not oppose the State of Rhode Island's submission in support of the Threshold Motion.

2. The provisions of this Section X.A.2 apply if the Later Litigating Subdivision is a Primary Subdivision (except as provided in Section X.A.2.f):

a. If a lawsuit including a Released Claim survives until the Suspension Deadline for that lawsuit, the Rhode Island Qualified Settlement Fund Administrator shall calculate the Suspension Amount applicable to the next Payment due from the Settling Distributor(s) at issue and apportioned to the State of Rhode Island and the Participating Subdivisions; *provided*, *however*, that the Suspension Amount for a Payment Year cannot exceed the Suspension Cap. The

Suspension Amount shall be paid into the Rhode Island Qualified Settlement Fund Escrow account. If the Suspension Amount exceeds the Suspension Cap for that Payment Year, then the remaining amount will be paid into the Rhode Island Qualified Settlement Fund Escrow in the following Payment Year, subject to the Suspension Cap, and so forth in each succeeding Payment Year until the entire Suspension Amount has been paid into the Rhode Island Qualified Settlement Fund Escrow or the Released Claim is resolved, as provided below, whichever comes first. A suspension does not apply during the pendency of any appeal dismissing the lawsuit for a Released Claim in whole.

b. If the Released Claim is resolved with finality without requirement of payment by the Released Entity, the placement of any remaining balance of the Suspension Amount into the Rhode Island Qualified Settlement Fund Escrow shall cease and the Rhode Island Qualified Settlement Fund Administrator shall immediately transfer amounts in the Rhode Island Qualified Settlement Fund Escrow on account of the suspension to the State of Rhode Island and the Participating Subdivisions. The lawsuit will not cause further suspensions unless the Released Claim is reinstated upon further review, legislative action, or otherwise.

c. If the Released Claim is resolved with finality on terms requiring payment by the Released Entity, the Rhode Island Qualified Settlement Fund Administrator will transfer the amounts in the Rhode Island Qualified Settlement Fund Escrow on account of the suspension to the Settling Distributor(s) at issue necessary to satisfy the payment obligation of the Released Entity to the relevant Later Litigating Subdivision. If any balance remains in the Rhode Island Qualified Settlement Fund Escrow on account of the suspension after transfer of the amount necessary to satisfy the payment obligation, the Rhode Island Qualified Settlement Fund Administrator will immediately transfer the balance to the State of Rhode Island and the Participating Subdivisions. If the payment obligation of the Released Entity to the relevant Later Litigating Subdivision exceeds the amounts in the Rhode Island Qualified Settlement Fund Escrow on account of the suspension, the Settling Distributor at issue shall receive a dollar-for-dollar offset, subject to the yearly Offset Cap, for the excess amount against its obligation to pay its allocable share of Annual Payments that would be apportioned to the State of Rhode Island and to the Participating Subdivisions. The offset shall be applied as follows: first against the Settling Distributor's allocable share of the Annual Payment due in Payment Year 18, up to the Offset Cap for that Payment Year, with any remaining amounts above the Offset Cap applied against the Settling Distributor's allocable share of the Annual Payment due in Payment Year 17, up to the Offset Cap for that Payment Year, and so forth for each preceding Payment Year until the entire amount to be offset has been applied or no future Payment Years remain.

d. If the lawsuit asserting a Released Claim is resolved with finality on terms requiring payment by the Released Entity, and the Released Claim did not give rise to a suspension of Annual Payments (*e.g.*, because it was resolved during Payment Years 1 or 2, during which the State of Rhode Island is deemed eligible

for Incentive Payment A and thus no suspension of payments took place, as provided by Section X.B), the Settling Distributor at issue shall receive a dollar-for-dollar offset, subject to the yearly Offset Cap, for the amount paid. The offset shall be applied against the relevant Settling Distributor's allocable portion of the Annual Payments starting in Payment Year 18 and working backwards as set forth in Section X.A.2.c. If the lawsuit for a Released Claim is otherwise resolved by the Released Entity, without the Settling Distributor filing a Threshold Motion despite an opportunity to do so, and the Released Claim did not give rise to a suspension of any Settling Distributor's portion of any Annual Payments, the Settling Distributor at issue shall not receive any offset for the amount paid.

e. If more than one Primary Subdivision becomes a Later Litigating Subdivision, a single Suspension Cap applies and the total amounts deducted from the State of Rhode Island's Annual Payment in a given Payment Year cannot exceed the Suspension Cap. For the avoidance of doubt, an individual Primary Subdivision shall not trigger more than one suspension regardless if it (or any of its officials) is named as multiple plaintiffs in the same lawsuit.

f. This Section X.A.2 shall not apply with respect to a Primary Subdivision that is either (i) a Later Litigating Subdivision under clause (3) of the definition of that term solely because a legislative Bar or legislative Case-Specific Resolution applicable as of the Effective Date is invalidated by judicial decision after the Effective Date, or (ii) a Later Litigating Subdivision under clause (4) of the definition of that term. Such a Primary Subdivision shall be treated as a General Purpose Government under Section X.A.3.

3. The terms of this Section X.A.3 apply if a Later Litigating Subdivision is not a Primary Subdivision (except for Primary Subdivisions referenced in Section X.A.2.f) but is a General Purpose Government, School District, Health District or Hospital District: if the Released Claim is resolved with finality on terms requiring payment by the Released Entity, the Settling Distributor at issue shall receive a dollar-for-dollar offset, subject to the yearly Offset Cap, for the amount paid against its portion of the obligation to make Annual Payments that would be apportioned to the State of Rhode Island and to the Participating Subdivisions. The offset shall be applied as follows: first against the relevant Settling Distributor's allocable share of the Annual Payment due in Payment Year 18, up to the Offset Cap for that Payment Year, with any remaining amounts above the Offset Cap applied against the Payment due in Payment Year 17, up to the Offset Cap for that Payment Year, and so forth for each preceding Payment Year until the entire amount to be offset has been applied or no future Payment Year remains. If the Released Claim is resolved on terms requiring payment during the first two (2) Payment Years, in no case will any amounts be offset against the amounts due in Payment Years 1 and 2.

4. In no event shall the total of Suspension Amounts and offsets pursuant to this Section X applicable to the State of Rhode Island in a Payment Year for that Payment Year exceed the Offset Cap for the State of Rhode Island. If, in a Payment Year, the total of Suspension Amounts and offsets applicable to the State of Rhode Island exceeds the Offset

Cap, the Suspension Amounts shall be reduced so that the total of Suspension Amounts and offsets equals the Offset Cap.

5. For the avoidance of doubt, any offset pursuant to this Section X that is not eligible for Incentive Payment A shall continue to apply even if the State of Rhode Island subsequently becomes eligible for Incentive Payment A.

6. "*Terms requiring payment*" shall mean (i) a final monetary judgment or (ii) a settlement; *provided* that the Released Entity sought the State of Rhode Island Attorney General's consent to the settlement and such consent was either obtained or unreasonably withheld. Should the judgment or settlement resolve claims that are not Released Claims, the offset shall be for the Released Claims portion only, which shall be distinguishable in the judgment or settlement.

B. *Exceptions.*

1. Section X.A shall not apply where the State of Rhode Island meets the eligibility criteria for and is entitled to Incentive Payment A for the Payment Year at issue, except as expressly provided therein. For the avoidance of doubt, because the State of Rhode Island is deemed eligible for Incentive Payment A for Payment Years 1 and 2 under Section V.F.1.a, a suspension of Payments under Section X.A.2 shall not apply to the State of Rhode Island for those Payment Years.

2. An offset under Sections X.A.2 and X.A.3 shall not apply where the Later Litigating Subdivision opted out of a Settlement Class Resolution at issue that was in full force and effect as of the due date of the payment for Payment Year 2 and that remains in full force and effect; *provided* that an offset relating to that Subdivision may apply under Section XI.

3. Section X.A shall not apply where the Later Litigating Subdivision seeks less than $10 million, or so long as its total claim is reduced to less than $10 million, in the lawsuit for a Released Claim at issue.

4. An offset under Section X.A.3 shall not apply where the applicable Participation Tier is Participation Tier 1 and the population of the Later Litigating Subdivision is under ten thousand (10,000).

5. If the applicable Participation Tier is Participation Tier 2 or higher, and the Later Litigating Subdivision has a population less than ten thousand (10,000), the offset under Section X.A.3 shall only apply to amounts paid pursuant to a settlement or judgment that are over $10 million per case or resolution. Any type of consolidated or aggregated or joined or class actions, however styled, shall be considered a single case, and any resolutions that occur within a sixty (60) calendar day period of each other and involve Later Litigating Subdivisions that share some common counsel and/or are in or are created by the same or related judgments, settlement agreements, or other instruments or are conditioned upon one another, shall be considered a single resolution. For the avoidance of doubt, any such case or resolution shall have only a single $10,000,000 exemption from the offset under Section X.A.3.

C. *No Effect on Other Provisions*. A suspension, reduction or offset under Section X.A shall not affect the Injunctive Relief Terms or the Rhode Island Consent Judgment.

XI. Reductions/Offsets

A. *Offset Relating to Incentive Payment A*. If the State of Rhode Island is not eligible for Incentive Payment A at the third Payment Date,[9] Settling Distributors shall receive an offset.[10] The offset shall be the dollar amount difference between (1) the total amount of the Incentive Payment A due from Settling Distributors on the Effective Date and on the Payment Date for Payment Year 2 allocated to the State of Rhode Island and the Participating Subdivisions, and (2) the total amount of Incentive Payments B and C that would have been due from Settling Distributors on the Effective Date and on the Payment Date for Payment Year 2 so allocated but for the State of Rhode Island's deemed eligibility for Incentive Payment A. The offset shall be applied in equal installments to reduce the Settling Distributor's Payments for Payment Years 3 through 7 that would be apportioned to the State of Rhode Island or the Participating Subdivisions, and shall remain applicable even if the State of Rhode Island subsequently becomes eligible for Incentive Payment A.

B. *Settlement Class Resolution Opt Outs*. If the State of Rhode Island is eligible for Incentive Payment A on the basis of a Settlement Class Resolution, and a Primary Subdivision that opted out of the Settlement Class Resolution maintains a lawsuit asserting a Released Claim against a Released Entity, the following shall apply. If the lawsuit asserting a Released Claim either survives a Threshold Motion or has an unresolved Threshold Motion fewer than sixty (60) calendar days prior to the scheduled start of a trial involving a Released Claim, and is resolved with finality on terms requiring payment by the Released Entity, the Settling Distributor at issue shall receive a dollar-for-dollar offset for the amount paid against its obligation to make remaining Incentive Payment A payments that would be apportioned to the State of Rhode Island or Participating Subdivisions. For the avoidance of doubt, an offset shall not be applicable under this Section X.B if it is applicable under Section X.A with respect to the Subdivision at issue.

C. *Revoked Bar, Settlement Class Resolution, or Case-Specific Resolution*. If the Settling Distributors made any Annual Payments that included any incentive payments earned as a result of the existence of a Bar, Settlement Class Resolution, or Case-Specific Resolution after the determination of the amount of such Annual Payment, and there is subsequently a Revocation Event with respect to that Bar, Settlement Class Resolution, or Case-Specific Resolution, the Settling Distributors shall receive a dollar-for-dollar offset against the portion of remaining Annual Payments that would be allocated to the State of Rhode Island and the Participating Subdivisions. This offset will be calculated as the dollar amount difference between (1) the total amount of incentive payments paid by the Settling Distributors by virtue of the Bar, Settlement Class Resolution, or Case-Specific Resolution subject to the Revocation Event and (2) the total amount of

[9] In the event that the State of Rhode Island has passed a legislative bar before the Payment Date for Payment Year 3 that would otherwise qualify the State of Rhode Island for Incentive Payment A, but such legislation is not effective until a date in 2023 after the Payment Date for Payment Year 3, the State of Rhode Island will not be required to make the offset required by this Section XI.A.

[10] For purposes of this provision, in determining whether the State of Rhode Island would not be eligible for Incentive Payment A for Payment Year 3, the criteria set forth in Section V.F.1.b shall apply to that Payment Year.

incentive payments that would have been due from the Settling Distributors during that time had the Bar, Settlement Class Resolution, or Case-Specific Resolution subject to the Revocation Event not been in effect. The amount of Incentive Payments that would have been due, referenced in clause (2) above, will be calculated one hundred eighty (180) calendar days after the Revocation Event; for purposes of calculating the amount of incentive payments that would have been due, any relevant Subdivision shall be included as a Participating Subdivision if: (1) its Released Claims are extinguished by any subsequent Bar, Settlement Class Resolution, or Case-Specific Resolution in effect as of the date of such calculation, or (2) it becomes a Participating Subdivision (in addition to all other Participating Subdivisions) prior to the date of such calculation.

D. *Certain Taxes*. Amounts paid by a Settling Distributor under an Opioid Tax in the State of Rhode Island in a Payment Year shall give rise to a dollar-for-dollar offset against that Settling Distributor's obligation to pay its share of the Annual Payment in that Payment Year that would be allocated to the State of Rhode Island or Participating Subdivisions in it. If such amounts paid exceed that Settling Distributor's share of the Annual Payment allocable to the State of Rhode Island or Participating Subdivisions in that Payment Year, the excess shall carry forward as an offset against its allocable share of remaining Annual Payments that would be allocated to the State of Rhode Island or Participating Subdivisions. This Section XI.D is not triggered by the currently enacted version of the State of Rhode Island's Opioid Stewardship Act (R.I. Gen. Laws §§ 21-28.10, *et seq.*), and thus there is no offset to the State of Rhode Island's payments under this Agreement as a result of the currently enacted version of that Act. In the event that § 21-28.10-3, or any other provision of the Opioid Stewardship Act impacting the determination of market share or registration fee is amended in a manner that has an adverse financial impact on the Settling Distributors, the Settling Distributors and the State of Rhode Island will meet and confer with respect to the impact, if any, of those amendments on this Agreement.

E. *Not Subject to Suspension Cap or Offset Cap*. For the avoidance of doubt, neither the Suspension Cap nor the Offset Cap apply to the offsets and reductions set forth in this Section XI.

F. *Revocation Event in Other States.* For the avoidance of doubt the Rhode Island Settlement Amount shall not be reduced, offset, or paid on a different timeline than set forth in this Agreement due to a Revocation Event in another state.

XII. Injunctive Relief in the Absence of a Global Settlement.

A. It is the intent of the Parties that significant injunctive relief shall be implemented through the Global Settlement that will benefit the State of Rhode Island as a whole, as well as other States. The Injunctive Relief Term Sheet is annexed hereto as Exhibit P.

B. The State of Rhode Island intends to participate in the Global Settlement and shall benefit from the injunctive relief set forth therein.

C. In the event that the Global Settlement does not become effective by July 1, 2022, the Parties will meet and confer about elements of the injunctive relief that can be implemented in the State of Rhode Island on a statewide-only basis, with the understanding that:

1. Implementation of injunctive terms on a Rhode Island-only basis is limited and creates additional costs to Settling Distributors, given their nationwide operations;

2. Elements of injunctive relief for this Agreement shall include those terms that have been negotiated for the Global Settlement that can reasonably be implemented on a statewide-only basis. The Sections of Exhibit P that will be considered by the Parties for implementation are Sections I through XIV, and XVI, which, among other things, set forth requirements for internal controls, oversight, training, tracking, and prevention designed to prevent improper distribution of opioids; and

3. The Parties agree that modifications will be necessary before Sections VIII, IX, X, XI, XII, XIII, XIV, and XVI of Exhibit P can be implemented with respect to conduct that occurs solely within the State of Rhode Island. The Parties further agree that modifications may be required before Sections I, II, III, IV, V, VI and VII of Exhibit P can be implemented in the event that the Global Settlement is not consummated. A Settling Distributor shall be under no obligation to implement any of the requirements contained in Exhibit P until the meet and confer process is completed and there is agreement as to the necessary modifications;

4. The Parties will negotiate terms related to the provision to the State of Rhode Island of data relating to the distribution of controlled substances and policies and procedures concerning the Settling Distributors' controlled substance monitoring programs.

5. Subject to any applicable legal or regulatory limitations or conditions on the communication of this information, the Parties will develop a procedure for the Settling Distributors to provide Automated Reports and Consolidated Ordering System ("ARCOS") data, in the same format provided to the Drug Enforcement Agency, relating to shipments by the Settling Distributors to Customers (as defined in Section III of Exhibit P) in the State of Rhode Island and identified ZIP codes that include areas bordering the State of Rhode Island. This procedure will form part of the statewide injunctive relief terms. The Parties have agreed on the following identified ZIP codes: Fall River, Massachusetts (02720, 02721, 02722, 02723, 02724); Seekonk, Massachusetts (02771); Attleboro, Massachusetts (02703); North Attleboro, Massachusetts (02760, 02761, 02763); Wrentham, Massachusetts (02093); Franklin, Massachusetts (02038); Bellingham, Massachusetts (02019); Blackstone, Massachusetts (01504); East Putnam, Connecticut (06260); North Stonington, Connecticut (06359); Pawcatuck, Connecticut (06379).

6. To the extent practicable, these meet and confers will be coordinated with the meet and confers on injunctive relief with the States of New York and Ohio, and the parties agree that, to the extent practicable, the injunctive relief terms for these three states should be consistent.

7. In the event the meet and confer does not lead to agreement on statewide injunctive terms, the matter will be submitted to non-binding arbitration.

a. The arbitration shall be coordinated with any similar arbitration regarding injunctive relief that is required under a settlement regarding Released Claims between the Settling Distributors and any other State or States.

b. The arbitration shall be conducted by an Arbitrator agreed upon by the Settling Distributors, the State of Rhode Island, and any other State or States participating in such arbitration.

c. For any injunctive relief terms on which the Parties have not been able to reach agreement, the Parties shall submit proposed terms to implement aspects of the Sections of Exhibit P specified in Sections XII.C.2 and 3 to the Arbitrator along with supporting argument. The Arbitrator's authority will be limited to choosing among the submitted terms, or crafting a compromise between them.

d. The Arbitrator shall make reasonable best efforts to decide all matters within one hundred eighty (180) calendar days of filing, and in no event shall it take longer than one (1) year.

e. The Arbitrator shall conduct all proceedings in a reasonably streamlined process consistent with an opportunity for the parties to be heard. Issues shall be resolved without the need for live witnesses where feasible, and with a presumption in favor of remote participation to minimize the burdens on the parties.

f. The decisions of the Arbitrator shall be binding on the Settling Distributors, the State of Rhode Island, and any other State participating in such arbitration.

g. Each Party shall bear its own costs in any arbitration or court proceeding arising under this Section. The costs for the Arbitrator shall be divided and paid fifty percent (50%) by the Settling Distributors and fifty percent (50%) by the States participating in the arbitration.

XIII. Miscellaneous

A. *Population of General Purpose Governments*. The population figures for General Purpose Governments shall be the published U.S. Census Bureau's population estimates for July 1, 2019, released May 2020. These population figures shall remain unchanged during the term of this Agreement.

B. *Population of Special Districts*. For any purpose in this Agreement in which the population of a Special District is used other than Section V.F.1.b: (a) School Districts' population will be measured by the number of students enrolled who are eligible under the Individuals with Disabilities Education Act ("*IDEA*") or Section 504 of the Rehabilitation Act of 1973; (b) Health Districts' and Hospital Districts' population will be measured at twenty-five percent (25%) of

discharges; and (c) all other Special Districts' (including Fire Districts' and Library Districts') population will be measured at ten percent (10%) of the population served.

C. *Population Associated with Sheriffs*. For any purpose in this Agreement in which the population associated with a lawsuit by a sheriff is used, the population will be measured at 20% of the capacity of the jail(s) operated by the sheriff.

D. *No Admission*. The Settling Distributors do not admit liability, fault, or wrongdoing. Neither this Agreement nor the Rhode Island Consent Judgment shall be considered, construed or represented to be (1) an admission, concession or evidence of liability or wrongdoing or (2) a waiver or any limitation of any defense otherwise available to the Settling Distributors. It is the understanding and intent of the parties that this Agreement shall not be entered into evidence in any other action against the Settling Distributors, among other reasons, because it is not relevant to such action. For the avoidance of any doubt, nothing herein shall prohibit a Settling Distributor from entering this Agreement into evidence in any litigation or arbitration concerning a Settling Distributor's right to coverage under an insurance contract.

E. *Consistency with Global Settlement*. If, after execution of this Agreement, there is a collective resolution—through settlement, bankruptcy, or other mechanism—of substantially all Claims against the Settling Distributors via the Global Settlement under which the State of Rhode Island would have received a greater monetary amount than the sum of all amounts provided in this Agreement, Settling Distributors shall remit to the State of Rhode Island the difference between the sums of the amounts provided in this Agreement and the monetary amount that the State of Rhode Island would have received if it had been a participant in the Global Settlement according to the payment schedule in the Global Settlement. For avoidance of doubt, if the Global Settlement becomes effective by July 1, 2022, Section XIV.E of the Global Settlement will apply after the Effective Date of the Global Settlement.

F. *Tax Cooperation and Reporting*.

1. Upon request by any Settling Distributor, the State of Rhode Island and Participating Subdivisions agree to perform such further acts and to execute and deliver such further documents as may be reasonably necessary for the Settling Distributors to establish the statements set forth in Section VI.C and to track and assist in the report of remediation disbursements as agreed to among the Settling Distributors to the satisfaction of their tax advisors, their independent financial auditors, the Internal Revenue Service, or any other governmental authority, including as contemplated by Treasury Regulations Section 1.162-21(b)(3)(ii) and any subsequently proposed or finalized relevant regulations or administrative guidance.

2. Without limiting the generality of Section XIII.F.1, the State of Rhode Island and each Participating Subdivision shall cooperate in good faith with any Settling Distributor with respect to any tax claim, dispute, investigation, audit, examination, contest, litigation, or other proceeding relating to this Agreement.

3. The State of Rhode Island, on behalf of itself and all Participating Subdivisions, shall designate one of its officers or employees to act as the "appropriate

official" within the meaning of Treasury Regulations Section 1.6050X-1(f)(1)(ii)(B) (the "*Appropriate Official*"). If the Global Settlement does not become effective by July 1, 2022, the State of Rhode Island shall direct and ensure that the Appropriate Official timely (a) files (i) at the time this Agreement becomes binding on the Parties, an IRS Form 1098-F in the form attached as Exhibit J, Exhibit K, Exhibit L with respect to each of the Settling Distributors and (ii) any legally required returns or amended returns with any applicable governmental authority, or any returns requested by the respective Settling Distributors, and (b) provides to each of the Settling Distributors a copy of (i) the IRS Form 1098-F filed with respect to such Settling Distributor and (ii) any legally required written statement pursuant to any applicable law and any other document referred to in clause (a)(ii) above. Any such form, return, or statement shall be prepared and filed in a manner fully consistent with Section VI.C.

4. The State of Rhode Island and its Participating Subdivisions agree that any return, amended return, or written statement filed or provided pursuant to Section XIII.F.3, and any similar document, shall be prepared and filed in a manner consistent with reporting each Settling Distributor's portion of the Rhode Island Settlement Amount as the "Total amount to be paid" pursuant to this Agreement in Box 1 of IRS Form 1098-F, each Settling Distributor's portion of the amount equal to the Rhode Island Settlement Amount less the Compensatory Restitution Amount as the "Amount to be paid for violation or potential violation" in Box 2 of IRS Form 1098-F and each Settling Distributor's portion of the Compensatory Restitution Amount as "Restitution/remediation amount" in Box 3 of IRS Form 1098-F, as reflected in the attached Exhibit J, Exhibit K, Exhibit L. If the Designated State or Appropriate Official shall be required to file any return, amended return, or written statement contemplated by this Section XIII.F other than an IRS Form 1098-F in the form attached as Exhibit J, Exhibit K, Exhibit L, the State of Rhode Island shall direct and ensure that the Appropriate Official provides to each Settling Distributor a draft of such return, amended return, or written statement in respect of such Settling Distributor no later than sixty (60) calendar days prior to the due date thereof and shall accept and reflect any reasonable comments of such Settling Distributor on the return, amended return, or written statement in respect of such Settling Distributor.

5. For the avoidance of doubt, neither the Settling Distributors nor the State of Rhode Island and Participating Subdivisions make any warranty or representation to the State of Rhode Island, any Participating Subdivision or any Releasor as to the tax consequences of the payment of the Compensatory Restitution Amount (or any portion thereof).

G. *Bankruptcy.* The following provisions shall apply if a Settling Distributor enters Bankruptcy (a Settling Distributor which does so and takes the actions, or is otherwise subjected to the actions, referred to in (i) and/or (ii) herein being referred to as a "*Bankrupt Settling Distributor*") and (i) the Bankrupt Settling Distributor's bankruptcy estate recovers, pursuant to 11 U.S.C. § 550, any payments made under this Agreement, or (ii) this Agreement is deemed executory and is rejected by such Settling Distributor pursuant to 11 U.S.C. § 365:

1. In the event that the State of Rhode Island deems (by written notice to the Settling Distributors other than the Bankrupt Settling Distributor) that the financial

obligations of this Agreement have been terminated and rendered null and void as to such Bankrupt Settling Distributor (except as provided in Section XIII.G.1.a below) due to a material breach by such Bankrupt Settling Distributor, whereupon, with respect to the State of Rhode Island:

a. All agreements, all concessions, all reductions of Releasing Parties' Claims, and all releases and covenants not to sue, contained in this Agreement shall immediately and automatically be deemed null and void as to such Bankrupt Settling Distributor; the State of Rhode Island shall be deemed immediately and automatically restored to the same position it was in immediately prior to their entry into this Agreement in respect to such Bankrupt Settling Distributor and the State of Rhode Island shall have the right to assert any and all claims against such Bankrupt Settling Distributor in the Bankruptcy or otherwise, subject to any automatic stay, without regard to any limits or agreements as to the amount of the settlement otherwise provided in this Agreement; *provided*, *however*, that notwithstanding the foregoing sentence, (i) all reductions of Releasing Parties' Claims, and all releases and covenants not to sue, contained in this Agreement shall remain in full force and effect as to all persons or entities other than the Bankrupt Settling Distributor itself; and (ii) in the event the State of Rhode Island asserts any Released Claim against a Bankrupt Settling Distributor after the rejection and/or termination of this Agreement with respect to such Settling Distributor as described in this Section XIII.G.1.a and receives a judgment, settlement or distribution arising from such Released Claim, then the amount of any payments that the State of Rhode Island has previously received from such Bankrupt Settling Distributor under this Agreement shall be applied to reduce the amount of any such judgment, settlement or distribution (provided that no credit shall be given against any such judgment, settlement or distribution for any payment that the State of Rhode Island is required to disgorge or repay to the Bankrupt Settling Distributor's bankruptcy estate); and

b. The State of Rhode Island may exercise all rights provided under the federal Bankruptcy Code (or other applicable bankruptcy or non-bankruptcy law) with respect to its Claims against such Bankrupt Settling Distributor subject to all defenses and rights of the Bankrupt Settling Distributor.

H. *No Third-Party Beneficiaries*. Except as expressly provided in this Agreement, no portion of this Agreement shall provide any rights to, or be enforceable by, any person or entity that is not the State of Rhode Island or a Released Entity. The State of Rhode Island may not assign or otherwise convey any right to enforce any provision of this Agreement.

I. *Cooperation*. Each Party and each Participating Subdivision agrees to use its best efforts and to cooperate with the other Parties and Participating Subdivisions to cause this Agreement and the Rhode Island Consent Judgment to become effective, to obtain all necessary approvals, consents and authorizations, if any, and to execute all documents and to take such other action as may be appropriate in connection herewith. Consistent with the foregoing, each Party and each Participating Subdivision agrees that it will not directly or indirectly assist or encourage any challenge to this Agreement or the Rhode Island Consent Judgment by any other person, and will

support the integrity and enforcement of the terms of this Agreement and the Rhode Island Consent Judgment.

J. *Retention of Jurisdiction*. The Court shall retain jurisdiction of the Parties for the purpose of this Agreement, including its interpretation and enforcement.

K. *Successors*. This Agreement is binding upon, and inures to the benefit of, a Settling Distributor's successors and assigns. A Settling Distributor shall not, in one (1) transaction or a series of related transactions, sell or transfer U.S. assets having a fair market value equal to twenty-five percent (25%) or more of the consolidated assets of such Settling Distributor (other than sales or transfers of inventories, or sales or transfers to an entity owned directly or indirectly by such Settling Distributor) where the sale or transfer is announced after the Effective Date, is not for fair consideration, and would foreseeably and unreasonably jeopardize such Settling Distributor's ability to make the payments under this Agreement that are due on or before the third Payment Date following the close of a sale or transfer transaction, unless the Settling Distributor obtains the acquiror's agreement that it will be either a guarantor of or successor to the percentage of that Settling Distributor's remaining Payment Obligations under this Agreement equal to the percentage of the Settling Distributor's consolidated assets being sold or transferred in such transaction. Percentages under this Section XIII.K shall be determined in accordance with United States generally accepted accounting principles and as of the date of the Settling Distributor's most recent publicly filed consolidated balance sheet prior to the date of entry into the sale or transfer agreement at issue. Any objection under this Section XIII.K not raised within twenty (20) calendar days of the announcement of the relevant transaction is waived.

L. *No Violations of Applicable Law.* Nothing in this Agreement shall be construed to authorize or require any action by Settling Distributors in violation of applicable federal, state, or other laws.

M. *Modification*. This Agreement may be modified by a written agreement of the Parties or, in the case of the Rhode Island Consent Judgment, by court proceedings resulting in a modified judgment of the Court. For purposes of modifying this Agreement or the Rhode Island Consent Judgment, Settling Distributors may contact the Rhode Island Attorney General for purposes of coordinating this process.

N. *No Waiver.* Any failure by any Party to this Agreement to insist upon the strict performance by any other party of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions of this Agreement, and such party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Agreement.

O. *Entire Agreement*. This Agreement represents the full and complete terms of the settlement entered into by the Parties hereto, except as provided herein. In any action undertaken by the Parties, no prior versions of this Agreement and no prior versions of any of its terms may be introduced for any purpose whatsoever.

P. *Counterparts*. This Agreement may be executed in counterparts, and a facsimile or .pdf signature shall be deemed to be, and shall have the same force and effect as, an original signature.

Q. *Special Districts Meeting Incentive Payment A Criteria*. It is the understanding of the Parties that, as of the date of this Agreement, there are no School Districts, Health Districts, or Hospital Districts in Rhode Island that meet the criteria in Section V.F.1.b.

R. *Notice*. All notices or other communications under this Agreement shall be provided to the following via email and overnight delivery to:

Copy to AmerisourceBergen Corporation's attorneys at:
Michael T. Reynolds
Cravath, Swaine & Moore LLP
825 8th Avenue
New York, NY 10019
mreynolds@cravath.com

Copy to Cardinal Health, Inc.'s attorneys at:
Elaine Golin
Wachtell, Lipton, Rosen & Katz
51 West 52nd Street
New York, NY 10019
epgolin@wlrk.com

Copy to McKesson Corporation's attorneys at:
Thomas J. Perrelli
Jenner & Block LLP
1099 New York Avenue, NW, Suite 900
Washington, DC 20001-4412
TPerrelli@jenner.com

Copy to the State of Rhode Island at:

Deputy Attorney General
Adi Goldstein
Office of the Attorney General
150 South Main Street
Providence, Rhode Island 02903
agoldstein@riag.ri.gov

Authorized and agreed to by:

Dated: January 24, 2022

THE STATE OF RHODE ISLAND

By its attorney:

PETER F. NERONHA
ATTORNEY GENERAL OF THE STATE OF RHODE ISLAND

Authorized and agreed to by:

Dated: Jan 7, 2022

AMERISOURCEBERGEN CORPORATION

By: Elizabeth S. Campbell
Elizabeth S. Campbell (Jan 7, 2022 15:16 EST)

Name: Elizabeth Campbell
Title: Executive Vice President and Chief Legal Officer

Authorized and agreed to by:

Dated: Jan. 13, 2022

CARDINAL HEALTH, INC.

By: _____

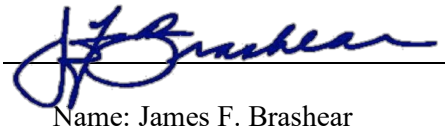
Name: Jessica L. Mayer

Title: Chief Legal & Compliance Officer

Authorized and agreed to by:

Dated: January 13, 2022

MCKESSON CORPORATION

By: 

Name: James F. Brashear

Title: Corporate Secretary

Exhibit A

Alleged Harms

1. Expert report of Professor David Cutler, dated March 25, 2019.

2. Expert report of Dr. Jeffrey B. Liebman, dated March 25, 2019.

3. Expert report of Professor Thomas McGuire regarding damages to Bellwethers, dated March 25, 2019.

4. Report of Professor Thomas McGuire regarding public nuisance, dated March 25, 2019.

Exhibit B

Later Litigating Subdivision Suspension and Offset Determinations

Participation Tier	Per Capita Amount[11]	Suspension Percentage	Offset Cap	Suspension Deadline and Ending Point
1	$2,500	66%	66%	Earlier of (1) 6 months after denial of a motion to dismiss, (2) 12 months from filing, or (3) 6 months before final pre-trial conference, and until final judgment affirmed on appeal, including dismissal.
2	$2,000	33.33%	34%	Earlier of (1) 6 months after denial of a motion to dismiss, (2) 12 months from filing, or (3) 6 months before final pre-trial conference, and until final judgment affirmed on appeal, including dismissal.
3	$1,500	27.5%	30%	Earlier of (1) 9 months after denial of a motion to dismiss, (2) 12 months from filing, or (3) 6 months before final pre-trial conference, and until final judgment affirmed on appeal, including dismissal.
4	$1,000	20%	25%	Earlier of (1) 9 months after denial of a motion to dismiss, (2) 12 months from filing, or (3) 6 months before final pre-trial conference, and until final judgment affirmed on appeal, including dismissal.

[11] Population will be measured at the level of the Later Litigating Subdivision.

Exhibit C

List of Opioid Remediation Uses

Schedule A
Core Strategies

States and Qualifying Block Grantees shall choose from among the abatement strategies listed in Schedule B. However, priority shall be given to the following core abatement strategies ("*Core Strategies*").[12]

A. **NALOXONE OR OTHER FDA-APPROVED DRUG TO REVERSE OPIOID OVERDOSES**

1. Expand training for first responders, schools, community support groups and families; and

2. Increase distribution to individuals who are uninsured or whose insurance does not cover the needed service.

B. **MEDICATION-ASSISTED TREATMENT ("*MAT*") DISTRIBUTION AND OTHER OPIOID-RELATED TREATMENT**

1. Increase distribution of MAT to individuals who are uninsured or whose insurance does not cover the needed service;

2. Provide education to school-based and youth-focused programs that discourage or prevent misuse;

3. Provide MAT education and awareness training to healthcare providers, EMTs, law enforcement, and other first responders; and

4. Provide treatment and recovery support services such as residential and inpatient treatment, intensive outpatient treatment, outpatient therapy or counseling, and recovery housing that allow or integrate medication and with other support services.

[12] As used in this Schedule A, words like "expand," "fund," "provide" or the like shall not indicate a preference for new or existing programs.

C. **PREGNANT & POSTPARTUM WOMEN**

1. Expand Screening, Brief Intervention, and Referral to Treatment ("*SBIRT*") services to non-Medicaid eligible or uninsured pregnant women;

2. Expand comprehensive evidence-based treatment and recovery services, including MAT, for women with co-occurring Opioid Use Disorder ("*OUD*") and other Substance Use Disorder ("*SUD*")/Mental Health disorders for uninsured individuals for up to 12 months postpartum; and

3. Provide comprehensive wrap-around services to individuals with OUD, including housing, transportation, job placement/training, and childcare.

D. **EXPANDING TREATMENT FOR NEONATAL ABSTINENCE SYNDROME ("*NAS*")**

1. Expand comprehensive evidence-based and recovery support for NAS babies;

2. Expand services for better continuum of care with infant-need dyad; and

3. Expand long-term treatment and services for medical monitoring of NAS babies and their families.

E. **EXPANSION OF WARM HAND-OFF PROGRAMS AND RECOVERY SERVICES**

1. Expand services such as navigators and on-call teams to begin MAT in hospital emergency departments;

2. Expand warm hand-off services to transition to recovery services;

3. Broaden scope of recovery services to include co-occurring SUD or mental health conditions;

4. Provide comprehensive wrap-around services to individuals in recovery, including housing, transportation, job placement/training, and childcare; and

5. Hire additional social workers or other behavioral health workers to facilitate expansions above.

F. **TREATMENT FOR INCARCERATED POPULATION**

1. Provide evidence-based treatment and recovery support, including MAT for persons with OUD and co-occurring SUD/MH disorders within and transitioning out of the criminal justice system; and

2. Increase funding for jails to provide treatment to inmates with OUD.

G. **PREVENTION PROGRAMS**

1. Funding for media campaigns to prevent opioid use (similar to the FDA's "Real Cost" campaign to prevent youth from misusing tobacco);

2. Funding for evidence-based prevention programs in schools;

3. Funding for medical provider education and outreach regarding best prescribing practices for opioids consistent with the 2016 CDC guidelines, including providers at hospitals (academic detailing);

4. Funding for community drug disposal programs; and

5. Funding and training for first responders to participate in pre-arrest diversion programs, post-overdose response teams, or similar strategies that connect at-risk individuals to behavioral health services and supports.

H. **EXPANDING SYRINGE SERVICE PROGRAMS**

1. Provide comprehensive syringe services programs with more wrap-around services, including linkage to OUD treatment, access to sterile syringes and linkage to care and treatment of infectious diseases.

I. **EVIDENCE-BASED DATA COLLECTION AND RESEARCH ANALYZING THE EFFECTIVENESS OF THE ABATEMENT STRATEGIES WITHIN THE STATE**

Schedule B
Approved Uses

Support treatment of Opioid Use Disorder (OUD) and any co-occurring Substance Use Disorder or Mental Health (SUD/MH) conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

PART ONE: TREATMENT

A. TREAT OPIOID USE DISORDER (OUD)

Support treatment of Opioid Use Disorder ("*OUD*") and any co-occurring Substance Use Disorder or Mental Health ("*SUD/MH*") conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:[13]

1. Expand availability of treatment for OUD and any co-occurring SUD/MH conditions, including all forms of Medication-Assisted Treatment ("*MAT*") approved by the U.S. Food and Drug Administration.

2. Support and reimburse evidence-based services that adhere to the American Society of Addiction Medicine ("*ASAM*") continuum of care for OUD and any co-occurring SUD/MH conditions.

3. Expand telehealth to increase access to treatment for OUD and any co-occurring SUD/MH conditions, including MAT, as well as counseling, psychiatric support, and other treatment and recovery support services.

4. Improve oversight of Opioid Treatment Programs ("*OTPs*") to assure evidence-based or evidence-informed practices such as adequate methadone dosing and low threshold approaches to treatment.

5. Support mobile intervention, treatment, and recovery services, offered by qualified professionals and service providers, such as peer recovery coaches, for persons with OUD and any co-occurring SUD/MH conditions and for persons who have experienced an opioid overdose.

6. Provide treatment of trauma for individuals with OUD (*e.g.*, violence, sexual assault, human trafficking, or adverse childhood experiences) and family members (*e.g.*, surviving family members after an overdose or overdose fatality), and training of health care personnel to identify and address such trauma.

7. Support evidence-based withdrawal management services for people with OUD and any co-occurring mental health conditions.

[13] As used in this Schedule B, words like "expand," "fund," "provide" or the like shall not indicate a preference for new or existing programs.

8. Provide training on MAT for health care providers, first responders, students, or other supporting professionals, such as peer recovery coaches or recovery outreach specialists, including telementoring to assist community-based providers in rural or underserved areas.

9. Support workforce development for addiction professionals who work with persons with OUD and any co-occurring SUD/MH conditions.

10. Offer fellowships for addiction medicine specialists for direct patient care, instructors, and clinical research for treatments.

11. Offer scholarships and supports for behavioral health practitioners or workers involved in addressing OUD and any co-occurring SUD/MH or mental health conditions, including, but not limited to, training, scholarships, fellowships, loan repayment programs, or other incentives for providers to work in rural or underserved areas.

12. Provide funding and training for clinicians to obtain a waiver under the federal Drug Addiction Treatment Act of 2000 ("*DATA 2000*") to prescribe MAT for OUD, and provide technical assistance and professional support to clinicians who have obtained a DATA 2000 waiver.

13. Disseminate of web-based training curricula, such as the American Academy of Addiction Psychiatry's Provider Clinical Support Service–Opioids web-based training curriculum and motivational interviewing.

14. Develop and disseminate new curricula, such as the American Academy of Addiction Psychiatry's Provider Clinical Support Service for Medication–Assisted Treatment.

B. SUPPORT PEOPLE IN TREATMENT AND RECOVERY

Support people in recovery from OUD and any co-occurring SUD/MH conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the programs or strategies that:

1. Provide comprehensive wrap-around services to individuals with OUD and any co-occurring SUD/MH conditions, including housing, transportation, education, job placement, job training, or childcare.

2. Provide the full continuum of care of treatment and recovery services for OUD and any co-occurring SUD/MH conditions, including supportive housing, peer support services and counseling, community navigators, case management, and connections to community-based services.

3. Provide counseling, peer-support, recovery case management and residential treatment with access to medications for those who need it to persons with OUD and any co-occurring SUD/MH conditions.

4. Provide access to housing for people with OUD and any co-occurring SUD/MH conditions, including supportive housing, recovery housing, housing assistance programs, training for housing providers, or recovery housing programs that allow or integrate FDA-approved mediation with other support services.

5. Provide community support services, including social and legal services, to assist in deinstitutionalizing persons with OUD and any co-occurring SUD/MH conditions.

6. Support or expand peer-recovery centers, which may include support groups, social events, computer access, or other services for persons with OUD and any co-occurring SUD/MH conditions.

7. Provide or support transportation to treatment or recovery programs or services for persons with OUD and any co-occurring SUD/MH conditions.

8. Provide employment training or educational services for persons in treatment for or recovery from OUD and any co-occurring SUD/MH conditions.

9. Identify successful recovery programs such as physician, pilot, and college recovery programs, and provide support and technical assistance to increase the number and capacity of high-quality programs to help those in recovery.

10. Engage non-profits, faith-based communities, and community coalitions to support people in treatment and recovery and to support family members in their efforts to support the person with OUD in the family.

11. Provide training and development of procedures for government staff to appropriately interact and provide social and other services to individuals with or in recovery from OUD, including reducing stigma.

12. Support stigma reduction efforts regarding treatment and support for persons with OUD, including reducing the stigma on effective treatment.

13. Create or support culturally appropriate services and programs for persons with OUD and any co-occurring SUD/MH conditions, including new Americans.

