



# City of Laguna Woods

## NOTICE OF SPECIAL CITY COUNCIL MEETING

**APRIL 10, 2023**

Please be advised that a special meeting of the Laguna Woods City Council will be held on April 10, 2023 at 2:00 p.m. The meeting will be held at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, California 92637.

The agenda for this meeting is attached.

For additional information, please contact the City Clerk's Office at (949) 639-0500/TTY (949) 639-0535, [cityhall@cityoflagunawoods.org](mailto:cityhall@cityoflagunawoods.org), or 24264 El Toro Road, Laguna Woods, California 92637.

*Cynthia S. Conners*

---

CYNTHIA S. CONNERS, Mayor

*This page is intentionally blank.*

# CITY of LAGUNA WOODS CITY COUNCIL AGENDA

Special Meeting  
Monday, April 10, 2023  
2:00 p.m.

Laguna Woods City Hall  
24264 El Toro Road  
Laguna Woods, California 92637

Cynthia Conners  
Mayor

Noel Hatch  
Mayor Pro Tem

Shari L. Horne  
Councilmember



Annie McCary  
Councilmember

Carol Moore  
Councilmember

***Welcome to a meeting of the Laguna Woods City Council!***

***This meeting may be recorded, televised, and made publicly available.***

**Public Comments:** The City offers four options for public comments:

1. Make public comments in-person
2. Submit public comments in writing
3. Make public comments by telephone
4. Make public comments by computer (Zoom)

For more information, please refer to page three of this agenda.

**Americans with Disabilities Act (ADA):** It is the intention of the City to comply with the ADA. If you need assistance to participate in this meeting, please contact either the City Clerk's Office at (949) 639-0500/TTY (949) 639-0535 or the California Relay Service at (800) 735-2929/TTY (800) 735-2922. The City requests at least two business days' notice in order to effectively facilitate the provision of reasonable accommodations.

REGULAR MEETING SCHEDULE

The Laguna Woods City Council meets regularly on the third Wednesday of each month at 2 p.m.

---

AGENDA POSTING AND AVAILABILITY

Regular and Adjourned Regular Meetings: Pursuant to California Government Code Section 54954.2 of the Ralph M. Brown Act, the City of Laguna Woods posts agendas at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, California 92637; on the City’s website ([www.cityoflagunawoods.org](http://www.cityoflagunawoods.org)); and, at other locations designated by Resolution No. 17-30, at least 72 hours in advance of regular and adjourned regular meetings. Agendas and agenda materials are available at Laguna Woods City Hall during normal business hours and on the City’s website. Printed copies of agendas and agenda materials are provided at no charge in advance of meetings. After meetings have occurred, a per page fee is charged for printed copies.

Special and Emergency Meetings: Agenda posting and availability for special and emergency meetings is conducted pursuant to all applicable provisions of California Government Code (Ralph M. Brown Act).

---

AGENDA DISTRIBUTION LISTS

Electronic Distribution: The City of Laguna Woods provides notification of agenda posting and availability via email. To sign up for email notifications, please visit [www.cityoflagunawoods.org/email-notifications](http://www.cityoflagunawoods.org/email-notifications), email [cityhall@cityoflagunawoods.org](mailto:cityhall@cityoflagunawoods.org), or contact the City Clerk’s Office at (949) 639-0500/TTY (949) 639-0535. Please note that the City is not responsible for, and makes no guaranties or warranties related to, the transmission or receipt of email notifications.

Mail Distribution: The City of Laguna Woods is able to mail agendas and/or agenda materials if provided with advance payment for postage and printing (if applicable). To request mail distribution, please email [cityhall@cityoflagunawoods.org](mailto:cityhall@cityoflagunawoods.org) or contact the City Clerk’s Office at (949) 639-0500/TTY (949) 639-0535.

---

FOR ADDITIONAL INFORMATION

For additional information, please contact the City Clerk’s Office at (949) 639-0500/TTY (949) 639-0535, [cityhall@cityoflagunawoods.org](mailto:cityhall@cityoflagunawoods.org), or 24264 El Toro Road, Laguna Woods, California 92637.

---

AFFIDAVIT OF POSTING

STATE OF CALIFORNIA     )  
COUNTY OF ORANGE     ) ss.  
CITY OF LAGUNA WOODS    )

I, Yolie Trippy, City Clerk, City of Laguna Woods, hereby certify under penalty of perjury that this agenda was posted at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, California 92637; on the City’s website ([www.cityoflagunawoods.org](http://www.cityoflagunawoods.org)); and, at other locations designated by Resolution No. 17-30, pursuant to California Government Code Section 54954.2 of the Ralph M. Brown Act.

/s/ Yolie Trippy  
YOLIE TRIPPY, CMC, City Clerk

4/7/23  
Date

## OPTIONS FOR PUBLIC COMMENTS

**1. Make public comments in-person.** Members of the public wishing to make in-person public comments are asked, but not required, to complete and submit a speaker card to City staff. Speaker cards are available near the entrance to the meeting location. If you do not wish to submit a speaker card, or wish to remain anonymous, you may indicate your desire to speak from the floor. Speakers are requested, but not required, to identify themselves.

**2. Submit public comments in writing.** Written public comments may be submitted via email ([cityhall@cityoflagunawoods.org](mailto:cityhall@cityoflagunawoods.org)) or delivered to Laguna Woods City Hall (24264 El Toro Road, Laguna Woods, CA 92637), provided that they are received by the City prior to 2:00 p.m. on the day of the meeting. Written public comments may be read or summarized to the City Council at the meeting, and parties submitting written public comments are advised that their email addresses and any information submitted may be disclosed or become a matter of public record. No party should expect privacy of such information.

**3. Make public comments by telephone.** Dial (669) 444-9171. When prompted enter the following meeting ID: 852 1803 5501 followed by pound (#) and the following meeting passcode: 597344 followed by pound (#). When an item you wish to comment on is discussed, press \*9 on your telephone to raise your hand. When it is your turn, you will be unmuted and able to speak. Please note that your telephone number will be visible to the City. No party should expect privacy of such information.

**4. Make public comments by computer (Zoom).**

- Visit [www.zoom.us](http://www.zoom.us)
- Click on “Join” toward the top right of the webpage
- Enter the following meeting ID: 852 1803 5501
- Open the Zoom application following the on-screen prompts
- Enter the following meeting password: 597344
- Enter a name and email address as required by Zoom

When an item you wish to comment on is discussed, click on “Raise Hand.” When it is your turn, you will be unmuted and able to speak. Please note that information you enter into Zoom will be visible to the City. No party should expect privacy of such information.

## **I. CALL TO ORDER**

### **1.1 Call to Order**

Introductory Note: Members of the public wishing to address the City Council on items appearing on this agenda are advised to indicate their interest in doing so at the time an item is considered by notifying City staff if present in-person, pressing \*9 on their telephone if participating by telephone, or clicking on “Raise Hand” if participating by computer via Zoom. Members of the public wishing to address the City Council on items *not* appearing on this agenda may do so during Item V.

### **1.2 Emergency Circumstances and Just Cause Teleconferencing**

*Recommendation:* Receive and act upon disclosures and requests from members of the City Council related to teleconferencing pursuant to California Assembly Bill 2449 (2021-2022).

## **II. ROLL CALL**

## **III. PLEDGE OF ALLEGIANCE**

## **IV. PRESENTATIONS AND CEREMONIAL MATTERS**

### **4.1 Holocaust Remembrance Day – April 17, 2023**

*Recommendation:* Observe a moment of silence.