14. Create and/or support recovery high schools.

15. Hire or train behavioral health workers to provide or expand any of the services or supports listed above.

C. CONNECT PEOPLE WHO NEED HELP TO THE HELP THEY NEED (CONNECTIONS TO CARE)

Provide connections to care for people who have—or are at risk of developing—OUD and any co-occurring SUD/MH conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Ensure that health care providers are screening for OUD and other risk factors and know how to appropriately counsel and treat (or refer if necessary) a patient for OUD treatment.

2. Fund SBIRT programs to reduce the transition from use to disorders, including SBIRT services to pregnant women who are uninsured or not eligible for Medicaid.

3. Provide training and long-term implementation of SBIRT in key systems (health, schools, colleges, criminal justice, and probation), with a focus on youth and young adults when transition from misuse to opioid disorder is common.

4. Purchase automated versions of SBIRT and support ongoing costs of the technology.

5. Expand services such as navigators and on-call teams to begin MAT in hospital emergency departments.

6. Provide training for emergency room personnel treating opioid overdose patients on post-discharge planning, including community referrals for MAT, recovery case management or support services.

7. Support hospital programs that transition persons with OUD and any co-occurring SUD/MH conditions, or persons who have experienced an opioid overdose, into clinically appropriate follow-up care through a bridge clinic or similar approach.

8. Support crisis stabilization centers that serve as an alternative to hospital emergency departments for persons with OUD and any co-occurring SUD/MH conditions or persons that have experienced an opioid overdose.

9. Support the work of Emergency Medical Systems, including peer support specialists, to connect individuals to treatment or other appropriate services following an opioid overdose or other opioid-related adverse event.

10. Provide funding for peer support specialists or recovery coaches in emergency departments, detox facilities, recovery centers, recovery housing, or similar settings; offer services, supports, or connections to care to persons with OUD and any co-occurring SUD/MH conditions or to persons who have experienced an opioid overdose.

11. Expand warm hand-off services to transition to recovery services.

12. Create or support school-based contacts that parents can engage with to seek immediate treatment services for their child; and support prevention, intervention, treatment, and recovery programs focused on young people.

13. Develop and support best practices on addressing OUD in the workplace.

14. Support assistance programs for health care providers with OUD.

15. Engage non-profits and the faith community as a system to support outreach for treatment.

16. Support centralized call centers that provide information and connections to appropriate services and supports for persons with OUD and any co-occurring SUD/MH conditions.

D. ADDRESS THE NEEDS OF CRIMINAL JUSTICE-INVOLVED PERSONS

Address the needs of persons with OUD and any co-occurring SUD/MH conditions who are involved in, are at risk of becoming involved in, or are transitioning out of the criminal justice system through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Support pre-arrest or pre-arraignment diversion and deflection strategies for persons with OUD and any co-occurring SUD/MH conditions, including established strategies such as:

    1. Self-referral strategies such as the Angel Programs or the Police Assisted Addiction Recovery Initiative ("*PAARI*");

    2. Active outreach strategies such as the Drug Abuse Response Team ("*DART*") model;

    3. "Naloxone Plus" strategies, which work to ensure that individuals who have received naloxone to reverse the effects of an overdose are then linked to treatment programs or other appropriate services;

    4. Officer prevention strategies, such as the Law Enforcement Assisted Diversion ("*LEAD*") model;

    5. Officer intervention strategies such as the Leon County, Florida Adult Civil Citation Network or the Chicago Westside Narcotics Diversion to Treatment Initiative; or

    6. Co-responder and/or alternative responder models to address OUD-related 911 calls with greater SUD expertise.

2. Support pre-trial services that connect individuals with OUD and any co-occurring SUD/MH conditions to evidence-informed treatment, including MAT, and related services.

3. Support treatment and recovery courts that provide evidence-based options for persons with OUD and any co-occurring SUD/MH conditions.

4. Provide evidence-informed treatment, including MAT, recovery support, harm reduction, or other appropriate services to individuals with OUD and any co-occurring SUD/MH conditions who are incarcerated in jail or prison.

5. Provide evidence-informed treatment, including MAT, recovery support, harm reduction, or other appropriate services to individuals with OUD and any co-occurring SUD/MH conditions who are leaving jail or prison or have recently left jail or prison, are on probation or parole, are under community corrections supervision, or are in re-entry programs or facilities.

6. Support critical time interventions ("*CTI*"), particularly for individuals living with dual-diagnosis OUD/serious mental illness, and services for individuals who face immediate risks and service needs and risks upon release from correctional settings.

7. Provide training on best practices for addressing the needs of criminal justice-involved persons with OUD and any co-occurring SUD/MH conditions to law enforcement, correctional, or judicial personnel or to providers of treatment, recovery, harm reduction, case management, or other services offered in connection with any of the strategies described in this section.

E. ADDRESS THE NEEDS OF PREGNANT OR PARENTING WOMEN AND THEIR FAMILIES, INCLUDING BABIES WITH NEONATAL ABSTINENCE SYNDROME

Address the needs of pregnant or parenting women with OUD and any co-occurring SUD/MH conditions, and the needs of their families, including babies with neonatal abstinence syndrome ("*NAS*"), through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Support evidence-based or evidence-informed treatment, including MAT, recovery services and supports, and prevention services for pregnant women—or women who could become pregnant—who have OUD and any co-occurring SUD/MH conditions, and other measures to educate and provide support to families affected by Neonatal Abstinence Syndrome.

2. Expand comprehensive evidence-based treatment and recovery services, including MAT, for uninsured women with OUD and any co-occurring SUD/MH conditions for up to 12 months postpartum.

3. Provide training for obstetricians or other healthcare personnel who work with pregnant women and their families regarding treatment of OUD and any co-occurring SUD/MH conditions.

4. Expand comprehensive evidence-based treatment and recovery support for NAS babies; expand services for better continuum of care with infant-need dyad; and expand long-term treatment and services for medical monitoring of NAS babies and their families.

5. Provide training to health care providers who work with pregnant or parenting women on best practices for compliance with federal requirements that children born with NAS get referred to appropriate services and receive a plan of safe care.

6. Provide child and family supports for parenting women with OUD and any co-occurring SUD/MH conditions.

7. Provide enhanced family support and child care services for parents with OUD and any co-occurring SUD/MH conditions.

8. Provide enhanced support for children and family members suffering trauma as a result of addiction in the family; and offer trauma-informed behavioral health treatment for adverse childhood events.

9. Offer home-based wrap-around services to persons with OUD and any co-occurring SUD/MH conditions, including, but not limited to, parent skills training.

10. Provide support for Children's Services—Fund additional positions and services, including supportive housing and other residential services, relating to children being removed from the home and/or placed in foster care due to custodial opioid use.

PART TWO: PREVENTION

F. PREVENT OVER-PRESCRIBING AND ENSURE APPROPRIATE PRESCRIBING AND DISPENSING OF OPIOIDS

Support efforts to prevent over-prescribing and ensure appropriate prescribing and dispensing of opioids through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Funding medical provider education and outreach regarding best prescribing practices for opioids consistent with the Guidelines for Prescribing Opioids for Chronic Pain from the U.S. Centers for Disease Control and Prevention, including providers at hospitals (academic detailing).

2. Training for health care providers regarding safe and responsible opioid prescribing, dosing, and tapering patients off opioids.

3. Continuing Medical Education (CME) on appropriate prescribing of opioids.

4. Providing Support for non-opioid pain treatment alternatives, including training providers to offer or refer to multi-modal, evidence-informed treatment of pain.

5. Supporting enhancements or improvements to Prescription Drug Monitoring Programs ("*PDMPs*"), including, but not limited to, improvements that:

1. Increase the number of prescribers using PDMPs;

2. Improve point-of-care decision-making by increasing the quantity, quality, or format of data available to prescribers using PDMPs, by improving the interface that prescribers use to access PDMP data, or both; or

3. Enable states to use PDMP data in support of surveillance or intervention strategies, including MAT referrals and follow-up for individuals identified within PDMP data as likely to experience OUD in a manner that complies with all relevant privacy and security laws and rules.

6. Ensuring PDMPs incorporate available overdose/naloxone deployment data, including the United States Department of Transportation's Emergency Medical Technician overdose database in a manner that complies with all relevant privacy and security laws and rules.

7. Increasing electronic prescribing to prevent diversion or forgery.

8. Educating dispensers on appropriate opioid dispensing.

G. PREVENT MISUSE OF OPIOIDS

Support efforts to discourage or prevent misuse of opioids through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Funding media campaigns to prevent opioid misuse.

2. Corrective advertising or affirmative public education campaigns based on evidence.

3. Public education relating to drug disposal.

4. Drug take-back disposal or destruction programs.

5. Funding community anti-drug coalitions that engage in drug prevention efforts.

6. Supporting community coalitions in implementing evidence-informed prevention, such as reduced social access and physical access, stigma reduction—including staffing, educational campaigns, support for people in treatment or recovery, or training of coalitions in evidence-informed implementation, including the Strategic Prevention Framework developed by the U.S. Substance Abuse and Mental Health Services Administration ("*SAMHSA*").

7. Engaging non-profits and faith-based communities as systems to support prevention.

8. Funding evidence-based prevention programs in schools or evidence-informed school and community education programs and campaigns for students, families, school employees, school athletic programs, parent-teacher and student associations, and others.

9. School-based or youth-focused programs or strategies that have demonstrated effectiveness in preventing drug misuse and seem likely to be effective in preventing the uptake and use of opioids.

10. Create or support community-based education or intervention services for families, youth, and adolescents at risk for OUD and any co-occurring SUD/MH conditions.

11. Support evidence-informed programs or curricula to address mental health needs of young people who may be at risk of misusing opioids or other drugs, including emotional modulation and resilience skills.

12. Support greater access to mental health services and supports for young people, including services and supports provided by school nurses, behavioral health workers or other school staff, to address mental health needs in young people that (when not properly addressed) increase the risk of opioid or another drug misuse.

H. PREVENT OVERDOSE DEATHS AND OTHER HARMS (HARM REDUCTION)

Support efforts to prevent or reduce overdose deaths or other opioid-related harms through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Increased availability and distribution of naloxone and other drugs that treat overdoses for first responders, overdose patients, individuals with OUD and their friends and family members, schools, community navigators and outreach workers, persons being released from jail or prison, or other members of the general public.

2. Public health entities providing free naloxone to anyone in the community.

3. Training and education regarding naloxone and other drugs that treat overdoses for first responders, overdose patients, patients taking opioids, families, schools, community support groups, and other members of the general public.

4. Enabling school nurses and other school staff to respond to opioid overdoses, and provide them with naloxone, training, and support.

5. Expanding, improving, or developing data tracking software and applications for overdoses/naloxone revivals.

6. Public education relating to emergency responses to overdoses.

7. Public education relating to immunity and Good Samaritan laws.

8. Educating first responders regarding the existence and operation of immunity and Good Samaritan laws.

9. Syringe service programs and other evidence-informed programs to reduce harms associated with intravenous drug use, including supplies, staffing, space, peer support services, referrals to treatment, fentanyl checking, connections to care, and the full range of harm reduction and treatment services provided by these programs.

10. Expanding access to testing and treatment for infectious diseases such as HIV and Hepatitis C resulting from intravenous opioid use.

11. Supporting mobile units that offer or provide referrals to harm reduction services, treatment, recovery supports, health care, or other appropriate services to persons that use opioids or persons with OUD and any co-occurring SUD/MH conditions.

12. Providing training in harm reduction strategies to health care providers, students, peer recovery coaches, recovery outreach specialists, or other professionals that provide care to persons who use opioids or persons with OUD and any co-occurring SUD/MH conditions.

13. Supporting screening for fentanyl in routine clinical toxicology testing.

PART THREE: OTHER STRATEGIES

I. FIRST RESPONDERS

In addition to items in section C, D and H relating to first responders, support the following:

1. Education of law enforcement or other first responders regarding appropriate practices and precautions when dealing with fentanyl or other drugs.

2. Provision of wellness and support services for first responders and others who experience secondary trauma associated with opioid-related emergency events.

J. LEADERSHIP, PLANNING AND COORDINATION

Support efforts to provide leadership, planning, coordination, facilitations, training and technical assistance to abate the opioid epidemic through activities, programs, or strategies that may include, but are not limited to, the following:

1. Statewide, regional, local or community regional planning to identify root causes of addiction and overdose, goals for reducing harms related to the opioid epidemic, and areas and populations with the greatest needs for treatment

intervention services, and to support training and technical assistance and other strategies to abate the opioid epidemic described in this opioid abatement strategy list.

2. A dashboard to (a) share reports, recommendations, or plans to spend opioid settlement funds; (b) to show how opioid settlement funds have been spent; (c) to report program or strategy outcomes; or (d) to track, share or visualize key opioid- or health-related indicators and supports as identified through collaborative statewide, regional, local or community processes.

3. Invest in infrastructure or staffing at government or not-for-profit agencies to support collaborative, cross-system coordination with the purpose of preventing overprescribing, opioid misuse, or opioid overdoses, treating those with OUD and any co-occurring SUD/MH conditions, supporting them in treatment or recovery, connecting them to care, or implementing other strategies to abate the opioid epidemic described in this opioid abatement strategy list.

4. Provide resources to staff government oversight and management of opioid abatement programs.

K. TRAINING

In addition to the training referred to throughout this document, support training to abate the opioid epidemic through activities, programs, or strategies that may include, but are not limited to, those that:

1. Provide funding for staff training or networking programs and services to improve the capability of government, community, and not-for-profit entities to abate the opioid crisis.

2. Support infrastructure and staffing for collaborative cross-system coordination to prevent opioid misuse, prevent overdoses, and treat those with OUD and any co-occurring SUD/MH conditions, or implement other strategies to abate the opioid epidemic described in this opioid abatement strategy list (*e.g.*, health care, primary care, pharmacies, PDMPs, etc.).

L. RESEARCH

Support opioid abatement research that may include, but is not limited to, the following:

1. Monitoring, surveillance, data collection and evaluation of programs and strategies described in this opioid abatement strategy list.

2. Research non-opioid treatment of chronic pain.

3. Research on improved service delivery for modalities such as SBIRT that demonstrate promising but mixed results in populations vulnerable to opioid use disorders.

4. Research on novel harm reduction and prevention efforts such as the provision of fentanyl test strips.

5. Research on innovative supply-side enforcement efforts such as improved detection of mail-based delivery of synthetic opioids.

6. Expanded research on swift/certain/fair models to reduce and deter opioid misuse within criminal justice populations that build upon promising approaches used to address other substances (*e.g.*, Hawaii HOPE and Dakota 24/7).

7. Epidemiological surveillance of OUD-related behaviors in critical populations, including individuals entering the criminal justice system, including, but not limited to approaches modeled on the Arrestee Drug Abuse Monitoring ("*ADAM*") system.

8. Qualitative and quantitative research regarding public health risks and harm reduction opportunities within illicit drug markets, including surveys of market participants who sell or distribute illicit opioids.

9. Geospatial analysis of access barriers to MAT and their association with treatment engagement and treatment outcomes.

Exhibit D

Primary Subdivisions

- Barrington Town
- Bristol Town
- Burrillville Town
- Central Falls City
- Coventry Town
- Cranston City
- Cumberland Town
- East Greenwich Town
- East Providence City
- Glocester Town
- Johnston Town
- Lincoln Town
- Middletown Town
- Narragansett Town
- Newport City
- North Kingstown Town
- North Providence Town
- North Smithfield Town
- Pawtucket City
- Portsmouth Town
- Providence City
- Scituate Town
- Smithfield Town
- South Kingstown Town
- Tiverton Town
- Warren Town
- Warwick City
- West Warwick Town
- Westerly Town
- Woonsocket City

Exhibit E

Agreed List of Litigating Subdivisions

- Barrington (RI), Town of
- Bristol (RI), Town of
- Burrillville (RI), Town of
- Central Falls (RI), City of
- Charlestown (RI), Town of
- Coventry (RI), Town of
- Cranston (RI), City of
- Cumberland (RI), Town of
- East Greenwich (RI), Town of
- East Providence (RI), City of
- Foster (RI), Town of
- Glocester (RI), Town of
- Hopkinton (RI), Town of
- Jamestown (RI), Town of
- Johnston (RI), Town of
- Middletown (RI), Town of
- Narragansett (RI), Town of
- Newport (RI), City of
- North Kingstown (RI), Town of
- North Providence (RI), Town of
- Pawtucket (RI), City of
- Portsmouth (RI), Town of
- Providence (RI), City of
- Richmond (RI), Town of
- Scituate (RI), Town of
- Smithfield (RI), Town of
- South Kingstown (RI), Town of
- Warren (RI), Town of
- Warwick (RI), City of
- West Greenwich (RI), Town of
- West Warwick (RI), Town of
- Westerly (RI), Town of
- Woonsocket (RI), City of

Exhibit F

Settling Distributors' Subsidiaries, Joint Ventures, and Predecessor Entities

ABC

1. A.T. Pharma Consultancy FZC
2. AB Eurco Ltd
3. AB Financing, LLC
4. AB Finco Ltd
5. AB Nokco Ltd
6. AB Singapore Investments Pte. Ltd.
7. AB Specialty Solutions, LLC
8. ABBP International Company
9. ABSG Canada Holdings, Inc.
10. Access M.D. Inc.
11. AERO LINK Courier GmbH
12. Agri-Laboratories, LTD
13. Agstrata, LLC
14. AH Schweiz GmbH
15. AH UK Holdco 1 Limited
16. Alcura France
17. Alcura Health España, S.A.
18. Alcura UK Limited
19. Alliance Boots BV
20. Alliance Boots Schweiz Investments GmbH
21. Alliance Health Services, Inc.
22. Alliance Healthcare (Distribution) Limited
23. Alliance Healthcare Acores (f/k/a Proconfar, S.A.)
24. Alliance Healthcare Ecza Deposu Anonim Şirketi
25. Alliance Healthcare España Holdings, S.L.
26. Alliance Healthcare España S.A.
27. Alliance Healthcare France SA
28. Alliance Healthcare Group France SA
29. Alliance Healthcare Management Services (Nederland) B.V.
30. Alliance Healthcare Management Services Limited
31. Alliance Healthcare Nederland B.V.
32. Alliance Healthcare Norge AS
33. Alliance Healthcare Participações SGPS, unipessoal, Lda.
34. Alliance Healthcare Répartition
35. Alliance Healthcare Romania SRL
36. Alliance Healthcare S.A.
37. Alliance Healthcare s.r.o.
38. Alliance Healthcare s.r.o. Slovakia Branch
39. Alliance Healthcare Services France (f/k/a Alliance Healthcare Formation SAS)
40. Alliance Healthcare Technology Services Limited
41. Alliance Healthcare Turkey Holding A.S.
42. Alliance Healthcare Yatirim Holding Anonim Şirketi
43. Alliance Home Health Care, Inc.
44. Alliance UniChem IP Limited
45. Alloga (Nederland) B.V.
46. Alloga France SAS
47. Alloga Logifarma, S.A.
48. Alloga Logistica (España) S.L.
49. ALLOGA LOGISTICS ROMANIA SRL
50. Alloga Portugal - Armazenagem e Distribuicao Farmaceutica, Lda
51. Alloga UK Limited
52. AllyDVM, Inc.
53. Almus Farmaceutica, S.A.
54. Almus France
55. Almus Pharmacuticals Limited
56. Almus, Lda.
57. Alphega SA
58. Ambulatory Pharmaceutical Services, Inc.
59. American Medical Distributors, Inc.
60. American Oncology Network, LLC
61. Amerisource Health Services Corporation
62. Amerisource Health Services, LLC
63. Amerisource Health Services, LLC d/b/a American Health Packaging
64. Amerisource Heritage Corporation
65. AmeriSource Heritage LLC
66. Amerisource Receivables Financial Corporation
67. Amerisource Sales Corporation
68. AmerisourceBergen Associate Assistance Fund

69. AmerisourceBergen BC, ULC
70. AmerisourceBergen Canada Corporation
71. AmerisourceBergen Canada GP LLC
72. AmerisourceBergen Canada GP, LLC
73. AmerisourceBergen Canada Holdings LP
74. AmerisourceBergen Consulting Services, Inc.
75. AmerisourceBergen Consulting Services, LLC
76. AmerisourceBergen Corporation
77. AmerisourceBergen Drug Corporation
78. AmerisourceBergen Foundation
79. AmerisourceBergen Global Holdings GmbH
80. AmerisourceBergen Global Investments S.a.r.l.
81. AmerisourceBergen Global Manufacturer Services GmbH
82. AmerisourceBergen Group GmbH
83. AmerisourceBergen Holding Corporation
84. AmerisourceBergen Integrated Services Offering, LLC
85. AmerisourceBergen International Holdings Inc.
86. AmerisourceBergen International Investments, LLC
87. AmerisourceBergen Luxembourg s.a.r.l.
88. AmerisourceBergen Services Corporation
89. AmerisourceBergen Sourcing, LLC
90. AmerisourceBergen Specialty Group Canada Corporation
91. AmerisourceBergen Specialty Group Canada Holdings, Inc.
92. AmerisourceBergen Specialty Group, Inc.
93. AmerisourceBergen Specialty Group, LLC
94. AmerisourceBergen Swiss Holdings GmbH
95. AmerisourceBergen Switzerland GmbH
96. AmerisourceBergen UK Holdings Ltd
97. Anderson Packaging, Inc.
98. AndersonBrecon Inc.
99. Animal Prescriptions Limited
100. Animalytix LLC
101. Aluspharma Ltd
102. Apotheek Hagi B.V.
103. Apotheek Lichtenvoorde B.V.
104. APS Acquisitions Corporation
105. APS Enterprises Holding Company, Inc.
106. Armila UAB
107. ASD Hemophilia Management, LLC
108. ASD Hemophilia Program, L.P.
109. ASD Specialty Healthcare, Inc.
110. ASD Specialty Healthcare, LLC
111. ASD Specialty Healthcare, LLC d/b/a ASD Healthcare
112. ASD Specialty Healthcare, LLC d/b/a Besse Medical
113. ASD Specialty Healthcare, LLC d/b/a Oncology Supply
114. Automed Technologies (Canada) Inc.
115. Automed Technologies (Canada) ULC
116. Automed Technologies, Inc.
117. BBC Laboratories
118. BBC Operating Sub, Inc.
119. BBC Packing Corporation
120. BBC Special Packaging, Inc.
121. BBC Transportation Co.
122. Beachcourse Limited
123. Bellco Drug Corp.
124. Bellco Health Corp.
125. Bergen Brunswig Corporation
126. Bergen Brunswig Drug Company
127. Bergen Brunswig Realty Services, Inc.
128. Bermuda Equity Holdings, Ltd.
129. Beverly Acquisition Corporation
130. Blue Hill II, Inc.
131. Blue Hill, Inc.
132. BluePoint Intellectual Property, LLC
133. Boots Nederland B.V.
134. Boots Norge AS
135. BP Pharmaceuticals Laboratories Unlimited Company
136. BPL Brasil Participacoes Ltda.
137. BPL Brazil Holding Company s.a.r.l.
138. BPL Brazil, LLC
139. BPL Group, LLC
140. BPL Pharmaceuticals Holding Unlimited Company
141. BPLH Ireland Company Dublin, Zug Branch
142. BPLH Ireland Unlimited Company

143. Brecon Holdings Limited
144. Brecon Pharmaceuticals Holdings Limited
145. Brecon Pharmaceuticals Limited
146. Bridge Medical, Inc.
147. Brownstone Pharmacy, Inc.
148. Bruin Acquisition Corp.
149. Burt's Pharmacy, LLC
150. Cameron Stewart Lifescience Canada Inc.
151. Cannes RJ Participacoes S.A.
152. Capstone Med, Inc.
153. Capstone Pharmacy of Delaware, Inc.
154. CDRF Parent LLC
155. CDRF Parent, Inc.
156. Centaur Services Limited
157. Centro Farmaceutico Asturiano, SA
158. Century Advertising Inc.
159. Chapin Drug Company
160. Choice Medical, Inc.
161. Clinical Outcomes Resource Application Corporation
162. Clinical Outcomes Resource Application, Inc.
163. CliniCare Concepts, Inc.
164. ClinPharm, L.L.C.
165. Committed Provider Services, LLC
166. Compuscript, Inc.
167. Computran Systems, Inc.
168. Corrections Pharmacies Licensing Company, L.L.C.
169. Corrections Pharmacies of California, LP
170. Corrections Pharmacies of Hawaii, LP
171. Corrections Pharmacies, L.L.C.
172. Cubex, LLC
173. Datapharm Sarl
174. DD Wholesale, Inc.
175. Dialysis Purchasing Alliance, Inc.
176. Directlog
177. Documedics Acquisition Co., Inc.
178. Drug Service, Inc.
179. Dunnington Drug, Inc.
180. Dunnington RX Services of Massachusetts, Inc.
181. Dunnington RX Services of Rhode Island, Inc.
182. Durr-Fillauer Medical, Inc.
183. Durvet, Inc.
184. Dymaxium Healthcare Innovations, Ltd.
185. Dymaxium Holdings, Ltd.
186. Dymaxium, Ltd.
187. Entel d.o.o.
188. Escalante Solutions, L.P.
189. Esko Itriyat Sanayi ve Ticaret Anonim Şirketi
190. Euro Registratie Collectief B.V.
191. European Physician Networks GmbH
192. Express Pharmacy Services, Inc.
193. Falcon Acquisition Sub, LLC
194. Family Center Pharmacy, Inc.
195. Feeders Advantage, LCC
196. General Drug Company
197. Goot Nursing Home Pharmacy, Inc.
198. Goot Westbridge Pharmacy, Inc.
199. Goot's Goodies, Inc.
200. Goot's Pharmacy & Orthopedic Supply, Inc.
201. Green Barn, Inc
202. H. D. Smith Holding Company
203. H. D. Smith Holdings, LLC
204. H. D. Smith Wholesale Drug Co.
205. H. D. Smith, LLC
206. HAI Acquisition, Inc.
207. HDS Solutions, LLC
208. Health Services Capital Corporation
209. Healthcare Prescription Services, Inc.
210. HealthForward Inc.
211. HealthQuest Partner II, L.P.
212. HealthTronics Data Solutions LLC
213. HealthTronics Data Solutions, LLC
214. HealthTronics Information Technology Solutions, Inc.
215. Hedef International Holdings BV
216. Home Medical Equipment Health Company
217. Hydra Pharm SPA
218. I.g.G. of America, Inc.
219. IHS Acquisition XXX, Inc.
220. Imedex, Inc.
221. Imedex, LLC
222. Independent Pharmacy Buying Group, Inc.
223. Innomar Pharmacy (BC) Inc.
224. Innomar Pharmacy (SK) Inc.

225. Innomar Pharmacy Inc.
226. Innomar Specialty Pharmacy, Inc.
227. Innomar Strategies Inc.
228. Innovation Cancer, Inc.
229. Insta-Care Holdings, Inc.
230. Insta-Care Pharmacy Services Corporation
231. Intake Initiatives Incorporated
232. IntegraConnect NewCo, LLC
233. Integrated Commercialization Solutions, Inc.
234. Integrated Commercialization Solutions, LLC
235. Integrated Health Systems Outcomes Coalition, LLC
236. Inteplex, Inc.
237. Interfill, LLC
238. International Oncology Network Solutions, Inc.
239. International Physician Networks, L.L.C.
240. International Rheumatology Network, L.L.C.
241. IntrinsiQ Holdings, Inc.
242. IntrinsiQ Specialty Solutions, Inc.
243. IntrinsiQ Tendler, Inc.
244. IntrinsiQ, LLC
245. J.M. Blanco, Inc.
246. James Brudnick Company, Inc.
247. K/S Instrument Corp.
248. KRP Investments, Inc.
249. Labpak Limited
250. LAD Drug Corporation
251. Leading Educational Research Network, LLC
252. Lexicon Pharmacy Services, L.L.C.
253. Liberty Acquisition Corp.
254. Libra C.V.
255. Los Angeles Drug Corporation
256. M.D.P. Properties, Inc.
257. Managed Care Network, Inc.
258. Marshall Reinardy LLC
259. Medical Health Industries, Inc.
260. Medical Initiatives, Inc.
261. Medidyne Corp.
262. Medselect Inc.
263. Memorial Pet Care, Inc.
264. Micro Technologies Canada Inc.
265. MWI Buying Group Limited (formerly St. Francis Limited)
266. MWI Supply (UK Acquisition) Limited
267. MWI Supply (UK Holdings) Limited
268. MWI Supply (UK) Limited
269. MWI Veterinary Supply Co.
270. MWI Veterinary Supply, Inc.
271. Nareks Ecza Deposu Ticaret Anonim Şirketi
272. Network for Medical Communication & Research Analytics, LLC
273. New Jersey Medical Corporation
274. Nexiapharma, SL
275. NMCR Holdings, Inc.
276. NMCR-Europe, LLC
277. Northeast Veterinary Supply Company, LLC
278. Oktal Pharma d.o.o
279. Oktal Pharma d.o.o
280. Oktal Pharma d.o.o [Zagreb]
281. Oktal Pharma d.o.o.
282. Oktal Pharma Hungary K.f.t.
283. Omni Med B, Inc.
284. OPH Oktal Pharma d.o.o
285. OTC Direct Limited
286. Paris Acquisition Corp.
287. Pharm Plus Acquisition, Inc.
288. Pharma One Corporation Limited
289. Pharmacy Corporation of America
290. Pharmacy Corporation of America - Massachusetts, Inc.
291. Pharmacy Healthcare Solutions, Ltd.
292. Pharmacy Review Services, Inc.
293. Pharmdata s.r.o.
294. PharMEDium Healthcare Corporation
295. PharMEDium Healthcare Holdings LLC
296. PharMEDium Healthcare Holdings, Inc.
297. PharMEDium Healthcare LLC
298. PharMEDium Pharmacy Services, LLC
299. PharMEDium R.E., LLC
300. PharMEDium Services, LLC
301. PharMerica Drug Systems, Inc.
302. PharMerica Technology Solutions, LLC
303. Pharmerica, Inc.
304. Pitango HealthTech Fund I, L.P.
305. Planet Software Limited

306. PMSI MSA Services, Inc.
307. PMSI, Inc.
308. PPSC USA, LLC
309. Premier Pharmacy, Inc.
310. Premier Source Diagnostics Inc.
311. Premier Source, LLC
312. Prescribe Wellness, LLC
313. Profarma Distribuidora de Produtos Farmaceuticos S.A.
314. Ramuneles Vaistine UAB
315. Reimbursement Education Network, LLC
316. Rightpak, Inc.
317. Rombro's Drug Center, Inc.
318. Roscoe Acquisition Corporation
319. S.R.P. (Services de la Répartition Pharmaceutique)
320. SecureDVM, LLC
321. Securos Europe GmbH
322. Silver Streak I, LLC
323. Skills in Healthcare France
324. Skills in Healthcare Pazarlama ve Tanitim Hizmetleri Anonim Şirketi
325. Skills in Healthcare Romania S.r.l.
326. Smart ID Works, LLC
327. Smith Medical Partners, LLC
328. Snipetjernveien 10 Norge AS
329. Solana Beach, Inc.
330. Southwest Pharmacies, Inc.
331. Southwestern Drug Corporation
332. SparkSense Analytics, Inc.
333. Specialty Advancement Network, LLC
334. Specialty Pharmacy of California, Inc.
335. Specialty Pharmacy, Inc.
336. Spielberg Acquisition Corp.
337. Spits B.V.
338. Stadt Solutions, LLC
339. Stephar B.V.
340. Strategic Pharmaceutical Solutions, Inc.
341. Swine Solutions Network, LLC
342. Taylor & Manno Asset Recovery, Inc.
343. Telepharmacy Solutions, Inc.
344. Terra-Lab d.o.o
345. The Allen Company
346. The Lash Group, Inc.
347. The Lash Group, LLC
348. TheraCom, L.L.C.
349. ThermoSecure Medical Equipment GmbH
350. TMESYS, Inc.
351. TrakCel Holding Company, Inc.
352. Trellis Healthcare Consulting, L.L.C.
353. Trellis Healthcare Consulting, LLC
354. True Blue Indemnity Company
355. United Company of Pharmacists SAE
356. Universal Packaging Systems, Inc.
357. US Bioservices Corporation
358. Valley Wholesale Drug Co., LLC
359. Value Apothecaries, Inc.
360. Vedco, Inc.
361. Vetbridge Animal Health, LLC
362. Vetbridge Product Development (NM-OMP) LLC
363. VetSpace Limited
364. VetSpace, Inc.
365. Vetswest Limited
366. W.C. International Limited
367. WBA Acquisitions Luxco 9 S.à.r.l.
368. Wight Nederland Holdco 2 B.V.
369. Wight Nederland Holdco 4 BV
370. WML, LLC
371. Woodglen Properties Limited
372. Woodglen Properties Limited Portugal Branch
373. World Courier (Aust) Pty. Ltd.
374. World Courier (Austria) GmbH
375. World Courier (Austria) GmbH – Serbia Branch
376. World Courier (Deutschland) GmbH
377. World Courier (Finland) Oy
378. World Courier (India) Private Limited
379. World Courier (Ireland) Limited
380. World Courier (Lithuania), UAB
381. World Courier (Malaysia) Sdn. Bhd.
382. World Courier (Norway) AS
383. World Courier (NZ) Limited
384. World Courier (Poland) Sp. Z.o.o.
385. World Courier (Shanghai) Co., Ltd Guangzhou Branch
386. World Courier (Shanghai) Co., Ltd.
387. World Courier (Shanghai) Co., Ltd., Beijing Branch
388. World Courier (Sweden) AB
389. World Courier (Switzerland) SA

390. World Courier (U.K.) Limited
391. World Courier Asia (Thailand) Co., Ltd.
392. World Courier Belgium s.a.
393. World Courier Bulgaria
394. World Courier Czech Republic s.r.o.
395. World Courier de Chile Limitada
396. World Courier de Colombia S.A.
397. World Courier de Espana, S.A.
398. World Courier de Mexico S.A. de C.V.
399. World Courier de Portugal, Lda.
400. World Courier de Uruguay S.A.
401. World Courier del Ecuador S.A.
402. World Courier del Peru S.A.
403. World Courier Denmark A/S
404. World Courier do Brasil Transportes Internacionais Ltda.
405. World Courier France S.A.R.L.
406. World Courier Ground (Europe) Limited
407. World Courier Ground, Inc.
408. World Courier Group Logistics, Inc.
409. World Courier Group S.a.r.l.
410. World Courier Group, Inc.
411. World Courier Group, Inc. Taiwan Branch
412. World Courier Hellas Limited Liability Company
413. World Courier Holland BV
414. World Courier Hong Kong Limited
415. World Courier Hungary Freight Forwarder and Service Provider Limited Liability Company
416. World Courier Israel Ltd.
417. World Courier Italia srl
418. World Courier K.K. Japan
419. World Courier Korea Co., Ltd.
420. World Courier Limited (Russia)
421. World Courier Logistics (Europe) Limited
422. World Courier Logistics (UK) Limited
423. World Courier Logistics, Inc.
424. World Courier Logistics, Inc. (DE)
425. World Courier Logistics, Inc. (NY)
426. World Courier Management Limited
427. World Courier Management, Inc.
428. World Courier of Canada Ltd
429. World Courier Operations Kenya Limited
430. World Courier Philippines – Representative Office
431. World Courier Romania S.R.L.
432. World Courier S.A.
433. World Courier Singapore Pte Ltd
434. World Courier Slovak Republic s.r.o.
435. World Courier South Africa (Proprietary) Limited
436. World Courier Tasimacilik ve Lojistik Hizmetleri Ticaret Limited Sirketi
437. World Courier Ukraine LLC
438. World Courier Venezuela, S.A.
439. World Courier Zagreb d.o.o.
440. World Courier, Inc.
441. World Courier, kurirske storitve,d.o.o.
442. World Customs Brokerage, Inc.
443. Xcenda (UK) Limited
444. Xcenda GmbH
445. Xcenda Switzerland GmbH
446. Xcenda, L.L.C.
447. ZU Vase Zdravije

Cardinal

1. A+ Secure Packaging, LLC
2. Abilene Nuclear, LLC
3. Access Closure, Inc.
4. Acuity GPO, LLC
5. Aero-Med, Ltd.
6. Allegiance (BVI) Holding Co. Ltd.
7. Allegiance Corporation
8. Allegiance Healthcare (Labuan) Pte. Ltd.
9. Allegiance I, LLC
10. Allegiance Labuan Holdings Pte. Ltd.
11. API (Suppliers) Limited
12. AssuraMed Acquisition Corp.
13. AssuraMed Group, Inc.
14. AssuraMed Holding, Inc.
15. AssuraMed Intermediate Holding, Inc.
16. AssuraMed, Inc.
17. C. International, Inc.
18. Cardinal Distribution Holding Corporation - I
19. Cardinal Distribution Holding Corporation - II
20. Cardinal Health 100, Inc.
21. Cardinal Health 104 LP
22. Cardinal Health 105, Inc.
23. Cardinal Health 107, LLC
24. Cardinal Health 108, LLC
25. Cardinal Health 110, LLC
26. Cardinal Health 112, LLC
27. Cardinal Health 113, LLC
28. Cardinal Health 114, Inc.
29. Cardinal Health 115, LLC
30. Cardinal Health 116, LLC
31. Cardinal Health 118, LLC
32. Cardinal Health 119, LLC
33. Cardinal Health 121, LLC
34. Cardinal Health 122, LLC
35. Cardinal Health 123, LLC
36. Cardinal Health 124, LLC
37. Cardinal Health 125, LLC
38. Cardinal Health 126, LLC
39. Cardinal Health 127, Inc.
40. Cardinal Health 128, LLC
41. Cardinal Health 130, LLC
42. Cardinal Health 131, LLC
43. Cardinal Health 132, LLC
44. Cardinal Health 133, Inc.
45. Cardinal Health 2, LLC
46. Cardinal Health 200, LLC
47. Cardinal Health 201 Canada L.P.
48. Cardinal Health 201, Inc.
49. Cardinal Health 215, LLC
50. Cardinal Health 222 (Thailand) Ltd.
51. Cardinal Health 242, LLC
52. Cardinal Health 246, Inc.
53. Cardinal Health 247, Inc.
54. Cardinal Health 249, LLC
55. Cardinal Health 250 Dutch C.V.
56. Cardinal Health 251, LLC
57. Cardinal Health 252, LLC
58. Cardinal Health 253, LP
59. Cardinal Health 3, LLC
60. Cardinal Health 414, LLC
61. Cardinal Health 418, Inc.
62. Cardinal Health 5, LLC
63. Cardinal Health 500, LLC
64. Cardinal Health 524, LLC
65. Cardinal Health 529, LLC
66. Cardinal Health 6, Inc.
67. Cardinal Health 7, LLC
68. Cardinal Health 8, LLC
69. Cardinal Health Australia 503 Pty Ltd.
70. Cardinal Health Austria 504 GmbH
71. Cardinal Health Belgium 505 BVBA
72. Cardinal Health Canada Holdings Cooperatie U.A.
73. Cardinal Health Canada Inc.
74. Cardinal Health Capital Corporation
75. Cardinal Health Cardiology Solutions, LLC
76. Cardinal Health Chile Limitada
77. Cardinal Health Colombia S.A.S.
78. Cardinal Health Commercial Technologies, LLC
79. Cardinal Health Corporate Solutions, LLC
80. Cardinal Health D.R. 203 II Ltd.
81. Cardinal Health Denmark ApS

82. Cardinal Health do Brasil Ltda.
83. Cardinal Health Finance
84. Cardinal Health Finland Oy
85. Cardinal Health Foundation
86. Cardinal Health France 506 SAS
87. Cardinal Health Funding, LLC
88. Cardinal Health Germany 507 GmbH
89. Cardinal Health Germany Manufacturing GmbH
90. Cardinal Health Holding International, Inc.
91. Cardinal Health International Philippines, Inc.
92. Cardinal Health IPS, LLC
93. Cardinal Health Ireland 419 Designated Activity Company
94. Cardinal Health Ireland 508 Limited
95. Cardinal Health Ireland Manufacturing Limited
96. Cardinal Health Ireland Unlimited Company
97. Cardinal Health Italy 509 S.r.l.
98. Cardinal Health Japan G.K.
99. Cardinal Health Korea Limited
100. Cardinal Health Luxembourg 420 S.a.r.l.
101. Cardinal Health Luxembourg 522 S.a.r.l.
102. Cardinal Health Malaysia 211 Sdn. Bhd.
103. Cardinal Health Malta 212 Limited
104. Cardinal Health Managed Care Services, LLC
105. Cardinal Health Medical Products India Private Limited
106. Cardinal Health Mexico 244 S. de R.L. de C.V.
107. Cardinal Health Mexico 514 S. de R.L. de C.V.
108. Cardinal Health Middle East FZ-LLC
109. Cardinal Health MPB, Inc.
110. Cardinal Health Napoleon Holding, LLC
111. Cardinal Health Netherlands 502 B.V.
112. Cardinal Health Netherlands 525 Cooperatie U.A.
113. Cardinal Health Netherlands 528 B.V.
114. Cardinal Health Norway AS
115. Cardinal Health P.R. 120, Inc.
116. Cardinal Health P.R. 218, Inc.
117. Cardinal Health P.R. 220, LLC
118. Cardinal Health P.R. 436, Inc.
119. Cardinal Health Panama, S. de R.L.
120. Cardinal Health Pharmaceutical Contracting, LLC
121. Cardinal Health Pharmacy Services, LLC
122. Cardinal Health Poland Spolka z ograniczona odpowiedzialnoscia
123. Cardinal Health Portugal 513, Unipessoal Lda.
124. Cardinal Health Russia
125. Cardinal Health Singapore 225 Pte. Ltd.
126. Cardinal Health Spain 511 S.L.
127. Cardinal Health Sweden 512 A.B.
128. Cardinal Health Switzerland 515, GmbH
129. Cardinal Health Systems, Inc.
130. Cardinal Health Technologies Switzerland GmbH
131. Cardinal Health Technologies, LLC
132. Cardinal Health U.K. 418 Limited
133. Cardinal Health U.K. 432 Limited
134. Cardinal Health U.K. Holding Limited
135. Cardinal Health U.K. International Holding LLP
136. Cardinal Health, Inc.
137. Cardinal MED Equipment Consulting (Shanghai) Co., Ltd.
138. Cirpro de Delicias S.A. de C.V.
139. Clinic Pharmacies III, LLC
140. Clinic Pharmacies, LLC
141. Community Pharmacy Enterprises, LLC
142. Convertors de Mexico S.A. de C.V.
143. Cordis (Shanghai) MED Devices Co., Ltd.
144. Cordis Cashel Unlimited Company
145. Cordis Corporation
146. Cornerstone Rheumatology LP
147. Covidien Manufacturing Solutions, S.A.
148. Dutch American Manufacturers II (D.A.M. II) B.V.
149. Ellipticare, LLC
150. EPIC Insurance Company
151. Especialidades Medicas Kenmex S.A. de C.V.
152. Experience East, LLC
153. Flexible Stenting Solutions, Inc.
154. Frog Horned Capital, Inc.