## **V. PUBLIC COMMENTS ON NON-AGENDA ITEMS**

About Public Comments on Non-Agenda Items: This is the time and place for members of the public to address the City Council on items *not* appearing on this agenda. To indicate interest, please notify City staff if present in-person, press \*9 on your telephone if participating by telephone, or click on “Raise Hand” if participating by computer via Zoom. Pursuant to state law, the City Council is unable to take action on such items, but may engage in brief discussion, provide direction to City staff, or schedule items for consideration at future meetings.

## **VI. CONSENT CALENDAR**

About the Consent Calendar: All items listed on the Consent Calendar are considered routine and will be enacted by one vote. There will be no separate discussion of these items unless a member of the City Council, City staff, or member of the public requests that specific items be removed from the Consent Calendar for separate discussion and consideration of action.

### **6.1 Alternative Compliance Examination Engagement for Recipients**

That Would Otherwise be Required to Undergo a Single Audit or Program-Specific Audit as a Result of Receiving Coronavirus State and Local Fiscal Recovery Funds

*Recommendation:* Receive and file the Independent Accountant’s Report dated March 23, 2023 regarding the Alternative Compliance Examination Engagement for Recipients That Would Otherwise be Required to Undergo a Single Audit or Program-Specific Audit as a Result of Receiving Coronavirus State and Local Fiscal Recovery Funds for the fiscal year ended June 30, 2022.

## 6.2 National Opioids Settlements

*Recommendation:* Authorize the City Manager to execute the settlement agreements with Teva, Allergan, CVS, Walgreens, and Walmart as part of the National Opioids Settlement, and elect for the City to receive direct payment of settlement funds. For the purpose of this recommendation, “settlement agreements” includes participation forms for the settlements (including releases of claims) and California state-subdivision agreements regarding distribution and use of settlement funds, as well as any other documents or certifications that may be necessary to finalize or implement the settlement agreement.

## 6.3 Ridge Route Drive Landscape Project

*Recommendation:*

1. Approve final record plans and specifications reflecting completion of the “Ridge Route Drive Landscape Project” as prepared by the project architect.

AND

2. Accept project completion of the contract agreement with Marina Landscape, Inc. for the “Ridge Route Drive Landscape Project”.

AND

3. Release contract retention in the amount of \$8,883.52 withheld per California Government Code 35 days following recordation of the Notice of Completion with the County of Orange, provided no Stop Notices are on file with the City preventing the release of the contract retention.

AND

4. Exonerate project posted bonds 35 days following recordation of the Notice of Completion with the County of Orange.

## **VII. CITY COUNCIL BUSINESS**

### 7.1 Public Library Lease Agreement

*Recommendation:* Approve a lease agreement with the County of Orange for use of portions of the City-owned building located at 24266 El Toro Road, Laguna Woods, CA 92637 as a public library, as well as non-exclusive, in common use of various other City-owned areas located at 24264 and 24266 El Toro Road, Laguna Woods, CA 92637, and authorize the Mayor to execute the lease agreement, subject to approval as to form by the City Attorney.

### 7.2 Laguna Woods Civic Support Fund

*Recommendation:*

1. Remove all existing directors, without cause, from the Laguna Woods Civic Support Fund Board of Directors.

AND

2. Appoint all five members of the City Council to the Laguna Woods Civic Support Fund Board of Directors.

AND

3. Extend the City's formal involvement with the Laguna Woods Civic Support Fund indefinitely.



## **VIII. ADJOURNMENT**

Next Regular Meeting:

Wednesday, April 19, 2023 at 2 p.m.  
Laguna Woods City Hall  
24264 El Toro Road, Laguna Woods, California 92637

*This page is intentionally blank.*

**4.1**  
**HOLOCAUST REMEMBRANCE DAY –**  
**APRIL 17, 2023**  
***(NO REPORT)***

*This page is intentionally blank.*

**6.0**  
**CONSENT CALENDAR SUMMARY**

*This page is intentionally blank.*



# City of Laguna Woods

## Agenda Report

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Christopher Macon, City Manager

**FOR:** April 10, 2023 Special Meeting

**SUBJECT:** Consent Calendar Summary

---

### **Recommendation**

Approve all proposed actions on the April 10, 2023 Consent Calendar by single motion and City Council action.

### **Background**

All items listed on the Consent Calendar are considered routine and will be enacted by one vote. There will be no separate discussion of these items unless a member of the City Council, staff, or the public requests that specific items be removed from the Consent Calendar for separate discussion and consideration of action.

### **Summary**

The April 10, 2023 Consent Calendar contains the following items:

- 6.1 Receive and file the Independent Accountant's Report dated March 23, 2023 regarding the Alternative Compliance Examination Engagement for Recipients That Would Otherwise be Required to Undergo a Single Audit or Program-Specific Audit as a Result of Receiving Coronavirus State and Local Fiscal Recovery Funds for the fiscal year ended June 30, 2022. This report was required due to the City spending more than \$750,000 in federal aid during Fiscal Year 2021-22. The City spent a total of \$1,024,678, consisting of \$675,132 in Coronavirus State and Local Fiscal Recovery Funds and \$349,546 in Community Development Block Grant funds.

- 6.2 Authorization for the City Manager to execute the settlement agreements with Teva, Allergan, CVS, Walgreens, and Walmart as part of the National Opioids Settlement, and election for the City to receive direct payment of settlement funds. For the purpose of this recommendation, “settlement agreements” includes participation forms for the settlements (including releases of claims) and California state-subdivision agreements regarding distribution and use of settlement funds, as well as any other documents or certifications that may be necessary to finalize or implement the settlement agreement. In December 2021, the City Council unanimously authorized “opting in” to settlement agreements with McKesson Corporation, Cardinal Health, Inc., AmerisourceBergen Corporation, Johnson & Johnson, Janssen Pharmaceuticals, Inc., Ortho-McNeil-Janssen Pharmaceuticals, Inc., and Janssen Pharmaceutica, Inc., as part of the National Opioids Settlement. Since then, the City has become eligible to “opt in” to five new settlement agreements as part of the National Opioids Settlement – Teva, Allergan, CVS, Walgreens, and Walmart. Staff recommends that the City Council opt in to the five new settlement agreements and, as was the case with the first settlement agreements, elect to receive the City’s settlement funds directly, rather than having them paid to the County of Orange. The use of settlement funds would be considered during budget development processes. The deadline to opt in to the five new settlement agreements is April 18, 2023.
- 6.3 [1] Approval of final record plans and specifications reflecting completion of the “Ridge Route Drive Landscape Project” as prepared by the project architect (available for review at City Hall).

AND

[2] Acceptance of project completion of the contract agreement with Marina Landscape, Inc. for the “Ridge Route Drive Landscape Project”.

AND

[3] Release of contract retention in the amount of \$8,883.52 withheld per California Government Code 35 days following recordation of the Notice of Completion with the County of Orange, provided no Stop Notices are on file with the City preventing the release of the contract retention.

AND



[4] Exoneration of project posted bonds 35 days following recordation of the Notice of Completion with the County of Orange.

The “Ridge Route Drive Landscape Project” is included in the Fiscal Years 2021-32 Capital Improvement Program.