155. Generic Drug Holdings, Inc.
156. GetOutcomes, LLC
157. Griffin Capital, LLC
158. HDG Acquisition, Inc.
159. imgRx Healdsburg, Inc.
160. imgRx Salud, Inc.
161. imgRx SJ Valley, Inc.
162. imgRx SLO, Inc.
163. imgRx Sonoma, Inc.
164. InnerDyne Holdings, Inc.
165. Innovative Therapies, Inc.
166. Instant Diagnostic Systems, Inc.
167. InteCardia-Tennessee East Catheterization, LLC
168. ITI Sales, LLC
169. Kendall-Gammatron Limited
170. Killilea Development Company, Ltd.
171. Kinray I, LLC
172. KPR Australia Pty. Ltd.
173. KPR Switzerland Sales GmbH
174. KPR U.S., LLC
175. Leader Drugstores, Inc.
176. Ludlow Technical Products Canada, Ltd.
177. Marin Apothecaries
178. Medicap Pharmacies Incorporated
179. Medicine Shoppe Capital Corporation
180. Medicine Shoppe International, Inc.
181. Medicine Shoppe Internet, Inc.
182. Mediquip Sdn. Bhd.
183. Mirixa Corporation
184. MosaicGPO, LLC
185. mscripts Holdings, LLC
186. mscripts Systems India Private Limited
187. mscripts, LLC
188. Nippon Covidien Ltd.
189. One Cloverleaf, LLC
190. Outcomes Incorporated
191. Owen Shared Services, Inc.
192. Pharmacy Operations Of New York, Inc.
193. Pharmacy Operations, Inc.
194. Physicians Purchasing, Inc.
195. Pinnacle Intellectual Property Services, Inc.
196. Pinnacle Intellectual Property Services-International, Inc.
197. Quiroproductos de Cuauhtemoc S. de R.L. de C.V.
198. RainTree Administrative Services, LLC
199. RainTree Care Management, LLC
200. RainTree GPO, LLC
201. Ransdell Surgical, Inc.
202. Red Oak Sourcing, LLC
203. Renal Purchasing Group, LLC
204. RGH Enterprises, Inc.
205. RT Oncology Services Corporation
206. Rxealtime, Inc.
207. Sierra Radiopharmacy, L.L.C.
208. Sonexus Health Access & Patient Support, LLC
209. Sonexus Health Distribution Services, LLC
210. Sonexus Health Financial Solutions, LLC
211. Sonexus Health Pharmacy Services, LLC
212. Sonexus Health, LLC
213. TelePharm, LLC
214. The Harvard Drug Group, L.L.C.
215. Tianjin ITI Trading Company
216. Tradex International, Inc.
217. Traverse GPO, LLC
218. Wavemark Lebanon Offshore s.a.l.
219. Wavemark, Inc.
220. Red Oak Sourcing, LLC
221. API (Suppliers) Limited
222. Sierra Radiopharmacy, L.L.C.
223. Abilene Nuclear, LLC
224. InteCardia-Tennessee East Catheterization, LLC
225. Kendall-Gammatron Limited
226. Almus Pharmaceuticals USA LLC
227. Cardinal Health (H.K.) Co. Limited
228. Cardinal Health (Shanghai) Pharmaceutical Co., Ltd.
229. Cardinal Health (Sichuan) Pharmaceutical Co., Ltd.
230. Cardinal Health (Wuxi) Pharmaceutical Co., Ltd.
231. Cardinal Health Hedan (Shenzhen) Pharmaceutical Co., Ltd.
232. Dalian Zhongda Pharmaceutical Company Limited
233. NaviHealth Holdings, LLC

234. Parch, L.L.C.
235. 6464661 Canada Inc.
236. Academy Of Managed Care Medicine, L.L.C.
237. Alaris Medical 1 (Suisse) Sarl
238. Alaris Medical New Zealand Limited
239. Allegiance Healthcare International GmbH
240. Allegiance Pro Inc.
241. Allied Healthcare Services, Inc.
242. Almus Pharmaceuticals Singapore Pte. Ltd.
243. Almus Pharmaceuticals USA LLC
244. American Threshold Industries, Inc.
245. Anoka, LLC
246. ARCH Collection Corporation
247. ARCH, S.A.
248. Armand Scott, LLC
249. Aurum Pharmaceuticals Limited
250. Behrens Inc.
251. Beijing Baiji Advanced Specialty Company Limited
252. Bellwether Oncology Alliance, Inc.
253. Bentley Merger Sub, LLC
254. Bindley Western Funding Corporation
255. Bindley Western Industries II Of Maine, Inc.
256. Biosigna GmbH Institut für Biosignalverarbeitung und Systemanalyse
257. Bird Products (Japan) Ltd.
258. Bird Products Corporation
259. Brighton Capital, Inc.
260. Buffalo Merger Corp.
261. BW Transportation Services, Inc.
262. Cardal II, LLC
263. Cardal, Inc.
264. Cardinal Florida, Inc.
265. Cardinal Health (Beijing) China Pharmaceutical Co., Ltd.
266. Cardinal Health (Beijing) Medical Trading Co., Ltd.
267. Cardinal Health (Beijing) Pharmacy Co., Ltd.
268. Cardinal Health (Chengdu) Pharmacy Co., Ltd.
269. Cardinal Health (China) Investment Co., Ltd.
270. Cardinal Health (Chongqing) Pharmaceutical Co., Ltd.
271. Cardinal Health (Chongqing) Pharmacy Co., Ltd.
272. Cardinal Health (H.K.) Co. Limited
273. Cardinal Health (Hubei) Pharmaceutical Co., Ltd.
274. Cardinal Health (L) Co., Ltd.
275. Cardinal Health (Liaoning) Pharmaceutical Co., Ltd.
276. Cardinal Health (P02296)
277. Cardinal Health (P04080)
278. Cardinal Health (Shanghai) Commercial and Trading Company Limited
279. Cardinal Health (Shanghai) Cosmetics Trading Co., Ltd.
280. Cardinal Health (Shanghai) Logistics Co., Ltd.
281. Cardinal Health (Shanghai) Pharmaceutical Co., Ltd.
282. Cardinal Health (Shanghai) Pharmacy Co., Ltd.
283. Cardinal Health (Shanxi) Pharmaceutical Co., Ltd.
284. Cardinal Health (Shenyang) Pharmacy Co., Ltd.
285. Cardinal Health (Sichuan) Pharmaceutical Co., Ltd.
286. Cardinal Health (Tianjin) Pharmaceutical Co., Ltd.
287. Cardinal Health (Wuxi) Pharmaceutical Co., Ltd.
288. Cardinal Health (WuXi) Pharmacy Co., Ltd.
289. Cardinal Health (Zhejiang) Pharmaceutical Co., Ltd.
290. Cardinal Health 101, Inc.
291. Cardinal Health 102, Inc.
292. Cardinal Health 103, Inc.
293. Cardinal Health 106, Inc.
294. Cardinal Health 109, Inc.
295. Cardinal Health 111, LLC
296. Cardinal Health 113, LLC
297. Cardinal Health 117, LLC

298. Cardinal Health 129, Inc.
299. Cardinal Health 208, Inc.
300. Cardinal Health 301, LLC
301. Cardinal Health 400, Inc.
302. Cardinal Health 401, Inc.
303. Cardinal Health 402, Inc.
304. Cardinal Health 403, Inc.
305. Cardinal Health 404, Inc.
306. Cardinal Health 405, Inc.
307. Cardinal Health 406, Inc.
308. Cardinal Health 406, LLC
309. Cardinal Health 407, Inc.
310. Cardinal Health 408, Inc.
311. Cardinal Health 409, Inc.
312. Cardinal Health 410, Inc.
313. Cardinal Health 411, Inc.
314. Cardinal Health 412, Inc.
315. Cardinal Health 413, Inc.
316. Cardinal Health 415, Inc.
317. Cardinal Health 416, Inc.
318. Cardinal Health 417, Inc.
319. Cardinal Health 419, LLC
320. Cardinal Health 420, LLC
321. Cardinal Health 421 Limited Partnership
322. Cardinal Health 421, Inc.
323. Cardinal Health 422, Inc.
324. Cardinal Health 501 Dutch C.V.
325. Cardinal Health Austria 201 GmbH
326. Cardinal Health Bermuda 224, Ltd.
327. Cardinal Health Brasil 423 Servicos Farmaceuticos Nucleares Ltda
328. Cardinal Health Canada 204, Inc.
329. Cardinal Health Canada 301, Inc.
330. Cardinal Health Canada 302, Inc.
331. Cardinal Health Canada 307, ULC
332. Cardinal Health Canada 403, Inc.
333. Cardinal Health Canada 437, Inc.
334. Cardinal Health Canada Inc.
335. Cardinal Health Canada LP
336. Cardinal Health Cayman Islands Holding Co. Ltd
337. Cardinal Health Cayman Islands Ltd.
338. Cardinal Health China Co., Ltd.
339. Cardinal Health D.R. 203 Limited
340. Cardinal Health Europe IT GmbH
341. Cardinal Health France 205 SAS
342. Cardinal Health France 309 SAS
343. Cardinal Health Germany 206 GmbH
344. Cardinal Health Germany 234 GmbH
345. Cardinal Health Germany 318 GmbH
346. Cardinal Health Hedan (Shenzhen) Pharmaceutical Co., Ltd.
347. Cardinal Health Hong Kong Limited
348. Cardinal Health I, Inc.
349. Cardinal Health Imaging, LLC
350. Cardinal Health India Private Limited
351. Cardinal Health International Ventures, Ltd.
352. Cardinal Health Ireland 406 Ltd.
353. Cardinal Health Ireland 527 General Partnership
354. Cardinal Health Italy 208 S.r.l.
355. Cardinal Health Italy 312 S.p.A.
356. Cardinal Health Lease Funding 2002A, LLC
357. Cardinal Health Lease Funding 2002AQ, LLC
358. Cardinal Health Lease Funding 2003A, LLC
359. Cardinal Health Lease Funding 2003AQ, LLC
360. Cardinal Health Lease Funding 2003B, LLC
361. Cardinal Health Lease Funding 2003BQ, LLC
362. Cardinal Health Lease Funding 2004A, LLC
363. Cardinal Health Lease Funding 2004AQ, LLC
364. Cardinal Health Luxembourg 523 S.a.r.l.
365. Cardinal Health Mauritius Holding 226 Ltd.
366. Cardinal Health Mexico 213, S.A. de C.V.
367. Cardinal Health Netherlands 238 BV
368. Cardinal Health Netherlands 526 B.V.
369. Cardinal Health Netherlands Financing C.V.
370. Cardinal Health Netherlands Holding B.V.
371. Cardinal Health New Zealand 313 Limited
372. Cardinal Health Norway 315 A/S
373. Cardinal Health P.R. 227, Inc.
374. Cardinal Health P.R. 409 B.V.

375. Cardinal Health PTS, Inc.
376. Cardinal Health PTS, LLC
377. Cardinal Health S.A. 319 (Proprietary) Limited
378. Cardinal Health Singapore 304
379. Cardinal Health Singapore 423 Pte. Ltd.
380. Cardinal Health Spain 219 S.L.U.
381. Cardinal Health Spain 239 SA
382. Cardinal Health Specialty Pharmacy, LLC
383. Cardinal Health Sweden 220 AB
384. Cardinal Health Sweden 314 AB
385. Cardinal Health Switzerland 221 Sarl
386. Cardinal Health Switzerland 317 Sarl
387. Cardinal Health Trading (Shanghai) Co., Ltd.
388. Cardinal Health U.K. 100 Limited
389. Cardinal Health U.K. 101 Limited
390. Cardinal Health U.K. 102 Limited
391. Cardinal Health U.K. 103 Limited
392. Cardinal Health U.K. 104 Limited
393. Cardinal Health U.K. 105 Limited
394. Cardinal Health U.K. 106 Limited
395. Cardinal Health U.K. 223 Limited
396. Cardinal Health U.K. 232 Limited
397. Cardinal Health U.K. 235 Limited
398. Cardinal Health U.K. 236 Limited
399. Cardinal Health U.K. 240 Limited
400. Cardinal Health U.K. 305 Limited
401. Cardinal Health U.K. 306 Limited
402. Cardinal Health U.K. 433 Limited
403. Cardinal Health U.K. 434 Limited
404. Cardinal Syracuse, Inc.
405. Cardinal.Com Holdings, Inc.
406. Care Fusion Development Private Limited
407. Care Fusion Incorporated
408. CareFusion 202, Inc.
409. CareFusion 203, Inc.
410. CareFusion 205, Inc.
411. CareFusion 206, Inc.
412. CareFusion 207, Inc.
413. CareFusion 209, Inc.
414. CareFusion 210, Inc.
415. CareFusion 211, Inc.
416. CareFusion 212, LLC
417. CareFusion 213, LLC
418. CareFusion 214, LLC
419. CareFusion 2200, Inc.
420. CareFusion 2201, Inc.
421. CareFusion 302, LLC
422. CareFusion 303, Inc.
423. CareFusion 304, LLC
424. CareFusion Australia 200 Pty Ltd.
425. CareFusion Australia 316 Pty Limited
426. CareFusion Australia 500 Pty Ltd
427. CareFusion Belgium 202 BVBA
428. CareFusion Brasil 231 Servico e Comercia de Productos Medicos Ltda
429. CareFusion Corporation
430. CareFusion EIT, LLC
431. CareFusion Iberia 308 S.L.U.
432. CareFusion Italy 237 Srl
433. CareFusion Italy 311 Srl
434. CareFusion Japan 228 K.K.
435. CareFusion Japan 233, Inc.
436. CareFusion Luxembourg 501 Sarl
437. CareFusion Manufacturing Ireland 241 Limited
438. CareFusion Manufacturing, LLC
439. CareFusion Netherlands 214 B.V.
440. CareFusion Netherlands 238 BV
441. CareFusion Netherlands 310 B.V.
442. CareFusion Netherlands 503 B.V.
443. CareFusion New Zealand 217 Limited
444. CareFusion New Zealand 313 Limited
445. CareFusion Resources, LLC
446. CareFusion Singapore 243 Pte. Ltd.
447. CareFusion Solutions, LLC
448. CareFusion U.K. 284 Limited
449. CareFusion U.K. 286 Limited
450. CareFusion U.K. 287 Limited
451. CareFusion U.K. 288 Limited
452. Cascade Development, Inc.
453. CCB, Inc.
454. CDI Investments, Inc.
455. Centralia Pharmacy, Inc.
456. Centricity, LLC
457. Chapman Drug Company
458. Chengdu Baiji Advanced Specialty Pharmacy Company Limited
459. Cheshire Merger Sub, Inc.
460. CMI Net, Inc.
461. College Park Plaza Associates, Inc.

462. Comprehensive Medical Imaging-Anaheim Hills, Inc.
463. Comprehensive Medical Imaging-Apple Valley, Inc.
464. Comprehensive Medical Imaging-Boynton Beach, Inc.
465. Comprehensive Medical Imaging-Downey, Inc.
466. Comprehensive Medical Imaging-Encino, Inc.
467. Comprehensive Medical Imaging-Fort Lauderdale, Inc.
468. Comprehensive Medical Imaging-Fremont, Inc.
469. Comprehensive Medical Imaging-Hesperia, Inc.
470. Comprehensive Medical Imaging-Huntington Beach, Inc.
471. Comprehensive Medical Imaging-Palm Springs, Inc.
472. Comprehensive Medical Imaging-Rancho Cucamonga, Inc.
473. Comprehensive Medical Imaging-Rancho Mirage, Inc.
474. Comprehensive Medical Imaging-Salisbury, Inc.
475. Comprehensive Medical Imaging-Sherman Oaks, Inc.
476. Comprehensive Medical Imaging-Tempe, Inc.
477. Comprehensive Medical Imaging-Van Nuys, Inc.
478. Comprehensive Medical Imaging-Victorville, Inc.
479. Comprehensive Medical Imaging-Westlake Village, Inc.
480. Comprehensive Open MRI-Carmichael, Inc.
481. Comprehensive Open MRI-Folsom, Inc.
482. Comprehensive Open MRI-Fullerton, Inc.
483. Comprehensive Open MRI-Laguna Hills, Inc.
484. Comprehensive Open MRI-Sacramento, Inc.
485. Comprehensive Reimbursement Consultants, Inc.
486. Consumer2patient, LLC
487. CR Medicap, Inc.
488. Curaspan Health Group, Inc.
489. Cytokine Pharmasciences, Inc.
490. Dalian Zhongda Pharmaceutical Company Limited
491. Daniels Pharmaceuticals Limited
492. DC Merger Corp
493. Denver Biomedical, Inc.
494. Desert PET, LLC
495. Dik Drug Company, LLC
496. Dik Medical Supplies, LLC
497. Discor Limited
498. Dismed Inc.
499. Dohmen Distribution Partners Southeast, L.L.C.
500. Dover Communications, LLC
501. Duquoin Pharmacy, Inc.
502. Dutch American Manufacturers (D.A.M.) B.V.
503. East Iowa Pharmacies, Inc.
504. EGIS Holdings, Inc.
505. Eldon Laboratories Limited
506. Ellicott Drug Company
507. EME Medical, Inc.
508. Enturia Canada ULC
509. Enturia de Mexico S. de R.L. de C.V.
510. Enturia Limited
511. Enturican, Inc.
512. EON Media Inc.
513. Eureka Merger Sub, Inc.
514. European Pharmaceuticals Group Ltd.
515. First Choice, Inc. Of Maine
516. Flower Merger Corp.
517. Futuremed Health Care Products Limited Partnership
518. Futuremed Healthcare Products Corporation
519. Futuremed Holdings General Partner Inc.
520. Fuzhou Baiji Pharmacy Company Limited
521. Gala Design, Inc.
522. Gelatin Products International, Inc.
523. Geodax Technology, Inc.
524. Glacier Corporation
525. Grand Avenue Pharmacy, Inc.
526. Graphic Holdings, Inc.

527. Griffin Group Document Management Services, Inc.
528. Guangzhou Baiji Advanced Specialty Pharmaceutical Chain Stores Company Limited
529. Guangzhou Baiji Drug Store Company Limited
530. Guangzhou City Kangwei Information Technology Company Limited
531. Guangzhou Ruixun Pharmaceutical Company Limited
532. Guizhou Yibai Medical Co., Ltd.
533. Hangzhou Baiji Advanced Specialty Drug Store Company Limited
534. Heartland Diagnostic Services, Inc.
535. HLS Advantage, LLC
536. Homecare (North-West) Limited
537. Humiston-Keeling, Inc.
538. IMI Of Boca Raton, Inc.
539. IMI Of Miami, Inc.
540. IMI Of North Miami Beach, Inc.
541. Inland Empire Regional Pet Center, LLC
542. InnerDyne, Inc.
543. Inpharm Nationwide Limited
544. InteCardia-Tennessee East Diagnostic, LLC
545. Intercare Holdings Limited
546. Intercare Investments Limited
547. Intercare Properties Plc
548. Iowa Falls Pharmacy, Inc.
549. IVAC Overseas Holdings LP
550. JakaMed AB AB
551. Jinan Baiji Drug Store Company Limited
552. JRG, Ltd.
553. Kendall Patient Recovery BVBA
554. Kinetic Surgical, LLC
555. Kinray, Inc.
556. Kinray, LLC
557. KPR Italia S.r.l.
558. KPR U.S., Inc.
559. Kunming Baiji Advanced Specialty Pharmacy Company Limited
560. Lake Charles Pharmaceutical Supply Company, LLC
561. Liaoning Longda Pharmaceutical Co., Ltd.
562. Liberty Communications Network, LLC
563. Ludlow Technical Products Corporation
564. Macarthy Group Trustees Limited
565. Macarthys Laboratories Limited
566. Macarthy's Limited
567. Marmac Distributors, Inc.
568. Martindale Pharma GmbH
569. Martindale Pharmaceuticals Limited
570. Medcon S.A.
571. MedEd Resources, LLC
572. Medesta Associates, LLC
573. Medical Concepts Development, Inc.
574. Medical Diagnostic Leasing, Inc
575. Medical Education Systems, LLC
576. Medical Media Communications, LLC
577. Medical Strategies, Inc.
578. MediQual Systems, Inc.
579. Meditrol Automation Systems, Inc.
580. Meditrol, Inc.
581. MedMined, Inc.
582. Mercury Merger Sub, LLC
583. Mesa Merger Corp.
584. MicroGas Limited
585. MicroMedical Deutschland GmbH
586. Microport Healthcare, LLC
587. Midland Pharmacies, Inc
588. Mississippi Medical Supply Cooperative, L.L.C.
589. MRI Equipment Partners, Ltd.
590. Mudhen Merger Corp.
591. Multi-Medica S.A.
592. Multipharm Limited
593. Nanjing Baiji Advanced Specialty Drug Store Company Limited
594. Nanning Baiji Advanced Specialty Pharmacy Company Limited
595. Nationwide Ostomy Supplies Limited
596. Navigator Health, Inc.
597. NaviHealth Holdings, LLC
598. NaviHealth SM Holdings, Inc.
599. NaviHealth, Inc.
600. Nexus Healthcare, Inc.
601. Nitric Bio Therapeudics, Inc.
602. Northern Michigan Supply Alliance, L.L.C.
603. Ohio Valley-Clarksburg, Inc.
604. Oncology Holdings, Inc.

605. Onpointe Medical Communications, LLC
606. Oval (Shanghai) Technologies, Inc.
607. Oval Technologies (H.K.) Pty Limited
608. Owen Healthcare Building, Inc.
609. Pacific Surgical Innovations, Inc.
610. Panther Merger Sub II, Inc.
611. Panther Merger Sub, Inc.
612. Parch, L.L.C.
613. Parch, L.L.C. State File
614. ParMed Pharmaceuticals, LLC
615. PatientScribe Inc.
616. PCI Acquisition I, Inc.
617. PCI Acquisition II, Inc.
618. PCI Services Holdings, Inc.
619. PCI Services III, Inc.
620. PCI/Acquisition III, Inc.
621. PCI/All Pack Holdings, Inc.
622. PCI/Delvco, Inc. State File
623. PCI/Tri-Line (Usa), Inc.
624. Pharmaceutical & Diagnostic Services, LLC
625. Pharmacy Service Corporation
626. Phillipi Holdings, Inc.
627. PHR Staffing, Inc.
628. Post-Acute Care Center For Research, LLC
629. Practicome Solutions, LLC
630. Princeton Diagnostic Isotopes, Inc.
631. Priority Healthcare Services Corporation
632. Procedure-Based Instrument Services, L.L.C.
633. Productos Urologos de Mexico S.A. de C.V.
634. Professional Health-Care Resources, Inc.
635. Pyxis Capital Corporation
636. Pyxis Funding II, LLC
637. Pyxis Funding, LLC
638. R Cubed, Inc.
639. R. P. Scherer Hardcapsule (West)
640. R.P. Scherer Inc.
641. R.P. Scherer Technologies, Inc.
642. Radiopharmacy Of Boise, Inc.
643. Radiopharmacy Of Northern California, Inc.
644. Renlar Systems, Inc.
645. RightCare Solutions, Inc.
646. Royal Merger Sub, Inc.
647. Scela, Inc.
648. Scriptline, Inc.
649. SensorMedics (Deutschland) GmbH
650. SensorMedics Corporation
651. Shanghai Baiwei Drug Store Company Limited
652. Shanghai Cardinal Baiwei Drug Store Co., Ltd.
653. Shanghai Jinyi Health Management Consultation Co., Ltd.
654. Shanghai Luoda Pharmaceutical Company Limited
655. Shenzhen Zhengdan Investment Company Limited
656. Simolo (GL) Limited
657. Sistemas Medicos ALARIS S.A. de C.V.
658. Snowden Pencer Holdings, Inc.
659. Snowden Pencer, Inc.
660. Solomons Company
661. Source Medical Corporation
662. SRX, Inc.
663. Strategic Implications International, LLC
664. Supplyline Technologies Limited
665. Surgical Carepair, L.L.C.
666. Surgical Instrument Repair Service, L.L.C.
667. Syncor Belgium SPRL
668. Syncor Diagnostics Bakersfield, LLC
669. Syncor Diagnostics Dallas, LLC
670. Syncor Diagnostics Encino, LLC
671. Syncor Diagnostics Fullerton, LLC
672. Syncor Diagnostics Laguna Hills, LLC
673. Syncor Diagnostics Plano, LLC
674. Syncor Diagnostics Sacramento, LLC
675. Syncor Financing Corporation
676. Syncor Italy srl
677. The Enright Group, Inc.
678. The Heron Corporation
679. The LVC Corporation
680. Tianjin Cardinal Pharmacy Co., Ltd.
681. Toledo Pharmacy Company
682. Tropic Merger Sub, Inc.
683. UroMed, Inc.
684. VIASYS Healthcare Ireland Limited
685. VIASYS Healthcare Island EHF

686. VIASYS Healthcare S.A.R.L.
687. VIASYS Holdings Inc.
688. VIASYS NeuroCare France SAS
689. VIASYS Polymer Products LLC
690. Virginia Imaging Center, LLC
691. Virginia Merger Corporation
692. Vistant Corporation
693. Vistant Holdings, Inc.
694. Vubiq Inc.
695. Wenzhou Xinte Pharmaceutical Co., Ltd.
696. West Hudson, Inc.
697. West Texas Nuclear Pharmacy Partners
698. Wholesale (PI) Limited
699. Williams Drug Distributors, Inc.
700. Wolf Merger Corp.
701. Wrangler Acquisition Sub, Inc.
702. Wuhan Baiji New & Special Drug Store Company Limited
703. Xiamen Cardinal Baiwei Drug Store Co., Ltd.
704. Xi'an Baiji Advanced Specialty Pharmacy Company Limited
705. Yorkshire Pharmacy, Inc.

McKesson

1. "Aewige" ärztliche Wirtschaftsgesellschaft m.b.H., HG Wien
2. "die apoteeke in teesdorf" Mag. pharm. Gerda Kohlhauser KG, LG Wiener Neustadt
3. "Esplanade-Apotheke" Mag. pharm. Anna-Maria Köck KG, Landesgericht Wels
4. "Panther Apotheke" Mag. pharm. Sandra Krokos KG, Landesgericht Graz
5. 10101 Woodloch Forest LLC
6. 2012 DREAM LIMITED, England
7. 28CVR LIMITED, England
8. 3068312 Nova Scotia ULC
9. 3069163 Nova Scotia Limited
10. 3069164 Nova Scotia Limited
11. 30MC LIMITED, England
12. 701985 N.B. INC.
13. A C FERGUSON (CHEMIST) LIMITED, England
14. A. SUTHRELL (HAULAGE) LIMITED, England
15. A.F.M. Bergamo S.p.A., Italy
16. A.L.I. Holdings LLC
17. A.L.I. Imaging Systems Corp.
18. A.L.I. Technologies (International) LLC
19. AAH BUILDERS SUPPLIES LIMITED, England
20. AAH FURB PENSION TRUSTEE LIMITED, England
21. AAH Glass & Windows Limited, England
22. AAH Ireland, Dublin
23. AAH LIMITED, England
24. AAH Lloyds Insurance (IoM) Limited, Isle Of Man
25. AAH LLOYDS PENSION TRUSTEES LIMITED, England
26. AAH NOMINEES LIMITED, England
27. AAH ONE LIMITED, Scotland
28. AAH PHARMACEUTICALS LIMITED, England
29. AAH TWENTY FOUR LIMITED, Scotland
30. AAH TWENTY LIMITED, England
31. AAH TWENTY SIX LIMITED, England
32. ABG Apotheken-Beratungsgesellschaft mbH, Stuttgart
33. Access Health NZ Limited
34. AccessMed Holdings, Inc.
35. AccessMed, Inc. (AccessMed, LLC)
36. AccessMed, LLC
37. ACME DRUG CO. LIMITED, Scotland
38. ADDED MARKETING LIMITED, England
39. Adler Apotheke Krems Mag. Gabriele Denk KG, LG Krems an der Donau
40. Adler-Apotheke Mag.pharm. Ingrid Chvatal KG, LG Leoben
41. Admenta Beteiligungs GmbH, HG Wien
42. Admenta Denmark ApS, Copenhagen
43. Admenta Deutschland GmbH, Stuttgart
44. ADMENTA HOLDINGS LIMITED, England
45. ADMENTA ITALIA S.P.A., CCIAA di Bologna
46. ADMENTA PENSION TRUSTEES LIMITED, England
47. Admenta Sweden AB
48. ADMENTA UK LIMITED, England
49. Admenta Verwaltungs GmbH, HG Wien
50. AFM S.p.A., CCIAA di Bologna
51. AHLP PHARMACY LIMITED, England
52. ALCHEM (SOUTHERN) LIMITED, England
53. ALPE-ADRIA PHARMA farmacevtsko podjetje d.o.o., Ljubljana
54. Alphar Ayeneux, Belgium
55. Alphar Gilly DL, Belgium

56. Alphar Monceau sur Sambre, Belgium
57. Alphar Partners SA, Belgium
58. Alte Löwen-Apotheke Mag. pharm. Kristina Taubald KG, HG Wien
59. Alte Spora Apotheke Mag.pharm. Stephan Öhlzelt KG, LG St. Pölten
60. Amethyst Acquisition Corp.
61. Ancavion GmbH, AG Darmstadt
62. Ancillary Management Solutions, Inc.
63. Anton-Bruckner-Apotheke Mag.pharm. Christian Schwarzenbrunner KG, LG Linz
64. AOR Holding Company of Indiana, Inc. (AOR Holding Company of Indiana, LLC)
65. AOR Holding Company of Indiana, LLC
66. AOR Management Company of Alabama, Inc.
67. AOR Management Company of Arizona, Inc. (AOR Management Company of Arizona, LLC)
68. AOR Management Company of Arizona, LLC
69. AOR Management Company of Central Florida, Inc.
70. AOR Management Company of Florida, Inc.
71. AOR Management Company of Indiana, Inc. (AOR Management Company of Indiana, LLC)
72. AOR Management Company of Indiana, LLC
73. AOR Management Company of Kansas, Inc.
74. AOR Management Company of Missouri, Inc. (AOR Management Company of Missouri, LLC)
75. AOR Management Company of Missouri, LLC
76. AOR Management Company of Nevada, Inc.
77. AOR Management Company of New York, Inc.
78. AOR Management Company of North Carolina, Inc.
79. AOR Management Company of Ohio, Inc.
80. AOR Management Company of Oklahoma, Inc. (AOR Management Company of Oklahoma, LLC)
81. AOR Management Company of Oklahoma, LLC
82. AOR Management Company of Oregon, Inc.
83. AOR Management Company of Pennsylvania, Inc. (AOR Management Company of Pennsylvania, LLC)
84. AOR Management Company of Pennsylvania, LLC
85. AOR Management Company of South Carolina, Inc.
86. AOR Management Company of Texas, Inc.
87. AOR Management Company of Virginia, Inc. (AOR Management Company of Virginia, LLC)
88. AOR Management Company of Virginia, LLC
89. AOR of Indiana Management Partnership
90. AOR of Texas Management Limited Partnership
91. AOR of Texas Management, LLC
92. AOR Real Estate, Inc. (AOR Real Estate, LLC)
93. AOR Real Estate, LLC
94. AOR Synthetic Real Estate, Inc. (AOR Synthetic Real Estate, LLC)
95. AOR Synthetic Real Estate, LLC
96. AORIP, Inc.
97. AORT Holding Company, Inc. (AORT Holding Company, LLC)
98. AORT Holding Company, LLC
99. AORT LP, LLC
100. Aporana AS
101. Apotheke "Zum Bergmann" Mag.pharm. Sabine Tuttner KG, LG Leoben
102. Apotheke "Zur heiligen Dreifaltigkeit" Mag. pharm. Edith Schuller-Grundnig KG, Landesgericht Korneuburg

103. Apotheke "Zur Mutter Gottes" Mag. pharm. Karin Nozicka KG, HG Wien
104. Apotheke Atzgersdorf Mr. Hermann Latzin KG, Wien
105. Apotheke im Messepark Mag. pharm. Dietmar Purin KG, LG Feldkirch
106. Apotheke Niklasdorf Mag. pharm. Matthias Schöggl KG, LG Leoben
107. APOTHEKE U1 TROSTSTRASSE, Mag. pharm. Max Wellan KG, HG Wien
108. Apotheke Zum heiligen Antonius Mag. pharm. Walter Staschek KG, LG Wiener Neustadt
109. Apotheke zum heiligen Schutzengel Mag.pharm. Barbara Penz-Arzberger KG, Landesgericht Graz
110. Apotheke zum Patriarchen Mag. pharm. Brigitte Kölbl KG, HG Wien
111. Apotheke Zur hl. Dreifaltigkeit Mag. pharm. Doris Richter KG, LG Wiener Neustadt
112. Apotheke Zur Hütte Mag. pharm. Mrak KG, LG Leoben
113. Apovest AS
114. Apovest Drift AS
115. Art Acquisition Subsidiary, Inc.
116. Ascalon International, Inc.
117. ATLAS Travel Clinic Limited, England
118. Attentus Medical Sales, Incorporated (Attentus Medical Sales, LLC)
119. Attentus Medical Sales, LLC
120. Awarix, Inc.
121. Axis Medical Management, Inc.
122. AYRSHIRE PHARMACEUTICALS LIMITED, Scotland
123. AZIENDA FARMACEUTICA MUNICIPALE di Cremona S.p.A., CCIAA di Cremona
124. Azienda Farmacie Milanesi S.p.A., CCIAA di Milano
125. Babbingore Limited, Dublin
126. BAILLIESTON HEALTH CENTRE PHARMACY LIMITED, Scotland
127. Ballycane Pharmacy Limited, Ireland
128. BANNISTER & THATCHER LIMITED, England
129. BARCLAY PHARMACEUTICALS (ATHERSTONE) LIMITED, England
130. BARCLAY PHARMACEUTICALS LIMITED, England
131. BARLEY CHEMISTS HOLDINGS LIMITED, England
132. BARRY SHOOTER (ROMFORD) LIMITED, England
133. BDI Pharma, Inc. (BDI Pharma, LLC)
134. BDI Pharma, LLC
135. Beausejour Drugs Limited
136. BEAUTY CARE DRUGSTORES LIMITED, England
137. Beldere Corporation
138. BeneVi Health LLC (Biologics, Inc.)
139. BENU Apotheken B.V., Chamber of commerce Amsterdam
140. BENU Nederland BV, Kamer van Koophandel Amsterdam
141. BERKSHIRE MEDICAL SUPPLIES LIMITED, England
142. BETTERLIFEHEALTHCARE LIMITED, England
143. BIG PHARMA LIMITED, Scotland
144. Biologics, Inc.
145. Blackhall Pharmaceutical Distributors Limited
146. Blackhawk Development LLC
147. Blackstaff Pharmaceuticals Limited, England
148. Blomsterdalen Apotek AS
149. Blue Medical Supply, Inc. (McKesson Medical-Surgical Inc.)
150. Boad Seven, Inc.
151. BOFH Holdings Unlimited Company, Ireland
152. Bottomline Medical Solutions, LLC (Linear Holdings, LLC)
153. Breamor Pharmacy Limited, Ireland
154. Brevard Radiation Oncology, LLC
155. Brickyard Acquisition Inc. (Biologics, Inc.)
156. BRIDPORT MEDICAL CENTRE SERVICES LIMITED, England

157. Brocacef Groep N.V., Maarssen
158. Brockton Radiation Oncology, LLC
159. Brooklyn Radiation Oncology, LLC
160. Brukar Enterprises, Inc.
161. Bullet Acquisition Corporation
162. CAHILL MAY ROBERTS GROUP LIMITED, Dublin
163. California Golden State Finance Company
164. Camic Pharmacies Limited, Ireland
165. Canada Distribution Holdings Limited Partnership
166. Canada Retail Holdings Limited Partnership Societe en Commandite Gestion Detail Canada
167. Cancer Treatment Associates of Northeast Missouri, Ltd.
168. CARONET TRADING LIMITED, England
169. Carrollton Radiation Therapy Center, LLC
170. Cascade Medical Supply, Inc. (McKesson Medical-Surgical Minnesota Supply Inc.)
171. Cavalier Acquisition Company LLC
172. CCCN NW Building JV, LLC
173. Celesio Business Services Ltd., Ireland
174. CENTRALE D`ADMINISTRATION DE BIENS IMMOBILIERS, Bobigny
175. CGSF Funding Corporation (CGSF Funding LLC)
176. CGSF Funding LLC
177. Chem Labs Limited, Dublin
178. CHNG Newco LLC
179. CHNG NewSub Inc.
180. City Properties, S.A.
181. Civiche Farmacie Desio S.p.A., Italy
182. Claimone, LLC (Linear Holdings, LLC)
183. ClaimSecure Inc. (SUCCESSOR)
184. CLARK CARE GROUP LIMITED, England
185. CLARK MUNRO LIMITED, Scotland
186. ClarusONE Sourcing Services LLP
187. Clinicians Database, L.L.C.
188. CMR Holdings Ltd, Dublin
189. Coleham, Dublin
190. Colorado Cancer Centers, LLC
191. Combined Enterprises Corporation
192. COMPANY CHEMISTS ASSOCIATION LIMITED, England
193. COMPTOIR MONEGASQUE DE BIOCHIMIE, Monaco
194. COMPTOIR PHARMACEUTIQUE MEDITERRANEEN, Monaco
195. CONSORZIO SERVIZI SALUTARI S.C.A. R.L., Italy
196. CookCo, Inc.
197. Cophana SA, Belgium
198. Corporation Groupe Pharmessor/Pharmessor Group Corporation (SUCCESSOR 10/01/2017)
199. Corporation of America
200. CoverMyMeds LLC
201. CoverMYMeds Specialty Pharmacy Holdings LLC
202. CoverMYMeds Specialty Pharmacy LLC
203. CPG Industries, Inc.
204. Crocker Plaza Company (Crocker Plaza LLC)
205. Crocker Plaza LLC
206. CROSS AND HERBERT (DEVON) LIMITED, England
207. CROSS AND HERBERT (HOLDINGS) LIMITED, England
208. CROSS AND HERBERT LIMITED, England
209. Crowley`s Blackrock Limited, Dublin
210. Cypress Import Brokerage LLC
211. Cypress Medical Products LLC
212. D & K Healthcare Resources LLC
213. D & K Healthcare Resources, Inc. (D & K Healthcare Resources LLC)
214. D & K Pharmacy Solutions, Inc.
215. D & K Receivables Corporation
216. D.F. O'Neill (Chemists) Ltd, Dublin
217. Dale Apotek AS
218. Danubia-Apotheke Mag. pharm. Barbara Sedelies KG, HG Wien

219. Dargle Pharmacies Holdings Limited, Ireland
220. DATACARE Datenpflege des Pharmagroßhandels Ges.m.b.H., HG Wien
221. DATAPHARM, Paris
222. Daytona Beach Radiation Oncology, LLC
223. DC Land Company
224. DCAZ Land Company
225. Delta Clinical Research, LLC
226. DEPOTRADE, Bobigny
227. Derm Vantage, LLC
228. Diana-Apotheke Dr. et Mag. pharm. Michaela Stipsits KG, LG Eisenstadt
229. Die Apotheke Ebenfurth, Mag.pharm. Beate Haage-Löwe KG, LG Wiener Neustadt
230. Dispensing Solutions Acquisition Corporation (DS Holdings, Inc.)
231. Dispensing Solutions, Inc. (Dispensing Solutions, LLC)
232. Dispensing Solutions, LLC (DS Holdings, Inc.)
233. Ditt Apotek Amfi Os AS
234. Ditt Apotek Rodberg AS
235. Ditt Apotek Sorumsand AS
236. Diversified Healthcare, LLC
237. Dix Bulles Pharma, Belgium
238. DLI Market Intelligence ApS, Denmark
239. DOL Pharmacy Limited, Ireland
240. Donnybrook Pharmacy Limited, Ireland
241. Downtown Los Angeles Radiation Oncology, LLC
242. DS Holdings, Inc. (DS Holdings, LLC)
243. DS Holdings, LLC (McKesson Medical-Surgical Top Holdings Inc.)
244. DSRX, Inc. (DS Holdings, Inc.)
245. Dublin 2016 Acquisition, LLC
246. Dublin Holdings Acquisitions, LLC (Vantage Oncology Holdings, LLC)
247. Dublin POS I Acquisition Corp. (POS I Corp.)
248. East Indy CC, LLC
249. ECLIPSE HEALTHCARE LIMITED, England
250. Edwards Medical Supply, Inc.
251. EM Acquisition Corporation
252. Emploi AS
253. Engel-Apotheke Mag. pharm. Susanne Zauner KG, LG Wiener Neustadt
254. Ephrata Diamond Spring Water Co.
255. ESCON (ST NEOTS) LIMITED, England
256. Espafarmed S.L., Belgium
257. EUROSANTE (Société en liquidation), Luxembourg
258. Evesland Limited, Dublin
259. EVOLUTION HOMECARE SERVICES LIMITED, England
260. EXPERT HEALTH LIMITED, England
261. Family Pharmacy @ Las Colinas LLC
262. Fana Apotek AS
263. FAR.CO.SAN S.p.A., CCIAA di Arezzo
264. FARILLON LIMITED, England
265. Farmacia Garbatella I S.r.l., Italy
266. Farmacie Comunali di Modena S.p.A., Italy
267. Farmacie Comunali di Padova S.p.A., Italy
268. Farmacie di Sassuolo S.p.A., Italy
269. Farmacie Pratesi Pratofarma S.p.A., CCIAA di Prato
270. FARMALVARION S.R.L. SOCIO UNICO, Italy
271. FASTPRO International, Inc.
272. Federal Medical Supplies, Inc. (McKesson Medical-Surgical Minnesota Supply Inc.)
273. Felview Limited, Dublin
274. First Aid Service, Inc.
275. First Choice Medical Supply Holding, Inc. (First Choice Medical Supply Holding, LLC)
276. First Choice Medical Supply Holding, LLC
277. First Choice Medical Supply, LLC

278. FIRTH & PILLING LIMITED, England
279. Flex-Master Technology Holdings, Inc.
280. Floriani-Apotheke Mag.pharm. Doris Leykauf KG, LG Graz
281. Foremost de Venezuela, S.A. (Forvensa)
282. Foremost Homes Hawaii, Ltd.
283. Foremost Iran Corporation
284. Foremost Shir, Inc.
285. Foremost Tehran, Inc.
286. FOSTER & PLUMPTON GROUP LIMITED, England
287. FOSTER & PLUMPTON LIMITED, England
288. Foundation For Opioid Response Efforts
289. G J MALEY LIMITED, Isle Of Man
290. G K CHEMISTS (GLOS) LIMITED, England
291. G K CHEMISTS LIMITED, England
292. GEHE Immobilien GmbH & Co. KG, Stuttgart
293. GEHE Immobilien Verwaltungs-GmbH, Stuttgart
294. GEHE Pharma Handel GmbH, Stuttgart
295. General Medical Inc.
296. GEORGE STAPLES (STOKE) LIMITED, England
297. Gerard Ryan Pharmacy (Clonmel) Limited, Dublin
298. GERSTHOFER-APOTHEKE Mag.pharm. Elisabeth Reisegger KG, HG Wien
299. Giardina Enterprises, Inc.
300. Glendale Radiation Oncology, LLC (Vantage Oncology Treatment Centers, LLC)
301. Golden State Company, Ltd.
302. Golden State Corporate Services LLC
303. Golden State Insurance Company Limited
304. Golden State Milk Products Company
305. Goodman Manufacturing Company
306. Gorrys Pharmacy Limited, Ireland
307. Goviltown Limited, Westmeath
308. GPL 2007 LIMITED, England
309. GRAEME PHARMACY (STIRLING) LIMITED, Scotland
310. GREENS PHARMACEUTICAL (HOLDINGS) LIMITED, England
311. Greenville Radiation Care, Inc.
312. Greystones Pharmacy Limited, Dublin
313. GROUPE PHR, France
314. Gulf South Medical Supply, Inc. (Gulf South Medical Supply, LLC)
315. Gulf South Medical Supply, LLC
316. Gwinnett Radiation Oncology, LLC
317. H THATCHER LIMITED, England
318. Haleston Enterprises Limited, Dublin
319. HBO & Company (VI), Inc.
320. HBO & Company of Georgia
321. HBOC Ventures, Inc.
322. HC Beteiligungsgesellschaft mbH, HG Wien
323. HDSC Acquisition Corp.
324. Health Data Sciences Corporation
325. Health Mart Atlas, LLC
326. Health Mart Systems, Inc.
327. HEALTH NEEDS LIMITED, England
328. HEALTHCLASS LIMITED, England
329. Heinz Management Co.
330. Helmard Holdings Limited, Dublin
331. HEP HealthQx Holdings, Inc. (McKesson Technologies Inc.)
332. Herba Chemosan Apotheker-AG, HG Wien
333. HERBERT FERRYMAN LIMITED, England
334. Hercules Parent LLC
335. Herz - Jesu Apotheke Mag. pharm. Marianne Keller KG, HG Wien
336. Herz Jesu Apotheke & Parfümerie Mag. pharm. Ingrid Heller KG, LG Feldkirch
337. HF Land Company
338. HFN of Northwest Florida, Inc.
339. HIGGINS & SON (CHEMISTS) LIMITED, England

340. HILL-SMITH (WARRINGTON) LIMITED, England
341. HisComp Co., Zee Medical Service Co.
342. HMS Acquisition Corp.
343. HOLLYFAR - Marcas e Comunicação, Unipessoal, Lda., Portugal
344. HOLMSCROFT HC LIMITED, Scotland
345. HOLON, S.A., Portugal
346. Honeybee Bridge LLC
347. HTP Inc. (HTP LLC)
348. HTP LLC
349. Hubertus-Apotheke Mag.pharm. E. Klettenhofer KG, HG Wien
350. HUSKY AQUISITION INC.
351. Hygeia Bottled Water, Inc.
352. HYWEL DAVIES (CAERPHILLY) LIMITED, England
353. IHA Corp.
354. Imagine Health, Inc.
355. INDEPENDENT PHARMACY CARE CENTRES (2008) LIMITED, England
356. Indian River Radiation Oncology, LLC
357. Infolab, LLC
358. Innovent Oncology, LLC
359. INSPIRON DISTRIBUTION LIMITED, England
360. Integrated Cancer Care, LLC
361. Integrated Pathology Services
362. IntelliClaim, Inc.
363. Inten GmbH, Stuttgart
364. Intercal, Inc.
365. International Dairy Engineering Co. of Asia, Inc.
366. InterQual Inc.
367. intraFUSION GP, LLC
368. Intrafusion Holding Corp.
369. intraFUSION Purchasing Network, LLC
370. intraFUSION Research Network, LLC
371. Inviva, McKesson Pharma Care Network Corporation / La Corporation Inviva, Reseau de soins pharmacologiques McKesson (SUCCESSOR)
372. Iowa Pharmaceutical Services, LLC
373. IPCC LIMITED, England
374. IPD Holdings, Inc.
375. J S DENT LIMITED, England
376. Bradbury (Surgical) Limited, Northern Ireland
377. J.G. Crowley Pharmacy Limited, Dublin
378. JACS, Inc.
379. Jaron, Inc.
380. Jeffersonville Radiation Technology, LLC
381. Jessheim Apotek AS
382. Jewett Drug Co.
383. Jewett Drug LLC
384. Johannes Apotheke Mag. pharm. Deutsch KG, LG Graz
385. JOHN BELL & CROYDEN LIMITED, England
386. JOHN HAMILTON (PHARMACEUTICALS) LIMITED, Scotland
387. Jupiter Acquisition Ltd.
388. Kairnbury, Dublin
389. Kathleen Properties Subdivision Association, Inc.
390. Keling Limited
391. Keltman Pharmaceuticals, Inc. (Linear Holdings, LLC)
392. Kemofarmacija, veletrgovina za oskrbo zdravstva, d.d., Ljubljana
393. Keystone/Ozone Pure Water Company
394. Kilshallow Limited, Dublin
395. KINGSWOOD CHEMISTS LIMITED, England
396. KINGSWOOD GK LIMITED, England
397. Kitco, Inc.
398. Knowledgeable Healthcare Solutions, Inc.
399. Kreuz-Apotheke KG, HG Wien
400. KWS & P, Inc
401. KWS & P/SFA, Inc.

402. KYLE & CARRICK HOLDINGS LIMITED, Scotland
403. Laboratoria Flandria NV, Belgium
404. Laboratory Supply Company
405. Labsco Holdings, Inc. (McKesson Medical-Surgical Inc.)
406. Leesburg Radiation Oncology, LLC
407. LEVELCROWN LIMITED, England
408. Liberty Real Estate NJ LLC
409. Lind-Apotheke Mag. pharm. Alexander Telesko KG, LG Klagenfurt
410. Linear Holdings, Inc. (McKesson Medical-Surgical Top Holdings Inc.)
411. Linear Holdings, LLC (Linear Holdings, Inc.)
412. Linear Medical Solutions, LLC
413. LINFORD PHARMACIES LIMITED, England
414. LISEAPOTEKENE AS
415. Lissone Farmacie S.p.A., CCIAA di Monza e Brianza
416. LIVINGSTON HEALTH CENTRE (P.D) CO. LIMITED, Scotland
417. LKW, Inc.
418. LLOYDS CHEMISTS LIMITED, England
419. LLOYDS CHEMISTS RETAIL (NORTHERN) LIMITED, England
420. LLOYDS CHEMISTS RETAIL LIMITED, England
421. LLOYDS GROUP PROPERTIES LIMITED, England
422. Lloyds Pharmacy Clinical Homecare Limited, England
423. LLOYDS PHARMACY LIMITED, England
424. LLOYDS PROPERTIES LIMITED, England
425. LLOYDS Property Management Company Belgium S.A., Belgium
426. LLOYDS RETAIL CHEMISTS LIMITED, England
427. Lloyds Retail S.r.l., Socio Unico, Italy
428. LLOYDSFARMACIA ROMA 4 S.R.L., Italy
429. Lloydspharma Group S.A., Belgium
430. Lloydspharma S.A., Belgium
431. Lloydspharmacy Ireland Limited, Dublin
432. Lory Apotheke Mag. pharm. Karin Eichinger KG, HG Wien
433. LP Clinical Homecare Group Limited, England
434. LPL ONE LIMITED, England
435. M H GILL LIMITED, England
436. M PAYNE & CO LIMITED, England
437. Macfor International Finance Company
438. MACON Acquisition Corp.
439. Macro Helix LLC
440. Madison Acquisition Inc.
441. Marathon Acquisition Subsidiary, Inc.
442. Mariahilf-Apotheke Mag. pharm. Christoph Rücklinger KG, LG St. Pölten
443. Mariahilf-Apotheke Mag. pharm. Helga Mann KG, Landesgericht Graz
444. Marien-Apotheke Mag. pharm. Thomas Job KG, LG Eisenstadt
445. Marien-Apotheke, Mag.pharm. Eva Grabner KG, Landesgericht Korneuburg
446. Maryland First Aid Co., Inc.
447. MASTA Limited, England
448. Masters Drug Company, Inc.
449. MATIS Immobilien OHG, Stuttgart
450. Maurice F. Dougan Limited, Dublin
451. May Roberts Ltd, Dublin
452. MCK Acquisition Corp.
453. McK International Financial Holdings (Barbados) SRL
454. McKesson (Cayman Islands) Inc.
455. McKesson (Shanghai) Trading Company Limited
456. McKesson + Strategic Solutions ULC / Solutions Strategiques McKesson + ULC
457. McKesson Automation Systems Inc.
458. McKesson Belgium Holdings SPRL, Belgium

459. McKesson Canada Corporation/La Corporation McKesson Canada (SUCCESSOR)
460. McKesson Canada Finance IA ULC
461. McKesson Canada Finance IB ULC
462. McKesson Capital Funding Corp.
463. McKesson Capital Funding Corporation
464. McKesson Capital LLC
465. McKesson Central Fill LLC (McKesson Distribution Holdings LLC)
466. McKesson Contract Research Organization LLC
467. McKesson Cork Business Solutions Unlimited Company
468. McKesson Corporate Properties, Inc.
469. McKesson Corporation
470. McKesson Development Corp.
471. McKesson Distribution Holdings LLC
472. McKesson Drug Company LLC
473. McKesson Europe AG
474. McKesson Europe Holdings GmbH & Co. KGaA
475. McKesson Europe Holdings Verwaltungs GmbH
476. McKesson Financial Holdings II Unlimited Company
477. McKesson Financial Holdings Unlimited Company
478. McKesson Financing Trust III
479. McKesson Financing Trust IV
480. McKesson Foundation Inc.
481. McKESSON FRANCE HOLDINGS, Bobigny
482. McKesson France Retail, Bobigny B
483. McKesson Funding Company of Canada
484. McKesson Global Procurement & Sourcing Limited
485. McKesson Global Sourcing Limited
486. McKesson Global Sourcing Limited [Irish Branch]
487. McKesson Health Solutions Holdings LLC
488. McKesson Health Solutions LLC
489. McKesson Health Solutions Puerto Rico Inc.
490. McKesson Health Solutions Texas Inc.
491. McKesson High Volume Solutions Inc.
492. McKesson Information Solutions Finance S.a.r.l.
493. McKesson Information Solutions Holdings II S.a.r.l.
494. McKesson Information Solutions Holdings III S.a.r.l.
495. McKesson Information Solutions Holdings IV S.a.r.l.
496. McKesson Information Solutions Holdings V S.a.r.l.
497. McKesson Information Solutions III LLC
498. McKesson Information Solutions Inc. (McKesson Information Solutions LLC)
499. McKesson Information Solutions IV LLC
500. McKesson Information Solutions LLC
501. McKesson Information Solutions Topholdings S.a.r.l.
502. McKesson Information Solutions UK Limited
503. McKesson International Bermuda IP2A Limited
504. McKesson International Bermuda IP2B Unlimited
505. McKesson International Bermuda IP3A Limited
506. McKesson International Bermuda IP3B Unlimited (McKesson International Bermuda IP3A Limited)
507. McKesson International Bermuda IP4A Limited
508. McKesson International Bermuda IP4B Unlimited (McKesson International Bermuda IP4A Limited)
509. McKesson International Bermuda IP5A Limited
510. McKesson International Bermuda IP5B Unlimited (McKesson International Bermuda IP5A Limited)

511. McKesson International Bermuda Opco1A Limited
512. McKesson International Bermuda Opco1B Unlimited (McKesson International Bermuda Opco1A Limited)
513. McKesson International Bermuda Opco3A Limited
514. McKesson International Bermuda Opco3B Unlimited (McKesson International Bermuda Opco3A Limited)
515. McKesson International Bermuda Opco4A Limited
516. McKesson International Bermuda Opco4B Unlimited
517. McKesson International Finance III Limited (McKesson US Finance Corporation)
518. McKesson International Finance S.a.r.l.
519. McKesson International Holdings III S.a.r.l.
520. McKesson International Holdings IV S.a.r.l.
521. McKesson International Holdings S.a.r.l.
522. McKesson International Holdings Unlimited Company
523. McKesson International Holdings VI S.a.r.l.
524. McKesson International Holdings VII S.a.r.l.
525. McKesson International Investment Corp.
526. McKesson International Ireland I Limited
527. McKesson International LLC
528. McKesson International Malaysia Sdn Bhd
529. McKesson International S.a.r.l.
530. McKesson International Topholdings S.a.r.l.
531. McKesson Ireland Limited
532. McKesson Logistics Solutions
533. McKesson Medical Imaging Company Ltd. (predecessor)
534. McKesson Medical-Surgical FDT Inc.
535. McKesson Medical-Surgical Government Solutions LLC
536. McKesson Medical-Surgical Holdings Inc.
537. McKesson Medical-Surgical Inc.
538. McKesson Medical-Surgical Iowa Inc.
539. McKesson Medical-Surgical Iowa Supply Inc.
540. McKesson Medical-Surgical Maine Inc.
541. McKesson Medical-Surgical Manufacturing Inc.
542. McKesson Medical-Surgical MediMart Inc.
543. McKesson Medical-Surgical MediNet Inc.
544. McKesson Medical-Surgical Minnesota Inc. (McKesson Medical-Surgical Holdings Inc.)
545. McKesson Medical-Surgical Minnesota Supply Inc.
546. McKesson Medical-Surgical Supply Chain Services LLC
547. McKesson Medical-Surgical Top Holdings Inc.
548. McKesson Medication Management Holdings Inc.
549. McKesson Medication Management Virgin Islands Inc.
550. McKesson Norway Holdings AS
551. McKesson Pharmacy Optimization LLC
552. McKesson Pharmacy Systems Canada ULC
553. McKesson Pharmacy Systems LLC
554. McKesson Plasma and Biologics LLC
555. McKesson Prescription Drug Plan LLC
556. McKesson Property Company, Inc.
557. McKesson Purchasing Company LLC
558. McKesson Services Inc. (McKesson Services LLC)
559. McKesson Services LLC

560. McKesson Sourcing Services Inc.
561. McKesson Specialized Distribution Inc. / McKesson Distribution Specialisee Inc. (Successor)
562. McKesson Specialty Arizona Inc.
563. McKesson Specialty Care Distribution Corporation (McKesson Specialty Care Distribution LLC)
564. McKesson Specialty Care Distribution JV LLC
565. McKesson Specialty Care Distribution LLC
566. McKesson Specialty Corporation
567. McKesson Specialty Distribution LLC
568. McKesson Specialty Health Innovative Practice Services, LLC
569. McKesson Specialty Health Management Services LLC
570. McKesson Specialty Health Pharmaceutical & Biotech Solutions, LLC
571. McKesson Specialty Health Pharmaceutical & Biotech Solutions, LP (McKesson Specialty Health Pharmaceutical & Biotech Solutions, LLC)
572. McKesson Specialty Health Technology Products LLC
573. McKesson Specialty Pharmacy, LP (RxC Acquisition Company)
574. McKesson Specialty Prescription Services (Atlantic) Corporation/Corporation McKesson Services de Prescription Spécialisée (Atlantique)
575. McKesson Specialty Prescription Services (B.C.) Corporation
576. McKesson Specialty Prescription Services Corporation
577. McKesson SPS (Manitoba) Corporation
578. McKesson Strategic Services Limited
579. McKesson Technologies Inc.
580. McKesson Trading Company
581. McKesson Transportation Systems, Inc.
582. McKesson UK Finance I Limited
583. McKesson UK Finance II Limited
584. McKesson UK Finance V Limited
585. McKesson UK Holdings Limited
586. McKesson US Finance Corporation
587. McKesson US Holdings GP
588. McKesson Ventures LLC
589. McKesson Ventures Unlimited Company
590. McQueary Bros. Drug Company
591. McQueary Bros. Drug Company, LLC
592. McSweeney Dispensers 10 Limited, Ireland
593. McSweeney Dispensers 23 Limited, Ireland
594. MDD pharma N.V., Belgium
595. MED3000 Health Solutions Southeast
596. MED3000 RPG
597. Medaid Supply, Inc.
598. Medcon Telemedicine Technology, Inc.
599. Median Healthcare Services Unlimited Company, Ireland
600. Medical & Vaccine Products, Inc.
601. Medical Advisory Services for Travellers Abroad Limited, England
602. Medical Specialties Distributors Holdings, Inc. (MSD Parent Corporation)
603. Medical Specialties Distributors, LLC
604. Medical Specialties Holdings Corp. (Medical Specialties Holdings II Corp.)
605. Medical Specialties Holdings II Corp.
606. Medicentres Canada Inc. (SUCCESSOR)
607. Medicine Shoppe Atlantic Corporation
608. Medicine Shoppe Canada Corporation
609. Medicine Shoppe Canada Real Estate Corporation
610. MEDIMART LIMITED, England
611. MediVation, Inc.
612. MedVentive Inc.
613. MeMed CZ s.r.o., Praha
614. Menges Medizintechnik Schweiz AG, Sankt Gallen

615. Merlin Subsidiary Inc.
616. Merrick Healthcare Limited
617. Metabolic Healthcare Holdings Limited, England
618. Metabolic Healthcare Limited, England
619. Metropolitan Integrated Cancer Center, L.L.C.
620. MH/USON Radiation Management Company, LLC
621. MHD-USO General, LLC
622. MHD-USO Management Company, LP
623. MHS Connecticut LLC
624. Michigan Pharmaceutical Services, LLC
625. Mid-Atlantic Radiation Oncology LLC
626. Millennium Merger Corporation
627. Mohawk Liqueur Corporation
628. Mohren-Apotheke Mag. Christian Müller KG, LG Graz
629. Moore Medical LLC (McKesson Medical-Surgical Government Solutions LLC)
630. Mosaic Acquisition Corporation
631. MOUNT PHARMACY LIMITED, England
632. MSA Products LLC
633. MSD Acquisition Corp. (Medical Specialties Holdings Corp.)
634. MSD Parent Corporation (MSD Acquisition Corp.)
635. Multum Information Services, Inc.
636. MUNRO PHARMACY LIMITED, Scotland
637. MWPC Acquisition Corp.
638. MWPC Acquisition Corp. (PA)
639. My MHealth Limited, England & Wales
640. myhca, inc.
641. NARO, LLC
642. National Oncology Alliance, Inc.
643. Natureline, Dublin
644. NDC of Canada, Inc.
645. NDCHealth Corporation
646. NDCHealth Pharmacy Systems and Services, Inc.
647. Nebraska Pharmaceutical Services, LLC
648. Negatron, Inc.
649. Nensi d.o.o., Ljubljana
650. NERO GP, LLC
651. New Experimental Therapeutics of San Antonio, LLC
652. NEW KIRK PHARMACY LIMITED, Scotland
653. New Mexico Pharmaceutical Services, LLC
654. NewHealthCo, LLC
655. NexCura, LLC (McKesson Specialty Health Technology Products LLC)
656. Nibelungen-Apotheke Mag. pharm. Michaela Wachter KG, LG St. Pölten
657. Norsk Medisinaldepot AS
658. North Carolina Pharmaceutical Services, LLC
659. Northeast Pennsylvania Radiation Oncology, LP
660. Northern Arizona Oncology Centers, LLC
661. Northern Boulevard Radiation Oncology Management, LLC
662. Northern San Fernando Valley Radiation Oncology, LLC
663. Northstar Healthcare Holdings Limited
664. Northstar Healthcare Holdings Unlimited Company
665. Northstar Healthcare Limited
666. Northstar Healthcare Unlimited Company
667. Northstar International Holdings Limited
668. Northstar Rx LLC
669. Norvern Enterprises, Inc.
670. NR Direct, Inc. (McKesson Patient Care Solutions Inc.)
671. O`Leary Pharmacy (Lucan) Limited, Dublin
672. OCP FORMATION, Bobigny
673. OCP PORTUGAL, PRODUTOS FARMACÊUTICOS, S.A., Maia

674. OCP REPARTITION, Bobigny B
675. OCP, Bobigny
676. Oncology Holdings II, Inc.
677. Oncology Holdings, Inc.
678. Oncology Rehab Partners, LLC
679. Oncology Therapeutics Network Corporation
680. Oncology Today, LP
681. OnMark, Inc.
682. Optimed Health Limited, England & Wales
683. Orca Acquisition Corp.
684. Ørebekk Apotek AS
685. Oswald-Apotheke Mag. pharm. Ilse Pedevilla KG, LG Feldkirch
686. OTN Generics, Inc.
687. OTN Participant, Inc.
688. Outpatient Infusion Systems, Inc
689. Øygarden Apotek AS
690. P C Cahill & Company Limited, Dublin
691. P.L.C.E., Inc.
692. Packet Merger Sub Inc.
693. PALEMODA LIMITED, England
694. Palm Merger Sub, Inc.
695. Panther Acquisition Corporation
696. Panther-Apotheke Mag. pharm. Margarete Breyha KG., LG St. Pölten
697. Paracelsus-Apotheke Mag. pharm. Dr. Birgit Müller KG, Austria
698. Pathology Service Associates, LLC
699. Pathway Purchasing Network, LLC
700. Patient Account Management Services, Inc.
701. PAUL WHEELER LIMITED, England
702. PCB SA, Belgium
703. PEEL STREET PHARMACY LIMITED, England
704. peerVue, Inc. (DE)
705. peerVue, Inc. (NH)
706. Pemberton Marketing International Limited
707. Penn-Chem Corporation
708. PERILLA Grundstücks-Verwaltungsgesellschaft mbH & Co. KG, AG München
709. Per-Se Transaction Services, Inc.
710. PF2 McKesson Technologies Inc.
711. PF2 SpinCo Inc.
712. Pharma Belgium Belmedis SA, Belgium
713. PHARMA PARTNERS, Belgium
714. Pharma Services (NI) Limited, Northern Ireland
715. Pharmaceutical Distributors Federation Ireland Company Limited By Guarantee
716. Pharmaceutical Support Services, Inc.
717. Pharmacie Ananga-Talom, Belgium
718. Pharmacie de la Bascule, Belgium
719. PHARMACTIV DISTRIBUTION, Bobigny B
720. Pharmacy O`Riada Holdings Limited, Dublin
721. PHARMAGEN LIMITED, England
722. PHILIP GOODMAN LIMITED, England
723. PHR ANTILLES, FORT DE FRANCE
724. PhyServ Solutions, Inc.
725. Physician Micro Systems, Inc.
726. Physician Oncology Services Management Company, LLC
727. Physician Reliance Holdings, LLC
728. Physician Reliance Maryland, LP
729. Physician Reliance Network, Inc. (Physician Reliance Network, LLC)
730. Physician Reliance Network, LLC
731. Physician Reliance, L.P.
732. Physician Reliance, LLC
733. Physician Sales & Service Limited Partnership
734. Physician Sales & Service, Inc. (McKesson Medical-Surgical Top Holdings Inc.)
735. Pindsle Apotek AS
736. PMLX Limited
737. POC Management Group, LLC (Dispensing Solutions, Inc.)

738. Podiatry Online, Inc.
739. Portico Systems of Delaware, Inc.
740. POS I Corp. (Dublin 2016 Acquisition, LLC)
741. Presbyterian Cancer Center-Dallas, LLC
742. Prescribing Support Services Limited, England & Wales
743. Prima Brands Limited, Northern Ireland
744. PRIMELIGHT LIMITED, England
745. Prismedica S.A.S.
746. PRN Physician Reliance, LLC
747. Pro-AvO GmbH, Deutschland
748. Proclaim, Inc. (McKesson Medical-Surgical MediMart Inc.)
749. PRODILAB, France
750. Providence Radiation Oncology Partners LLC
751. PSS China Sourcing Limited
752. PSS Global Holdings
753. PSS Global Sourcing China Business Trust
754. PSS Global Sourcing Hong Kong Limited
755. PSS Global Sourcing Limited [Hong Kong]
756. PSS HK 1 Limited
757. PSS Holding, Inc. (McKesson Medical-Surgical Inc.)
758. PSS Service, Inc. (McKesson Medical-Surgical Top Holdings Inc.)
759. PSS Southeast Asia Limited
760. PSS World Medical, Inc.
761. PST Products, LLC
762. PST Services, Inc. (PST Products, LLC)
763. Purchasing Alliance for Clinical Therapeutics, LLC
764. R F FOSKETT & SON LIMITED, England
765. R GORDON DRUMMOND LIMITED, England
766. R/X Automation Solutions, LLC
767. Raabtal-Apotheke Mag.pharm. Karin Drawetz KG, Landesgericht Graz
768. Radiation Oncology Services of America, Inc.
769. Radiotherapy Clinic Holdings, LLC
770. Radiotherapy Clinics of Kentuckiana, LLC
771. Radiotherapy Clinics of Kentuckiana-2, LLC
772. Radius Data Solutions, LLC
773. Radius Reimbursement Services, LLC
774. Radunnco, Inc.
775. Rancare, Inc.
776. Randolph Home Care Inc.
777. Randolph Medical Inc.
778. RCOG Cancer Centers, LLC
779. Rebel Distributors Corp. (McKesson Medical-Surgical Top Holdings Inc.)
780. recucare GmbH, Stuttgart
781. recusana GmbH, Stuttgart
782. Regenbogenapotheke "Am Leberberg" Mag. pharm. Andreas Portisch KG, HG Wien
783. RelayHealth Corporation (McKesson Information Solutions LLC)
784. Renoir Acquisition Corporation
785. Renoir Acquisition Corporation (DE)
786. RESEAU SANTE, BREST
787. RetraceHealth, Inc.
788. Rexall Pharmacy Group Ltd.
789. Rexall/Pharma Plus Pharmacies (BC) Ltd.
790. Rexall/Pharma Plus Pharmacies (Sask) Ltd.
791. Rexall/Pharma Plus Pharmacies Ltd.
792. Riel, Inc.
793. Riverside Radiation Oncology, LLC (Vantage Oncology Treatment Centers, LLC)
794. R-jet, Incorporated
795. RMCC Cancer Center, Inc. (RMCC Cancer Center, LLC)
796. RMCC Cancer Center, LLC
797. ROSA of Eastern Shore, LLC
798. ROSA of Georgia, LLC
799. ROSA of South Alabama, LLC
800. ROSA of Southern New Jersey, LLC
801. Roth Medical Services, Inc.

802. RPRS, LLC
803. RX Information Technology LLC
804. RxC Acquisition Company
805. RxCrossroads 3PL LLC
806. Ryle and De Lacy Pharmacies Limited, Ireland
807. S.K.U., Inc.
808. Salus-Apotheke Mag. pharm. Simone Gaigg KG, Salzburg
809. Salvator - Apotheke Mag. pharm. Gertrude Pölzl KG, LG Leoben
810. San Bruno Mountain Ltd., A California Limited Partnership
811. Sandviken Apotek AS
812. Sangers (Northern Ireland) Limited, Northern Ireland
813. SANOVA Pharma GesmbH, HG Wien
814. SAVORY & MOORE (JERSEY) LIMITED, Jersey
815. SAVORY & MOORE LIMITED, Scotland
816. SCHOLES (CHEMISTS) LIMITED, England
817. Schutzengelapotheke Neufeld Mag. Schweifer KG, LG Eisenstadt
818. Scrip Pak, LLC (Linear Holdings, LLC)
819. Script2U Holdings LLC
820. Script2U LLC
821. ScriptHero LLC
822. ScriptHero Pharmacy Holdings LLC
823. ScriptHero Pharmacy LLC
824. Select RX, LLC (Linear Holdings, LLC)
825. SelectPlus Oncology, LLC
826. Sens Arbeidsinkludering AS
827. Sens Eiendom AS
828. Sens Gruppen AS
829. Sens Utvikling AS
830. SERVICE DE LA REPARTITION PHARMACEUTIQUE, Paris
831. SF Valley Derm Equipment I, LLC
832. Sherman Oaks Radiation Oncology, LLC (Vantage Oncology Treatment Centers, LLC)
833. Sherman Oaks Radiation Technology, LLC (Vantage Oncology Treatment Centers, LLC)
834. Shoup Properties, Inc.
835. SHS V Medtech Investments GmbH & Co. KG
836. Simply Medical LLC
837. SIVEM Pharmaceuticals ULC/SIVEM Produits Pharmaceutiques ULC
838. Six R Investments, Inc.
839. SOCIETE COOPERATIVE OUEST PARTAGE, BREST
840. SOCIETE D`ETUDES ET DE REALISATIONS INFORMATIQUES, Monaco
841. Sofarmex BVBA, Belgium
842. Sofiadis SCRL, Belgium
843. Soldier Acquisition Corporation
844. SOPI The Lough Limited, Ireland
845. SOPI Youghal Limited, Ireland
846. SourceTenn LLC
847. South Alabama Cancer Centers, LLC
848. South Bay Radiation Oncology, LLC
849. South Pacific Medical Inc.
850. Southeast Merger Corp.
851. Southeast Texas Cancer Centers, L.P.
852. Southern California Radiation Oncology, LLC
853. Spider Acquisition Corporation
854. Spirit Acquisition Corporation
855. Spring Valley Industries, LLC
856. St. Louis Pharmaceutical Services, LLC
857. St. Lucas-Apotheke Mag.pharm. Ilona Elisabeth Leitner KG, HG Wien
858. St. Markus Apotheke Dr. Elke Kramberger-Kaplan KG, LG Linz
859. St. Richard Apotheke Mag.pharm. Ursula Kohl KG, Landesgericht Korneuburg
860. Stadion-Apotheke Mag. pharm. Ulrike Grosser-Schmidt KG, LG St. Pölten
861. Stadt-Apotheke "Zur heiligen Barbara" Mag. pharm. Igor Mauritsch KG, Austria

862. Stadtapotheke Fürstenfeld Mag. pharm. Waltraud Maier KG, Landesgericht Graz
863. Stat RX USA, LLC (Linear Holdings, LLC)
864. STATIM FINANCE LIMITED, England
865. STEPHEN SMITH LIMITED, Guernsey
866. Sterling Medical Services, LLC (McKesson Patient Care Solutions Inc.)
867. STQ LLC
868. Strategic Health Alliance II, Inc.
869. Strategic Health Alliance Management Corp.
870. Strategic Sourcing Services LLC
871. Streator Radiation Oncology, LLC
872. Stubaital-Apotheke Mag.pharm. Christian Kernstock KG, LG Innsbruck
873. Summa Script LLC
874. Sund Apotek AS
875. SUPERFIELD LIMITED, England
876. Supplylogix LLC
877. T AND I WHITE LIMITED, England
878. T. Sheridan Sales & Marketing, Dublin
879. Tabor Apotheke Mag. pharm. Wolfram Schaden KG, LG Steyr
880. Targa Parent Holdings, LLC
881. TBC Products, Inc.
882. Temperature Controlled Pharmaceuticals Limited
883. Test Corporation changed 2 GM 3 AG
884. Test Entity - Corporation
885. Test Entity - Corporation (Glenette)
886. Test Entity - LLC (Anne)
887. Test Entity - LLC (Glenette)
888. Test Entity - LLC (Karen)
889. Test Entity - LLC (Melissa)
890. Test Entity - LP
891. Test Entity - Manager LLC
892. Test Entity - Member LLC
893. Test Entity - Parent Corporation
894. Texas Pharmaceutical Services, LLC
895. Texas Proton Therapy Center, LLC
896. The Oregon Cancer Centers, Ltd.
897. Theratech, Inc. (McKesson Medical-Surgical Top Holdings Inc.)
898. Thriftymed, Inc. (McKesson Medical-Surgical Top Holdings Inc.)
899. THURNBY ROSE LIMITED, England
900. Titus Home Health Care LLC
901. Tjellesen Max Jenne A/S, Rodovre
902. Todin A/S, Denmark
903. TOPS Pharmacy Services, Inc.
904. Tower Radiation Technology, LLC
905. Tracer Enterprises LLC
906. Tri-State Radiation Oncology Centers, LLC
907. Tuna Acquisition Corp.
908. Tyler Radiation Equipment Leasing, LLC
909. Unicare Dispensers 16 Limited, Ireland
910. Unicare Dispensers 27 Limited, Ireland
911. Unicare Dispensers 5 Limited, Ireland
912. Unicare Pharmacy Group Limited, Dublin
913. United Drug (Wholesale) Limited
914. United Drug Distributors Ireland Limited
915. Unity Oncology, LLC
916. Urbani-Apotheke Mag. pharm. Bernhard Prattes KG, LG Graz
917. US Oncology Corporate, Inc.
918. US Oncology Holdings, Inc.
919. US Oncology Lab Services, LLC
920. US Oncology Pharmaceutical Services, LLC
921. US Oncology Pharmacy GPO, L.P.
922. US Oncology Reimbursement Solutions, LLC
923. US Oncology Research, Inc. (US Oncology Research, LLC)
924. US Oncology Research, LLC
925. US Oncology Specialty, LP
926. US Oncology, Inc.
927. USCITA LIMITED, England
928. USON Insurance Company

929. USON Risk Retention Group, Inc.
930. Utah Acquisition Corporation
931. Valley Equipment Company
932. Vantage Acquisition Company, LLC (Vantage Oncology, LLC)
933. Vantage Acquisition Finance, LLC (Vantage Oncology, LLC)
934. Vantage Cancer Care - Alabama, LLC (Vantage Cancer Care Networks, LLC)
935. Vantage Cancer Care - Indiana, LLC (Vantage Cancer Care Networks, LLC)
936. Vantage Cancer Care - New Mexico, LLC (Vantage Cancer Care Networks, LLC)
937. Vantage Cancer Care Network of Alabama, LLC (Vantage Cancer Care Networks, LLC)
938. Vantage Cancer Care Network of Indiana, LLC (Vantage Cancer Care Networks, LLC)
939. Vantage Cancer Care Network of New Mexico, LLC (Vantage Cancer Care Networks, LLC)
940. Vantage Cancer Care Networks, LLC
941. Vantage Cancer Centers of Georgia, LLC
942. Vantage Central Ohio Radiation Therapy, LLC
943. Vantage Equipment Acquisition, LLC
944. Vantage Exton Radiation Oncology, LLC
945. Vantage Medical Management Services, LLC
946. Vantage Mokena Radiation Oncology, LLC
947. Vantage Oncology - Brooklyn, LLC
948. Vantage Oncology Centers - Beverly Hills, LLC
949. Vantage Oncology Finance Co. (Vantage Oncology, LLC)
950. Vantage Oncology Holdings, LLC
951. Vantage Oncology LLC PAC Corporation
952. Vantage Oncology Physics, LLC
953. Vantage Oncology Treatment Centers - Brevard, LLC
954. Vantage Oncology Treatment Centers - Brockton, LLC
955. Vantage Oncology Treatment Centers - Central Florida, LLC (Vantage Oncology Treatment Centers, LLC)
956. Vantage Oncology Treatment Centers - Northern Arizona, LLC
957. Vantage Oncology Treatment Centers - Ohio, LLC (Vantage Oncology Treatment Centers, LLC)
958. Vantage Oncology Treatment Centers - San Antonio, LLC (Vantage Oncology Treatment Centers, LLC)
959. Vantage Oncology Treatment Centers - Tri-State, LLC
960. Vantage Oncology Treatment Centers, LLC
961. Vantage Oncology, LLC
962. Vantage Operational Support Services, LLC
963. Vantage Radiation Oncology Associates, LLC
964. Vantage San Antonio Radiation Oncology, LLC (Vantage Oncology Treatment Centers - San Antonio, LLC)
965. Vantage South Suburban Radiation Oncology, LLC
966. VC Services, Inc.
967. VEC GP, LLC
968. VerbalCare, LLC
969. Verdal Apotek AS
970. Very Important Products, Inc.
971. Visitacion Associates
972. Vitapharm, proizvodnja in trgovina farmacevtskih izdelkov d.o.o., Murska Sobota
973. Vitusapotek Jessheim Storsenter AS
974. Vitus-Apoteket Torvbyen Fredrikstad AS
975. VOTC-Queens, LLC
976. Vulcan Acquisition Subsidiary, Inc.
977. W H CHANTER LIMITED, England
978. W H GREEN (CHEMISTS) LIMITED, England

979. W JAMIESON (CHEMISTS) LIMITED, England
980. W.H.C.P. (DUNDEE) LIMITED, Scotland
981. Walsh Distribution, L.L.C.
982. Walsh Healthcare Solutions LLC
983. Walsh Healthcare Solutions, Inc.
984. Walsh Heartland, L.L.C.
985. Walsh Southwest L.L.C.
986. Well.ca ULC
987. West Florida Radiation Therapy, LLC
988. West Wholesale Drug Co.
989. WESTCLOSE LIMITED, England
990. Western Tumor Radiation Oncology, LLC (Vantage Oncology Treatment Centers, LLC)
991. Westside LA Derm Equipment I, LLC
992. WFCC Radiation Management Company, LLC
993. Wickham Radiation Oncology, LLC (Vantage Oncology Treatment Centers, LLC)
994. Wiley Industries, LLC
995. Wilkes Barre Radiation Technology, LLC (Vantage Oncology Treatment Centers, LLC)
996. Wilkes-Barre Radiation Oncology, LLC
997. Windmill Realty, LLC
998. WOODSIDE PHARMACY (GLASGOW) LIMITED, Scotland
999. World Medical Government Solutions, LLC
1000. WorldMed Shared Services, Inc.
1001. WZ-WundZentren GmbH, AG Düsseldorf
1002. Ybbstal-Apotheke Mag.pharm. Adelheid Tazreiter KG, LG St. Pölten
1003. Zeepro, Inc

Exhibit G

Rhode Island Settlement Payment Schedule

	Payment 1	Payment 2	Payment 3	Payment 4	Payment 5	Payment 6	Payment 7	Payment 8	Payment 9	Payment 10	Payment 11	Payment 12	Payment 13	Payment 14	Payment 15	Payment 16	Payment 17	Payment 18	Total
Resitution/Abatement	$3,880,336.76	$4,078,044.77	$4,078,044.77	$5,104,250.71	$5,104,250.71	$5,104,250.71	$5,104,250.71	$6,003,213.80	$6,003,213.80	$6,003,213.80	$5,046,307.05	$5,046,307.05	$5,046,307.05	$5,046,307.05	$5,046,307.05	$5,046,307.05	$5,046,307.05	$5,046,307.05	$90,833,526.93
Base	$2,246,510.76	$2,360,973.29	$2,360,973.29	$2,955,092.51	$2,955,092.51	$2,752,831.62	$2,752,831.62	$3,273,283.94	$3,273,283.94	$3,273,283.94	$2,719,285.30	$2,719,285.30	$2,719,285.30	$2,719,285.30	$2,719,285.30	$2,719,285.30	$2,719,285.30	$2,719,285.30	$49,958,439.81
Bonus A	*$1,633,826.00*	*$1,717,071.48*	*$1,717,071.48*	*$2,149,158.19*	*$2,149,158.19*	*$2,002,059.36*	*$2,002,059.36*	*$2,380,570.14*	*$2,380,570.14*	*$2,380,570.14*	*$1,977,662.03*	*$1,977,662.03*	*$1,977,662.03*	*$1,977,662.03*	*$1,977,662.03*	*$1,977,662.03*	*$1,977,662.03*	*$1,977,662.03*	$36,333,410.77
Bonus B	*$1,021,141.25*	*$1,073,169.68*	*$1,073,169.68*	*$1,343,223.87*	*$1,343,223.87*	*$1,251,287.10*	*$1,251,287.10*	*$1,487,856.34*	*$1,487,856.34*	*$1,487,856.34*	*$1,236,038.77*	*$1,236,038.77*	*$1,236,038.77*	*$1,236,038.77*	*$1,236,038.77*	*$1,236,038.77*	*$1,236,038.77*	*$1,236,038.77*	$22,708,381.73
Bonus C	*$612,684.75*	*$643,901.81*	*$643,901.81*	*$805,934.32*	*$805,934.32*	*$750,772.26*	*$750,772.26*	*$892,713.80*	*$892,713.80*	*$892,713.80*	*$741,623.26*	*$741,623.26*	*$741,623.26*	*$741,623.26*	*$741,623.26*	*$741,623.26*	*$741,623.26*	*$741,623.26*	$13,625,029.04
Bonus D	*$0.00*	*$0.00*	*$0.00*	*$0.00*	*$0.00*	*$349,359.72*	*$349,359.72*	*$349,359.72*	*$349,359.72*	*$349,359.72*	*$349,359.72*	*$349,359.72*	*$349,359.72*	*$349,359.72*	*$349,359.72*	*$349,359.72*	*$349,359.72*	*$349,359.72*	$4,541,676.35
Rhode Island Fees & Costs*	$7,600,000.00	$3,800,000.00	$3,800,000.00	$3,800,000.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$19,000,000.00
Contingency Fee Fund	$337,212.88	$374,122.01	$671,294.38	$455,152.68	$455,152.68	$455,152.68	$455,152.68	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$3,203,240.00
Litigating Subdivision Cost Fund	$50,000.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$50,000.00
Total Payment	$11,867,549.64	$8,252,166.77	$8,549,339.15	$9,359,403.39	$5,559,403.39	$5,559,403.39	$5,559,403.39	$6,003,213.80	$6,003,213.80	$6,003,213.80	$5,046,307.05	$5,046,307.05	$5,046,307.05	$5,046,307.05	$5,046,307.05	$5,046,307.05	$5,046,307.05	$5,046,307.05	**$113,086,766.93**

* This Exhibit will be updated following the Court's determination under Section VIII.A.2 as to whether the State of Rhode Island and its outside counsel should be awarded an additional amount of attorneys' fees and costs, up to a total (including the $19,000,000.00 paid pursuant to Section VIII.A.1 and reflected in the Payment Schedule above) of $33,000,000.00 in attorneys' fees and costs.

Exhibit H

Rhode Island Memorandum of Understanding

RHODE ISLAND MEMORANDUM OF UNDERSTANDING BETWEEN THE STATE AND CITIES AND TOWNS RECEIVING OPIOID SETTLEMENT FUNDS

Whereas, the people of the State of Rhode Island and its communities have been harmed by the opioid epidemic, which was caused, in part, by manufacturers and distributors of opioids, and dispensers of opioids and related drugs (collectively, "Opioids Defendants"); and

Whereas, the actions of the Opioids Defendants have resulted in a rise in opioid addiction, overdoses, and deaths in Rhode Island, as well as increased healthcare, social services, and criminal justice costs and the destabilization of families and communities across the state; and

Whereas, the State and certain Rhode Island cities and towns are engaged in litigation seeking to hold certain Opioids Defendants accountable for the damage they have caused; and

Whereas, the State and the Eligible Cities and Towns share a common desire to abate and alleviate the impacts of the Opioids Defendants' misconduct through the State of Rhode Island in a coordinated and expeditious manner; and

Whereas, upon satisfaction of the terms of each of the Settlement Agreements, each will become binding on all Settling States and Participating Cities and Towns, and other settling entities party thereto;

Whereas, each Settlement Agreement encourages or allows each Settling State and its respective cities and towns to enter into a State-Subdivision Agreement, or a similar framework, in order to direct allocation of their portion of the Opioid Settlement Funds.