*This page is intentionally blank.*

**6.1**

**ALTERNATIVE COMPLIANCE EXAMINATION  
ENGAGEMENT FOR RECIPIENTS THAT WOULD  
OTHERWISE BE REQUIRED TO UNDERGO A  
SINGLE AUDIT OR PROGRAM-SPECIFIC AUDIT  
AS A RESULT OF RECEIVING CORONAVIRUS  
STATE AND LOCAL FISCAL RECOVERY FUNDS**

*This page is intentionally blank.*



## INDEPENDENT ACCOUNTANT'S REPORT

The Honorable City Council of the  
 City of Laguna Woods  
 Laguna Woods, California

We have examined the City of Laguna Woods, California's (City) compliance with the compliance requirements "activities allowed or unallowed" and "allowable cost/cost principles" (the specified requirements) as described in Part IV "Requirements for an Alternative Compliance Examination Engagement for Recipients That Would Otherwise be Required to Undergo a Single Audit or Program-Specific Audit as a Result of Receiving Coronavirus State and Local Fiscal Recovery Funds" of the Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) Section of the 2022 U.S. Office of Management and Budget (OMB) *Compliance Supplement* (referred to herein as "Requirements for an Alternative CSLFRF Compliance Examination Engagement") during the fiscal year ended June 30, 2022. Management of the City is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA); the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the "Requirements for an Alternative CSLFRF Compliance Examination Engagement." Those standards and requirements require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent of the City and meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the City's compliance with the specified requirements.

In our opinion, the City complied, in all material respects, with the specified requirements referenced above during the fiscal year ended June 30, 2022.

### Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud; and noncompliance with provisions of laws, regulations, contracts, or grant agreements that have a material effect on the City's compliance with the specified requirements and any other instances that warrant the attention of those charged with governance. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned

**BAKERSFIELD**  
 4200 Truxtun Avenue, Suite 300  
 Bakersfield, CA 93309  
 661-324-4971

**FRESNO**  
 10 River Park Place East, Suite 208  
 Fresno, CA 93720  
 559-476-3592

**STOCKTON**  
 2423 West March Lane, Suite 202  
 Stockton, CA 95219  
 209-451-4833

corrective actions. We performed our examination to express an opinion on the City's compliance with the specified requirements and not for the purpose of expressing an opinion on the internal control over the specified requirements or on compliance and other matters; accordingly, we express no such opinions. The results of our tests disclosed no matters that are required to be reported under *Government Auditing Standards*.

**Intended Purpose**

The purpose of this examination report is solely to express an opinion on whether the City complied, in all material respects, with the specified requirements referenced above during the fiscal year ended June 30, 2022. Accordingly, this report is not suitable for any other purpose.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

*Brown Armstrong*  
*Accountancy Corporation*

Bakersfield, California  
March 23, 2023

**6.2**  
**NATIONAL OPIOIDS SETTLEMENTS**

*This page is intentionally blank.*



**EXHIBIT K**  
**Subdivision and Special District Settlement Participation Form**

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

Yes       No

Governmental Entity: Laguna Woods city	State: CA
Authorized Signatory:	
Address 1:	
Address 2:	
City, State, Zip:	
Phone:	
Email:	

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

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



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

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

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

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



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

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**Exhibit K**  
**Subdivision and Special District Settlement Participation Form**

Governmental Entity: Laguna Woods city	State: CA
Authorized Signatory:	
Address 1:	
Address 2:	
City, State, Zip:	
Phone:	
Email:	

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

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



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

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

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

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



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

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**EXHIBIT K****Subdivision Participation and Release Form**

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

Yes       No

Governmental Entity: Laguna Woods city	State: CA
Authorized Signatory:	
Address 1:	
Address 2:	
City, State, Zip:	
Phone:	
Email:	

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

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



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

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

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





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

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

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**EXHIBIT K****Subdivision Participation and Release Form**

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

Yes       No

Governmental Entity: Laguna Woods city	State: CA
Authorized Signatory:	
Address 1:	
Address 2:	
City, State, Zip:	
Phone:	
Email:	

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

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



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

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

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



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

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

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**EXHIBIT K****Subdivision Participation Form**

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

Yes       No

Governmental Entity: Laguna Woods city	State: CA
Authorized Official:	
Address 1:	
Address 2:	
City, State, Zip:	
Phone:	
Email:	

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

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



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

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

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

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



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

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



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

**1. Introduction**

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

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

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

**2. Definitions**

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

---

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

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





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

### 3. General Terms

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

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

### 4. State Allocation



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

**A. State of California Allocation**

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

**B. CA Abatement Accounts Fund**

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

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

---

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



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

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

**ii. Use of CA Abatement Accounts Funds**

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



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

### **iii. CA Abatement Accounts Fund Oversight**

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



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

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

### **C. CA Subdivision Fund**

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

The CA Subdivision Funds will be allocated as follows:

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

### **D. Provision for State Back-Stop Agreement**

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



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

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

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

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

## **5. State and Subdivision Reporting**

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



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

## **6. Miscellaneous**

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



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

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_





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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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





## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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





## APPENDIX 2

### Cost Reimbursement Procedure

#### 1. Additional defined terms:

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

#### 2. Cost Reimbursement to Plaintiff Subdivision

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



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



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

c) Claims Priority and Limitation.

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

d) Collateral Source Payments and Third-Party Settlement.

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



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

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



**APPENDIX 3**

**CALIFORNIA-SUBDIVISION BACKSTOP AGREEMENT**

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

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

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

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

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

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

[DATE]

[SUBDIVISION SIGNATURE BLOCK]

[DATE]

[COUNSEL SIGNATURE BLOCK]

[DATE]

[ATTORNEY GENERAL SIGNATURE BLOCK]



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

**1. Introduction**

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

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

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

**2. Definitions**

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

---

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



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

### 3. General Terms

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

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

### 4. State Allocation

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

---

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



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

**A. State of California Allocation**

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

**B. CA Abatement Accounts Fund**

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

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





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

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

**ii. Use of CA Abatement Accounts Funds**

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



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

**iii. CA Abatement Accounts Fund Oversight**

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



**C. CA Subdivision Fund**

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

The CA Subdivision Funds will be allocated as follows:

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

**D. Provision for State Back-Stop Agreement**

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

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



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

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

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

## **5. State and Subdivision Reporting**

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



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

## 6. Miscellaneous

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



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

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



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



## APPENDIX 1

## ITEM 6.2

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





## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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





## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 2

### Cost Reimbursement Procedure

#### 1. Additional defined terms:

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

#### 2. Cost Reimbursement to Plaintiff Subdivision

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



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





- vi. The Special Master will prepare a report of Costs that includes his or her fees and expenses at least ninety (90) days before the Payment Date for each Annual Payment. The Special Master's preparation of a report of Costs does not discharge a Plaintiff Subdivision's reporting requirement under Section VIII.C of the Teva Settlement Agreement.
  - vii. A member of the Plaintiff Subdivision Committee, which is a CA Participating Subdivision, will submit to the Settlement Fund Administrator and Teva a report of the fees and expenses incurred by the Special Master pursuant to Section VIII.C of the Teva Settlement Agreement.
- c) Claims Priority and Limitation.
- i. The Special Master will submit invoices for compensation of reasonable fees and expenses to the Plaintiff Subdivision Committee no later than ninety (90) days prior to the Payment Date for each Annual Payment. The Plaintiff Subdivision Committee will promptly review and, if reasonable, approve the Special Master's invoice for compensation. The Plaintiff Subdivision Committee will submit approved invoices to the Settlement Fund Administrator for payment. The Special Master's approved invoices have priority and will be paid first from the CA Subdivision Fund before any award of Costs, subject to the limitation in Section 2.c.v below.
  - ii. Final Awards of Costs that do not exceed seventy-five thousand dollars (\$75,000.00) will be paid next in priority after the Special Master's approved invoices.
  - iii. Final Awards of Costs in excess of seventy-five thousand dollars (\$75,000.00) will be paid proportionally from the funds remaining in that year's Annual Payment.
  - iv. Any claim for Costs that is not paid in full will be allocated against the next year's distribution from the CA Subdivision Fund, until all approved claims for Costs are paid in full.
  - v. In no event will more than 50% of the total CA Subdivision Fund received in any year be used to pay Costs or the Special Master's approved invoices.
  - vi. In no event shall more than \$28 million of the total CA Subdivision Funds paid pursuant to the Teva Settlement Agreement, Allergan Settlement Agreement, Distributor Settlement Agreement, CVS Settlement Agreement, Janssen Settlement Agreement, Walgreens Settlement Agreement, and the Walmart Settlement Agreement be used to pay Costs.
- d) Collateral Source Payments and Third-Party Settlement.
- i. In the event a Plaintiff Subdivision is awarded compensation, in whole or in part, by any source of funds created as a result of litigation against an Opioid Defendant for 4 its reasonable Costs, it will reduce its claim for Costs from the CA Subdivision Fund by that amount. If a Plaintiff Subdivision has already received a