Now, therefore, the State and its Participating Cities and Towns enter into this Agreement (the "Agreement") relating to the allocation and use of the proceeds of the Settlement Agreements:

I. Definitions

As used in this Agreement:

A. "Approved Purposes" means care, treatment, and other programs and expenditures designed to (1) address the misuse and abuse of opioid products; (2) treat or mitigate opioid use or related disorders; or (3) mitigate other alleged effects of, including on those injured as a result of, the opioid epidemic as identified by the terms of Exhibit C of the Distributor Settlement Agreement, Exhibit E of the Janssen Settlement Agreement, or any other relevant Settlement Agreement. For purposes of any payments pursuant to a Confirmation Order in a bankruptcy proceeding, the Approved Purposes means those approved by the confirmed plan. Qualifying expenditures may include reasonable related administrative expenses.

B. "Attorney General," "Chief Justice of the Rhode Island Supreme Court," "Director of the Department of Behavioral Healthcare, Developmental Disabilities & Hospitals," "Director of the Department of Health," "Governor," "Senate President," and "Speaker of the House," mean the officials holding these offices under Rhode Island law.

C. "Distributor Settlement Agreement" means an agreement between McKesson Corporation ("McKesson"), Cardinal Health, Inc. ("Cardinal"), and AmerisourceBergen Corporation ("Amerisource"), on the one hand, and the State of Rhode Island and Participating Subdivisions as that term is defined therein, on the other hand, to resolve opioid related claims against McKesson, Cardinal, and/or Amerisource.

D. "Eligible City or Town" means the cities or towns of Barrington, Bristol, Burrillville, Central Falls, Charlestown, Coventry, Cranston, Cumberland, East Greenwich, East Providence, Exeter, Foster, Glocester, Hopkinton, Jamestown, Johnston, Lincoln, Little Compton, Middletown, Narragansett, New Shoreham, Newport, North Kingstown, North Providence, North Smithfield, Pawtucket, Portsmouth, Providence, Richmond, Scituate, Smithfield, South Kingstown, Tiverton, Warren, Warwick, West Greenwich, West Warwick, Westerly, and Woonsocket. Together the Eligible Cities or Towns are the "Eligible Cities and Towns."

E. "EOHHS" means the Rhode Island Executive Office of Health and Human Services, or successor agency, and "Secretary" means the Secretary of EOHHS, or successor official.

F. "Janssen Settlement Agreement" means that certain settlement agreement dated as of July 21, 2021 setting forth the terms of settlement between and among Janssen Pharmaceuticals, Inc., Johnson & Johnson, Ortho-McNeil-Janssen Pharmaceuticals, Inc., and Janssen Pharmaceutica, Inc., on the one hand, and certain Settling States and Participating Subdivisions on the other hand.

G. "Opioid Settlement Funds" means all the funds deposited into a Rhode Island Settlement Fund or sub-fund, deposited into a Rhode Island Qualified Settlement Fund, or held and distributed by an administrator or a Rhode Island Qualified Settlement Administrator pursuant to the terms of the relevant Settlement Agreements, except for any funds needed to pay an administrator or a Rhode Island Qualified Settlement Administrator, or designated by a Settlement Agreement or court order for State or Participating Subdivision attorneys' fees and costs.

H. "Participating City or Town" means an Eligible City or Town that is both (i) a signatory to this Agreement and (ii) an Initial Participating Subdivision as defined in each Settlement Agreement. Together the Participating Cities or Towns are the "Participating Cities and Towns."

I. "Parties" means the State and each Eligible City or Town that is a signatory to this Agreement.

J. "Settlement Agreements" means the Distributor Settlement Agreement, the Janssen Settlement agreement, and any similar agreement (including consent judgments or consent decrees) entered into after the date of this Agreement, by between, or among one

or more opioid manufacturers, pharmaceutical distributors, or pharmacies, or an affiliate, agent, consultant, or advisor of an opioid manufacturer, if mutually agreed to by the Parties in writing. "Settlement Agreement" means one such agreement.

In addition to the foregoing, upon confirmation of the plan in any bankruptcy proceeding for which the State will receive a payment or distribution in connection with claims similar to those released in the Settlement Agreements, which shall include both *In re Purdue Pharma L.P., et al*, No-19-23649 (RDD) (Bankr. S.D. N.Y.) and *In re: Mallinckrodt PLC, et al.*, No. 20-12522 (JTD) (Bankr. D. Del.), such confirmed plan will also become a Settlement Agreement hereunder.

K. "State" means the State of Rhode Island acting through its Attorney General.

Capitalized terms used and not otherwise defined herein have the meaning given to them in the Settlement Agreements.

II. Allocation of Settlement Proceeds

A. *Allocation.* All Opioid Settlement Funds, at the times designated in the Settlement Agreements, shall be divided and distributed as follows:

1. 20% directly to the Participating Cities and Towns ("City and Town Share") for Approved Purposes in accordance with Section III below.

2. 80% directly to the State ("Statewide Abatement Share") for forward-looking Approved Purposes throughout the state, which share shall be held in the Rhode Island Statewide Opioid Abatement Account in accordance with Sections IV and V below.

B. *Use of Funds.* All Opioid Settlement Funds, regardless of allocation, shall be utilized solely for Approved Purposes to abate the harms of the opioid epidemic.

III. City and Town Share

A. *Allocation and Payment.* The division of the City and Town Share paid to Participating Cities and Towns shall be based on the allocation set forth in Exhibit A, which assigns each Eligible City or Town a percentage share of funds.

B. *Use of Funds.* The City and Town Share shall be used for Approved Purposes and the Parties intend for the Opioid Settlement Funds to be used on forward-looking opioid abatement efforts. But, the City and Town Share may also be used for past expenditures so long as the expenditures were made for Approved Purposes and are not otherwise restricted by a confirmed plan in a bankruptcy proceeding. Prior to using any portion of the City and Town Share as restitution for past expenditures, a Participating City or Town shall pass a resolution or take equivalent governmental action that explains its determination that its prior expenditures for Approved Purposes are greater than or equal to the amount of the City and Town Share that the City or Town seeks to use for restitution.

C. *Collaborative Abatement Initiatives Encouraged.* Participating Cities and Towns may, and are encouraged to, share, pool, or collaborate on opioid abatement efforts with their respective allocation of the City and Town Share in any manner they choose, so long as the shared, pooled, or collaborative abatement efforts comply with the terms of this Agreement and the Settlement Agreements.

D. *Option to Direct Allocation to Statewide Abatement*. Participating Cities and Towns may, at their discretion, forego their allocation of the City and Town Share and direct their allocation to the Statewide Abatement Share by affirmatively notifying the Advisory Committee and any relevant settlement fund administrator on an annual basis of their decision to forego their allocation of the City and Town Share and designation to the Statewide Abatement Share.

E. *Non-participating City or Town.* In the event an Eligible City or Town does not participate in the Settlement Agreements, the allocation percentage for that Eligible City or Town shall be redistributed to the Participating Cities and Towns based on a recalculated allocation that does not include the non-participating city or town.

F. *Municipal Merger or Dissolution*. In the event an Eligible City or Town merges, dissolves, or ceases to exist, the allocation percentage for that City or Town shall be redistributed equitably based on the composition of the successor City or Town.

G. *City and Town Attorneys' Fees*. The Parties agree that attorneys representing the Participating Cities and Towns in litigation against the Opioids Defendants will satisfy any contractual obligations relating to those legal representations through the mechanisms provided for in the Settlement Agreements. Notwithstanding the provisions of part B of this subsection, no portion of the City and Town Share shall be used to pay any attorneys' fees, costs, or other contractual obligations relating to legal representation in litigation against the Opioids Defendants.

IV. Statewide Abatement Share

A. *Allocation and Payment.* The Statewide Abatement Share will be paid directly to the State and these funds shall be held in an account, the Rhode Island Statewide Opioid Abatement Account (the "R.I. Statewide Opioid Abatement Account"), that (1) is established by, authorized by, or subject to any court orders or consent judgments entered to effectuate the terms of the Settlement Agreements including in *State of Rhode Island v. Purdue Pharma L.P. et al.*, C.A. No. PC-2018-4555; (2) has the restricted purpose of holding these funds separately, ensuring they are not comingled with non-Opioid Settlement Funds, and distributing the funds for Approved Purposes; and (3) otherwise meets any requirements for such a fund or account in the Settlement Agreements. The Parties intend for the R.I. Statewide Opioid Abatement Account to hold and distribute the Statewide Abatement Share in a manner substantially similar to the Opioid Stewardship Fund created under Chapter 28.10 of Title 21 of the Rhode Island General Laws and agree that the R.I. Statewide Opioid Abatement Account may be similarly codified into law by the General Assembly.

B. *Use of Funds.*

1. The Statewide Abatement Share shall be used for forward-looking Approved Purposes only.

2. Consistent with the provisions of Section V of this Agreement and Section 15 of Article IX of the Rhode Island Constitution, at least annually the Secretary shall present to the Governor, for inclusion in the Governor's budget presentation to the General Assembly, the Secretary's recommendations on the use of the Statewide Abatement Share.

C. *Reporting*. The Secretary shall report to the Advisory Committee annually on the distribution and use of funds from the Statewide Abatement Share.

D. *Compliance*. Recipients of funds distributed from the Statewide Abatement Share shall be subject to auditing and other compliance procedures as deemed appropriate by the Secretary.

V. Advisory Committee

A. *Committee Established*. An Advisory Committee (the "Advisory Committee"), consisting of the representatives in part B of this subsection, shall be created to ensure that the State and the Participating Cities and Towns have equal input into the distribution of the Statewide Abatement Share for Approved Purposes across the state of Rhode Island.

B. *Representatives*. The Advisory Committee shall consist of the following seventeen (17) members:

1. *State Representatives*. Six (6) State representatives as follows:

a) Attorney General or designee;

b) Speaker of the House or designee;

c) Senate President or designee;

d) Chief Justice of the Rhode Island Supreme Court or designee;

e) Director of the Rhode Island Department of Health ("RIDOH"); and

f) Director of the Rhode Island Department of Behavioral Healthcare, Developmental Disabilities & Hospitals ("BHDDH").

2. *Participating City and Town Representatives*. Six (6) Participating City and Town representatives as follows:

a) Mayor of the City of Providence or designee;

b) Representative from a city or town in Bristol County;

c) Representative from a city or town in Kent County;

d) Representative from a city or town in Newport County;

e) Representative from a city or town in Providence County other than the City of Providence; and

f) Representative from a city or town in Washington County (together with the Representatives from a city or town in Bristol, Kent, Newport, and Providence Counties are the "County Representatives").

Participating Cities and Towns from Bristol, Kent, Newport, Providence, and Washington counties shall collaborate to appoint the County Representatives. The County Representatives shall serve three (3) year terms.

3. *Expert Representatives.* Three (3) experts ("Expert Representatives") drawn from fields including but not limited to: public health, pharmacology, epidemiology, emergency medicine, behavioral health, and recovery. The Expert Representatives shall be appointed by a majority vote of the State Representatives and the Participating City and Town Representatives. To stagger the Expert Representative terms, the initial Expert Representative appointments shall be for two (2) years, three (3) years, and four (4) years, and all subsequent Expert Representative appointments shall be for three (3) year terms.

4. *Community Representatives*. Two (2) Community Representatives ("Community Representatives"). The Community Representatives shall be appointed by a majority vote of the State Representatives and the Participating City and Town Representatives. To stagger the Community Representative terms, the initial Community Representative appointments shall be for two (2) years, and three (3) years, and all subsequent Community Representative appointments shall be for two (2) year terms.

C. *Chair*. The Advisory Committee shall be chaired by a non-voting representative appointed by the Governor.

D. *Administrative and Technical Support.* EOHHS shall provide staff support to the Advisory Committee and assist the Advisory Committee in the fulfillment of its responsibilities under this Agreement.

E. *Meetings and Process for Receiving Public and Local Government Input*.

1. The Advisory Committee shall meet at least quarterly.

2. Meetings of the Advisory Committee shall be public, open meetings consistent with the Open Meetings Act, Chapter 46 of Title 42 of the Rhode Island General Laws.

3. The Advisory Committee shall, in consultation with EOHHS, establish a process for receiving input from Rhode Island's communities, provider organizations, and cities and towns regarding how the opioid crisis is affecting their communities, understanding their abatement needs, and considering proposals for opioid abatement strategies and responses.

   The Advisory Committee is encouraged to further coordinate with established groups like the Governor's Overdose Prevention and Intervention Task Force, as well as organizations focusing on prevention, rescue, harm reduction, treatment, and recovery strategies, to gather community input, understand abatement needs, and consider proposals for opioid abatement strategies and responses.

F. *Recommendations*.

1. *Statewide Abatement Recommendations*. The Advisory Committee shall, at least annually, make formal recommendations to the Secretary on the use of the Statewide Abatement Share (the "Statewide Abatement Recommendations"). To aid the Advisory Committee in formulating the Statewide Abatement Recommendations, EOHHS, RIDOH, and BHDDH shall present information regarding the State's opioid abatement strategy and appropriations plan, and information on how that strategy responds to the opioids crisis and the abatement needs of Rhode Island's communities. The Advisory Committee may also consider how non-Opioid Settlement Funds are used as part of the State's opioid abatement strategy when formulating the Statewide Abatement Recommendations.

2. *Good Faith Review and Consideration by Secretary*. The Secretary shall review and consider the Statewide Abatement Recommendations and shall make a good faith effort to incorporate the Statewide Abatement Recommendations into EOHHS's annual budget process.

3. *Deviation from Statewide Abatement Recommendations*. If the Secretary substantially deviates from the Statewide Abatement Recommendations, the Secretary shall provide the Advisory Committee with a written explanation, that will be made public, of any substantial deviations.

VI. General Terms

A. *Relationship of this Agreement to Other Agreements and Resolutions*. The Parties acknowledge and agree the Distributor Settlement Agreement and the Janssen Settlement Agreement will require Participating Cities and Towns to release all their claims against the settling defendants to receive Opioid Settlement Funds. The Parties further acknowledge and agree based on the terms of the Distributor Settlement

Agreement and the Janssen Settlement Agreement that a Participating City or Town may receive funds pursuant to this Agreement only after complying with all the requirements set forth in the Distributor Settlement Agreement and the Janssen Settlement Agreement to release the city or town's claims. If another Settlement Agreement contains similar requirements, the Parties acknowledge that a Participating City or Town may receive funds pursuant to that agreement only after complying with all the requirements set forth in that agreement to release the city or town's claims.

B. *Scope of this Agreement*. The Parties acknowledge and agree that they must comply with all the requirements of the Settlement Agreements and that this Agreement does not excuse any requirements placed upon them by the terms of the Settlement Agreements, except to the extent those terms allow for a State-Subdivision Agreement or Statewide Abatement Agreement to do so.

C. *Legislation.* The Parties may seek to further codify the terms of this Agreement in the Rhode Island General Laws through legislation that may be submitted to the General Assembly.

D. *Applicable Law, Venue, and Severability*. Unless required otherwise by a Settlement Agreement, this Agreement shall be interpreted using Rhode Island law and any action related to the provisions of this Agreement must be adjudicated by the Superior Court of Providence County. If any provision of this Agreement is held invalid by a court of competent jurisdiction, this invalidity does not affect any other provision which can be given effect without the invalid provision.

E. *Counterparts*. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

VII. Amendments

A. *Amendments as Necessary*. The Parties agree to make such amendments as necessary to implement the intent of this Agreement.

B. *Written Amendments*. This Agreement may be amended by written agreement of the Parties.

Accepted and agreed to by the undersigned:

STATE OF RHODE ISLAND

Peter F. Neronha
Attorney General Date: _____

The Participating Cities and Towns:

TOWN OF BARRINGTON

By:
Title: Date: _____

TOWN OF BRISTOL

By:
Title: Date: _____

TOWN OF BURRILLVILLE

By:
Title: Date: _____

CITY OF CENTRAL FALLS

By:
Title: Date: _____

TOWN OF CHARLESTOWN

By:
Title: Date: _____

TOWN OF COVENTRY

By:
Title: Date: _____

CITY OF CRANSTON

By:
Title: Date: _____

TOWN OF CUMBERLAND

By:
Title: Date: _____

SIGNATURE PAGES

TOWN OF EAST GREENWICH

By:
Title: Date: _____

CITY OF EAST PROVIDENCE

By:
Title: Date: _____

TOWN OF EXETER

By:
Title: Date: _____

TOWN OF FOSTER

By:
Title: Date: _____

TOWN OF GLOCESTER

By:
Title: Date: _____

TOWN OF HOPKINTON

By:
Title: Date: _____

TOWN OF JAMESTOWN

By:
Title: Date: _____

TOWN OF JOHNSTON

By:
Title: Date: _____

TOWN OF LINCOLN

By:
Title: Date: _____

TOWN OF LITTLE COMPTON

By:
Title: Date: _____

TOWN OF MIDDLETOWN

By:
Title: Date: _____

TOWN OF NARRAGANSETT

By:
Title: Date: _____

TOWN OF NEW SHOREHAM

By:
Title: Date: _____

CITY OF NEWPORT

By:
Title: Date: _____

TOWN OF NORTH KINGSTOWN

By:
Title: Date: _____

TOWN OF NORTH PROVIDENCE

By:
Title: Date: _____

TOWN OF NORTH SMITHFIELD

By:
Title: Date: _____

CITY OF PAWTUCKET

By:
Title: Date: _____

TOWN OF PORTSMOUTH

By:
Title: Date: _____

CITY OF PROVIDENCE

By:
Title: Date: _____

TOWN OF RICHMOND

By:
Title: Date: _____

TOWN OF SCITUATE

By:
Title: Date: _____

TOWN OF SMITHFIELD

By:
Title: Date: _____

TOWN OF SOUTH KINGSTOWN

By:
Title: Date: _____

TOWN OF TIVERTON

By:
Title: Date: _____

TOWN OF WARREN

By:
Title: Date: _____

CITY OF WARWICK

By:
Title: Date: _____

TOWN OF WEST GREENWICH

By:
Title: Date: _____

TOWN OF WEST WARWICK

By:
Title: Date: _____

TOWN OF WESTERLY

By:
Title: Date: _____

CITY OF WOONSOCKET

By:
Title: Date: _____

EXHIBIT A

CITY AND TOWN SHARE ALLOCATION

Barrington	2.3000539202%
Bristol	1.0821868960%
Burrillville	1.3272036109%
Central Falls	0.9147584689%
Charlestown	0.5887860100%
Coventry	3.5886939036%
Cranston	7.8869595262%
Cumberland	2.4742003754%
East Greenwich	1.7467671439%
East Providence	4.3247728580%
Exeter	0.0071810640%
Foster	0.2489021533%
Glocester	0.8508469130%
Hopkinton	0.7098006614%
Jamestown	0.4220295287%
Johnston	3.0898685140%
Lincoln	2.1171973520%
Little Compton	0.2663017745%
Middletown	1.2877439601%
Narragansett	1.2760123800%
New Shoreham	0.2118269375%
Newport	2.3339316695%
North Kingstown	2.6500524514%
North Providence	2.5306229398%
North Smithfield	1.1299013506%
Pawtucket	5.9652217345%
Portsmouth	1.2807429020%
Providence	21.4858080262%
Richmond	0.0818789542%
Scituate	1.0248588645%
Smithfield	1.7724673574%
South Kingstown	2.3282747894%
Tiverton	0.9907730639%
Warren	0.1394116029%
Warwick	9.9418184427%
West Greenwich	0.7104734659%
West Warwick	3.0239943495%
Westerly	2.0135754535%
Woonsocket	3.8740986306%

Exhibit I

Illustrative Example of Settlement Prepayments

Example: *Gross Settlement Prepayment: $15,138,921.16*

Settlement Prepayment Reduction Schedule: Reduce each of Year 18, Year 17, and Year 16 Settlement Payments by $5,046,307.05

Net Settlement Prepayment Amount (assumes discount rate of 5%): $10,039,444.26 ($2,427,359.97 for Year 18 in Year 3, $3,252,894.52 for Year 17 in Year 8, and $4,359,189.77 for Year 16 in Year 13)

Payment Year	Initial Settlement Payment Schedule	Gross Prepayment Amount (-)	Net Prepayment Amount (+)	Prepayment Applied To	Revised Settlement Payment Schedule
1	$3,880,336.76				$3,880,336.76
2	$4,078,044.77				$4,078,044.77
3	$4,078,044.77		$2,427,359.97	Year 18	$6,505,404.74
4	$5,104,250.71				$5,104,250.71
5	$5,104,250.71				$5,104,250.71
6	$5,104,250.71				$5,104,250.71
7	$5,104,250.71				$5,104,250.71
8	$6,003,213.80		$3,252,894.52	Year 17	$9,256,108.32
9	$6,003,213.80				$6,003,213.80
10	$6,003,213.80				$6,003,213.80
11	$5,046,307.05				$5,046,307.05
12	$5,046,307.05				$5,046,307.05
13	$5,046,307.05		$4,359,189.77	Year 16	$9,405,496.82
14	$5,046,307.05				$5,046,307.05
15	$5,046,307.05				$5,046,307.05
16	$5,046,307.05	$5,046,307.05			$0.00
17	$5,046,307.05	$5,046,307.05			$0.00
18	$5,046,307.05	$5,046,307.05			$0.00
Total	**$90,833,526.93**	**$15,138,921.16**	**$10,039,444.26**		**$85,734,050.04**

Exhibit J

ABC IRS Form 1098-F

0303 ☐ VOID ☐ CORRECTED

FILER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no. [APPROPRIATE OFFICIAL] The State of Rhode Island [ADDRESS]		1 Total amount required to be paid $ [39,396,897.75]	OMB No. 1545-2284 Form **1098-F** (Rev. January 2022) For calendar year 20 22
		2 Amount to be paid for violation or potential violation $ [11,238,504.40]	**Fines, Penalties, and Other Amounts**
FILER'S TIN XX-XXXXXXX	PAYER'S TIN 23-3079390	3 Restitution/remediation amount $ [28,158,393.35]	5 Date of order/agreement XX/XX/2022
PAYER'S name AmerisourceBergen Corporation		4 Compliance amount $	**Copy A** **For Internal Revenue Service Center** **File with Form 1096.**
Street address (including apt. no.) 1 West First Avenue		6 Court or entity State of Rhode Island and Providence Plantations, Providence, SC., Superior Court and jurisdictions of other cases settled under the Settlement Agreement entered into by the Settling Distributors (as defined in such agreement) and Rhode Island, dated as of []	For Privacy Act and Paperwork Reduction Act Notice, see the **current General Instructions for Certain Information Returns.**
City or town, state or province, country, and ZIP or foreign postal code Conshohocken, PA 19428		7 Case number C.A. No. PC-2018-4555 and other cases settled under the Settlement Agreement entered into by the Settling Distributors (as defined in such agreement) and Rhode Island, dated as of []	
		8 Case name or names of parties to suit, order, or agreement State of Rhode Island v. Purdue Pharma L.P. et al. and other cases settled under the Settlement Agreement entered into by the Settling Distributors (as defined in such agreement) and Rhode Island, dated as of []	
		9 Code A, B	

Form **1098-F** (Rev. 1-2022) Cat. No. 71382B www.irs.gov/Form1098F Department of the Treasury - Internal Revenue Service

Do Not Cut or Separate Forms on This Page — Do Not Cut or Separate Forms on This Page

Exhibit K

Cardinal Health IRS Form 1098-F

0303 ☐ VOID ☐ CORRECTED

FILER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no. [APPROPRIATE OFFICIAL] The State of Rhode Island [ADDRESS]		1 Total amount required to be paid $ [39,269,810.98]	OMB No. 1545-2284 Form **1098-F** (Rev. January 2022) For calendar year 20 22
		2 Amount to be paid for violation or potential violation $ [11,202,251.16]	**Fines, Penalties, and Other Amounts**
		3 Restitution/remediation amount $ 28,067,559.82	
FILER'S TIN XX-XXXXXXX	PAYER'S TIN 31-0958666	4 Compliance amount $	5 Date of order/agreement XX/XX/2022
PAYER'S name Cardinal Health, Inc. and consolidated subsidiaries		6 Court or entity State of Rhode Island and Providence Plantations, Providence, SC., Superior Court and jurisdictions of other cases settled under the Settlement Agreement entered into by the Settling Distributors (as defined in such agreement) and Rhode Island, dated as of [].	**Copy A** **For Internal Revenue Service Center** **File with Form 1096.**
Street address (including apt. no.) 7000 Cardinal Place		7 Case number C.A. No. PC-2018-4555 and other cases settled under the Settlement Agreement entered into by the Settling Distributors (as defined in such agreement) and Rhode Island, dated as of []	For Privacy Act and Paperwork Reduction Act Notice, see the **current General Instructions for Certain Information Returns.**
City or town, state or province, country, and ZIP or foreign postal code Dublin, Ohio 43017		8 Case name or names of parties to suit, order, or agreement State of Rhode Island v. Purdue Pharma L.P. et al. and other cases settled under the Settlement Agreement entered into by the Settling Distributors (as defined in such agreement) and Rhode Island, dated as of []	
		9 Code A, B	

Form **1098-F** (Rev. 1-2022) Cat. No. 71382B www.irs.gov/Form1098F Department of the Treasury - Internal Revenue Service

Do Not Cut or Separate Forms on This Page — Do Not Cut or Separate Forms on This Page

Exhibit L

McKesson IRS Form 1098-F

0303 ☐ VOID ☐ CORRECTED

FILER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no. [APPROPRIATE OFFICIAL] The State of Rhode Island [ADDRESS]		1 Total amount required to be paid $ [48,420,058.20]	OMB No. 1545-2284 Form **1098-F** (Rev. January 2022) For calendar year 20 22
		2 Amount to be paid for violation or potential violation $ [13,812,484.44]	**Fines, Penalties, and Other Amounts**
FILER'S TIN XX-XXXXXXX	PAYER'S TIN 23-3079390	3 Restitution/remediation amount $ 34,607,573.76	
		4 Compliance amount $	5 Date of order/agreement XX/XX/2022
PAYER'S name McKesson Corporation		6 Court or entity State of Rhode Island and Providence Plantations, Providence, SC., Superior Court and jurisdictions of other cases settled under the Settlement Agreement entered into by the Settling Distributors (as defined in such agreement) and Rhode Island, dated as of [].	**Copy A** **For Internal Revenue Service Center** **File with Form 1096.**
Street address (including apt. no.) 6535 N. State Highway 161		7 Case number C.A. No. PC-2018-4555 and other cases settled under the Settlement Agreement entered into by the Settling Distributors (as defined in such agreement) and Rhode Island, dated as of []	For Privacy Act and Paperwork Reduction Act Notice, see the **current General Instructions for Certain Information Returns.**
City or town, state or province, country, and ZIP or foreign postal code Irving, TX 75039		8 Case name or names of parties to suit, order, or agreement State of Rhode Island v. Purdue Pharma L.P. et al. and other cases settled under the Settlement Agreement entered into by the Settling Distributors (as defined in such agreement) and Rhode Island, dated as of []	
		9 Code A, B	

Form **1098-F** (Rev. 1-2022) Cat. No. 71382B www.irs.gov/Form1098F Department of the Treasury - Internal Revenue Service

Do Not Cut or Separate Forms on This Page — Do Not Cut or Separate Forms on This Page

Exhibit M

Subdivision Settlement Participation Form

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

1. The Governmental Entity is aware of and has reviewed the Distributor Settlement, understands that all terms in this Participation Form have the meanings defined therein, and agrees that by signing this Participation Form, the Governmental Entity elects to participate in the Distributor Settlement and become a Participating Subdivision as provided therein.

2. The Governmental Entity's election to participate is specifically conditioned on participation by Litigating Subdivisions and Litigating Special Districts representing 95% or more of the population (combined) of Litigating Subdivisions and Litigating Special Districts in the State of Rhode Island. Should the combined population of the Litigating Subdivisions and Litigating Special Districts in the State of Rhode Island that participate be less than 95% of the population (combined) of the Litigating Subdivisions and Litigating Special Districts in the State of Rhode Island, this Election and Release shall be deemed void and no claims shall be released.

3. The Governmental Entity shall, within 14 days of the Reference Date and prior to the filing of the Consent Judgment, secure the dismissal with prejudice of any Released Claims that it has filed.

4. The Governmental Entity agrees to the terms of the Distributor Settlement pertaining to Subdivisions as defined therein.

5. By agreeing to the terms of the Distributor 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 Distributor 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 Distributor 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 Distributor Settlement.

8. The Governmental Entity has the right to enforce the Distributor Settlement as provided therein.

9. The Governmental Entity, as a Participating Subdivision, hereby becomes a Releasor for all purposes in the Distributor Settlement, including, but not limited to, all provisions of Part XI, 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 Distributor 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 Distributor 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 as set forth in the Distributor Settlement.

11. In connection with the releases provided for in the Distributor 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, and 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 Distributor Settlement.

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

13. This Participation Form is conditioned on the Governmental Entity identified above entering into an agreement with the State of Rhode Island (the "State") concerning the allocation of opioid settlements with the State (an "Allocation Agreement"). The effective date of this Participation Form shall be the date on which the State and the Governmental Entity identified above enter into an Allocation Agreement. In the event that the State does not enter into an Allocation Agreement with the Governmental Entity identified above, this Participation Form shall be null and void and shall confer no rights or obligations on the State of Rhode Island, the Released Entities (as defined in the National Settlement Agreement dated July 21, 2021), or the Governmental Entity.

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

Signature: _____

Name: _____

Title: _____

Date: _____

Exhibit N

Consent Judgment and Stipulation of Dismissal with Prejudice

STATE OF RHODE ISLAND PROVIDENCE, SC	SUPERIOR COURT
STATE OF RHODE ISLAND, by and through, PETER F. NERONHA, ATTORNEY GENERAL, *Plaintiff,* v. PURDUE PHARMA L.P. *et al.*, *Defendants*;	C.A. NO.: PC2018-4555

RECITATIONS OF THE PARTIES:

1. The State of Rhode Island ("*Plaintiff*") brought the above-captioned action (the "*Action*") against Defendants, McKesson Corporation, Cardinal Health, Inc., AmerisourceBergen Corporation, and certain subsidiaries thereof (collectively, "*Settling Distributors*"), alleging claims sounding in negligence, public nuisance, and unjust enrichment, as set forth in the Second Amended Complaint, a copy of which is attached hereto as Exhibit A, filed on December 20, 2019. Settling Distributors deny these allegations and deny all liability to Plaintiff.

2. The Plaintiff and Settling Distributors (collectively, the "*Parties*" and each a "*Party*") entered into a consensual resolution of the Action as between them pursuant to a settlement agreement entitled Distributors Rhode Island Settlement Agreement, executed on January 24, 2022 (the "*Rhode Island Agreement*"), a copy of which is attached hereto as Exhibit B. Each Party warrants and represents that it engaged in arm's-length negotiations between themselves in good faith. In executing the Rhode Island Settlement Agreement, the Parties intend to effect a good-faith settlement.

3. The Rhode Island Agreement becomes effective by its terms upon the entry of this Final Consent Judgment (the "*Judgment*" or "*Order*") by the Court without trial or adjudication of any issue of fact or law arising from the Second Amended Complaint, and without finding or admission of wrongdoing or liability of any kind.

4. The Parties intend the terms of the Rhode Island Agreement to be consistent with the terms of the Distributor Global Settlement Agreement ("*Global Settlement*"). As of the date of the signing of the Rhode Island Agreement, the State of Rhode Island intends to join the Global Settlement if it becomes effective, as set forth *infra*.

5. If the Global Settlement becomes effective by July 1, 2022, its terms will supersede the terms of this Agreement except for Sections III.B, V.C, V.J, V.L, VI , VIII, IX, XI.D, XI.F, XIII.D, XIII.E, and XIII.Q. If the Global Settlement is not effective by the aforementioned date, the Rhode Island Agreement and the Judgment giving effect to its terms will control.

6. The Rhode Island Abatement Amount shall be $90,833,526.93, which is the Global Settlement Net Abatement Amount multiplied by the Rhode Island Overall Allocation Percentage, as those terms are defined in the Rhode Island Agreement. If, after execution of this Agreement, there is a collective resolution of substantially all Claims against the Settling Distributors via the Global Settlement under which the State of Rhode Island would have received a greater monetary amount than the sum of all amounts provided in the Rhode Island Agreement, Settling Distributors shall remit to the State of Rhode Island the difference as provided for in Section XIII.E of the Rhode Island Agreement. The Rhode Island Abatement Amount shall not be reduced whether or not the Global Settlement becomes effective.

7. Until the Global Settlement becomes effective, or in the event the Global Settlement does not become effective, disputes under the Rhode Island Agreement not resolved informally as prescribed by the Rhode Island Agreement shall be submitted to the Honorable Judge Richard Licht or his successor or such other judge as may be assigned to the underlying matter in the Providence County Superior Court, except as to disputes involving Injunctive Relief, which shall be governed by Section XII of the Rhode Island Agreement. The Parties consent to this Court retaining continuing jurisdiction for the limited purpose of enforcing the Rhode Island Agreement and this Consent Judgment.

8. If the Global Settlement becomes effective by July 1, 2022, disputes between or among the Parties shall be governed by the enforcement and dispute resolution provisions of the Global Settlement, notwithstanding any contrary provision in the Rhode Island Agreement.

9. It is the intent of the Parties that significant injunctive relief shall be implemented through the Global Settlement that will benefit the State of Rhode Island as a whole, as well as other States. In the event that the Global Settlement does not become effective by July 1, 2022, the Parties will meet and confer about elements of the injunctive relief that can be implemented in the State of Rhode Island on a statewide-only basis after July 1, 2022, pursuant to Section XII of the Rhode Island Agreement.

NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

The Parties to this agreement are the State of Rhode Island, acting through its Attorney General and McKesson Corporation ("*McKesson*"), Cardinal Health, Inc. ("*Cardinal*") and AmerisourceBergen Corporation ("*Amerisource*").

This Court has jurisdiction over the subject matter of this lawsuit and over all the Parties.

Entry of this Order is in the public interest and reflects a negotiated settlement among the Parties, the terms of which shall be governed by the laws of the State of Rhode Island.

The Court finds that the Rhode Island Agreement was entered into in good faith.

Settling Distributors are willing to enter into this Order regarding the Covered Conduct defined in the Rhode Island Agreement to resolve the Attorney General's claims under Rhode Island statutory and common law as to the matters addressed in this Order and thereby avoid significant expense, inconvenience, and uncertainty.

Settling Distributors are entering into this Order solely for the purpose of settlement, and nothing contained herein may be taken as or construed to be an admission or concession of any violation of law, rule, or regulation, or of any other matter of fact or law, or of any liability or wrongdoing, all of which Settling Distributors expressly deny.

Settling Distributors do not admit any violation of common or statutory law, and do not admit any wrongdoing that was or could have been alleged by the Attorney General before the date of the Order under those laws.

It is the intent of the Parties that this Order not be admissible in other cases against Settling Distributors or binding on Settling Distributors in any respect other than in connection with the enforcement of this Order or the Rhode Island Agreement. For the avoidance of doubt, nothing herein shall prohibit a Settling Distributor from entering this Order or the Rhode Island Agreement into evidence in any litigation or arbitration concerning a Settling Distributor's right to coverage under an insurance contract.

This Order is made without trial or adjudication of any issue of fact or law arising from the Second Amended Complaint or finding of liability of any kind. No part of this Order, including its statements and commitments, shall constitute evidence of any liability, fault, or wrongdoing by Settling Distributors.

This document and its contents are not intended for use by any third party for any purpose, including submission to any court for any purpose, except pursuant to Section VII.A of the Rhode Island Agreement. No part of this Order or of the Rhode Island Agreement shall create a private cause of action or confer any right to any third party for violation of any federal or state statute.

This Order shall not be construed or used as a waiver or limitation of any defense otherwise available to Settling Distributors in any other action, or of Settling Distributors' right to defend from, or make any arguments in, any private individual action, class claims or suits, or any other governmental or regulatory action relating to the subject matter or terms of this Order.

By this Judgment, the Rhode Island Agreement is hereby approved by the Court.

The Parties have satisfied the Condition to Effectiveness of the Rhode Island Agreement set forth in Section III of the Agreement, as follows:

a. By the Initial Participation Date, as that term is defined in the Rhode Island Agreement, the Rhode Island Attorney General exercised the fullest extent of his powers to release the Settling Distributors and all other Released Entities from all Claims for Covered Conduct pursuant to the release attached hereto as Exhibit C ("RI AG Release");

b. By the Initial Participation Date, the Rhode Island Attorney General secured the releases of Primary and Litigating Subdivisions specified in Section IX.F of the Rhode Island Agreement; and

c. Each Rhode Island Primary and Litigating Subdivision has qualified as an Initial Participating Subdivision as of the Initial Participation Date by executing the required Subdivision Settlement Participation Form and the Rhode Island Memorandum of Understanding Between the State and Cities and Towns Receiving Opioid Settlement Funds that is attached as Exhibit H to the Rhode Island Agreement, and a copy of which is attached hereto as Exhibit D (hereafter, "RI MOU"), as these terms are defined in the Rhode Island Agreement. The Stipulation of Dismissal to be executed by the Rhode Island Litigating Subdivisions is attached hereto as Exhibit E.

The Settling Distributors shall pay the Rhode Island Abatement Amount to the State of Rhode Island and to the Participating Subdivisions pursuant to the schedule set forth in Section V and Exhibits G and R of the Rhode Island Agreement. The first payment (Payment Year 1) shall be made within 15 calendar days of the entry of this Order and the second payment (Payment Year 2) shall be made on or before July 15, 2022. The Rhode Island Agreement also calls for Annual Payments in Payment Year 3 and successive Payment Years to be paid in accordance with Section V.D. of the Rhode Island Agreement. All payments shall be paid into the Rhode Island Qualified Settlement Fund ("the Fund").

The Fund shall be structured and operated in a manner so that it qualifies as a "Qualified Settlement Fund" within the meaning of section 468B of the Internal Revenue Code of 1986, as amended, as described in Treasury Regulations Section 1.468B-1 et seq., and shall remain subject to the continuing jurisdiction of this Court.

For Payment Years 1 and 2, the Court appoints Joseph F. Rice of Motley Rice, LLC to serve as Trustee and Administrator of the Rhode Island Qualified Settlement Fund ("Fund Administrator") for purposes of Treasury Regulations Section l.468B-2(k)(3). The Fund shall be held at the following financial institution, as hereby approved by the Court: Wells Fargo Bank, N.A., Account Number 2411745058, Federal Tax Identification Number 87-4156403.

For Payment Year 3 and successive years, the Fund Administrator shall be the Settlement Fund Administrator for the Global Settlement or, in the absence of a Global Settlement, the entity designated by the Parties to be the Fund Administrator.

Upon receipt of each payment under this Order, the Fund Administrator shall, pursuant to the RI MOU, or any State Allocation Statute, disburse 80% of the funds to the State of Rhode Island, which funds will be deposited by the State into the Rhode Island Statewide Opioid Abatement Account, and 20% for disbursement directly to each Participating Subdivision pursuant to the City and Town Share Allocation in Exhibit D. Participating Subdivisions subject to this Order are those that have (1) met the requirements of Section IV of the Settlement Agreement and (2) have executed the RI MOU. For Payment Years 1 and 2, the Fund Administrator may disburse the 20% City and Town Share to Levin, Papantonio, Rafferty, Proctor Buchanan, O'Brien, Barr, & Mougey ("Levin Papantonio Rafferty"), counsel for the

Litigating Subdivisions, which shall then remit payment to each Participating Subdivision pursuant to the Allocation Schedule in Exhibit D. The Fund Administrator and Levin Papantonio Rafferty shall submit a report to the Office of the Attorney General and the Court within 10 days of disbursement of funds to the State of Rhode Island and each Participating Subdivision detailing the disbursements made. Through the signature herein, Levin Papantonio Rafferty hereby assents to this Order and to the Rhode Island Agreement.

The Fund Administrator shall be responsible for making any necessary tax filings and payments of taxes, estimated taxes, and associated interest and penalties, if any, by the Fund. The Fund Administrator shall be responsible for responding to any questions from, or audits regarding such taxes by, the Internal Revenue Service or any state or local tax authority, as well as questions from the Department of Labor. The Fund Administrator shall also be responsible for complying with all tax information reporting and withholding requirements with respect to payments made by the Fund, as well as paying any associated interest and penalties. All such tax, interest, and penalty payments and all expenses and costs incurred in connection with taxation of the Fund (including, without limitation, expenses of tax attorneys and accountants) shall be paid from the Fund and shall be considered administrative costs of the settlement. No bond shall be required.

The Rhode Island Abatement Amount shall be used solely for Opioid Abatement and Remediation by the State and the Participating Subdivisions, as those terms are defined in, and in accordance with, the provisions of the Rhode Island Agreement, including Sections II.JJ, VI.B and Exhibits C and H of the Rhode Island Agreement.

The Court may hold any further proceedings and enter any separate orders, necessary to effectuate the provisions of Section VIII of the Rhode Island Agreement. The State and its counsel shall file their Motion for Costs and Fees prior to February [ ], 2022 and the Court will determine further process.

This Court shall retain jurisdiction over the Parties for the limited purpose of enforcing the Rhode Island Agreement and this Order, except as provided for in Paragraph 8.

So ORDERED this _____ day of January, 2022.

Enter: By Order:

_____ _____
Richard A. Licht, Associate Justice Clerk

APPROVED, AGREED TO AND PRESENTED BY:
State of Rhode Island
Peter F. Neronha, Attorney General
By his attorney,

Counsel for the State of RI

PETER F. NERONHA
ATTORNEY GENERAL

By: */s Adi Goldstein*
Adi Goldstein, RI Bar # 6701
Deputy Attorney General
RHODE ISLAND OFFICE OF THE
ATTORNEY GENERAL
150 South Main Street
Providence, RI 02903
Tel: 401 274 4400
Fax: 401-222-2995
agoldstein@riag.ri.gov

/s/ Vincent Greene
Fidelma Fitzpatrick
Robert J. McConnell
Vincent Greene
Kate E. Menard
MOTLEY RICE LLC
55 Cedar Street, Suite 100
Providence, RI 02903
Tel: 401-457-7700
Fax: 401-457-7708
ffitzpatrick@motleyrice.com
bmcconnell@motleyrice.com
vgreene@motleyrice.com
kmenard@motleyrice.com
Counsel for the State of RI

Linda Singer (Admitted Pro Hac Vice)
David I. Ackerman (Admitted Pro Hac Vice)
David A. Benner (Admitted Pro Hac Vice)
Sara Aguiñiga (Admitted Pro Hac Vice)
MOTLEY RICE LLC
401 9th Street NW, Suite 1001
Washington, DC 20004
Tel: 202-232-5504
Fax: 202-386-9622
lsinger@motleyrice.com
dackerman@motleyrice.com
dbenner@motleyrice.com
saguiniga@motleyrice.com
Counsel for the State of RI

Donald Migliori
Kristen Hermiz
Natalie Deyneka (Admitted Pro Hac Vice)
MOTLEY RICE LLC
28 Bridgeside Blvd.
Mount Pleasant, SC 29464
Tel: 843-216-9000
Fax: 843-216-9450
dmigliori@motleyrice.com
khermiz@motleyrice.com
ndeyneka@motleyrice.com

CARDINAL HEALTH INC.

By its Attorneys,

/s/ Christopher N. Dawson

Robert C. Corrente
Christopher N. Dawson
Whelan Corrente & Flanders LLP
100 Westminster St., Suite 710
Providence, RI 02903-2319
Tel: (401) 270-4500
Fax: (401) 270-3760
rcorrente@whelancorrente.com
cdawson@whlencorrente.com

AMERISOURCEBERGEN

By its Attorneys,

/s/ *Louis W Schack*
Louis W. Schack
Neil Hlawatsch
Reed Smith
Three Logan Square
1717 Arch Street, Suite 3100
Philadelphia, Pennsylvania 19103
lschack@reedsmith.com
nhlawatsch@reedsmith.com

Gerald J. Petros
Mitchell R. Edwards
Hinkley Allen
100 Westminster Street
Suite 1500
Providence RI 02903-2319
Tel: 401-274-2000
Fax: 401-277-9600
gpetros@hinckleyallen.com
medwards@hinkleyallen.com

McKESSON,

By its Attorneys,

/s/ Joseph v. Cavanagh, Jr.
Joseph V. Cavanagh, Jr.
Mary Cavanagh Dunn
Joseph V. Cavanagh, III
Blish & Cavanagh LLP
30 Exchange Terrace
Providence, RI 02903
Tel: 401-831-8900
Fax: 401-751-7542
jvc@blishcavlaw.com
mcd@blishcavlaw.com
jvc3@blishcavlaw.com

Neil K. Roman
Steven Winkelman
T. Scott Shelton
Joseph Hykan
Joe Egozi
Covington & Burling LLP
The New York Times Building
620 Eighth Avenue
New York, NY 10018-1405
nroman@cov.com
swinkelman@cov.com
sshelton@cov.com
JHykan@cov.com
JEgozi@cov.com

LEVIN, PAPANTONIO, RAFFERTY, PROCTOR, BUCHANAN, O'BRIEN, BARR & MOUGEY, P.A.

/s/ Peter J. Mougey
Peter J. Mougey
Florida Bar No.: 191825
Alabama Bar No.: ASB-2825-U72P
Levin, Papantonio, Rafferty, Proctor, Buchanan, O'Brien, Barr & Mougey, P.A.
316 South Baylen Street
Pensacola, FL 32502
850-435-7068
pmougey@levinlaw.com

Exhibit C

Release of Opioid-Related Claims Pursuant to
Section IX.F of the Distributors Rhode Island Settlement Agreement

WHEREAS pursuant to the Distributors Rhode Island Settlement Agreement (the "Settlement"), the State of Rhode Island and each Participating Subdivision have released their Released Claims against McKesson Corporation, Cardinal Health, Inc., and AmerisourceBergen Corporation ("Amerisource") (together the "Distributors") and the related Released Entities, as those terms are defined in the Settlement;

WHEREAS the Settlement provides in Section IX.F that, no later than the Initial Participation Date of the Settlement, the Distributors and the related Released Entities will be released and forever discharged from Released Claims to the maximum extent of the State of Rhode Island's power, as those terms are defined in the Settlement;

THEREFORE, pursuant to the foregoing provision of the Settlement and the power and authority of the Rhode Island Attorney General, the Distributors and the other Released Entities are, as of the Effective Date, hereby released from any and all Released Claims of the State of Rhode Island, any of the State of Rhode Island's past and present executive departments, state agencies, divisions, boards, commissions and instrumentalities with the regulatory authority to enforce state and federal controlled substances acts, any of the State of Rhode Island's past and present executive departments, state agencies, divisions, boards, commissions and instrumentalities that have the authority to bring Claims related to Covered Conduct seeking money (including abatement and/or remediation) or revocation of a pharmaceutical distribution license, and any Participating Subdivision (collectively, Releasors), as those terms are defined in the Settlement. The State of Rhode Island (for itself and the Releasors), 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, as the terms "Released Claims," "Released Entities," and "Releasors" are defined in the Settlement.

Dated: Providence, Rhode Island
January __, 2022

_____

PETER F. NERONHA
Attorney General
State of Rhode Island

Exhibit E

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

IN RE: NATIONAL PRESCRIPTION OPIATE LITIGATION	*	
	*	
TOWN OF BARRINGTON, RHODE ISLAND,	*	
TOWN OF BRISTOL, RHODE ISLAND,	*	
TOWN OF BURRILLVILLE, RHODE ISLAND,	*	**MDL No. 2804**
CITY OF CENTRAL FALLS, RHODE ISLAND,	*	
TOWN OF CHARLESTOWN, RHODE ISLAND,	*	**Case No. 1:17-md-2804**
TOWN OF COVENTRY, RHODE ISLAND,	*	
CITY OF CRANSTON, RHODE ISLAND,	*	**JUDGE DAN AARON**
TOWN OF CUMBERLAND, RHODE ISLAND,	*	**POLSTER**
TOWN OF EAST GREENWICH, RHODE ISLAND,	*	
CITY OF EAST PROVIDENCE, RHODE ISLAND,	*	
TOWN OF FOSTER, RHODE ISLAND,	*	
TOWN OF GLOCESTER, RHODE ISLAND,	*	
TOWN OF HOPKINTON, RHODE ISLAND,		
TOWN OF JAMESTOWN, RHODE ISLAND,		
TOWN OF JOHNSTON, RHODE ISLAND,		
TOWN OF MIDDLETOWN, RHODE ISLAND,		
TOWN OF NARRAGANSETT, RHODE ISLAND,		
CITY OF NEWPORT, RHODE ISLAND,		
TOWN OF NORTH KINGSTOWN, RHODE ISLAND,		
TOWN OF NORTH PROVIDENCE, RHODE ISLAND,		
CITY OF PAWTUCKET, RHODE ISLAND,		
TOWN OF PORTSMOUTH, RHODE ISLAND,		
CITY OF PROVIDENCE, RHODE ISLAND,		
TOWN OF RICHMOND, RHODE ISLAND,		
TOWN OF SCITUATE, RHODE ISLAND,		
TOWN OF SMITHFIELD, RHODE ISLAND,		
TOWN OF SOUTH KINGSTOWN, RHODE ISLAND,		
TOWN OF WARREN, RHODE ISLAND,		
CITY OF WARWICK, RHODE ISLAND,		
TOWN OF WEST GREENWICH, RHODE ISLAND,		
TOWN OF WEST WARWICK, RHODE ISLAND,		
TOWN OF WESTERLY, RHODE ISLAND, AND		
CITY OF WOONSOCKET, RHODE ISLAND,		

PLAINTIFFS,

V.

AMERISOURCEBERGEN CORPORATION, CARDINAL HEALTH, INC., AND MCKESSON CORPORATION,

DEFENDANTS.

STIPULATION OF DISMISSAL WITH PREJUDICE

The undersigned Parties (the "Parties) have settled the above-referenced litigation pursuant to the Distributors Rhode Island Settlement Agreement, executed on January __, 2022, in which Plaintiffs—the Rhode Island subdivisions listed in Appendix A—have elected to participate. The undersigned Parties agree that references to the "Distributor Settlement" in the Subdivision Distributor Settlement Participation Form in Appendix B include the Distributors Rhode Island Settlement Agreement. Plaintiffs agree that the conditions set forth in paragraphs 2 and 13 of the Subdivision Distributor Settlement Participation form have been satisfied. Pursuant to Federal Rule of Civil Procedure 41(a)(1)(A)(ii), Plaintiffs and Defendants AmerisourceBergen Corporation, Cardinal Health, Inc., and McKesson Corporation ("Distributor Defendants"), agree that all claims of Plaintiffs in the actions identified in Appendix A against Distributor Defendants are dismissed with prejudice, with each party to bear its own costs.[14]

[14] "Distributor Defendants" include any and all subsidiaries of these entities that may be individually named in any of Plaintiffs' complaints.

Date: _____

Respectfully submitted,

_____

ATTORNEYS FOR PLAINTIFFS

MCKESSON CORPORATION, d/b/a MCKESSON DRUG COMPANY

/s/ Joseph V. Cavanagh, III
Joseph V. Cavanagh, Jr. (#1139)
Mary Cavanagh Dunn (#6712)
Joseph V. Cavanagh, III (#6907)
Blish & Cavanagh LLP
30 Exchange Terrace
Providence, RI 02903
Tel: (401) 831-8900
Fax: (401) 751-7542
jvc@blishcavlaw.com
mcd@blishcavlaw.com
jvc3@blishcavlaw.com

Neil Roman, Esq., pro hac vice
nroman@cov.com
Christian J. Pistilli, Esq., pro hac vice
cpistilli@cov.com
Laura Flahive Wu, Esq., pro hac vice
lflahivewu@cov.com
Covington & Burling LLP
One CityCenter
850 Tenth Street, NW Washington, DC 20001-4956
Tel: (202) 662-5097
Counsel for Defendant McKesson Corporation, d/b/a McKesson Drug Company

AMERISOURCEBERGEN CORPORATION

/s/ Robert A. Nicholas
Robert A. Nicholas
Shannon E. McClure
REED SMITH LLP
Three Logan Square
1717 Arch Street, Suite 3100
Philadelphia, PA 19103
Tel: (215) 851-8100
Fax: (215) 851-1420
rnicholas@reedsmith.com
smcclure@reedsmith.com
Counsel for Defendant AmerisourceBergen Corporation

CARDINAL HEALTH, INC.

By: _____

Enu A. Mainigi
725 Twelfth Street NW
Washington, DC 20005
(202) 434-5000 / tel.
(202) 434-5029/ fax
emainigi@wc.com
Counsel for Defendant Cardinal Health, Inc.

CERTIFICATE OF SERVICE

I hereby certify that on _____, 2022, the above and foregoing pleading was electronically filed with the Clerk of Court of the United States District Court for the Northern District of Ohio by using the CM/ECF System. Notice of this filing will be sent to all counsel of record registered to receive electronic service by operation of the court's electronic filing system.

_____

Exhibit O

List of States

1. Alabama
2. Alaska
3. American Samoa
4. Arizona
5. Arkansas
6. California
7. Colorado
8. Connecticut
9. Delaware
10. Florida
11. Georgia
12. Guam
13. Hawaii
14. Idaho
15. Illinois
16. Indiana
17. Iowa
18. Kansas
19. Kentucky
20. Louisiana
21. Maine
22. Maryland
23. Massachusetts
24. Michigan
25. Minnesota
26. Mississippi
27. Missouri
28. Montana
29. Nebraska
30. Nevada
31. New Hampshire
32. New Jersey
33. New Mexico
34. New York
35. North Carolina
36. North Dakota
37. Northern Mariana Islands
38. Ohio
39. Oklahoma
40. Oregon
41. Pennsylvania
42. Puerto Rico
43. Rhode Island
44. South Carolina
45. South Dakota
46. Tennessee
47. Texas
48. United States Virgin Islands
49. Utah
50. Vermont
51. Virginia
52. Washington
53. Washington, District of Columbia
54. Wisconsin
55. Wyoming

Exhibit P

Proposed Injunctive Relief Term Sheet

I. INTRODUCTION

A. Within ninety (90) days of the Effective Date unless otherwise set forth herein, each Injunctive Relief Distributor shall implement the injunctive relief terms set forth in Sections II through XIX (the "Injunctive Relief Terms") in its Controlled Substance Monitoring Program ("CSMP").

B. The Effective Date of these Injunctive Relief Terms shall be defined by Section I.P of the Settlement Agreement, dated as of July 21, 2021, which incorporates these Injunctive Relief Terms as Exhibit P.

II. TERM AND SCOPE

A. The duration of the Injunctive Relief Terms contained in Sections IV through XVI shall be ten (10) years from the Effective Date.

B. McKesson Corporation, Cardinal Health, Inc., and AmerisourceBergen Corporation are referred to collectively throughout these Injunctive Relief Terms as the "Injunctive Relief Distributors" or individually as an "Injunctive Relief Distributor." Each Injunctive Relief Distributor is bound by the terms herein.

C. The requirements contained in Sections VIII through XV shall apply to the distribution of Controlled Substances to Customers by each Injunctive Relief Distributor's Full-Line Wholesale Pharmaceutical Distribution Business, including by any entities acquired by the Injunctive Relief Distributors that are engaged in the Full-Line Wholesale Pharmaceutical Distribution Business. The prior sentence is not limited to activity physically performed at each Injunctive Relief Distributor's distribution centers and includes activity covered by the prior sentence performed by each Injunctive Relief Distributor at any physical location, including at its corporate offices or at the site of a Customer with respect to Sections III through XV.

III. DEFINITIONS

A. "*Audit Report*." As defined in Section XVIII.H.3.

B. "*Chain Customers*." Chain retail pharmacies that have centralized corporate headquarters and have multiple specific retail pharmacy locations from which Controlled Substances are dispensed to individual patients.

C. "*Chief Diversion Control Officer*." As defined in Section IV.A.

D. "*Clearinghouse*." The system established by Section XVII.

E. "*Clearinghouse Advisory Panel*." As defined in Section XVII.B.4.

F. "*Controlled Substances.*" Those substances designated under schedules II-V pursuant to the federal Controlled Substances Act and the laws and regulations of the Settling States that incorporate federal schedules II-V. For purposes of the requirements of the Injunctive Relief Terms, Gabapentin shall be treated as a Controlled Substance, except for purposes of Section XII for Customers located in States that do not regulate it as a controlled substance or similar designation (e.g., drug of concern).

G. "*Corrective Action Plan*." As defined in Section XIX.B.7.b.

H. "*CSMP*." As defined in Section I.A.

I. "*CSMP Committee.*" As defined in Section VI.A.

J. "*Customers*." Refers collectively to current, or where applicable potential, Chain Customers and Independent Retail Pharmacy Customers. "Customers" do not include long-term care facilities, hospital pharmacies, and pharmacies that serve exclusively inpatient facilities.

K. "*Data Security Event*." Refers to any compromise, or threat that gives rise to a reasonable likelihood of compromise, by unauthorized access or inadvertent disclosure impacting the confidentiality, integrity, or availability of Dispensing Data.

L. "*Dispensing Data.*" Includes, unless altered by the Clearinghouse Advisory Panel: (i) unique patient IDs; (ii) patient zip codes; (iii) the dates prescriptions were dispensed; (iv) the NDC numbers of the drugs dispensed; (v) the quantities of drugs dispensed; (vi) the day's supply of the drugs dispensed; (vii) the methods of payment for the drugs dispensed; (viii) the prescribers' names; (ix) the prescribers' NPI or DEA numbers; and (x) the prescribers' zip codes or addresses. The Clearinghouse will be solely responsible for collecting Dispensing Data.

M. "*Draft Report.*" As defined in Section XVIII.H.1.

N. "*Effective Date.*" As defined in Section I.B.

O. *"Full-Line Wholesale Pharmaceutical Distribution Business.*" Activity engaged in by distribution centers with a primary business of supplying a wide range of branded, generic, over-the-counter and specialty pharmaceutical products to Customers.

P. "*Highly Diverted Controlled Substances.*" Includes: (i) oxycodone; (ii) hydrocodone; (iii) hydromorphone; (iv) tramadol; (v) oxymorphone; (vi) morphine; (vii) methadone; (viii) carisoprodol; (ix) alprazolam; and (x) fentanyl. The Injunctive Relief Distributors shall confer annually and review this list to determine whether changes are appropriate and shall add Controlled Substances to

the list of Highly Diverted Controlled Substances as needed based on information provided by the DEA and/or other sources related to drug diversion trends. The Injunctive Relief Distributors shall notify the State Compliance Review Committee and the Monitor of any additions to the list of Highly Diverted Controlled Substances. Access to Controlled Substances predominately used for Medication-Assisted Treatment shall be considered when making such additions.

Q. "*Independent Retail Pharmacy Customers.*" Retail pharmacy locations that do not have centralized corporate headquarters and dispense Controlled Substances to individual patients.

R. "*Injunctive Relief Distributors.*" As defined in Section II.B.

S. "*Injunctive Relief Terms.*" As defined in Section I.A.

T. "*Monitor.*" As defined in Section XVIII.A.

U. "*National Arbitration Panel.*" As defined by Section I.GG of the Settlement Agreement, dated as of July 21, 2021, which incorporates these Injunctive Relief Terms as Exhibit P.

V. "*NDC.*" National Drug Code.

W. "*non-Controlled Substance.*" Prescription medications that are not Controlled Substances.

X. "*Notice of Potential Violation.*" As defined in Section XIX.B.2.

Y. "*Order.*" A unique Customer request on a specific date for (i) a certain amount of a specific dosage form or strength of a Controlled Substance or (ii) multiple dosage forms and/or strengths of a Controlled Substance. For the purposes of this definition, each line item on a purchasing document or DEA Form 222 is a separate order, except that a group of line items either in the same drug family or DEA base code (based upon the structure of a Injunctive Relief Distributor's CSMP) may be considered to be a single order.

Z. "*Pharmacy Customer Data.*" Aggregated and/or non-aggregated data provided by the Customer for a 90-day period.

1. To the extent feasible based on the functionality of a Customer's pharmacy management system, Pharmacy Customer Data shall contain (or, in the case of non-aggregated data, shall be sufficient to determine) the following:

a) A list of the total number of prescriptions and dosage units for each NDC for all Controlled Substances and non-Controlled Substances;

b) A list of the top five prescribers of each Highly Diverted Controlled Substance by dosage volume and the top ten prescribers of all Highly Diverted Controlled Substances combined by dosage volume. For each prescriber, the data shall include the following information:

(1) Number of prescriptions and doses prescribed for each Highly Diverted Controlled Substance NDC;

(2) Number of prescriptions for each unique dosage amount (number of pills per prescription) for each Highly Diverted Controlled Substance NDC;

(3) Prescriber name, DEA registration number, and address; and

(4) Medical practice/specialties, if available;

c) Information on whether the method of payment was cash for (a) Controlled Substances, and (b) non-Controlled Substances; and

d) Information on top ten patient residential areas by five-digit ZIP code prefix for filled Highly Diverted Controlled Substances by dosage volume, including number of prescriptions and doses for each Highly Diverted Controlled Substance NDC.

2. Injunctive Relief Distributors are not required to obtain Pharmacy Customer Data for all Customers. Pharmacy Customer Data only needs to be obtained under circumstances required by the Injunctive Relief Terms and the applicable CSMP policies and procedures. Each Injunctive Relief Distributor's CSMP policies and procedures shall describe the appropriate circumstances under which and methods to be used to obtain and analyze Pharmacy Customer Data.

3. Injunctive Relief Distributors shall only collect, use, disclose or retain Pharmacy Customer Data consistent with applicable federal and state privacy and consumer protections laws. Injunctive Relief Distributors shall not be required to collect, use, disclose or retain any data element that is prohibited by law or any element that would require notice to or consent from the party who is the subject of the data element, including but not limited to a third party (such as a prescriber) to permit collection, use, disclosure and/or retention of the data.

AA. "*Potential Violation.*" As defined in Section XIX.B.1.

BB. "*Reporting Periods.*" As defined in Section XVIII.C.1.

CC. "*Settling State.*" As defined by Section I.OOO of the Settlement Agreement, dated as of July 21, 2021, which incorporates these Injunctive Relief Terms as Exhibit P.

DD. "*State Compliance Review Committee.*" The initial State Compliance Review Committee members are representatives from the Attorneys General Offices of Connecticut, Florida, New York, North Carolina, Tennessee, and Texas. The membership of the State Compliance Review Committee may be amended at the discretion of the Settling States.

EE. "*Suspicious Orders.*" As defined under federal law and regulation and the laws and regulations of the Settling States that incorporate the federal Controlled Substances Act. Suspicious Orders currently include, but are not limited to, orders of unusual size, orders deviating substantially from a normal pattern, and orders of unusual frequency.

FF. "*Threshold.*" The total volume of a particular drug family, DEA base code, or a particular formulation of a Controlled Substance that an Injunctive Relief Distributor shall allow a Customer to purchase in any particular period. This term may be reassessed during Phase 2-B of the Clearinghouse.

GG. "*Third Party Request.*" A request from an entity other than an Injunctive Relief Distributor, a Settling State, or the Monitor pursuant to a subpoena, court order, data practices act, freedom of information act, public information act, public records act, or similar law.

HH. "*Top Prescriber.*" A prescriber who, for a Customer, is either (i) among the top five (5) prescribers of each Highly Diverted Controlled Substance or (ii) among the top ten (10) prescribers of Highly Diverted Controlled Substances combined, as determined from the most recent Pharmacy Customer Data for that Customer.

IV. CSMP PERSONNEL

A. Each Injunctive Relief Distributor shall establish or maintain the position of Chief Diversion Control Officer, or other appropriately titled position, to oversee the Injunctive Relief Distributor's CSMP. The Chief Diversion Control Officer shall have appropriate experience regarding compliance with the laws and regulations concerning Controlled Substances, in particular laws and regulations requiring effective controls against the potential diversion of Controlled Substances. The Chief Diversion Control Officer shall report directly to either the senior executive responsible for U.S. pharmaceutical distribution or the most senior legal officer at the Injunctive Relief Distributor.

B. The Chief Diversion Control Officer shall be responsible for the approval of material revisions to the CSMP.

C. The Chief Diversion Control Officer shall provide at least quarterly reports to the CSMP Committee regarding the Injunctive Relief Distributor's operation of the

CSMP, including the implementation of any changes to the CSMP required by these Injunctive Relief Terms.

D. An Injunctive Relief Distributor's CSMP functions, including but not limited to the onboarding and approval of new Customers for the sale of Controlled Substances, setting and adjusting Customer Thresholds for Controlled Substances, terminating or suspending Customers, and submitting Suspicious Orders and other reports to Settling States (or the Clearinghouse, when operational), but excluding support necessary to perform these functions, shall be conducted exclusively by the Injunctive Relief Distributor's CSMP personnel or qualified third-party consultants.

E. Staffing levels of each Injunctive Relief Distributor's CSMP department shall be reviewed periodically, but at least on an annual basis, by the Injunctive Relief Distributor's CSMP Committee. This review shall include consideration of relevant developments in technology, law, and regulations to ensure the necessary resources are in place to carry out the program in an effective manner.

F. Personnel in an Injunctive Relief Distributor's CSMP department shall not report to individuals in an Injunctive Relief Distributor's sales department, and sales personnel shall not be authorized to make decisions regarding the promotion, compensation, demotion, admonition, discipline, commendation, periodic performance reviews, hiring, or firing of CSMP personnel.

G. The CSMP policies and procedures shall be published in a form and location readily accessible to all CSMP personnel at each Injunctive Relief Distributor.

V. INDEPENDENCE

A. For each Injunctive Relief Distributor, sales personnel compensated with commissions shall not be compensated based on revenue or profitability targets or expectations for sales of Controlled Substances. However, each Injunctive Relief Distributor's personnel may, as applicable, be compensated (including incentive compensation) based on formulas that include total sales for all of the Injunctive Relief Distributor's products, including Controlled Substances. The compensation of sales personnel shall not include incentive compensation tied solely to sales of Controlled Substances.

B. For any Injunctive Relief Distributor personnel who are compensated at least in part based on Customer sales, the Injunctive Relief Distributor shall ensure the compensation of such personnel is not decreased by a CSMP-related suspension or termination of a Customer or as a direct result of the reduction of sales of Controlled Substances to a Customer pursuant to the CSMP.

C. The Injunctive Relief Distributors' sales personnel shall not be authorized to make decisions regarding the implementation of CSMP policies and procedures, the design of the CSMP, the setting or adjustment of Thresholds, or other actions taken pursuant to the CSMP, except sales personnel must provide information

regarding compliance issues to CSMP personnel promptly. The Injunctive Relief Distributors' sales personnel are prohibited from interfering with, obstructing, or otherwise exerting control over any CSMP department decision-making.

D. Each Injunctive Relief Distributor shall review its compensation and non-retaliation policies and, if necessary, modify and implement changes to those policies to effectuate the goals of, and incentivize compliance with, the CSMP.

E. Each Injunctive Relief Distributor shall maintain a telephone, email, and/or web-based "hotline" to permit employees and/or Customers to anonymously report suspected diversion of Controlled Substances or violations of the CSMP, Injunctive Relief Distributor company policy related to the distribution of Controlled Substances, or applicable law. Each Injunctive Relief Distributor shall share the hotline contact information with their employees and Customers. Each Injunctive Relief Distributor shall maintain all complaints made to the hotline, and document the determinations and bases for those determinations made in response to all complaints.

VI. OVERSIGHT

A. To the extent not already established, each Injunctive Relief Distributor shall establish a committee that includes senior executives with responsibility for legal, compliance, distribution and finance to provide oversight over its CSMP (the "CSMP Committee"). The Chief Diversion Control Officer shall be a member of the CSMP Committee. The CSMP Committee shall not include any employee(s) or person(s) performing any sales functions on behalf of the Injunctive Relief Distributor; provided that service on the CSMP Committee by any senior executives listed in this paragraph whose responsibilities may include, but are not limited to, management of sales functions shall not constitute a breach of the Injunctive Relief Terms.

B. Each Injunctive Relief Distributor's CSMP Committee shall have regular meetings during which the Chief Diversion Control Officer shall present to the CSMP Committee with respect to, and the CSMP Committee shall evaluate, among other things: (1) any material modifications and potential enhancements to the CSMP including, but not limited to, those relating to Customer due diligence and Suspicious Order monitoring and reporting; (2) any significant new national and regional diversion trends involving Controlled Substances; (3) the Injunctive Relief Distributor's adherence to the CSMP policies and procedures, the Injunctive Relief Terms, and applicable laws and regulations governing the distribution of Controlled Substances; and (4) any technology, staffing, or other resource needs for the CSMP. The CSMP Committee shall have access to all CSMP reports. The CSMP Committee will review and approve the specific metrics used to identify the Red Flags set forth in Section VIII.

C. On a quarterly basis, each Injunctive Relief Distributor's CSMP Committee shall send a written report to the Injunctive Relief Distributor's Chief Executive, Chief

Financial, and Chief Legal Officer, as well as its Board of Directors, addressing: (1) the Injunctive Relief Distributor's substantial adherence to the CSMP policies and procedures, the Injunctive Relief Terms, and applicable laws and regulations governing the distribution of Controlled Substances; (2) recommendations as appropriate about the allocation of resources to ensure the proper functioning of the Injunctive Relief Distributor's CSMP; and (3) significant revisions to the CSMP. The Board of Directors or a committee thereof at each Injunctive Relief Distributor shall document in its minutes its review of the quarterly CSMP Committee reports.

D. To the extent not already established, the Board of Directors of each Injunctive Relief Distributor shall establish its own compliance committee (the "Board Compliance Committee") to evaluate, at a minimum, and on a quarterly basis: (1) the CSMP Committee's written reports; (2) the Injunctive Relief Distributor's substantial adherence to the CSMP policies and procedures, the Injunctive Relief Terms, and applicable laws and regulations governing the distribution of Controlled Substances; (3) the Injunctive Relief Distributor's code of conduct and any whistleblower reporting policies, including those prescribed by Section V.E; and (4) any significant regulatory and/or government enforcement matters within the review period relating to the distribution of Controlled Substances. An Injunctive Relief Distributor meets this requirement if it established, prior to the Effective Date, multiple committees of its Board of Directors that together have responsibilities outlined in this paragraph.

E. The Board Compliance Committee shall have the authority to: (1) require management of the Injunctive Relief Distributor to conduct audits on any CSMP or legal and regulatory concern pertaining to Controlled Substances distribution, and to update its full Board of Directors on those audits; (2) to commission studies, reviews, reports, or surveys to evaluate the Injunctive Relief Distributor's CSMP performance; (3) request meetings with the Injunctive Relief Distributor's management and CSMP staff; and (4) review the appointment, compensation, performance, and replacement of the Injunctive Relief Distributor's Chief Diversion Control Officer.

VII. MANDATORY TRAINING

A. Each Injunctive Relief Distributor shall require all new CSMP personnel to attend trainings on its CSMP, its obligations under the Injunctive Relief Terms, and its duties with respect to maintaining effective controls against potential diversion of Controlled Substances and reporting Suspicious Orders pursuant to state and federal laws and regulations prior to conducting any compliance activities for the Injunctive Relief Distributor without supervision.

B. Each Injunctive Relief Distributor shall provide annual trainings to CSMP personnel on its CSMP, its obligations under the Injunctive Relief Terms, and its duties to maintain effective controls against potential diversion of Controlled

Substances and report Suspicious Orders pursuant to state and federal laws and regulations.

C. On an annual basis, each Injunctive Relief Distributor shall test its CSMP personnel on their knowledge regarding its CSMP, its obligations under the Injunctive Relief Terms, and its duties to maintain effective controls against potential diversion of Controlled Substances and to report Suspicious Orders pursuant to state and federal laws and regulations.

D. Each Injunctive Relief Distributor shall train all third-party compliance consultants (defined as non-employees who are expected to devote 50% or more of their time to performing work related to the Injunctive Relief Distributor's CSMP, excluding information technology consultants not engaged in substantive functions related to an Injunctive Relief Distributor's CSMP) performing compliance functions for the Injunctive Relief Distributor in the same manner as the Injunctive Relief Distributor's CSMP personnel.

E. At least every three (3) years in the case of existing employees, and within the first six months of hiring new employees, each Injunctive Relief Distributor shall require operations, sales, and senior executive employees to attend trainings on its CSMP, its obligations under the Injunctive Relief Terms, the hotline established in Section V.E, and its duties to maintain effective controls against potential diversion of Controlled Substances and report Suspicious Orders pursuant to state and federal laws and regulations.

VIII. RED FLAGS

A. Within one hundred and twenty days (120) of the Effective Date, each Injunctive Relief Distributor shall, at a minimum, apply specific metrics to identify the potential Red Flags described in Section VIII.D with respect to Independent Retail Pharmacy Customers. For Chain Customers, the metrics used to identify the Red Flags described in Section VIII.D may be adjusted based on the specific business model and supplier relationships of the Chain Customer.

B. Each Injunctive Relief Distributor shall evaluate and, if necessary, enhance or otherwise adjust the specific metrics it uses to identify Red Flags set forth in Section VIII.D.

C. Each Injunctive Relief Distributor shall provide annually to the Monitor the specific metrics it uses to identify Red Flags as set forth in Section VIII.D. The Monitor shall review the metrics used to identify Red Flags as set forth in Section VIII.D to assess whether the metrics are reasonable. The Monitor may, at its discretion, suggest revisions to the metrics in the annual Audit Report as part of the Red Flags Review set forth in Section XVIII.F.3.f. Each Injunctive Relief Distributor may rely on its specific metrics to comply with the requirements of Section VIII unless and until the Monitor proposes a revised metric in connection with Section XVIII.H.

D. For purposes of the Injunctive Relief Terms, "Red Flags" are defined as follows:

1. **Ordering ratio of Highly Diverted Controlled Substances to non-Controlled Substances:** Analyze the ratio of the order volume of all Highly Diverted Controlled Substances to the order volume of all non-Controlled Substances to identify Customers with significant rates of ordering Highly Diverted Controlled Substances.

2. **Ordering ratio of Highly Diverted Controlled Substance base codes or drug families to non-Controlled Substances:** Analyze the ratio of the order volume of each Highly Diverted Controlled Substance base code or drug family to the total order volume of all non-Controlled Substances to identify Customers with significant rates of ordering each Highly Diverted Controlled Substance base code or drug family.

3. **Excessive ordering growth of Controlled Substances:** Analyze significant increases in the ordering volume of Controlled Substances using criteria to identify customers that exhibit percentage growth of Controlled Substances substantially in excess of the percentage growth of non-Controlled Substances.

4. **Unusual formulation ordering:** Analyze ordering of Highly Diverted Controlled Substances to identify customers with significant ordering of high-risk formulations. High-risk formulations include, but are not limited to, 10mg hydrocodone, 8mg hydromorphone, 2mg alprazolam, single-ingredient buprenorphine (i.e., buprenorphine without naloxone), and highly-abused formulations of oxycodone. On an annual basis (or as otherwise necessary), high-risk formulations of Highly Diverted Controlled Substances may be added, removed, or revised based on the Injunctive Relief Distributors' assessment and regulatory guidance.

5. **Out-of-area patients:** Analyze Pharmacy Customer Data or Dispensing Data to assess volume of prescriptions for Highly Diverted Controlled Substances for out-of-area patients (based on number of miles traveled between a patient's zip code and the pharmacy location, depending on the geographic area of interest) taking into consideration the percentage of out-of-area patients for non-Controlled Substances.

6. **Cash prescriptions:** Analyze Pharmacy Customer Data or Dispensing Data to assess percentage of cash payments for purchases of Controlled Substances taking into consideration the percentage of cash payments for purchases of non-Controlled Substances.

7. **Prescriber activity of Customers:** Analyze Pharmacy Customer Data or Dispensing Data to identify Customers that are dispensing Highly Diverted Controlled Substance prescriptions for Top Prescribers as follows:

a) Top Prescribers representing a significant volume of dispensing where the prescriber's practice location is in excess of 50 miles from the pharmacy ("out-of-area"), relative to the percentage of out-of-area prescriptions for non-Controlled Substances.

b) Top Prescribers representing prescriptions for the same Highly Diverted Controlled Substances in the same quantities and dosage forms indicative of pattern prescribing (e.g., a prescriber providing many patients with the same high-dose, high-quantity supply of 30mg oxycodone HCL prescription without attention to the varying medical needs of the prescriber's patient population).

c) Top Prescribers where the top five (5) or fewer prescribers represent more than 50% of total prescriptions for Highly Diverted Controlled Substances during a specified period.

8. **Public regulatory actions against Customers:** Review information retrieved from companies that provide licensing and disciplinary history records (e.g., LexisNexis), and/or other public sources, including governmental entities, showing that the Customer, pharmacists working for that Customer, or the Customer's Top Prescribers have been subject, in the last five (5) years, to professional disciplinary sanctions regarding the dispensing or handling of Controlled Substances or law enforcement action related to Controlled Substances diversion. Continued licensing by a relevant state agency may be considered, but shall not be dispositive, in resolving the Red Flag. For Chain Customer locations, representations from each Chain Customer that it reviews its pharmacists' licensing statuses annually and for the regulatory actions described in this paragraph has either (i) taken appropriate employment action, or (ii) disclosed the regulatory action to the Injunctive Relief Distributor, may be considered in resolving the Red Flag.

9. **Customer termination data:** Review information from the Injunctive Relief Distributor's due diligence files and, when operable, from the Clearinghouse, subject to Section VIII.F, regarding Customers that have been terminated from ordering Controlled Substances by another distributor due to concerns regarding Controlled Substances.

E. For any Red Flag evaluation in Section VIII.D that may be performed using Pharmacy Customer Data or Dispensing Data, an Injunctive Relief Distributor will analyze the Red Flag using Pharmacy Customer Data, to the extent feasible based on the functionality of a Customer's pharmacy management system, until Dispensing Data is collected and analyzed by the Clearinghouse as described in Section XVII. Until Dispensing Data is collected and analyzed by the Clearinghouse, an Injunctive Relief Distributor may satisfy the Red Flag evaluations in Sections VIII.D.5 through VIII.D.7 by engaging in considerations of out-of-area patients, cash payments for prescriptions and Top Prescribers

without satisfying the specific requirements of Sections VIII.D.5 through VIII.D.7. In the event that the Clearinghouse is not collecting and analyzing Dispensing Data within two years of the Effective Date, the Injunctive Relief Distributors and the State Compliance Review Committee shall meet and confer to consider alternatives for the performance of the analysis required by Sections VIII.D.5 through VIII.D.7 using Pharmacy Customer Data.

F. As provided for in Section XVII.C.4, the foregoing Red Flag evaluations may be performed by the Clearinghouse and reported to the relevant Injunctive Relief Distributors.

G. The Injunctive Relief Distributors and the State Compliance Review Committee shall work in good faith to identify additional potential Red Flags that can be derived from the data analytics to be performed by the Clearinghouse.

IX. ONBOARDING

A. For each Injunctive Relief Distributor, prior to initiating the sale of Controlled Substances to a potential Customer, a member of the Injunctive Relief Distributor's CSMP department (or a qualified third-party compliance consultant trained on the Injunctive Relief Distributor's CSMP) shall perform the following due diligence:

1. Interview the pharmacist-in-charge, either over the telephone, via videoconference, or in person. The interview shall include questions regarding the manner in which the potential Customer maintains effective controls against the potential diversion of Controlled Substances.

2. Obtain a "Pharmacy Questionnaire" completed by the owner and/or pharmacist-in-charge of the potential Customer. The Pharmacy Questionnaire shall require going-concern potential Customers to list their top ten (10) prescribers for Highly Diverted Controlled Substances combined, along with the prescriber's specialty, unless the Injunctive Relief Distributor is able to obtain this data otherwise. The Pharmacy Questionnaire shall also require disclosure of the identity of all other distributors that serve the potential Customer, and whether the potential Customer has been terminated or suspended from ordering Controlled Substances by another distributor and the reason for any termination or suspension. The Pharmacy Questionnaire shall request information that would allow the Injunctive Relief Distributor to identify Red Flags, including questions regarding the manner in which the potential Customer maintains effective controls against the potential diversion of Controlled Substances. A potential Customer's responses to the Pharmacy Questionnaire shall be verified, to the extent applicable and practicable, against external sources (for example, the Clearinghouse, once operational, and Automation of Reports and Consolidated Orders System ("ARCOS") data made available to the Injunctive Relief Distributor by the

DEA). The Pharmacy Questionnaire shall be maintained by the Injunctive Relief Distributor in a database accessible to its CSMP personnel.

3. Complete a written onboarding report to be maintained in a database accessible to the Injunctive Relief Distributor's CSMP personnel reflecting the findings of the interview and any site visit, the findings regarding the identification of and, if applicable, conclusion concerning any Red Flag associated with the pharmacy, as well as an analysis of the Pharmacy Questionnaire referenced in the preceding paragraph.

4. For going-concern potential Customers, review Pharmacy Customer Data to assist with the identification of any Red Flags.

5. Document whether the potential Customer or the pharmacist-in-charge has been subject to any professional disciplinary sanctions or law enforcement activity related to Controlled Substances dispensing, and, if so, the basis for that action. For Chain Customers, this provision shall apply to the potential specific pharmacies in question.

B. For Chain Customers, each Injunctive Relief Distributor may obtain the information in Section IX.A from a corporate representative of the Chain Customer.

C. In the event that an Injunctive Relief Distributor identifies one or more unresolved Red Flags or other information indicative of potential diversion of Controlled Substances through the onboarding process or otherwise, the Injunctive Relief Distributor shall refrain from selling Controlled Substances to the potential Customer pending additional due diligence. If following additional due diligence, the Injunctive Relief Distributor is unable to resolve the Red Flags or other information indicative of diversion, the Injunctive Relief Distributor shall not initiate the sale of Controlled Substances to the potential Customer and shall report the potential Customer consistent with Section XIV. If the Injunctive Relief Distributor determines that the potential Customer may be onboarded for the sale of Controlled Substances, the Injunctive Relief Distributor shall document the decision and the bases for its decision. Such a good faith determination, if documented, shall not serve, without more, as the basis of a future claim of non-compliance with the Injunctive Relief Terms. For Chain Customers, these provisions shall apply to the potential specific pharmacies in question.

X. ONGOING DUE DILIGENCE

A. Each Injunctive Relief Distributor shall periodically review its procedures and systems for detecting patterns or trends in Customer order data or other information used to evaluate whether a Customer is maintaining effective controls against diversion.

B. Each Injunctive Relief Distributor shall conduct periodic proactive compliance reviews of its Customers' performance in satisfying their corresponding responsibilities to maintain effective controls against the diversion of Controlled Substances.

C. Each Injunctive Relief Distributor shall review ARCOS data made available to it by the DEA and, once operational, by the Clearinghouse, to assist with Customer specific due diligence. For Chain Customers, this provision shall apply to the potential specific pharmacies in question.

D. Each Injunctive Relief Distributor shall conduct due diligence as set forth in its CSMP policies and procedures in response to concerns of potential diversion of Controlled Substances at its Customers. For Chain Customers, these provisions shall apply to the specific pharmacies in question. The due diligence required by an Injunctive Relief Distributor's CSMP policies and procedures may depend on the information or events at issue. The information or events raising concerns of potential diversion of Controlled Substances at a Customer include but are not limited to:

1. The discovery of one or more unresolved Red Flags;

2. The receipt of information directly from law enforcement or regulators concerning potential diversion of Controlled Substances at or by a Customer;

3. The receipt of information concerning the suspension or revocation of pharmacist's DEA registration or state license related to potential diversion of Controlled Substances;

4. The receipt of reliable information through the hotline established in Section V.E concerning suspected diversion of Controlled Substances at the Customer;

5. The receipt of reliable information from another distributor concerning suspected diversion of Controlled Substances at the Customer; or

6. Receipt of other reliable information that the Customer is engaged in conduct indicative of diversion or is failing to adhere to its corresponding responsibility to prevent the diversion of Highly Diverted Controlled Substances.

E. On an annual basis, each Injunctive Relief Distributor shall obtain updated pharmacy questionnaires from five hundred (500) Customers to include the following:

1. The top 250 Customers by combined volume of Highly Diverted Controlled Substances purchased from the Injunctive Relief Distributor measured as of the end of the relevant calendar year; and

2. Additional Customers selected as a representative sample of various geographic regions, customer types (Independent Retail Pharmacy Customers and Chain Customers), and distribution centers. Each Injunctive Relief Distributor's Chief Diversion Control Officer shall develop risk-based criteria for the sample selection.

F. Scope of Review

1. For reviews triggered by Section X.D, an Injunctive Relief Distributor shall conduct due diligence and obtain updated Pharmacy Customer Data or equivalent, or more comprehensive data from the Clearinghouse if needed, as set forth in its CSMP policies and procedures.