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

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



**APPENDIX 3**

**CALIFORNIA-SUBDIVISION BACKSTOP AGREEMENT**

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

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

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

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

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

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

[DATE]

[SUBDIVISION SIGNATURE BLOCK]

[DATE]

[COUNSEL SIGNATURE BLOCK]

[DATE]

[ATTORNEY GENERAL SIGNATURE BLOCK]



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

**1. Introduction**

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

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

**2. Definitions**

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



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

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

### **3. General Terms**

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

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

### **4. State Allocation**

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

---

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



**A. State of California Allocation**

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

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

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



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

**ii. Use of CA Abatement Accounts Funds**

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



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

**iii. CA Abatement Accounts Fund Oversight**

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





**C. CA Subdivision Fund**

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

The CA Subdivision Funds will be allocated as follows:

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

**D. Provision for State Back-Stop Agreement**

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

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



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

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

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

## **5. State and Subdivision Reporting**

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



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

**6. Miscellaneous**

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



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

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**APPENDIX 1**

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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





## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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





## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 2

### Cost Reimbursement Procedure

#### 1. Additional defined terms:

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

#### 2. Cost Reimbursement to Plaintiff Subdivision

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



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

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



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

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

c) Claims Priority and Limitation.

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



d) Collateral Source Payments and Third-Party Settlement.

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





**APPENDIX 3**

**CALIFORNIA-SUBDIVISION BACKSTOP AGREEMENT**

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

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

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

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

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

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

[DATE]

[SUBDIVISION SIGNATURE BLOCK]

[DATE]

[COUNSEL SIGNATURE BLOCK]

[DATE]

[ATTORNEY GENERAL SIGNATURE BLOCK]



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

**1. Introduction**

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

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

**2. Definitions**

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



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

### **3. General Terms**

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

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

### **4. State Allocation**

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

---

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



**A. State of California Allocation**

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

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

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



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

**ii. Use of CA Abatement Accounts Funds**

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



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

**iii. CA Abatement Accounts Fund Oversight**

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



**C. CA Subdivision Fund**

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

The CA Subdivision Funds will be allocated as follows:

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

**D. Provision for State Back-Stop Agreement**

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

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



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

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

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

## **5. State and Subdivision Reporting**

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





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

**6. Miscellaneous**

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



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

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**APPENDIX 1**

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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





## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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





## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 2

### Cost Reimbursement Procedure

#### 1. Additional defined terms:

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

#### 2. Cost Reimbursement to Plaintiff Subdivision

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



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

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



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

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

c) Claims Priority and Limitation.

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



d) Collateral Source Payments and Third-Party Settlement.

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



**APPENDIX 3**

**CALIFORNIA-SUBDIVISION BACKSTOP AGREEMENT**

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

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

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

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

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

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

[DATE]

[SUBDIVISION SIGNATURE BLOCK]

[DATE]

[COUNSEL SIGNATURE BLOCK]

[DATE]

[ATTORNEY GENERAL SIGNATURE BLOCK]



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

**1. Introduction**

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

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

**2. Definitions**

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





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

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

### **3. General Terms**

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

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

### **4. State Allocation**

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

---

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



**A. State of California Allocation**

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

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

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



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

**ii. Use of CA Abatement Accounts Funds**

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



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

**iii. CA Abatement Accounts Fund Oversight**

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



**C. CA Subdivision Fund**

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

The CA Subdivision Funds will be allocated as follows:

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

**D. Provision for State Back-Stop Agreement**

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

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



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

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

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

## **5. State and Subdivision Reporting**

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



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

**6. Miscellaneous**

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



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

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_





**APPENDIX 1**

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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





## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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



## APPENDIX 1

## ITEM 6.2

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





## APPENDIX 2

### Cost Reimbursement Procedure

#### 1. Additional defined terms:

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

#### 2. Cost Reimbursement to Plaintiff Subdivision

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



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

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



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

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

c) Claims Priority and Limitation.

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



d) Collateral Source Payments and Third-Party Settlement.

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



**APPENDIX 3**

**CALIFORNIA-SUBDIVISION BACKSTOP AGREEMENT**

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

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

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

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

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

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

[DATE]

[SUBDIVISION SIGNATURE BLOCK]

[DATE]

[COUNSEL SIGNATURE BLOCK]

[DATE]

[ATTORNEY GENERAL SIGNATURE BLOCK]





ZUCKERMAN  
SPAEDER

Eric R. Delinsky  
PARTNER  
Zuckerman Spaeder LLP  
edelinsky@zuckerman.com  
202-778-1831

January 27, 2023

**VIA EMAIL**

Renuka R. George, Esq.  
Senior Assistant Attorney General  
Healthcare Rights and Access, California Department of Justice  
Office of Attorney General Rob Bonta  
1300 I Street  
Sacramento, CA 95814  
Email: [renuka.george@doj.ca.gov](mailto:renuka.george@doj.ca.gov)

Re: CVS Opioids Settlement Agreement

Dear Ms. George:

This letter summarizes the agreement reached between CVS and the State of California regarding the multistate CVS Settlement Agreement dated December 9, 2022 regarding opioid claims by states and subdivisions (the "Multistate CVS Settlement Agreement").

CVS Health Corporation and CVS Pharmacy, Inc., and all of their past and present direct and indirect parents and subsidiaries ("CVS"), and the State of California, by and through its Attorney General Rob Bonta, have agreed to the following modifications to the Multistate CVS Settlement Agreement in its application to California. For the avoidance of doubt, the limited modifications set forth below apply only to California and to no other state or territory.

**Incentives B and C with 99% C Participation**

- At 99 percent participation for both Incentive B and C, Incentive B is to be treated as 100 percent for California, while Incentive C remains at 99. Under this scenario, California would earn 92.6 percent of its maximum remediation share through base payments and Incentive B and Incentive C earnings. This percentage is subject to increases if Incentive D payments are earned.
- At 98 percent participation for Incentive B but 99 percent for Incentive C, Incentive B is to be treated as 99 percent for California, while Incentive C remains the same. Under this scenario, California would earn 91.2 percent of its maximum remediation share through base payments and Incentive B and Incentive C earnings. This percentage is subject to increases if Incentive D payments are earned.
- There are no other changes to Incentives B and/or C in the event of 99% participation for Incentive C.

1800 M STREET NW, STE. 1000, WASHINGTON, DC 20036-6807 | T 202.778.1800 | F 202.822.8106

ZUCKERMAN SPAEDER LLP | WASHINGTON, DC | NEW YORK | TAMPA | BALTIMORE

OFFICE OF ATTORNEY GENERAL ROB BONTA  
JANUARY 27, 2023  
PAGE 2

Incentives B and C with 98% C Participation

- At 98 percent participation for both Incentives B and C, Incentive B is to be treated as 99 percent for California. Under this scenario, California would earn 88.4 percent of its maximum remediation share through base payments and Incentive B and Incentive C earnings. This percentage is subject to increases if Incentive D payments are earned.
- There are no other changes to Incentives B and/or C in the event of 98% participation for Incentive C.

There are no other changes to Incentives B and/or C.

Incentive D Modifications

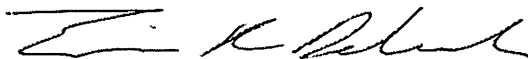
- 100 percent Incentive C participation = 6 percent Incentive D
- 99 percent Incentive C participation = 6 percent Incentive D
- 98 percent Incentive C participation = 7 percent Incentive D
- 97 percent Incentive C participation = 7 percent Incentive D
- 96 percent Incentive C participation = 8 percent Incentive D
- Below 96 percent Incentive C participation = 10 percent Incentive D

These limited California-specific modifications to the application of Incentives B and C were a necessary condition for California's decision to sign-on as a participating state to the Multistate CVS Settlement Agreement. The modifications to Incentives D were a necessary condition for CVS's agreement to the Incentive B and C modifications.

For the avoidance of doubt, all other terms and provisions in the Multistate CVS Settlement Agreement remain the same, including without limitation all participation tiers not specified above, all definitions, all release provisions, the ten-year payment schedule and all other terms and provisions of the payment schedule, and all other terms and provisions.

These terms shall be included in a stipulated judgment to be filed in a Superior Court in the State of California.

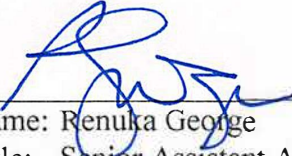
Sincerely,



Eric R. Delinsky  
*Counsel for CVS*

OFFICE OF ATTORNEY GENERAL ROB BONTA  
JANUARY 27, 2023  
PAGE 3

SO AGREED BY AND ON BEHALF OF THE STATE OF CALIFORNIA:



---

Name: Renuka George  
Title: Senior Assistant Attorney General  
Date: 1/30/2023



**6.3**  
**RIDGE ROUTE DRIVE LANDSCAPE PROJECT**  
***(NO REPORT)***

*This page is intentionally blank.*

**7.1**  
**PUBLIC LIBRARY LEASE AGREEMENT**

*This page is intentionally blank.*



# City of Laguna Woods

## Agenda Report

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Christopher Macon, City Manager

**FOR:** April 10, 2023 Special Meeting

**SUBJECT:** Public Library Lease Agreement

---

### **Recommendation**

Approve a lease agreement with the County of Orange for use of portions of the City-owned building located at 24266 El Toro Road, Laguna Woods, CA 92637 as a public library, as well as non-exclusive, in common use of various other City-owned areas located at 24264 and 24266 El Toro Road, Laguna Woods, CA 92637, and authorize the Mayor to execute the lease agreement, subject to approval as to form by the City Attorney.

### **Background**

The City is currently constructing a building adjacent to City Hall with planned occupancy by the County of Orange for use as a public library. The new building's address is 24266 El Toro Road, Laguna Woods, CA 92637.

City Hall's address is 24264 El Toro Road, Laguna Woods, CA 92637.

### **Discussion**

Today's meeting is an opportunity for City Council action, as well as public input, on the proposed lease agreement with the County of Orange for use of portions of the City-owned building located at 24266 El Toro Road, Laguna Woods, CA 92637 as a public library, as well as non-exclusive, in common use of various other City-owned areas located at 24264 and 24266 El Toro Road, Laguna Woods, CA 92637 (Attachment A). Staff recommends that the City Council approve the

proposed lease agreement and authorize the Mayor to execute the lease agreement, subject to approval as to form by the City Attorney.

An overview of certain lease provisions follows.

- **LEASE AREA:** County to receive exclusive use of enclosed, interior spaces in the new building, with the exception of the closet adjoining the outdoor activity room which shall be reserved for City use. County to receive non-exclusive, in common use of the outdoor activity room, shared space in City Hall's existing server room, parking areas, driveways, walkways, and other facilities and common areas surrounding its exclusive lease area.
- **LEASE TERM:** 10 years with an option to extend by mutual agreement for an additional 10 years (two (2) five (5) year periods).
- **TERMINATION:** Either City or County may terminate the lease agreement by giving at least 120 days written notice.
- **RENT:** Zero dollars. *[Note: County to provide all public library services.]*
- **SECURITY:** County to install and maintain a security alarm system with a feature notifying the Orange County Sheriff's Department of any intrusions or alarm triggers. *[Note: City is separately installing surveillance cameras on the exterior of both City Hall and the new building.]*
- **MAINTENANCE & REPAIRS:** City to provide maintenance and repairs related to City-owned property (e.g., doors, windows, restroom fixtures, and heating, ventilation, and air conditioning systems). City is not responsible for County-owned property (e.g., shelving and other furniture, computers, and telecommunication systems). A meet and conferral process is included for disputes as to the necessity of County-requested maintenance and repairs. County to reimburse City for maintenance and repairs resulting from its acts or omissions. County to repair damage caused by negligence or misconduct of its staff, volunteers, or invitees, or by intruders whose presence was not timely detected due to misuse or failure of County's security alarm system.
- **JANITORIAL:** City to provide janitorial services. County to reimburse City for janitorial services provided for the public library and in connection with County's use of the outdoor activity room.

- UTILITIES: City to pay for electricity, gas, water, and sewer. County to pay for internet services, telephone services, other data or telecommunications services, and other utilities that may be supplied at County's request.
- INSURANCE & INDEMNIFICATION: Reviewed by the City Attorney's Office and California Joint Powers Insurance Authority staff.
- PUBLIC LIBRARY NORMAL BUSINESS HOURS: County to determine normal business hours, subject to an agreement to meet and confer with the City at least 90 days in advance of any change and provided that normal business hours remain within City Hall's normal business hours. Hours to remain within City Hall's normal business hours due to shared restrooms.
- DISPLAY OF CITY MATERIALS: County to prominently display City-provided public hearing and environmental documents available for public review, as well as flyers and publications for public interest-related events.
- OUTDOOR ACTIVITY ROOM: City to exercise authority over scheduling of the outdoor activity room and have first priority for use. City to provide tables and chairs for use in the outdoor activity room at its discretion.
- BREAK ROOM/LACTATION ROOM: City to allow County's employees to use a break room/lactation room inside City Hall. *[Note: City Hall's new break room/lactation room was constructed with this joint use in mind.]*
- FUTURE IMPROVEMENTS: Future improvements requested by County to generally require City approval and be undertaken by County at County's cost. City to make improvements required by the Americans with Disabilities Act ("ADA"), except that City is not responsible for ADA violations resulting from County's improvements or operations.

### **Fiscal Impact**

The proposed lease agreement would not result in any new costs to the City that were not already contemplated during the construction of the new building (e.g., paying for electricity, gas, water, and sewer). Janitorial costs incurred by the City for the public library and in connection with the County of Orange's use of the outdoor activity room would be reimbursed by the County on a quarterly basis with payments due within 60 days of each City invoice.