2. For questionnaires collected pursuant to Section X.E, Injunctive Relief Distributors shall conduct a due diligence review consistent with the Injunctive Relief Distributors' CSMP policies and procedures. These annual diligence reviews shall be performed in addition to any of the diligence reviews performed under Section X.D, but may reasonably rely on reviews performed under Section X.D.

3. If the Injunctive Relief Distributor decides to terminate the Customer due to concerns regarding potential diversion of Controlled Substances, the Injunctive Relief Distributor shall promptly cease the sale of Controlled Substances to the Customer and report the Customer consistent with Section XIV. If the Injunctive Relief Distributor decides not to terminate the Customer, the Injunctive Relief Distributor shall document that determination and the basis therefor. Such a good faith determination, if documented, shall not, without more, serve as the basis of a future claim of non-compliance with the Injunctive Relief Terms.

XI. SITE VISITS

A. Each Injunctive Relief Distributor shall conduct site visits, including unannounced site visits, where appropriate, of Customers, as necessary, as part of Customer due diligence.

B. During site visits, an Injunctive Relief Distributor's CSMP personnel or qualified third-party compliance consultants shall interview the pharmacist-in-charge or other relevant Customer employees, if appropriate, about any potential Red Flags and the Customer's maintenance of effective controls against the potential diversion of Controlled Substances.

C. An Injunctive Relief Distributor's CSMP personnel or qualified third-party compliance consultants who conduct site visits shall document the findings of any site visit.

D. Site visit and all other compliance reports shall be maintained by each Injunctive Relief Distributor in a database accessible to all CSMP personnel.

XII. THRESHOLDS

A. Each Injunctive Relief Distributor shall use Thresholds to identify potentially Suspicious Orders of Controlled Substances from Customers.

B. Each Injunctive Relief Distributor's CSMP department shall be responsible for the oversight of the process for establishing and modifying Thresholds. The sales departments of the Injunctive Relief Distributors shall not have the authority to establish or adjust Thresholds for any Customer or participate in any decisions regarding establishment or adjustment of Thresholds.

C. Injunctive Relief Distributors shall not provide Customers specific information about their Thresholds or how their Thresholds are calculated.

1. Threshold Setting

a) Injunctive Relief Distributors shall primarily use model-based thresholds. For certain circumstances, Injunctive Relief Distributors may apply a non-model threshold based on documented customer diligence and analysis.

b) Each Injunctive Relief Distributor shall include in its Annual Threshold Analysis and Assessment Report (as required by Section XVIII.F.3.c) to the Monitor summary statistics regarding the use of non-model thresholds and such information shall be considered by the Monitor as part of its Threshold Setting Process Review in the annual Audit Report.

c) For the purposes of establishing and maintaining Thresholds, each Injunctive Relief Distributor shall take into account the Controlled Substances diversion risk of each drug base code. The diversion risk of each base code should be defined and reassessed annually by the Injunctive Relief Distributor's CSMP Committee and reviewed by the Monitor.

d) Each Injunctive Relief Distributor shall establish Thresholds for new Customers prior to supplying those Customers with Controlled Substances and shall continue to have Thresholds in place at all times for each Customer to which it supplies Controlled Substances.

e) When ordering volume from other distributors becomes readily available from the Clearinghouse, an Injunctive Relief Distributor shall consider including such information as soon as reasonably practicable in establishing and maintaining Thresholds.

f) Each Injunctive Relief Distributor shall incorporate the following guiding principles in establishing and maintaining Customer Thresholds, except when inapplicable to non-model Thresholds:

(1) Thresholds shall take into account the number of non-Controlled Substance dosage units distributed to, dispensed and/or number of prescriptions dispensed by the Customer to assist with the determination of Customer size. As a general matter, smaller customers should have lower Thresholds than larger customers.

(2) For the purposes of establishing and maintaining Thresholds, Injunctive Relief Distributors shall use statistical models that are appropriate to the underlying data.

(3) For the purposes of establishing and maintaining Thresholds, Injunctive Relief Distributors shall take into account a Customer's ordering and/or dispensing history for a specified period of time.

(4) For the purposes of establishing and maintaining Thresholds, Injunctive Relief Distributors shall take into account the ordering history of Customers within similar geographic regions, or, where appropriate for Chain Customers, ordering history within the chain.

(5) If appropriate, Thresholds may take into account the characteristics of Customers with similar business models.

(a) A Customer's statement that it employs a particular business model must be verified, to the extent practicable, before that business model is taken into account in establishing and maintaining a Customer's Threshold.

2. Threshold Auditing

a) The Injunctive Relief Distributors shall review their respective Customer Thresholds at least on an annual basis and modify them where appropriate.

b) Each Injunctive Relief Distributor's CSMP department shall annually evaluate its Threshold setting methodology and processes and its CSMP personnel's performance in adhering to those policies.

3. Threshold Changes

a) An Injunctive Relief Distributor may increase or decrease a Customer Threshold as set forth in its CSMP policies and procedures, subject to Sections XII.C.3.b through XII.C.3.e.

b) Prior to approving any Threshold change request by a Customer, each Injunctive Relief Distributor shall conduct due diligence to determine whether an increase to the Threshold is warranted. This due diligence shall include obtaining from the Customer the basis for the Threshold change request, obtaining and reviewing Dispensing Data and/or Pharmacy Customer Data for the previous three (3) months for due diligence purposes, and, as needed, conducting an on-site visit to the Customer. This Threshold change request diligence shall be conducted by the Injunctive Relief Distributor's CSMP personnel.

c) No Injunctive Relief Distributor shall proactively contact a Customer to suggest that the Customer request an increase to any of its Thresholds, to inform the Customer that its Orders-to-date are approaching its Thresholds or to recommend to the Customer the amount of a requested Threshold increase. It shall not be a violation of this paragraph to provide Chain Customer headquarters reporting on one or more individual Chain Customer pharmacy location(s) to support the anti-diversion efforts of the Chain Customer's headquarters staff, and it shall not be a violation of this paragraph for the Injunctive Relief Distributor's CSMP personnel to contact Customers to seek to understand a Customer's ordering patterns.

d) An Injunctive Relief Distributor's Chief Diversion Control Officer may approve criteria for potential adjustments to Customer Thresholds to account for circumstances where the Thresholds produced by the ordinary operation of the statistical models require modification. Such circumstances include adjustments to account for seasonal ordering of certain Controlled Substances that are based on documented diligence and analysis, adjustments made to permit ordering of certain Controlled Substances during a declared national or state emergency (e.g., COVID-19 pandemic), IT errors, and data anomalies causing results that are inconsistent with the design of the statistical models. Each Injunctive Relief Distributor shall include in its Annual Threshold Analysis and Assessment Report (as required by Section XVIII.F.3.c) to the Monitor information regarding the use of this paragraph and such information shall be considered by the Monitor as part of its Threshold Setting Process Review in the annual Audit Report.

e) Any decision to raise a Customer's Threshold in response to a request by a Customer to adjust its Threshold must be documented in a writing and state the reason(s) for the change. The decision must be consistent with the Injunctive Relief Distributor's CSMP and documented appropriately.

XIII. SUSPICIOUS ORDER REPORTING AND NON-SHIPMENT

A. Each Injunctive Relief Distributor shall report Suspicious Orders to the Settling States ("Suspicious Order Reports" or "SORs"), including those Settling States that do not currently require such SORs, at the election of the Settling State.

B. For the SORs required by the Injunctive Relief Terms, each Injunctive Relief Distributor shall report Orders that exceed a Threshold for Controlled Substances set pursuant to the processes in Section XII that are blocked and not shipped.

C. No Injunctive Relief Distributor shall ship any Order that it (i) reports pursuant to Sections XIII.A or XIII.B, or (ii) would have been required to report pursuant to Sections XIII.A or XIII.B had the Settling State elected to receive SORs.

D. In reporting Suspicious Orders to the Settling States, the Injunctive Relief Distributors shall file SORs in a standardized electronic format that is uniform among the Settling States and contains the following information fields:

1. Customer name;

2. Customer address;

3. DEA registration number;

4. State pharmacy license number;

5. Date of order;

6. NDC number;

7. Quantity;

8. Explanation for why the order is suspicious (up to 250 characters): Details that are order-specific regarding why an order was flagged as a Suspicious Order, including specific criteria used by an Injunctive Relief Distributor's Threshold system (except phrases such as "order is of unusual size" without any additional detail are not acceptable); and

9. Name and contact information for a knowledgeable designee within the Injunctive Relief Distributor's CSMP department to be a point of contact for the SORs.

E. On a quarterly basis, each Injunctive Relief Distributor shall provide a summary report to the Settling States that elect to receive it that provides the following information for the relevant quarter with respect to the top ten (10) Customers by volume for each Highly Diverted Controlled Substance base code that have placed a Suspicious Order for that base code, in that quarter (for Chain Customers, only individual pharmacies in the chain will considered for evaluation as a top ten (10) Customer):

1. The number of SORs submitted for that Customer by base code;

2. The Customer's order volume by base code for the quarter for all Highly Diverted Controlled Substances;

3. The Customer's order frequency by base code for the quarter for all Highly Diverted Controlled Substances;

4. For each Highly Diverted Controlled Substance base code, the ratio of the Customer's order volume for that base code to the volume of all pharmaceutical orders for the quarter; and

5. The ratio of the Customer's order volume of all Controlled Substances to the volume of all pharmaceutical orders for the quarter.

F. The Injunctive Relief Distributors shall only be required to file a single, uniform, electronic form of SOR with any Settling State that receives SORs pursuant to these Injunctive Relief Terms. A Settling State retains the authority pursuant to applicable state law or relevant state agency authority to request additional information about a particular SOR.

G. It is the objective of the Settling States and the Injunctive Relief Distributors for the Injunctive Relief Distributors to provide SORs to Settling States that identify the same Suspicious Orders as reported to the DEA pursuant to the definition and requirements of the federal Controlled Substances Act and its regulations, although the fields of the SORs submitted to the Settling States as required by Section XIII may differ from the content required by the DEA. To the extent federal definitions and requirements materially change during the term of the Injunctive Relief Terms, the Injunctive Relief Distributors may be required to adjust the format and content of the SORs to meet these federal requirements. The Injunctive Relief Distributors and the State Compliance Review Committee will engage in good faith discussions regarding such adjustments.

H. It shall not be a violation of the Injunctive Relief Terms if an Injunctive Relief Distributor ships a Suspicious Order or fails to submit or transmit a SOR if:

1. The shipment of the Suspicious Order or failed SOR transmission was due to a computer error (data entry mistakes, coding errors, computer logic issues, software malfunctions, and other computer errors or IT failures); and

2. The Injunctive Relief Distributor reports the error, including a description of measures that will be taken to prevent recurrence of the error, to any affected Settling State, the State Compliance Review Committee, and the Monitor within five (5) business days of its discovery.

XIV. TERMINATED CUSTOMERS

A. Each Injunctive Relief Distributor shall report to the Clearinghouse, once operational, within five (5) business days (or as otherwise required by state statute or regulation), Customers it has terminated from eligibility to receive Controlled Substances or refused to onboard for the sale of Controlled Substances due to concerns regarding the Customer's ability to provide effective controls against the potential diversion of Controlled Substances following the Effective Date.

B. The Injunctive Relief Distributors shall report to the relevant Settling State(s), within five (5) business days (or as otherwise required by state statute or regulation) Customers located in such Settling States that it has terminated from eligibility to receive Controlled Substances or refused to onboard for the sale of Controlled Substances due to concerns regarding the Customer's ability to provide effective controls against the potential diversion of Controlled Substances following the Effective Date. Such reports will be made in a uniform format. The Injunctive Relief Distributors and the State Compliance Review Committee shall use best efforts to agree on such uniform format for inclusion prior to the requirement taking effect.

C. In determining whether a Customer should be terminated from eligibility to receive Controlled Substances, Injunctive Relief Distributors shall apply factors set out in their CSMP policies and procedures, which shall include the following conduct by a Customer:

1. Has generated an excessive number of Suspicious Orders, which cannot otherwise be explained;

2. Has routinely demonstrated unresolved Red Flag activity;

3. Has continued to fill prescriptions for Highly Diverted Controlled Substances that raise Red Flags following an Injunctive Relief Distributor's warning or communication about such practices;

4. Has failed to provide Pharmacy Customer Data or Dispensing Data in response to a request from an Injunctive Relief Distributor or otherwise refuses to cooperate with the Injunctive Relief Distributor's CSMP after providing the Customer with a reasonable amount of time to respond to the Injunctive Relief Distributor's requests;

5. Has been found to have made material omissions or false statements on a Pharmacy Questionnaire (the requirements for the contents of a Pharmacy Questionnaire are described in Section IX); or

6. Has been the subject of discipline by a State Board of Pharmacy within the past three (3) years or has had its owner(s) or pharmacist-in-charge subject to license probation or termination within the past five (5) years by a State Board of Pharmacy for matters related to Controlled Substances dispensing or a federal or state felony conviction.

D. Once the Clearinghouse has made Customer termination data available to each Injunctive Relief Distributor, each Injunctive Relief Distributor shall consider terminating Customers that have been terminated from eligibility to receive Controlled Substances by another distributor as a result of suspected diversion of Controlled Substances if the Customer is ordering only Controlled Substances from the Injunctive Relief Distributor. If the Injunctive Relief Distributor determines not to terminate Customers to which this paragraph applies, the Injunctive Relief Distributor shall document its decision-making. A good-faith decision to continue shipping Controlled Substances to Customers to which this paragraph applies, shall not serve, without more, as the basis of a future claim of non-compliance with the Injunctive Relief Terms.

E. For Chain Customers, the provisions in Section XIV.A-D shall apply to the specific pharmacies in question.

XV. EMERGENCIES

A. In the circumstances of declared national or state emergencies in which the healthcare community relies on the Injunctive Relief Distributors for critical medicines, medical supplies, products, and services, the Injunctive Relief Distributors may be required to temporarily modify their respective CSMP processes to meet the critical needs of the supply chain. These modifications may conflict with the requirements of the Injunctive Relief Terms.

B. In the case of a declared national or state emergency, the Injunctive Relief Distributors shall be required to give notice to the State Compliance Review Committee of any temporary material changes to their CSMP processes which may conflict with the requirements of the Injunctive Relief Terms and specify the sections of the Injunctive Relief Terms which will be affected by the temporary change.

C. The Injunctive Relief Distributors shall document all temporary changes to their CSMP processes and appropriately document all customer-specific actions taken as a result of the declared national or state emergency.

D. The Injunctive Relief Distributors shall provide notice to the State Compliance Review Committee at the conclusion of the declared national or state emergency, or sooner, stating that the temporary CSMP processes put into place have been suspended.

E. Provided the Injunctive Relief Distributors comply with the provisions of Sections XV.A through XV.D, the Injunctive Relief Distributors will not face liability for

any deviations from the requirements of the Injunctive Relief Terms taken in good faith to meet the critical needs of the supply chain in response to the declared national or state emergency. Nothing herein shall limit Settling States from pursuing claims against the Injunctive Relief Distributors based on deviations from the requirements of the Injunctive Relief Terms not taken in good faith to meet the critical needs of the supply chain in response to a declared national or state emergency.

XVI. COMPLIANCE WITH LAWS AND RECORDKEEPING

A. The Injunctive Relief Distributors acknowledge and agree that they must comply with applicable state and federal laws governing the distribution of Controlled Substances.

B. Good faith compliance with the Injunctive Relief Terms creates a presumption that the Injunctive Relief Distributors are acting reasonably and in the public interest with respect to Settling States' existing laws requiring effective controls against diversion of Controlled Substances and with respect to the identification, reporting, and blocking of Suspicious Orders of Controlled Substances.

C. The requirements of the Injunctive Relief Terms are in addition to, and not in lieu of, any other requirements of state or federal law applicable to Controlled Substances distribution. Except as provided in Section XVI.D, nothing in the Injunctive Relief Terms shall be construed as relieving Injunctive Relief Distributors of the obligation to comply with such laws, regulations, or rules. No provision of the Injunctive Relief Terms shall be deemed as permission for Injunctive Relief Distributors to engage in any acts or practices prohibited by such laws, regulations, or rules.

D. In the event of a conflict between the requirements of the Injunctive Relief Terms and any other law, regulation, or requirement such that an Injunctive Relief Distributor cannot comply with the law without violating the Injunctive Relief Terms or being subject to adverse action, including fines and penalties, the Injunctive Relief Distributor shall document such conflicts and notify the State Compliance Review Committee and any affected Settling State the extent to which it will comply with the Injunctive Relief Terms in order to eliminate the conflict within thirty (30) days of the Injunctive Relief Distributor's discovery of the conflict. The Injunctive Relief Distributor shall comply with the Injunctive Relief Terms to the fullest extent possible without violating the law.

E. In the event of a change or modification of federal or state law governing the distribution of Controlled Substances that creates an actual or potential conflict with the Injunctive Relief Terms, any Injunctive Relief Distributor, any affected Settling State, or the State Compliance Review Committee may request that the Injunctive Relief Distributors, State Compliance Review Committee, and any affected Settling State meet and confer regarding the law change. During the meet and confer, the Injunctive Relief Distributors, the State Compliance Review

Committee, and any affected Settling State will address whether the change or modification in federal or state law requires an amendment to the Injunctive Relief Terms. In the event the Injunctive Relief Distributors, the State Compliance Review Committee, and any affected Settling State cannot agree on a resolution, and the dispute relates to whether the generally applicable Injunctive Relief Terms herein should be changed, an Injunctive Relief Distributor, the State Compliance Review Committee, or any affected Settling State may submit the question to the National Arbitration Panel. If the dispute relates to whether a change in an individual State's law requires a modification of the Injunctive Relief Terms only with respect to that State, an Injunctive Relief Distributor, the State Compliance Review Committee, or any affected Settling State may seek resolution of the dispute pursuant to Section XIX. Maintenance of competition in the industry and the potential burden of inconsistent obligations by Injunctive Relief Distributors shall be a relevant consideration in such resolution.

F. Recordkeeping: Each Injunctive Relief Distributor shall retain records it is required to create pursuant to its obligations hereunder in an electronic or otherwise readily accessible format. The Settling States shall have the right to review records provided to the Monitor pursuant to Section XVIII. Nothing in the Injunctive Relief Terms prohibits a Settling State from issuing a lawful subpoena for records pursuant to an applicable law.

XVII. CLEARINGHOUSE

A. Creation of the Clearinghouse

1. The Clearinghouse functions shall be undertaken by a third-party vendor or vendors.

2. The vendor(s) will be chosen through a process developed and jointly agreed upon by the Injunctive Relief Distributors and the State Compliance Review Committee.

3. Consistent with the process developed by the Injunctive Relief Distributors and the State Compliance Review Committee, within two (2) months of the Effective Date, the Injunctive Relief Distributors shall issue a Request for Proposal to develop the systems and capabilities for a Clearinghouse to perform the services of a data aggregator.

4. Within five (5) months of the Effective Date, the Clearinghouse Advisory Panel shall select one or more entities to develop the systems for the Clearinghouse and perform data aggregator services. The Clearinghouse Advisory Panel shall select a vendor or vendors that employ or retain personnel who have adequate expertise and experience related to the pharmaceutical industry, the distribution of Controlled Substances, and the applicable requirements of the Controlled Substances Act and the DEA's implementing regulations.

5. Within sixty (60) days of the selection of a vendor(s) to serve as the Clearinghouse, the Injunctive Relief Distributors shall negotiate and finalize a contract with the vendor(s). The date that the contract is signed by the Injunctive Relief Distributors and the vendor(s) shall be referred to as the "Clearinghouse Retention Date."

6. The development of the Clearinghouse shall proceed on a phased approach as discussed in Sections XVII.C and XVII.D.

B. **Governance and Staffing of the Clearinghouse**

1. *Capabilities.* The selected vendor or vendors shall staff the Clearinghouse in a manner that ensures the development of robust data collection, analytics and reporting capabilities for the Settling States and Injunctive Relief Distributors. To the extent additional expertise is required for the engagement, the vendor(s) may retain the services of third-party consultants.

2. *Independence.* While performing services for the Clearinghouse, all vendors and consultants, and their staff working on the Clearinghouse, shall be independent (i.e., not perform services of any kind, including as a consultant or an employee on behalf of any Injunctive Relief Distributor outside of the ordinary business operations of the Clearinghouse). Independence may be achieved by implementing appropriate ethical walls with employees who are currently performing or who have previously performed work for an Injunctive Relief Distributor within two years of the Clearinghouse Retention Date.

3. *Liability*. The Injunctive Relief Distributors are entitled to rely upon information or data received from the Clearinghouse, whether in oral, written, or other form. No Injunctive Relief Distributor, and no individual serving on the Clearinghouse Advisory Panel, shall have any liability (whether direct or indirect, in contract or tort or otherwise) to any Party for or in connection with any action taken or not taken by the Clearinghouse. In addition, no Injunctive Relief Distributor, and no individual serving on the Clearinghouse Advisory Panel, shall have any liability (whether direct or indirect, in contract or tort or otherwise) to any Party for or in connection with any action taken or not taken by an Injunctive Relief Distributor based on incorrect, inaccurate, incomplete or otherwise erroneous information or data provided by the Clearinghouse, unless the information or data was incorrect, inaccurate, incomplete or otherwise erroneous because the Injunctive Relief Distributor itself provided incorrect, inaccurate, incomplete or otherwise erroneous data or information to the Clearinghouse. For any legal requirements that are assumed by the Clearinghouse during Phase 2-B pursuant to Section XVII.D.3, liability shall be addressed pursuant to Section XVII.D.3.c.

4. *Clearinghouse Advisory Panel*. The State Compliance Review Committee and Injunctive Relief Distributors shall create a Clearinghouse Advisory Panel no later than sixty (60) days after the Effective Date to oversee the Clearinghouse.

   a) The Clearinghouse Advisory Panel shall have an equal number of members chosen by the State Compliance Review Committee on the one hand, and the Injunctive Relief Distributors on the other. The size of the Clearinghouse Advisory Panel will be decided by the State Compliance Review Committee and the Injunctive Relief Distributors, and the State Compliance Review Committee and the Injunctive Relief Distributors may select as members third-party experts, but no more than one half of each side's representatives may be such third-party experts. At least one member chosen by the State Compliance Review Committee will be based on consultation with the National Association of State Controlled Substances Authorities.

   b) During the first two years of the operation of the Clearinghouse, the Clearinghouse Advisory Panel shall meet (in-person or remotely) at least once per month. After the first two years of operation, the Clearinghouse Advisory Panel shall meet at least quarterly. The Monitor may attend Clearinghouse Advisory Panel meetings and may provide recommendations to the Clearinghouse Advisory Panel.

   c) The Clearinghouse Advisory Panel shall establish a subcommittee to advise on issues related to privacy, the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), and data security and a subcommittee to advise on issues related to Dispensing Data. It may establish additional subcommittees. Subcommittees may include individuals who are not members of the Clearinghouse Advisory Panel. The Clearinghouse Advisory Panel may invite one or more prescribers, dispensers, and representatives from state Prescription Drug Monitoring Programs ("PDMP") to serve on the Dispensing Data subcommittee. Each Injunctive Relief Distributor shall have a representative on each subcommittee created by the Clearinghouse Advisory Panel.

   d) The Clearinghouse Advisory Panel may delegate tasks assigned to it by the Injunctive Relief Terms to the Executive Director.

5. *Executive Director*. One employee of the vendor, or one representative from the vendor group in the event that there are multiple vendors, shall be an Executive Director who shall manage day-to-day operations and report periodically to the Clearinghouse Advisory Panel.

C. **Phase 1 of the Clearinghouse: Data Collection, Initial Analytics and Reporting**

1. System Development

a) Within one (1) year of the Clearinghouse Retention Date, the Clearinghouse shall develop systems to receive and analyze data obtained from the Injunctive Relief Distributors pursuant to electronic transmission formats to be agreed upon by the Clearinghouse Advisory Panel.

b) In developing such systems, the Clearinghouse shall ensure that:

(1) The systems provide robust reporting and analytic capabilities.

(2) Data obtained from Injunctive Relief Distributors shall be automatically pulled from the existing order management data platforms (e.g., SAP).

(3) The systems shall be designed to receive data from sources other than the Injunctive Relief Distributors, including pharmacies, non-Injunctive Relief Distributors, the DEA, State Boards of Pharmacy, and other relevant sources, pursuant to standardized electronic transmission formats.

(4) The systems shall be designed to protect personally identifiable information ("PII") and protected health information ("PHI") from disclosure and shall comply with HIPAA and any federal and state laws relating to the protection of PII and PHI.

(5) The Clearinghouse will establish a HIPAA-compliant database that can be accessed by state authorities, the Injunctive Relief Distributors, and any entities that subsequently participate in the Clearinghouse. The database that will be made available to the Injunctive Relief Distributors and any non-governmental entities that subsequently participate in the Clearinghouse will also blind commercially sensitive information.

(6) State authorities shall have access to the HIPAA-compliant database via web-based tools and no additional or specialized equipment or software shall be required. This access shall allow state authorities to query the HIPAA-compliant database without limitation.

(7) The Injunctive Relief Distributors shall be permitted to use data obtained from the Clearinghouse for anti-diversion purposes, including the uses expressly contemplated by the Injunctive Relief Terms. The Injunctive Relief Distributors shall not sell (or obtain license fees for) data obtained from Clearinghouse to any third-parties. Nothing in the Injunctive Relief Terms shall prohibit an Injunctive Relief Distributor from using its own data, including data provided to the Injunctive Relief Distributor by third-parties other than the Clearinghouse, for any commercial purposes, including selling or licensing its data to third-parties.

2. Aggregation of Data

a) It is the goal of the Settling States and the Injunctive Relief Distributors for the Clearinghouse to obtain comprehensive data from all distributors, pharmacies, and other relevant data sources to provide maximum permissible transparency into the distribution and dispensing of Controlled Substances. During Phase 1, the Clearinghouse Advisory Panel shall develop recommendations for ways to achieve this goal.

b) In Phase 1, the Injunctive Relief Distributors shall provide and/or facilitate the collection of, and the Clearinghouse shall collect and maintain, the following:

(1) Injunctive Relief Distributor transaction data for Controlled Substances and non-Controlled Substances, specified at the NDC, date, quantity, and customer level.

(2) Injunctive Relief Distributor information on Customers that have been terminated and/or declined onboarding due to concerns regarding Controlled Substance dispensing following the Effective Date.

c) The Clearinghouse shall make available to the Injunctive Relief Distributors, in a format to be determined by the Clearinghouse Advisory Panel, blinded data for their CSMP due diligence functions. The data will include all Controlled Substances and non-Controlled Substances and be refreshed on a regular basis. The Clearinghouse will also seek to provide non-identifying information regarding whether a single distributor is associated with multiple warehouses with unique DEA registrations (e.g., multiple distribution centers operated by a single distributor), in the data it makes available.

d) During Phase 1, the Clearinghouse Advisory Panel (with input from its Dispensing Data subcommittee) will develop an operational plan to obtain Dispensing Data directly from pharmacies, unless the Clearinghouse Advisory Panel determines it is inadvisable to do so. The operational plan developed by the Clearinghouse Advisory Panel shall address compliance with HIPAA and shall include recommendations to facilitate the collection of Dispensing Data in compliance with HIPAA and relevant state privacy laws. To the extent possible, the Clearinghouse will begin collecting Dispensing Data during Phase 1.

e) Nothing in the Injunctive Relief Terms shall require the Injunctive Relief Distributors to indemnify or otherwise be responsible to pharmacy customers for any claims resulting from the provision of Dispensing Data to the Clearinghouse, including, but not limited to, claims related to any data breaches occurring with the data transmitted to or maintained by the Clearinghouse.

3. State and Federal Reporting Requirements

a) The Injunctive Relief Distributors shall comply with state and federal transactional and Suspicious Order reporting requirements related to Controlled Substances as follows:

(1) Until such time as the Clearinghouse is able to provide transactional and Suspicious Order regulatory reporting to the states on behalf of the Injunctive Relief Distributors, the Injunctive Relief Distributors shall continue to file all required reports under state law and those reports required by these Injunctive Relief Terms.

(2) Once the Clearinghouse is able to process and submit such reports, the Clearinghouse may process and submit those reports on behalf of each Injunctive Relief Distributor to the states. At all times during Phase 1, each Injunctive Relief Distributor shall remain responsible for the identification of Suspicious Orders and will remain liable for a failure to submit transactional data or Suspicious Order reports required under state law or these Injunctive Relief Terms.

(3) An Injunctive Relief Distributor may elect to fulfill its reporting obligations directly, rather than have the Clearinghouse assume the responsibility for the transmission of the various reports.

4. Additional Reports and Analytics

a) In consultation with the Clearinghouse Advisory Panel, the Clearinghouse shall work to develop additional reports and analyses to assist the Settling States and the Injunctive Relief Distributors in addressing Controlled Substance diversion, including but not limited to identifying Red Flags consistent with Section VIII.

b) The Clearinghouse will generate analyses and reports to be used by the Settling States and the Injunctive Relief Distributors based on format and content recommended by the Clearinghouse Advisory Panel. In order to refine the format and reach final recommendations, the Clearinghouse shall prepare sample analytical reports for a sample geographic region to review with the Clearinghouse Advisory Panel. The sample reports will also be shared with the DEA in an effort to receive additional feedback.

c) After the content and format of the sample reports have been approved by the Clearinghouse Advisory Panel, the Clearinghouse will begin producing reports on a periodic basis.

d) The Clearinghouse will develop capabilities to provide Settling States customized reports upon reasonable request to assist in their efforts to combat the diversion of Controlled Substances and for other public health and regulatory purposes.

e) After the Clearinghouse has obtained sufficient Dispensing Data from Customers, the Clearinghouse shall commence providing standard reports to the Settling States and Injunctive Relief Distributors that will include summaries and analysis of Dispensing Data. The reports and analytics of Dispensing Data shall be developed in consultation with the Clearinghouse Advisory Panel (including its Dispensing Data subcommittee) and shall include, but not be limited to:

(1) Identification of Customers whose dispensing may indicate Red Flags consistent with Section VIII, as determined by the Clearinghouse from aggregate data; and

(2) Identification of Customers whose aggregate dispensing volumes for Highly Diverted Controlled Substances are disproportionately high relative to the population of the relevant geographic area.

f) The Clearinghouse shall also prepare reports and analyses for the Settling States and Injunctive Relief Distributors identifying prescribers whose prescribing behavior suggests they may not be

engaged in the legitimate practice of medicine. Such reports and analysis shall be developed in consultation with the Clearinghouse Advisory Panel (including its Dispensing Data subcommittee) and shall seek to identify and evaluate:

(1) Prescribers who routinely prescribe large volumes of Highly Diverted Controlled Substances relative to other prescribers with similar specialties, including health care professionals who prescribe a large number of prescriptions for high dosage amounts of Highly Diverted Controlled Substances;

(2) Prescribers whose prescriptions for Highly Diverted Controlled Substances are routinely and disproportionately filled in a geographic area that is unusual based on the prescriber's location; and

(3) Prescribers who routinely prescribe out-of-specialty or out-of-practice area without legitimate reason.

g) Reports or analysis generated by the Clearinghouse may not be based on complete data due to a lack of participation by non-Injunctive Relief Distributors and pharmacies. As such, Injunctive Relief Distributors shall not be held responsible for actions or inactions related to reports and analysis prepared by the Clearinghouse which may be based on incomplete data due to a lack of participation by non-Injunctive Relief Distributors and pharmacies.

D. **Phase 2 of the Clearinghouse: Additional Data Collection and Analytics and Assumption of CSMP Functions**

Within one (1) year of Phase 1 of the Clearinghouse being operational, the Clearinghouse and the Clearinghouse Advisory Panel shall develop a detailed strategic and implementation plan for Phase 2 of the Clearinghouse ("Phase 2 Planning Report"). Phase 2 will consist of two parts. Phase 2-A will focus on increasing data collection from non-Injunctive Relief Distributors, pharmacies and other data sources and developing enhanced analytics based on the experiences gained from Phase 1. Phase 2-A will also include recommendations for the development of uniform federal and state reporting. Phase 2-B will involve the potential assumption of various CSMP activities, including Threshold setting and order management by the Clearinghouse. The Phase 2 Planning Report will address both Phase 2-A and Phase 2-B. After the completion of the Phase 2 Planning Report, individual Injunctive Relief Distributors, in their sole discretion, may elect not to proceed with Phase 2-B as provided by Section XVII.E. If one or more Injunctive Relief Distributors elect to proceed with Phase 2-B, the goal will be to have Phase 2-B fully operational within two (2)

years of the Clearinghouse Retention Date and no later than three (3) years of the Clearinghouse Retention Date.

1. Phase 2-A: Additional Data Collection and Analytics

    a) During Phase 2-A, the Clearinghouse will continue the functions defined in Phase 1 and work to expand the scope of its data collection and enhance its analytics and reporting capabilities including the following:

        (1) Integration of data from additional sources, including:

            (a) Transaction data from other distributors, including manufacturers that distribute directly to retail pharmacies and pharmacies that self-warehouse; and

            (b) Where possible, state PDMP data and other data, including but not limited to, State Board of Medicine and Board of Pharmacy sanctions, and agreed-upon industry data. If state PDMP data is effectively duplicative of Dispensing Data already obtained in Phase 1, it will not be necessary for the Clearinghouse to obtain state PDMP data.

        (2) Development of additional metrics analyzing the data available from the additional data sources (PDMP, other pharmacy data, sanction authorities, and third-party volume projections).

        (3) Development of real-time or near real-time access to distribution data, dispensing data and other data sources.

        (4) Refinement of methodologies for analyzing Dispensing Data to identify suspicious prescribers.

        (5) Development of additional capabilities to provide Settling States, the Injunctive Relief Distributors and potentially the DEA customized reporting from the Clearinghouse upon reasonable request.

2. Phase 2-A: Uniform Required Reporting

    a) The Clearinghouse and the Clearinghouse Advisory Panel shall develop uniform reporting recommendations for potential implementation by state regulators in order to allow the Injunctive Relief Distributors to satisfy their obligations under the Injunctive

Relief Terms and state and federal laws in a uniform and consistent manner.

b) It is a goal of the Settling States and the Injunctive Relief Distributors to:

(1) Streamline and simplify required reporting which will benefit the Injunctive Relief Distributors and the Settling States, as well as the DEA;

(2) Develop uniform transactional and Suspicious Order reporting requirements; and

(3) Provide for the submission of uniform Suspicious Order reports.

3. Phase 2-B: Clearinghouse Assumption of CSMP Functions

a) With respect to Phase 2-B, the Phase 2 Planning Report shall address:

(1) Engagement with stakeholders, including the DEA, to develop the system of Threshold setting and Suspicious Order reporting to potentially be provided by the Clearinghouse;

(2) Development of technology and rules, including any proposed changes to federal law or regulations;

(3) Development of models for the identification of Suspicious Orders and setting universal Thresholds in a manner consistent with Section XII. These models shall include active order management and order fulfillment protocols to ensure that orders are compared to relevant Thresholds by the Clearinghouse before shipment instructions are provided by the Clearinghouse to the Injunctive Relief Distributors. The models shall also include the identification of Suspicious Orders when they are placed by Customers, which will be held before shipment or blocked based on instructions provided by the Clearinghouse to the Injunctive Relief Distributors.

(4) Development of criteria governing distribution to Customers that have placed one or more Orders that exceed a Threshold;

(5) Development of rules for allocating Orders placed by Customers that have more than one Distributor if one or more Orders exceed a Threshold;

(6) Development of a pilot project for a sample geographic region to perform data analysis to test the models for Threshold setting and the identification of Suspicious Orders.

b) Following implementation of Phase 2-B, the Injunctive Relief Distributors participating in Phase 2-B and the State Compliance Review Committee shall meet and confer with respect to whether to expand the scope of the Clearinghouse to cover additional anti-diversion functions, such as the performance of due diligence.

c) CSMP functions that have been assumed by the Clearinghouse during Phase 2-B will no longer be performed by participating Injunctive Relief Distributors individually through their CSMPs. CSMP functions performed by the Clearinghouse will assist participating Injunctive Relief Distributors to satisfy the applicable legal obligations of those Injunctive Relief Distributors. The Clearinghouse's performance of CSMP functions will not relieve participating Injunctive Relief Distributors from their legal obligations unless (i) the Injunctive Relief Distributors and the State Compliance Review Committee jointly enter into a written agreement for the Clearinghouse to assume legal requirements during Phase 2-B; and (ii) all vendors and consultants working on the Clearinghouse agree in writing to assume such obligations. Nothing in this paragraph shall apply to any Injunctive Relief Distributor that does not participate in Phase 2-B pursuant to Section XVII.E.

E. **Option to Opt Out of Phase 2-B**

1. Each Injunctive Relief Distributor shall have the option, in its sole discretion, to elect not to participate in Phase 2-B at any point. In the event that an Injunctive Relief Distributor elects not to participate in Phase 2-B, that Injunctive Relief Distributor shall cease to have any obligation to fund future costs directly related to Phase 2-B of the Clearinghouse or to implement the Clearinghouse's determinations as to identification of Suspicious Orders and Suspicious Order reporting. If an Injunctive Relief Distributor elects not to participate in Phase 2-B, that Injunctive Relief Distributor shall remain responsible for the requirements specified for Phase 1 and Phase 2-A of the Clearinghouse and shall be responsible for contributing to the costs associated with Phase 1 and Phase 2-A.

2. In the event that an Injunctive Relief Distributor elects not to participate in Phase 2-B, the Clearinghouse Advisory Panel shall discuss and make recommendations for any necessary adjustments to the Phase 2-B capabilities described in Section XVII.D.3.

F. **Funding**

1. The establishment and ongoing operations of the Clearinghouse shall be funded by the Injunctive Relief Distributors for a period of ten (10) years commencing on the Clearinghouse Retention Date.

2. For each of the first two (2) years of the operation of the Clearinghouse, the Injunctive Relief Distributors will make total payments of $7.5 million per year combined. For years three (3) through ten (10), the Injunctive Relief Distributors will make total payments of $3 million per year combined. Additional costs associated with Phase 2-B shall be billed to the Injunctive Relief Distributors participating in Phase 2-B.

3. Payments by the Injunctive Relief Distributors for the Clearinghouse shall be allocated among the Injunctive Relief Distributors as set forth in Section IV.H of the Settlement Agreement, dated as of July [●], 2021, which incorporates these Injunctive Relief Terms as Exhibit P.

4. In the event that the cost of the Clearinghouse exceeds the amounts provided by the Injunctive Relief Distributors, the Injunctive Relief Distributors and State Compliance Review Committee shall meet-and-confer on alternatives, which may include:

   a) Limiting the operations of the Clearinghouse consistent with a revised budget;

   b) Seeking additional sources of funding for the Clearinghouse; and/or

   c) Allocating, in a manner consistent with the allocation of payments between the Injunctive Relief Distributors as set forth in Section XVII.F.3, additional amounts that are the responsibility of the Injunctive Relief Distributors to be used for the operation of the Clearinghouse.

5. The Injunctive Relief Distributors and the State Compliance Review Committee agree to engage in good faith discussions regarding potential continued operation and funding of the Clearinghouse following the initial ten (10) year period of Clearinghouse operations.

6. The Injunctive Relief Distributors and the State Compliance Review Committee shall develop a means to obtain payments from other parties that may use or benefit from the Clearinghouse, including but not limited

to other settling defendants, non-Injunctive Relief Distributors, or other parties and the Clearinghouse Advisory Panel shall consider other funding sources for the Clearinghouse. This may include consideration of a user fee or other model by which non-Injunctive Relief Distributors that use the Clearinghouse will contribute to funding the Clearinghouse.

7. In the event that ten (10) or more Settling States reach agreements with any national retail chain pharmacies to resolve claims related to the distribution of Controlled Substances, the Settling States' Attorneys' General agree to make participation in the Clearinghouse, including providing data to the Clearinghouse and contribution to the cost of the operation of the Clearinghouse, a condition of any settlement. The Settling States' Attorneys' General agree to make best efforts to ensure that any other settling distributors and/or pharmacies participate in the Clearinghouse. To the extent that the Attorneys General are able to secure participation by additional distributors and/or pharmacies, it is anticipated that, to the extent practicable based on the financial and relative size of the settling distributor and/or pharmacy, those entities will contribute to the cost of the operation of the Clearinghouse. The Injunctive Relief Distributors' obligation to fund the Clearinghouse shall be partially reduced by contributions obtained from other distributors and/or pharmacies pursuant to a formula to be determined by the Clearinghouse Advisory Panel.

G. **Confidentiality**

1. All data provided to the Clearinghouse shall be confidential.

2. Information provided by distributors participating in the Clearinghouse may not be provided to any other entity or individual outside those expressly contemplated by the Injunctive Relief Terms.

3. The Clearinghouse may not provide to any distributor information specific to another distributor. Notwithstanding the prior sentence, the Clearinghouse may provide blinded data to a distributor reflecting total Orders (across all distributors) for a particular Customer, region, and/or state at the base code and NDC number level and all transactional data information. Such information may only be used by receiving distributors for purposes of identifying, minimizing, or otherwise addressing the risk of Controlled Substances diversion. No distributor or pharmacy, including the Injunctive Relief Distributors, shall attempt to obtain revenue from this information. Such information provided by the Clearinghouse shall be compliant with all applicable laws and regulations.

4. If the Clearinghouse receives a request for disclosure of any data, material or other information created or shared under the Injunctive Relief Terms, pursuant to a Third Party Request, the Clearinghouse shall notify the

Injunctive Relief Distributors and the Clearinghouse Advisory Panel of the Third Party Request and any confidential information to be disclosed so that the Injunctive Relief Distributors may seek a protective order or otherwise challenge or object to the disclosure. The Clearinghouse shall provide the Injunctive Relief Distributors and the Clearinghouse Advisory Panel with at least ten (10) days' advance notice before complying with any Third Party Request for confidential information, except where state law requires a lesser period of advance notice.

H. **Data Integrity**

1. The Clearinghouse shall use best-in-class technology to preserve the integrity of the data.

2. The Clearinghouse shall report any data breaches under HIPAA and state law that occur as a result of any of its data collection and reporting activities to the Settling States and other authorities as required by law.

3. The Injunctive Relief Distributors and the Settling States shall not be liable for any breaches of any databases maintained by the Clearinghouse. This does not excuse the Clearinghouse or its vendor(s) from compliance with all state and federal laws and regulations governing (1) the protection of personal information and protected health information, or (2) notifications relating to Data Security Events.

I. **Credit for Investment in the Clearinghouse**

1. The Injunctive Relief Distributors and the State Compliance Review Committee shall negotiate in good faith regarding a potential credit against Injunctive Relief Distributors' overall settlement obligations if costs exceed the amounts specified in Section XVII.F.