The proposed lease agreement would not obligate the City to fund future elective improvements requested by the County, nor would it require the City to pay for utilities other than electricity, gas, water, and sewer. To the extent future elective improvements requested by the County would significantly increase City-paid utility costs, staff would expect to negotiate the payment of those costs with the County prior to any potential approval of the requested improvements.





CEO/RFLS/OCCR-018-029  
Laguna Woods / OC Public Library  
24266 El Toro Road  
Laguna Woods, CA 92637

## LEASE

THIS IS A LEASE (hereinafter referred to as “**Lease**”) made \_\_\_\_\_, 2023, (“**Effective Date**”), by and between the CITY OF LAGUNA WOODS, a municipal corporation (hereinafter referred to as “**City**”) and the COUNTY OF ORANGE, a political subdivision of the State of California (hereinafter referred to as “**County**”) without regard to number and gender. The City and County may individually be referred to herein as a “**Party**,” or collectively as the “**Parties**.”

### 1. DEFINITIONS (1.0 SA)

“**Board of Supervisors**” means the Board of Supervisors of the County of Orange, a political subdivision of the State of California.

“**Building**” means the building commonly known by the City as the City Public Library Building, 24266 El Toro Road in the City of Laguna Woods, CA 92637.

“**Chief Real Estate Officer**” means the Chief Real Estate Officer, County Executive Office, County of Orange, or upon written notice to City, such other entity as shall be designated by the County Executive Officer.

“**City Hall**” means the building commonly known as City Hall, 24264 El Toro Road in the City of Laguna Woods, CA 92637.

“**County Counsel**” means the County Counsel, County of Orange, or designee, or upon written notice to City, such other person or entity as shall be designated by the County Executive Officer or the Board of Supervisors.

“**County Executive Officer**” means the County Executive Officer, County Executive Office, County of Orange, or designee, or upon written notice to City, such other person or entity as shall be designated by the Board of Supervisors.

“**County Librarian**” means the County Librarian, OC Public Libraries, County of Orange, or designee, or upon written notice to City, such other person or entity as shall be designated by the County Executive Officer or the Board of Supervisors.

“**City Manager**” means the City Manager of the City of Laguna Woods.

“**Risk Manager**” means the Risk Manager, County Executive Office, Risk Management, County of Orange, or designee, or such other person or entity as shall be designated by the County Officer or the Board of Supervisors.

### 2. PREMISES (1.1 SA)

Pursuant to the terms herein, City leases to County that certain property, including the improvements thereon, described in Exhibit A and shown on Exhibit B, which exhibits are attached hereto and by reference made a part hereof, of approximately 1,074 rentable square feet (“**RSF**”) in the Building. The Building is shown and

defined on Exhibit B. The County shall also have the non-exclusive, in common use of the “**Outdoor Activity Room**” shown and defined on Exhibit B and the non-exclusive, in common use of shared space in City’s existing server room housing computer equipment, telephone equipment, and appurtenances, located within City’s City Hall, along with cable connection therefrom to the Building (“**Server Room**”). The County shall also have the non-exclusive, in common access to and use of parking areas, driveways for vehicle ingress and egress, pedestrian walkways, and other facilities and common areas surrounding the Building. Collectively, all such leased areas are referred to herein as the “**Premises.**”

No part of this Lease shall be interpreted as conveying any portion of the title to the Premises or the Building to County.

### 3. USE (1.2 N)

County shall use the Premises to provide free public library services as part of the Orange County Library System. County shall not use the Premises or any portion thereof for any illegal or unlawful purpose and shall not cause or permit a nuisance to be created or maintained therein.

City shall have authority over scheduling the use of the Outdoor Activity Room. City shall have first priority for the use of the Outdoor Activity Room and may approve, approve with conditions, or deny County’s request for use of the Outdoor Activity Room at its sole discretion (“**County Reservation**”). County may only use the Outdoor Activity Room for purposes related to the library use of the Premises, e.g., story times, book club meetings, and staff meetings. County may charge or accept donations from members of the public for activities or events occurring in the Outdoor Activity Room. City may, but County shall not, rent or in any way authorize third parties to use the Outdoor Activity Room for activities or events not related to County’s public library use of the Premises. County shall not store items or materials in the Outdoor Activity Room or its adjoining storage room without obtaining prior written consent from City. Any non-City-owned or non-City-rented items stored in the Outdoor Activity Room or its adjoining storage room are subject to removal and disposal by City without notice.

City shall be responsible for providing tables and chairs for the Outdoor Activity Room at its sole discretion. County shall not remove or alter any tables and chairs without obtaining prior written consent from City. County shall be responsible for setting up and putting away any tables and chairs before and after, respectively, its use of the Outdoor Activity Room consistent with the County Reservation. County shall be responsible for additional janitorial services, maintenance, and/or repair or replacement costs associated with said County Reservation deemed reasonably necessary by City for any tables and chairs due to damage caused by County’s use of tables and chairs (e.g., paint or other markings left on tables and chairs following art programs). However, reasonable wear and tear is expected and excepted from County’s duty to repair or replace.

County shall not attach or affix any item, including glass clings, suction cups, tape, posters, or window paint, to any glass surface, including glass portions of doors and windows, in and on the Premises without obtaining prior written consent from City, which consent shall not be unreasonably withheld, except that City shall not be obligated to consent to the attachment or affixing of any item to any exterior-facing glass surface. City may immediately remove and dispose of any item attached or affixed to any glass surface in or on the Premises, without notice to County, if County failed to obtain City approval. County shall be responsible for additional janitorial services, maintenance, and/or replacement costs deemed necessary by City due to attaching or affixing an item to a glass surface in violation of this provision.

Upon request from City, County shall enact and enforce a prohibition on food and beverages, except plain water, being open or consumed on the Premises.

County shall not do, or permit anything to be done or altered, in or on the Premises that in any way may (i) increase the rate of insurance on the Premises; (ii) invalidate or conflict with the insurance policies on the Premises; or (iii) subject City to any liability for injury to persons or damage to property.

Notwithstanding the above, County shall prominently display public hearing, Environmental Impact Reports and National Environmental Policy Act documents available for public review provided by the City as well as event flyers and publications for public interest-related events within the Premises. Upon request by City, County shall remove such materials provided by the City. County shall not be responsible for additional janitorial services, maintenance, and/or replacement costs due to attaching or affixing the materials provided by the City.

City shall make available to County's employees a break room/lactation room inside City Hall.

City shall house County's server and telephone board in mutually agreed upon locations within the existing Server Room inside City Hall. City will provide County with keys and security alarm code access to the Server Room. County may access the Server Room at any time, although whenever possible access should be limited to times when City Hall is open to the public, and County must lock the Server Room and stairwell doors, and engage the security alarm (when City Hall is not open to the public), upon leaving the Server Room. City reserves the right to require the return of keys and security alarm codes issued to County, and limit County's access of the server room to times when City Hall is open to the public, in the event of any failure of County to lock the server room and stairwell doors, and engage the security alarm (when City Hall is not open to the public), upon leaving the server room. Restrooms within City Hall that are accessible to members of the public are also accessible to County and its employees, volunteers, and invitees whenever City Hall is open to the public.

County hereby covenants and warrants that County shall comply with all applicable laws, rules, regulations, building codes, statutes, including, without limitation, City's rules and regulations, in connection with its operations on the Premises and City's smoking regulations as codified in the Laguna Woods Municipal Code. Included in this provision is compliance with the Americans with Disabilities Act (the "ADA") and all other federal, state, and local codes, statutes, and orders relating to disabled access.

**NO ALCOHOL, TOBACCO, OR MARIJUANA PRODUCTS SHALL BE SOLD FROM OR CONSUMED WITHIN THE RSF IN THE BUILDING. DRINKING ALCOHOLIC BEVERAGES AND SMOKING OF ANY KIND IS PROHIBITED INSIDE THE RSF IN THE BUILDING.**

#### **4. PARKING (1.3 SA)**

Throughout the Term of the Lease and including any Extension Term pursuant to Clause 7 (OPTION TO EXTEND TERM), County and library patrons shall have the nonexclusive right to the use of parking spaces located within the City Hall public parking lot as shown on Exhibit B. County's use of said parking spaces shall be subject to all reasonable rules and regulations which are prescribed by City from time to time for the efficient operation of the parking areas for City Hall and provided to County in writing.

City shall provide parking for disabled persons ("ADA Spaces") in accordance with the Americans with Disabilities Act, Section 7102 of the California Uniform Building Code and the applicable codes and/or ordinances relating to parking for disabled persons as established by City where the provisions of such local codes and/or ordinances exceed or supersede the State requirements.

**5. TERMINATION OF PRIOR AGREEMENTS (1.4 SA) - *intentionally omitted*****6. TERM (1.5 NA)**

This Lease shall commence upon the date of City's notice to County that the Building is available for County occupancy ("**Commencement Date**") and shall continue in effect for ten (10) years ("**Term**"), unless earlier terminated as provided herein. Parties agree that the Commencement Date of this Lease will be confirmed in writing by either Party upon demand by the other.

Upon expiration of the Term, or any earlier termination of this Lease, County shall surrender to City the Premises, including all alterations, improvements, and installations made by City or County, in good order, condition, and repair, reasonable wear and tear excepted. County shall also remove any furniture, equipment, supplies, and materials added by County to the Premises without any compensation due by City to County, unless City and County mutually agree, in writing, to alternate terms and conditions.

**7. AGREEMENT TO EXTEND TERM (1.6 SA)**

Provided there is no current County Default under this Lease (as further defined in Clause 29 DEFAULTS AND REMEDIES), prior to the expiration of the Term or the first Extension Term, as appropriate, the Parties may mutually agree to the extension (the "**Extension**") of this Lease for two (2) five (5) year periods (each an "**Extension Term**") as approved and executed by the City Manager and Chief Real Estate Officer and memorialized in a written amendment. County may give notice to the City of its desire to extend the Term no sooner than twelve (12) months and no later than nine (9) months prior to the Lease expiration date. The Extension shall be personal to County and shall not be exercised by any assignee or sublessee of County. During the Extension Term(s), County shall continue to have the option to terminate the Lease pursuant to Clause 8 (OPTION TO TERMINATE).

**8. OPTION TO TERMINATE LEASE (1.7 NA)**

Unless earlier terminated as set forth herein, this Lease may be terminated at any time by either Party by giving written notice to the non-terminating Party at least one hundred and twenty (120) days prior to said termination date. Upon any such aforementioned termination, County shall surrender the Premises, in accordance with the provisions contained in this Lease, no later than the effective date of termination, and pay all outstanding costs and expenses (e.g., for janitorial services) to City, on a prorated basis, for each day leading up to the termination date.

**9. RENT (1.8 NA)**

In exchange for the valuable consideration of providing free public library services, County's use of the Premises shall be rent-free throughout the Term of this Lease or the Extension Term(s) and shall continue to be rent-free as long as County uses the Premises to provide free public library services.

**10. RENT ADJUSTMENT (1.9 SA) - *intentionally omitted*****11. ADJUSTMENT FOR COST OF CITY SERVICES (2.0 SA) - *intentionally omitted*****12. RIGHT OF FIRST OFFER (2.1 SA) - *intentionally omitted*****13. CONSTRUCTION (2.2 SA) - *intentionally omitted***

**14. PAINTING BY CITY (2.3 SA) - *intentionally omitted*****15. CARPETING BY CITY (2.4 SA) - *intentionally omitted*****16. IMPROVEMENTS AND CHANGES (2.5 NA)**

County may make improvements and changes in the Premises, including, but not limited to, the installation of fixtures, partitions, counters, shelving, and equipment as deemed necessary or appropriate by County, upon approval by City. City's approval shall not be unreasonably withheld. It is agreed that any such fixtures, partitions, counters, shelving, or equipment attached to or placed upon the Premises by County shall be considered as personal property of County, as defined below in Clause 34 (COUNTY PROPERTY), which shall have the right and the obligation, to remove same. County agrees that the Premises shall be left in as good condition as when received, reasonable wear and tear exempted. City shall not be responsible for any ADA violations resulting from such County improvements and changes.

**17. IMPROVEMENTS BY CITY (2.6 NA) – *intentionally omitted*****18. ORANGE COUNTY TELECOMMUNICATIONS NETWORK (2.7 NA)**

City agrees that County may install, at County's sole cost and expense, telecommunication devices and a security card access system in, on, or around the Premises and/or Building in accordance with the relevant and applicable County telecommunications network plans and specifications, provided that the provisions of Clause 16 (IMPROVEMENTS AND CHANGES), shall be applicable to such work. It shall be County's responsibility to obtain all governmental permits and/or approvals required for such installation; however, City shall reasonably cooperate with County as necessary or appropriate, to obtain said permits and/or approvals. Additionally, County or County subcontractors have the right to enter the Premises and/or Building to maintain, repair or replace the County telecommunications network consistent with said contract between County and its service provider. County may, in its discretion, remove any cabling, conveyance systems or cabling conduit installed by County, provided that such removal does not result in any unrepaired damage to the Premises and/or Building. When the Lease is terminated, County reserves all rights to remove, at its discretion, any such telecommunication improvements from the Premises and/or Building, provided that such removal does not result in any unrepaired damage to the Premises and/or Building.

**19. REPAIR, MAINTENANCE, AND JANITORIAL SERVICES (2.8 NA)**

**A. County Services.** County shall be responsible for repairing all damage to the Premises caused by (i) the negligence or misconduct of County or its employees, volunteers, or invitees, or (ii) by an intruder whose presence was not timely detected due to misuse or a failure of the County's security alarm system to timely notify local law enforcement of the intrusion ("**County Damage**").

**B. City Services.** City shall provide janitorial services to the Premises, including any services for the Outdoor Activity Room that arise in connection with County Reservation(s). City shall invoice the County for the actual costs of said janitorial services once per quarter. County shall have sixty (60) days upon receipt of the City's invoice to reimburse the City for said janitorial services.

With the exception of repairing County Damage, City shall provide, at its sole cost and expense (except as otherwise provided in this Lease), any and all necessary repair, maintenance and replacement for the Premises, Building (and City-installed or City-provided systems therein), and parking lot in good order, condition and

repair and in compliance with all applicable laws, including, but not limited to, the replacement, repair and maintenance of the structural portions of the Building, the roof of the Building, the parking facilities and all Building systems including the Heating, Ventilation, Air Conditioning (“HVAC”) system, the plumbing, electrical and mechanical systems, fire/life safety system, elevators, roof, paving, fire extinguishers, pest control, and whether capital or non-capital (the “Services”). City, at its sole expense, agrees to maintain all painted and carpeted surfaces within the Building; all landscaping immediately surrounding the Premises; and the parking lot.