XVIII. MONITOR

A. Monitor Selection and Engagement

1. The Injunctive Relief Distributors shall engage a Monitor to perform the reviews described in Section XVIII.F. The Monitor shall employ or retain personnel who have appropriate qualifications related to the pharmaceutical industry and the laws governing the distribution of pharmaceuticals, the distribution of Controlled Substances, and the applicable requirements of federal and state law. The Monitor may also employ or retain personnel who have appropriate qualifications in the audit and review of sample documents in order to conduct the reviews described in Section XVIII.F. To the extent additional expertise is required for the engagement, the Monitor may retain the services of third-party consultants.

2. The Monitor must perform each review described in Section XVIII.F in a professionally independent and objective fashion, as defined in the most recent Government Auditing Standards issued by the United States Government Accountability Office. A Monitor shall not be engaged in active litigation involving one or more of the Injunctive Relief Distributors or Settling States or present a potential conflict of interest involving matters concerning an Injunctive Relief Distributor, except by agreement of the affected parties. If the Monitor is employed by an entity that performed work for any Injunctive Relief Distributor or any of the Settling States prior to the Effective Date, the Monitor will cause to be implemented appropriate ethical walls between the Monitor team and the employees of the firm who have previously performed work for an Injunctive Relief Distributor or any of the Settling States.

3. The process for selecting the Monitor shall be as follows:

   a) Within sixty (60) calendar days of the Effective Date, the Injunctive Relief Distributors and the State Compliance Review Committee shall exchange pools of recommended candidates to serve as the Monitor. The pools shall each contain the names of three (3) individuals, groups of individuals, or firms.

   b) After receiving the pools of Monitor candidates, the Injunctive Relief Distributors and the State Compliance Review Committee shall have the right to meet with the candidates and conduct appropriate interviews of the personnel who are expected to work on the project. The Injunctive Relief Distributors (individually or in combination) and the State Compliance Review Committee may veto any of the candidates, and must do so in writing within thirty (30) days of receiving the pool of candidates. If all three (3) candidates within a pool are rejected by either the Injunctive Relief Distributors or the State Compliance Review Committee, the party who rejected the three (3) candidates may direct the other party to provide up to three (3) additional qualified candidates within thirty (30) calendar days of receipt of said notice.

   c) If the Injunctive Relief Distributors or the State Compliance Review Committee do not object to a proposed candidate, the Injunctive Relief Distributors or the State Compliance Review Committee shall so notify the other in writing within thirty (30) days of receiving the pool of candidates. If more than one candidate remains, the State Compliance Review Committee shall select the Monitor from the remaining candidates. Within thirty (30) calendar days of the selection of the Monitor, the Injunctive Relief Distributors shall retain the Monitor, and finalize all terms of engagement, supplying a copy of an engagement letter to the State Compliance Review Committee. The terms of engagement

shall include a process by which Injunctive Relief Distributors may challenge Monitor costs as excessive, duplicative or unnecessary, which process must be approved by the State Compliance Review Committee.

4. The Injunctive Relief Distributors shall be responsible for the Monitor's fees and costs directly related to its performance of the work specified by the Injunctive Relief Terms up to a limit of $1,000,000 per year per Injunctive Relief Distributor (i.e. a total of $3,000,000 per year).

5. Prior to each year, the Monitor shall submit a combined annual budget to the Injunctive Relief Distributors and State Compliance Review Committee that shall not exceed a total of $3,000,000. The Monitor shall submit quarterly reports to the Injunctive Relief Distributors and the State Compliance Review Committee tracking actual spend to the annual budget.

6. In the event that any of the Injunctive Relief Distributors or State Compliance Review Committee believe that the Monitor is not performing its duties and responsibilities under the Injunctive Relief Terms in a reasonably cost effective manner, an Injunctive Relief Distributor or the State Compliance Review Committee shall recommend in writing changes to the Monitor's practices to reduce cost. The Monitor, Injunctive Relief Distributors, and the State Compliance Review Committee shall meet and confer in good faith in response to such a recommendation.

7. In the event that the Injunctive Relief Distributor and the State Compliance Review Committee cannot agree on whether the recommended cost reductions are warranted, either the State Compliance Review Committee or the Injunctive Relief Distributors may submit the question to the National Arbitration Panel, who shall determine whether the Monitor is performing its duties and responsibilities under the Injunctive Relief Terms in a reasonably cost effective manner, and, if not, the necessary changes to the Monitor's practices to reduce cost.

8. If the National Arbitration Panel determines that the Monitor cannot complete the reviews described in Section XVIII.F within the combined annual budget of $3,000,000, the National Arbitration Panel shall require the Monitor to provide the Injunctive Relief Distributors and the State Compliance Review Committee with a written report explaining why it is not possible to complete the reviews within budget and all steps the Monitor has taken to perform its duties and responsibilities under the Injunctive Relief Terms in a reasonably cost effective manner. After receiving the Monitor's report, the Injunctive Relief Distributors, and the State Compliance Review Committee shall meet and confer in good faith to determine whether an increase in the combined budget is appropriate. If the Injunctive Relief Distributors and the State Compliance Review

Committee cannot reach an agreement on the amount of the reasonable costs in excess of $3,000,000 for the relevant year, the issue will be submitted to the National Arbitration Panel for resolution. The National Arbitration Panel may award additional costs up to total cap of $5,000,000 for the relevant year ($3,000,000 plus an additional $2,000,000).

9. Unless the Injunctive Relief Distributors and the State Compliance Review Committee agree otherwise as part of the meet and confer process in the prior paragraph (such as by agreeing to limit the Monitor's duties and responsibilities for the remainder of the year), the amount above $3,000,000 and up to the total cap of $5,000,000 in a given year necessary for the Monitor to complete the reviews described in Section XVIII.F shall be divided evenly among the Injunctive Relief Distributors without reducing any other amounts that are the responsibility of the Injunctive Relief Distributors.

B. Early Termination of the Monitor

1. In the event any of the Injunctive Relief Distributors or State Compliance Review Committee believe that the Monitor is not performing its duties and responsibilities under the Injunctive Relief Terms in a reasonably professional, competent and independent manner, an Injunctive Relief Distributor or the State Compliance Review Committee shall recommend replacement of the Monitor in writing. The Injunctive Relief Distributors and the State Compliance Review Committee shall meet and confer in good faith in response to a recommendation to replace the Monitor. If the State Compliance Review Committee and the Injunctive Relief Distributors agree that the Monitor should be replaced, a replacement Monitor will be selected in the manner set forth in Section XVIII.A.3.

2. In the event the Injunctive Relief Distributor and the State Compliance Review Committee cannot agree on whether the Monitor should be replaced, either the State Compliance Review Committee or the Injunctive Relief Distributors may submit the question of the Monitor's dismissal to the National Arbitration Panel, and the Monitor shall only be dismissed if that panel finds that there is Good Cause for dismissal. Good Cause for dismissal shall mean (a) a material and substantial breach of the terms of the Monitor's obligations under the Injunctive Relief Terms; (b) any act of dishonesty, misappropriation, embezzlement, intentional fraud, or similar conduct by the Monitor; (c) any clear pattern of bias or prejudice in favor or against any party by the Monitor; (d) conduct by the Monitor that demonstrates unfitness to fulfill the functions of the Monitor reasonably and competently; or (e) conflicts of interest described in Section XVIII.A.2. If the panel finds that the Monitor should be dismissed, a replacement Monitor will be selected in the manner set forth in Section XVIII.A.3.

3. In addition, if the Monitor resigns for any reason, a replacement Monitor will be selected in the manner set forth in Section XVIII.A.3.

C. Term and Reporting Periods

1. The term of the Monitor will be five (5) years from the date the Monitor is appointed, divided into one-year periods for purposes of the reviews and reporting described in Section XVIII ("Reporting Periods").

D. Monitor Access to Information

1. In connection with its reviews set forth in Section XVIII.F, the Monitor may request to interview employees with appropriate authority and responsibilities as necessary. In the event that an Injunctive Relief Distributor believes that the Monitor is requesting an unreasonable number of interviews or requesting interviews of employees who do not have relevant information to the reviews required by Section XVIII.F, the Injunctive Relief Distributor and State Compliance Review Committee shall meet and confer in good faith to resolve this issue.

2. The Chief Diversion Control Officer of each Injunctive Relief Distributor or a direct report of the Chief Diversion Control Officer shall serve as the primary point of contact for the Monitor to facilitate the Monitor's access to documents, materials, or staff necessary to conduct the reviews specified in Section XVIII.F. The Monitor shall communicate any request for documents, materials, or access to staff to the Chief Diversion Control Officers or their designees.

3. If at any time the Monitor believes there is undue delay, resistance, interference, limitation, or denial of access to any records or to any employee or former employee deemed necessary by the Monitor to conduct the reviews specified in Section XVIII.F, the Monitor shall notify the Chief Diversion Control Officer of the Injunctive Relief Distributor and they shall meet and confer to resolve such issue. If the Monitor believes that the matter was not resolved, the Monitor shall immediately report the issue to the State Compliance Review Committee.

4. To the extent any of the documents requested by the Monitor contain material protected from disclosure by any legal privilege, including the attorney-client privilege or attorney work product protections, an Injunctive Relief Distributor may redact such material before providing the documents to the Monitor, but must provide the Monitor with a privilege log describing the redacted information and identifying the basis for redaction.

5. Notwithstanding any other information referenced and produced pursuant to Section XVIII, the Monitor shall have access to, and each Injunctive Relief Distributor's Chief Diversion Control Officer shall produce to the

Monitor, any settlement agreements with government entities entered into after the Effective Date specifically concerning the requirements contained in the Injunctive Relief Terms and an Injunctive Relief Distributor's distribution of Controlled Substances (as opposed to distribution of pharmaceutical products in general).

E. Settling States' Access to Monitor

1. Other than in connection with the initiation of a Notice of Potential Violation set forth in Section XIX.B.2, should the Monitor believe it needs to initiate communication with the State Compliance Review Committee regarding an Injunctive Relief Distributor's compliance with the Injunctive Relief Terms, the Monitor's communications should include the Chief Diversion Control Officer or counsel of the affected Injunctive Relief Distributor, regardless of the form of communication.

2. The State Compliance Review Committee shall have access to any settlement agreements produced to the Monitor pursuant to Section XVIII.D.5.

F. Reviews to be Conducted by the Monitor

1. There shall be two (2) types of reviews to be conducted by the Monitor:

a) Customer-specific reviews, as set forth in Section XVIII.F.2; and

b) System reviews, as set forth in Section XVIII.F.3.

2. Customer-Specific Reviews

a) The following Customer-specific reviews will be conducted by the Monitor for each Injunctive Relief Distributor for each of the Reporting Periods:

(1) Threshold Change Request Review ("TCR Review");

(2) Onboarding New Customer Review ("Onboarding Review");

(3) Ongoing Due Diligence Review ("Ongoing Diligence Review");

(4) Customer Termination Review ("Termination Review"); and

(5) Orders that Exceed Thresholds but are Shipped Review ("Exceeded Threshold Review").

b) Sample selection and audit periods for TCR Reviews, Onboarding Reviews, Ongoing Diligence Reviews, Termination Reviews, and Exceeded Threshold Reviews:

(1) For each Reporting Period, the Monitor will review a representative sample of files for the performance of the TCR Reviews, Onboarding Reviews, and Ongoing Diligence Reviews. The Monitor shall select a sample representative of various geographic regions, customer types (Independent Retail Pharmacy Customers or Chain Customer), and distribution centers.

(2) The Monitor will meet and confer with each of the Injunctive Relief Distributors to determine the appropriate audit period within each Reporting Period from which the samples will be selected (e.g. samples will be selected from the first six (6) months of a reporting period to allow the Monitor time to perform its review during the remainder of the reporting period).

(3) Within thirty (30) calendar days following the close of the agreed-upon audit period, the Injunctive Relief Distributors (or the Clearinghouse once operational, if able to do so) will provide the Monitor with the following lists of relevant Customers for each type of review:

(a) A list of all Customers that requested at least one Threshold increase for a Highly Diverted Controlled Substance during the relevant audit period, including the number of such requests by each Customer;

(b) A list of all Customers that were onboarded during the relevant audit period and, during that period, ordered and received Highly Diverted Controlled Substances;

(c) A list of all Customers that were the subject of an Ongoing Diligence Review during the relevant audit period;

(d) A list of all Customers that, for reasons related to Controlled Substance regulatory compliance, were terminated during the relevant audit period; and

(e) A list of all Orders for Highly Diverted Controlled Substances where a decision was made to ship the Order even though the order exceeded the otherwise

applicable Threshold, with number of such shipped orders.

(4) Within fifteen (15) calendar days of compiling this Customer information for sample selection, each Injunctive Relief Distributor shall propose a reasonable number of customer files for each review to the Monitor.

(5) Within fifteen (15) calendar days of receiving the lists specified above from the Injunctive Relief Distributors, the Monitor shall choose representative files to be reviewed from these lists. Each list will include the Customers' zip code, geographic region, distribution center, and customer type (Independent Retail Pharmacy Customer or Chain Customer).

c) TCR Reviews

(1) For each Reporting Period, the Monitor shall conduct a TCR Review for a sample review of Customers who requested at least one Threshold increase for Highly Diverted Controlled Substances for each Injunctive Relief Distributor. For the TCR Reviews, the Monitor shall review the information contained in the files of the sample Customers and determine whether the information reflects substantial compliance with the requirements of Section XII.C.3.

d) Onboarding Reviews

(1) For each Reporting Period, the Monitor shall conduct an Onboarding Review of a sample of Customers that were onboarded during the applicable audit period and, during that period, ordered and received Highly Diverted Controlled Substances from the Injunctive Relief Distributor. For the Onboarding Reviews, the Monitor shall review the information contained in the files of the sample Customers and determine whether the information reflects substantial compliance with the requirements of Section IX.

e) Ongoing Diligence Reviews

(1) For each Reporting Period, the Monitor shall conduct an Ongoing Diligence Review of a sample of Customers for each Injunctive Relief Distributor that was the subject of an Ongoing Diligence Review during the relevant audit period. For the Ongoing Diligence Reviews, the Monitor

shall review the information contained in the files of the sample of Customers and determine whether the information reflects substantial compliance with the requirements of Section X.

f) Termination Reviews

(1) For each Reporting Period, the Monitor shall conduct a review of a sample of Customers that were terminated by each Injunctive Relief Distributor during the audit period. For the Termination Reviews, the Monitor shall review the information contained in the files of the sample of Customers and determine whether the information reflects substantial compliance with the requirements of Section XIV.

g) Exceeded Threshold Review

(1) For each Reporting Period, the Monitor shall conduct a review of a sample of Orders for Highly Diverted Controlled Substances where a decision was made by the Injunctive Relief Distributor to ship the Order even though the Order exceeded the applicable Threshold. For the Exceeded Threshold Reviews, the Monitor shall review the information contained in the Customer files related to the Orders and determine whether the information reflects substantial compliance with the requirements of Section XIII.B.

3. Annual System Reviews:

a) The following system reviews will be conducted by the Monitor for each Injunctive Relief Distributor for each of the Reporting Periods:

(1) CSMP Review;

(2) Threshold Setting Process Review;

(3) Suspicious Orders and Suspicious Order Report Review;

(4) Compensation Review;

(5) Red Flag Review; and

(6) Review of CSMP Integration with Clearinghouse.

b) CSMP Review

(1) For each Reporting Period, the Monitor shall conduct a review of the following materials from each Injunctive Relief Distributor:

(a) Current CSMP policies and procedures;

(b) Organizational charts for the departments that are relevant to the CSMP organization;

(c) Logs and/or summaries of any reports received on the "hot line" required by Section V.E and the action or response of an Injunctive Relief Distributor to any such reports;

(d) Copies of the quarterly reports provided by the Chief Diversion Control Officer to the CSMP Committee as required by Section IV.C;

(e) Copies of the quarterly reports provided by the CSMP Committee to senior management and the Board of Directors as required by Section VI.C; and

(f) Copies of the materials used for the training required by Section VII and lists of the attendees of the training.

c) Threshold Setting Process Review:

(1) For each Reporting Period, each Injunctive Relief Distributor or its outside consultants shall prepare a summary report describing how its Threshold-setting methodology for Independent Retail Pharmacy Customers and Chain Customers complies with Section XII (the "Annual Threshold Analysis and Assessment Report").

(2) For each Reporting Period, the Monitor shall review the Annual Threshold Analysis and Assessment Report, determine whether the information reflects substantial compliance with the requirements of Section XII, and include any Observations and Recommendations, as defined in Section XVIII.G, in its annual Audit Report.

d) Suspicious Orders and Suspicious Order Reporting Review:

(1) For each Reporting Period, each Injunctive Relief Distributors will provide the Monitor with a report

containing summary metrics for the Suspicious Orders that were reported to the DEA and the Settling States (the "Suspicious Order Metrics Report"). In the Suspicious Order Metrics Report, the Injunctive Relief Distributors will also provide summary metrics for Orders of Highly Diverted Controlled Substances that exceeded a Threshold but were still shipped.

(2) For each Reporting Period, the Monitor shall review the Suspicious Order Metrics Report, determine whether the information reflects substantial compliance with the requirements of Section XIII, and include any Observations and Recommendations in its annual Audit Report.

e) Compensation Reviews:

(1) For each Reporting Period, the Monitor will review compensation-related policy documents for each Injunctive Relief Distributor for sales personnel. The Monitor shall analyze those documents and determine whether the compensation policies of each Injunctive Relief Distributor comply with the requirements contained in Section V.

f) Red Flags Review:

(1) For each Reporting Period, the Monitor shall review the Red Flags defined in Section VIII and their incorporation into each Injunctive Relief Distributor's policies and procedures. The Monitor shall determine whether the information reflects substantial compliance with the requirements of Section VIII and include any Observations and Recommendations, as called for by Section VIII.C, about those definitions in its annual Audit Report.

g) Review of CSMP Integration with the Clearinghouse:

(1) For each Reporting Period, each Injunctive Relief Distributor shall prepare a report summarizing the status of the Injunctive Relief Distributor's CSMP integration with the operation of the Clearinghouse ("Clearinghouse Integration Report"). The Monitor shall review each Injunctive Relief Distributor's Clearinghouse Integration Report, determine whether the information reflects substantial compliance with the requirements of Section XVII, and include any Observations and Recommendations in its annual Audit Report.

G. Observations and Recommendations:

1. If the Monitor notes any areas for potential improvement during the course of the reviews conducted pursuant to the Injunctive Relief Terms, the Monitor shall include any such recommendations in the Audit Report. Collectively, any such questions, concerns or recommendations will be referred to as "Observations and Recommendations."

H. Audit Reports:

1. No later than one hundred and twenty (120) calendar days prior to the end of a Reporting Period and/or at any other time deemed reasonably necessary by the Monitor, the Monitor shall provide each Injunctive Relief Distributor with a draft report detailing any instances of substantial non-compliance with the applicable provisions of the Injunctive Relief Terms from the reviews in Section XVIII.F (the "Draft Report"). The Draft Report will also describe any Observations and Recommendations.

2. Within thirty (30) calendar days of its receipt of the Draft Report, the Injunctive Relief Distributor will provide comments and responses to the Draft Report. The Injunctive Relief Distributor will, among other things:

   a) Respond to each instance of substantial non-compliance, including, where appropriate, describing any corrective action taken (or to be taken).

   b) Respond to each Observation and Recommendation.

3. Within thirty (30) calendar days of its receipt of the Injunctive Relief Distributors' responses to the Draft Report, the Monitor shall provide a final report (the "Audit Report") to each Injunctive Relief Distributor and the State Compliance Review Committee. The Monitor shall provide the State Compliance Review Committee with a copy of an Injunctive Relief Distributor's response to the Draft Report.

4. No action or lack of action by the Settling States regarding information received from the Monitor concerning an Injunctive Relief Distributor's conduct shall be considered affirmation, acceptance, or ratification of that conduct by the Settling States.

I. Confidentiality:

1. Materials and information provided by the Injunctive Relief Distributors to the Monitor that are designated "Confidential" (and any parts, portions, or derivations thereof) (the "Confidential Information") will be kept confidential and not be shown, disclosed, or distributed to any other party, including any other Injunctive Relief Distributor.

2. The Monitor will not use materials or information received from one Injunctive Relief Distributor, or information or analysis developed using the Confidential Information of an Injunctive Relief Distributor, in its assessment of any other Injunctive Relief Distributor. Because each Injunctive Relief Distributor operates pursuant to its own unique policies and procedures intended to comply with legal and other requirements of the Injunctive Relief Terms, the Monitor shall apply the standards of each Injunctive Relief Distributor to its reviews without preference to the practices or standards applied by any other Injunctive Relief Distributor.

3. If any of the Settling States or the Monitor receive a request for disclosure of any material or information created or shared under the Injunctive Relief Terms, pursuant to a Third Party Request, the Settling State or the Monitor, respectively, shall notify the Injunctive Relief Distributors of the Third Party Request and the Confidential Information to be disclosed so that the Injunctive Relief Distributors may seek a protective order or otherwise challenge or object to the disclosure. The Settling State or the Monitor will provide the Injunctive Relief Distributors with at least ten (10) days' advance notice before complying with any Third Party Request for Confidential Information, except where state law requires a lesser period of advance notice.

4. Nothing herein will be deemed to prevent any party from claiming any applicable exemption to the public information act, freedom of information act, public records act, or similar law.

XIX. ENFORCEMENT OF INJUNCTIVE RELIEF TERMS

A. State Compliance Review Committee:

1. Any Settling State may initiate a review of a Potential Violation consistent with the process set forth in Section XIX.

2. The State Compliance Review Committee shall assign the Monitor the responsibilities set forth in Sections XIX.B.3 through XIX.B.7, regarding review of a Potential Violation and an opportunity to cure, except with respect to matters requiring interpretation of the Injunctive Relief Terms subject to Section XIX.C.2. The objective of the Monitor shall be to facilitate a resolution among the parties, providing an opportunity to cure, as applicable, for the party against whom a Potential Violation has been alleged.

3. No less than six (6) months before the Monitor's term expires pursuant to Section XVIII, the State Compliance Review Committee and Injunctive Relief Distributors shall meet and confer in good faith to determine the parameters and processes for continued enforcement, consistent to the maximum extent possible with the provisions set forth in Section XIX, for

the period after the Monitor's term has ended. Absent agreement between the State Compliance Review Committee and Injunctive Relief Distributors, all provisions set forth in Section XIX involving the Monitor are excused after the Monitor's term has ended.

4. Should an Injunctive Relief Distributor allege in good faith that a Settling State or the Monitor has impaired the ability of the Injunctive Relief Distributor to meet the Injunctive Relief Terms, the Injunctive Relief Distributor may request the State Compliance Review Committee to mediate any dispute in an effort to avoid the time and expense of litigation regarding interpretation and enforcement of the Injunctive Relief Terms.

B. Process for Review of Potential Violations and Opportunity to Cure:

1. Definition of "Potential Violation:" A Potential Violation occurs when an Injunctive Relief Distributor is alleged to not be in substantial compliance with (i) the Injunctive Relief Terms or (ii) a Corrective Action Plan adopted consistent with the process set forth in Section XIX.B.7.

2. Submission of Notice of Potential Violation. An allegation of a Potential Violation shall be submitted to the State Compliance Review Committee in writing by one or more Settling States ("Notice of Potential Violation" or "Notice") and shall include the following to the extent practicable:

   a) Specification of the particular Injunctive Relief Term(s) and/or Corrective Action Plan(s) implicated by the Potential Violation;

   b) Description of the Potential Violation with specificity;

   c) The reasoning for and, if available, any documentation supporting the allegation that a Potential Violation has occurred, including whether the Potential Violation is a matter identified by the Monitor in an Audit Report; and

   d) Description of the time-sensitivity of the Potential Violation, if relevant.

3. Assignment to Monitor. The State Compliance Review Committee shall review every Notice. If the State Compliance Review Committee reasonably believes that further review is warranted, the State Compliance Review Committee shall forward the Notice to the Monitor. The Monitor shall ensure that the Injunctive Relief Distributor that is the subject of the Notice receives a copy of the Notice and a proposed schedule consistent with the process set forth in Sections XIX.B.4 and XIX.B.5.

4. Response to Notice of Potential Violation. Within thirty (30) days of receipt of the Notice of Potential Violation, the Injunctive Relief Distributor that is the subject of the Notice shall provide a written

response to the referring Settling State(s), the Monitor, and the State Compliance Review Committee. The response (a) shall set forth the reasons the Injunctive Relief Distributor that is the subject of the Notice believes that it is in substantial compliance with the relevant Injunctive Relief Term(s) and/or Corrective Action Plan(s), and (b) as applicable, shall explain efforts undertaken to cure the Potential Violation and a schedule for completing the efforts to cure.

5. Conference for Parties re Notice of Potential Violation. The parties to the Notice shall meet or otherwise confer regarding the Potential Violation. The parties and the Monitor shall make themselves available for such a meeting (which may at any party's election be a virtual or technology-based meeting), provided, however, that the meeting is not required to take place sooner than fifteen (15) days after a written response to the Notice of Potential Violation.

6. Process for Previously-Submitted Notices of Potential Violation. At the request of the parties to a Notice, the Monitor shall determine whether the Notice implicates the same or similar issues as a previously submitted Notice or is a matter previously identified by the Monitor in an Audit Report involving the same party alleged to have engaged in a Potential Violation, and make an initial determination as to whether the issues needs to be addressed anew. The Monitor shall inform the Settling State and Injunctive Relief Distributor involved in the previous Notice or the subject of a matter previously identified by the Monitor in an Audit Report of its determination within five (5) business days of receipt of the Notice. The Settling State and Injunctive Relief Distributor shall have five (5) business days to object to the determination. If an objection is made, the Monitor shall respond to the objection within five (5) business days. If no objection is made, the party involved in the prior Notice may rely on the response to the previously submitted Notice or matter previously identified by the Monitor in an Audit Report and no further action shall be required.

7. Monitor Resolution of Potential Violation and Opportunity to Cure. Within thirty (30) days of the meeting pursuant to Section XIX.B.5, the Monitor, taking into consideration the submissions of the parties involved in the Notice and other information available to the Monitor, shall resolve the Notice as follows:

    a) If the Monitor reasonably believes that a Potential Violation is not ongoing or has been substantially resolved as of thirty (30) days from the meeting pursuant to Section XIX.B.5, the Monitor shall provide written notice to the State Compliance Review Committee and the Settling State(s) and Injunctive Relief Distributor involved in the Notice.

b) If the Monitor reasonably believes that a Potential Violation is ongoing and has not been substantially resolved as of thirty (30) days from the meeting pursuant to Section XIX.B.5, the Monitor shall provide written notice to the State Compliance Review Committee and the Settling State(s) and Injunctive Relief Distributor involved in the Notice and request that the Injunctive Relief Distributor prepare, within thirty (30) days of the receipt of such written notice, a Corrective Action Plan to remedy such Potential Violation, including a reasonable period for implementation of such plan. The Monitor may extend the period of time to submit a Corrective Action Plan up to ninety (90) days based on a reasonable request by the affected party.

c) A Corrective Action Plan may address multiple Potential Violations, and an existing Corrective Action Plan may be amended to address additional Potential Violations.

d) Within ten (10) business days of submission of a Corrective Action Plan regarding a Potential Violation, the Monitor shall confer with the State Compliance Review Committee and the Settling State(s) and Injunctive Relief Distributor involved in the Notice regarding the proposed Corrective Action Plan. The Monitor may recommend revisions in its discretion. The conference required by this paragraph may at any party's election be a virtual or technology-based meeting.

e) Within thirty (30) days of the conference in Section XIX.B.7.d, the Monitor shall advise the State Compliance Review Committee and the Settling State(s) and Injunctive Relief Distributor involved in the Notice whether the Monitor has adopted the proposed Corrective Action Plan or whether the Monitor has adopted it after making modifications. The Monitor shall also set forth a reasonable period for implementation of any such plan that has been adopted. The Injunctive Relief Distributor that is subject to a Corrective Action Plan adopted by the Monitor must begin to comply with the Corrective Action Plan within five (5) business days of receiving notice of the Corrective Action Plan has been adopted, unless it seeks review by the State Compliance Review Committee pursuant to Section XIX.C.1.

C. Enforcement Responsibilities of State Compliance Review Committee:

1. The Settling State(s) or Injunctive Relief Distributor involved in a Notice may request the State Compliance Review Committee to review the resolution (including a resolution pursuant to Section XIX.B.7.a) and/or Corrective Action Plan adopted by the Monitor regarding that Notice. Any such request must be made within five (5) business days of a

resolution or adoption of a Corrective Action Plan by the Monitor. The State Compliance Review Committee, taking into consideration the resolution by the Monitor, submissions of the Settling State(s) or Injunctive Relief Distributor, and other information available to the Committee, shall within thirty (30) days of receipt of the request resolve the matter by written notice to the affected parties, which shall include the State Compliance Review Committee's reasoning in reaching its resolution. The State Compliance Review Committee may agree, disagree, or modify any resolution or Corrective Action Plan that it reviews. An Injunctive Relief Distributor that is subject to a Corrective Action Plan that is affirmed or affirmed as amended by the State Compliance Review Committee must within five (5) business days begin to comply with the Corrective Action Plan.

2. The State Compliance Review Committee shall review any issues raised by a Notice regarding the interpretation of the Injunctive Relief Terms at the request of the Settling State(s), Injunctive Relief Distributor involved in a Notice, or the Monitor. Such a request may be made at any time after the Notice's submission, and the request will not extend the timelines set forth in Sections XIX.B and XIX.C.1. The State Compliance Review Committee shall notify the Monitor, Settling State(s) and Injunctive Relief Distributor involved in the Notice of its determination. Settling States and Injunctive Relief Distributors do not waive their rights to challenge the interpretation of the Injunctive Relief Terms by the State Compliance Review Committee in any subsequent proceeding pursuant to Section XIX.E.2.

3. The State Compliance Review Committee may, independent of a Notice of Potential Violation, review requests by a Monitor, Settling State, or Injunctive Relief Distributor regarding the interpretation of the Injunctive Relief Terms. The State Compliance Review Committee shall notify the Monitor and requesting party of its interpretation, including the State Compliance Review Committee's reasoning in reaching its conclusion. Settling States and Injunctive Relief Distributors do not waive their rights to challenge the interpretation of the Injunctive Relief Terms by the State Compliance Review Committee in any subsequent proceeding pursuant to Section XIX.E.2.

4. The State Compliance Review Committee shall make available to all Settling States and Injunctive Relief Distributors any interpretation it issues pursuant to Sections XIX.C.2 and XIX.C.3.

D. Composition of State Compliance Review Committee:

1. A Settling State on the State Compliance Review Committee that is in active litigation with one or more of the Injunctive Relief Distributors, or in another potential conflict of interest involving compliance with

Controlled Substances laws and regulations, may not serve on the State Compliance Review Committee for matters involving the affected Injunctive Relief Distributor, and the remaining Settling States on the State Compliance Review Committee shall within five (5) business days select an alternate Settling State as a replacement.

2. If the affected state on the State Compliance Review Committee disputes that it has a disqualifying active litigation or other conflict of interest, the determination of whether that state has a conflict disqualifying it from serving on the State Compliance Review Committee shall be made by the remaining states on the State Compliance Review Committee.

E. Enforcement Actions:

1. Any written notice or resolution by the State Compliance Review Committee regarding the matters set forth in Sections XIX.B and XIX.C shall provide the State Compliance Review Committee's assessment of the matter but will not be an official opinion of any individual Settling State.

2. Following the issuance of a written notice or resolution of the State Compliance Review Committee pursuant to Section XIX.C, a Settling State or Injunctive Relief Distributor may take whatever action it deems necessary related to the written notice or resolution issued by the State Compliance Review Committee, provided that the Settling State or Injunctive Relief Distributor is either (a) the Settling State that sought review by the State Compliance Review Committee, or (b) the Injunctive Relief Distributor that is the subject of the Potential Violation at issue. Such action may include but is not limited to bringing an action to enforce the settlement agreement, filing a new original action, or, the parties to a Notice attempting to negotiate a Corrective Action Plan directly with each other.

3. The Settling States agree that prior to taking any court or administrative action, other than an action that is necessary to address an immediate threat to the health, safety, or welfare of the citizens of the Settling State, or that a public emergency requiring immediate action exists, it will follow the process outlined in Sections XIX.B and XIX.C.

4. A Settling State or Injunctive Relief Distributor must bring a court or administrative action within six (6) months of any resolution of the State Compliance Review Committee, unless the alleged violation is also an independent violation of state or federal law, or an action that a Settling State concludes is necessary to address an immediate threat to the health, safety, or welfare of the citizens of the State, or that a public emergency requiring immediate action exists, in which cases, the applicable statute of limitations (if any) for sovereign actions shall apply.

Exhibit Q

Participation Tier Determination under This Agreement[15]

Participation Tier	Percentage of Litigating Subdivisions that are Participating Subdivisions and/or Subdivisions Subject to a Bar, Case-Specific Resolution, or Settlement Class Resolution in effect as of the Effective Date (or as of the Payment Date, beginning in Payment Year 3)[16, 17] ("Percentage of Litigating Subdivisions")	Percentage of Primary Subdivisions that are Non-Litigating Subdivisions that are Participating Subdivisions and/or Subdivisions Subject to a Bar, Case-Specific Resolution, or Settlement Class Resolution in effect as of the Effective Date (or as of the Payment Date, beginning in Payment Year 3) ("Percentage of Non-Litigating Subdivisions")
1	95%	90% *(Primary Subdivisions only)*
2	96%	96% *(Primary Subdivisions only)*
3	97%	97% *(Primary Subdivisions only)*
4	98%	97% *(Primary Subdivisions only)*

[15] The Participation Tier Determination shall be made pursuant to Section V.K. If, pursuant to Section V.K, that determination is to be made without reference to the number of "Settling States" as that term is defined in the Global Settlement, this Exhibit Q shall govern that determination. In order to qualify for the relevant tier under this Exhibit Q, the minimum amounts listed in each of the "Percentage of Litigating Subdivisions" and "Percentage of Non-Litigating Primary Subdivisions" columns must be met or surpassed.

[16] School Districts, Health Districts, Hospital Districts, Library Districts and Fire Districts that satisfy the definition of Litigating Subdivision will be included for purposes of determining the Percentage of Litigating Subdivisions. These categories of Special District shall have their population measured as set forth in Section XIII.B. Any other Special Districts that satisfy the definition of Litigating Subdivisions will not be included for purposes of calculating the Participation Tier.

The Percentage of Litigating Subdivisions and Percentage of Non-Litigating Primary Subdivisions will be calculated as follows: each Litigating Subdivision and each Non-Litigating Subdivision used to calculate the Participation Tier will be assigned a metric reflecting both population and severity (the "Population-Severity Metric"). The Population-Severity Metric shall be the Subdivision's population plus the Subdivision's population multiplied by the severity factor for the State of Rhode Island and then divided in two, thus giving fifty percent (50%) weight to each of population and population multiplied by the severity factor. The severity factor for the state of Rhode Island is 143.8802%, as set forth in Exhibit X to the Global Settlement. The denominator for each Percentage shall be the sum total of the Population-Severity Metric for all the Subdivisions in the relevant category (Litigating Subdivisions or Non-Litigating Primary Subdivisions), notwithstanding that persons may be included within the population (and therefore the Population-Severity Metric) of more than one Subdivision. The numerator will be the sum total of the Population-Severity Metrics of all Subdivisions in the relevant category of Subdivision (i.e., Litigating Subdivisions or Non-Litigating Subdivisions that are also Primary Subdivisions) that are either Participating Subdivisions or are subject to a Bar, Case-Specific Resolution, or Settlement Class Resolution, notwithstanding that persons may be included within the population of more than one Subdivision. An individual Litigating Subdivision shall not be included more than once in the numerator, and shall not be included more than once in the denominator, of the calculation regardless if it (or any of its officials) is named as multiple plaintiffs in the same lawsuit; provided, however, that for the avoidance of doubt, no Litigating Subdivision will be excluded from the numerator or denominator under this sentence unless a Litigating Subdivision otherwise counted in the denominator has the authority to release the Claims (consistent with Section IX) of the Litigating Subdivision to be excluded.

[17] During the period when the Participation Tier is redetermined annually, Later Participating Subdivisions described in Section IV.C shall not be included as Participating Subdivisions, and for Subdivisions subject to a Bar, Case-Specific Resolution, or Settlement Class Resolution to be included, the Bar, Case-Specific Resolution, or Settlement Class Resolution must have been in effect both as of the relevant Payment Date and for the entire period since the prior Payment Date.

Exhibit R

Subdivision Disbursements in Payment Years 1 and 2

Year 1 Subdivision Disbursements

Subdivision	Allocation Percentage	Allocated Amount
Barrington	2.30%	$17,849.97
Bristol	1.08%	$8,398.50
Burrillville	1.33%	$10,299.99
Central Falls	0.91%	$7,099.14
Charlestown	0.59%	$4,569.38
Coventry	3.59%	$27,850.68
Cranston	7.89%	$61,208.12
Cumberland	2.47%	$19,201.46
East Greenwich	1.75%	$13,556.09
East Providence	4.32%	$33,563.15
Exeter	0.01%	$55.73
Foster	0.25%	$1,931.65
Glocester	0.85%	$6,603.15
Hopkinton	0.71%	$5,508.53
Jamestown	0.42%	$3,275.23
Johnston	3.09%	$23,979.46
Lincoln	2.12%	$16,430.88
Little Compton	0.27%	$2,066.68
Middletown	1.29%	$9,993.76
Narragansett	1.28%	$9,902.72
New Shoreham	0.21%	$1,643.92
Newport	2.33%	$18,112.88
North Kingstown	2.65%	$20,566.19
North Providence	2.53%	$19,639.34
North Smithfield	1.13%	$8,768.80
Pawtucket	5.97%	$46,294.14
Portsmouth	1.28%	$9,939.43
Providence	21.49%	$166,744.34
Richmond	0.08%	$635.44
Scituate	1.02%	$7,953.60
Smithfield	1.77%	$13,755.54
South Kingstown	2.33%	$18,068.98
Tiverton	0.99%	$7,689.07
Warren	0.14%	$1,081.93
Warwick	9.94%	$77,155.21
West Greenwich	0.71%	$5,513.75
West Warwick	3.02%	$23,468.23
Westerly	2.01%	$15,626.70
Woonsocket	3.87%	$30,065.61

Year 2 Subdivision Disbursements

Subdivision	Allocation Percentage	Allocated Amount
Barrington	2.30%	$18,759.45
Bristol	1.08%	$8,826.41
Burrillville	1.33%	$10,824.79
Central Falls	0.91%	$7,460.85
Charlestown	0.59%	$4,802.19
Coventry	3.59%	$29,269.71
Cranston	7.89%	$64,326.75
Cumberland	2.47%	$20,179.80
East Greenwich	1.75%	$14,246.79
East Providence	4.32%	$35,273.23
Exeter	0.01%	$58.57
Foster	0.25%	$2,030.07
Glocester	0.85%	$6,939.58
Hopkinton	0.71%	$5,789.20
Jamestown	0.42%	$3,442.11
Johnston	3.09%	$25,201.24
Lincoln	2.12%	$17,268.05
Little Compton	0.27%	$2,171.98
Middletown	1.29%	$10,502.96
Narragansett	1.28%	$10,407.27
New Shoreham	0.21%	$1,727.68
Newport	2.33%	$19,035.76
North Kingstown	2.65%	$21,614.07
North Providence	2.53%	$20,639.99
North Smithfield	1.13%	$9,215.58
Pawtucket	5.97%	$48,652.88
Portsmouth	1.28%	$10,445.85
Providence	21.49%	$175,240.17
Richmond	0.08%	$667.81
Scituate	1.02%	$8,358.84
Smithfield	1.77%	$14,456.40
South Kingstown	2.33%	$18,989.62
Tiverton	0.99%	$8,080.83
Warren	0.14%	$1,137.05
Warwick	9.94%	$81,086.36
West Greenwich	0.71%	$5,794.69
West Warwick	3.02%	$24,663.97
Westerly	2.01%	$16,422.90
Woonsocket	3.87%	$31,597.50

Exhibit S

Adoption of a State-Subdivision Agreement

A State-Subdivision Agreement shall be applied if it meets the requirements of Section V of the Global Settlement and is approved by the State and by the State's Subdivisions as follows:

1. *Requirements for Approval*. A State-Subdivision Agreement shall be agreed when it has been approved by the State and either (a) Subdivisions whose aggregate "Population Percentages," determined as set forth below, total more than sixty percent (60%), or (b) Subdivisions whose aggregate Population Percentages total more than fifty percent (50%) provided that these Subdivisions also represent fifteen percent (15%) or more of the State's counties or parishes (or, in the case of Settling States whose counties and parishes that do not function as local governments, fifteen percent (15%) of or more of the Settling State's General Purpose Governments that qualify as Subdivisions), by number.

2. *Approval Authority*. Approval by the State shall be by the Attorney General. Approval by a Subdivision shall be by the appropriate official or legislative body pursuant to the required procedures for that Subdivision to agree to a legally binding settlement.

3. *Population Percentage Calculation*. For purposes of this Exhibit S only, Population Percentages shall be determined as follows: For States with functional counties or parishes,[18] the Population Percentage of each county or parish shall be deemed to be equal to (a) (1) two hundred percent (200%) of the population of such county or parish, minus (2) the aggregate population of all Primary Incorporated Municipalities located in such county or parish, divided by (b) two hundred percent (200%) of the State's population. A "Primary Incorporated Municipality" means a city, town, village or other municipality incorporated under applicable state law with a population of at least 25,000 that is not located within another incorporated municipality. The Population Percentage of each Primary Incorporated Municipality shall be equal to its population (including the population of any incorporated or unincorporated municipality located therein) divided by two hundred percent (200%) of the State's population; provided that the Population Percentage of a Primary Incorporated Municipality that is not located within a county shall be equal to two hundred percent (200%) of its population (including the population of any incorporated or unincorporated municipality located therein) divided by two hundred percent (200%) of the State's population. For all States that do not have functional counties or parishes, the Population Percentage of each General Purpose Government (including any incorporated or unincorporated municipality located therein), shall be equal to its population divided by the State's population.

4. *Preexisting Agreements and Statutory Provisions*. A State may include with the notice to its Subdivisions an existing agreement, a proposed agreement, or statutory provisions regarding the distribution and use of settlement funds and have the acceptance of such an agreement or statutory provision be part of the requirements to be an Initial Participating Subdivision.

[18] Certain States do not have counties or parishes that have functional governments, including: Alaska, Connecticut, Massachusetts, Rhode Island, and Vermont.

5. *Revised Agreements*. A State-Subdivision Agreement that has been revised, supplemented, or refined shall be applied if it meets the requirements of Section V of the Global Settlement and is approved by the State and by the State's Subdivisions pursuant to the terms above.