**C. Warranties.** In order for the County to comply with the California Code of Regulations, Title 8, Section 5142 (“Regulation 5142”), and as it may be subsequently amended, City shall regularly inspect and maintain the HVAC system as required by Regulation 5142 and provide repair and maintenance accordingly. Inspections and maintenance of the HVAC system shall be documented in writing and City shall retain such records for at least five (5) years. City shall make all HVAC records required by this section available to County for examination and copying, within forty-eight (48) hours of a written request. City acknowledges that County may be subject to fines and/or penalties for failure to provide said records to regulatory agencies within the given timeframes. Should County incur fines and/or penalties solely as a result of City’s failure to provide said records to County in a timely manner and as set forth herein, City shall reimburse County for said fines and/or penalties within thirty (30) days upon written notice.

**D. HVAC System.** City will ensure that air conditioning is supplied to cause the temperature in the Premises and Building to be at a temperature consistent with other office buildings in Orange County, California, which are typically not less than 70° F nor greater than 75° F, during all Normal Business Hours as defined below in Clause 19(E), provided, however, that adjustments may be made during flex alerts or other times when local electrical or other utilities require or recommend temperature settings using less power, because of demands on the overall grid or applicable utility system. City shall not be responsible for actions by County or its employees, volunteers, or invitees, including changing setting on a thermostat, that lead to the temperature in the Premises and Building to be outside of the range specified herein. Notwithstanding the utilities provided during Normal Business Hours, City shall provide HVAC services prior to the beginning of Normal Business Hours in order for the temperature parameters required by this Lease, above, to be met and maintained at the beginning and throughout Normal Business Hours.

**E. Normal Business Hours.** County agrees to keep the Premises and Building open the minimum hours determined by County (“Normal Business Hours”). County agrees that it will confer and consult with City at least ninety (90) days prior to any alteration of Normal Business Hours by County, for example, to comply with the law or any changes thereto. The Parties agree that the Normal Business Hours of operation, shall be within the business hours that City Hall is open to the public.

**F. Emergency Services.** If County requires same day emergency repairs and/or services to prevent imminent damage to persons or property (“Emergency Services”), County shall first contact City to provide such services to address the emergency as City, in its discretion, deems appropriate. If County requires same day emergency repairs and/or services to prevent imminent damage to persons or property (“Emergency Services”), County shall first vacate the Building and the Premises and require its employees, volunteers, and invitees to also vacate the Building and Premises. County shall then contact City to discuss options for addressing the emergency and determining responsibility according to the provisions in this Lease. County shall document all efforts made to contact City for any such Emergency Services and shall provide such documentation to City upon request. Any inability or refusal by City to provide Emergency Services shall be confirmed in writing by City.

**20. UTILITIES (2.9 N)**

City shall be responsible for and pay directly to the utility provider, prior to the delinquency date, all charges and costs for electricity, gas, water, and sewer utilities to the Premises. County shall be responsible for and pay directly to the utility provider, prior to the delinquency date, all charges for other utilities supplied to the Premises for County, including internet services, telephone services, other data or telecommunications services, and other utilities not specifically identified in this Clause 20 that may be supplied at County's request.

**21. BUILDING AND SAFETY REQUIREMENTS (3.0 SA)**

During the Term and Extension Term(s) of this Lease, City, at City's cost, agrees to maintain the Premises in compliance with all applicable laws, rules, regulations, building codes, statutes, and orders as they are applicable on the date of this Lease, and as they may be subsequently amended, including but not limited to the California Building Code, Title 24, Seismic Code, Fire and Life Safety requirements and, if applicable, California Green Building Standard Code.

Included in this provision is compliance with the Americans with Disabilities Act ("ADA") and all other federal, state, and local codes, statutes, and orders relating to disabled access as they are applicable on the dates of this Lease, and as they may be subsequently amended and all regulations issued by the U. S. Attorney General or other agencies under the authorization of the ADA. However, City shall not be responsible for any ADA violations resulting from alterations made by County, County's operations on the Premises, or the placement of County's furniture, fixtures or equipment by County or its employees, volunteers, or invitees.

City and County shall use commercially reasonable efforts to repair and maintain the Premises as a "safe place of employment," as defined in the California Occupational Safety and Health Act (California Labor Code §§ 6300 *et seq.*) and the Federal Occupational Safety and Health Act (29 U.S.C. §§ 651 *et seq.*). County agrees to notify City of any repair or maintenance County believes is necessary within the Premises or Building to comply with such Acts for which City is responsible. City shall, if it agrees with County's notice, take appropriate steps necessary to repair or maintain the Premises or Building. In the event City disagrees with County's notice, City shall so inform County in writing within thirty (30) days, specifying the grounds upon which City disagrees, with reference to the applicable Act, as appropriate. Should the Parties continue to disagree on the necessity for the repairs or maintenance provided in County's original notice, they shall meet and confer for not less than ten (10) days in good faith to resolve any differences. In the event that such repair or maintenance is necessary and is the result of County's acts or omissions, provided that County approves a work order with associated expense estimate, City agrees to perform such repair or maintenance and County shall reimburse City within thirty (30) days.

In the event City neglects, fails, or refuses to maintain said Premises as aforesaid, following thirty (30) days after written notice from County to City providing notice of such neglect or failure or refusal, and if the parties are at impasse on the necessity for the repairs or maintenance included in County's original notice, County may, notwithstanding any other termination provisions contained herein terminate this Lease with thirty (30) days' written notice to the City.

**22. ASSIGNMENT AND SUBLETTING (3.1 NA)**

County shall not assign or mortgage County's interest in this Lease, or sublet the Premises or any part thereof, without the prior written consent of City, which consent may be withheld in City's sole and absolute discretion.

In the case of any subletting or assignment approved by City, County shall remain fully obligated to City for the performance of all terms and conditions of this Lease.

### 23. INSURANCE (3.2 N)

City shall obtain and keep in force during the term of this Lease a program of self-insurance or commercial general liability insurance to cover City's liability arising from City's performance of its obligations hereunder with limits no less than two million dollars (\$2,000,000.00) and a policy or policies of commercial property insurance written on an "All Risks" or "Special Form" basis, or a substitute form providing coverage at least as broad, to cover the loss or damage to the Premises to the full insurable value of all improvements and fixtures owned by City, at least in the amount of the full replacement cost thereof.

City agrees to and shall include in the policy or policies of commercial property insurance a standard waiver of right of subrogation against the County of Orange, its elected and appointed officials, officers, agents and employees by the insurance company issuing said policy or policies. City further agrees to include in the policies required hereunder an Additional Insured endorsement and Primary Non-contributory endorsement naming the County of Orange, its elected and appointed officials, officers, agents and employees as an additional insured.

County shall obtain, maintain, and keep in full force and effect during the life of this Lease insurance or a program of self-insurance against claims for injuries to persons or damages to property which may arise from or in connection with the County's operation and use of the Premises. The cost of such insurance or a program of self-insurance shall be borne by the County. County shall designate the City as an Indemnified Party under its program of self-insurance.

Coverage shall be at least as broad as:

- a. **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **Two Million Dollars (\$2,000,000.00)** per occurrence.
- b. **Workers' Compensation** insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limits of no less than **One Million Dollars (\$1,000,000.00)** per accident for bodily injury or disease.
- c. **Commercial property** insurance covering the Premises, fixtures, equipment, building, all property situated in, on, or constituting a part of the Premises and any improvements. Coverage shall be approved of in writing by City. Coverage shall be sufficient to insure 100% of the replacement value and there shall be no coinsurance provisions. The policy shall include contents coverage, coverage for personal property of others, ordinance or law and increased cost of construction coverage. City shall be included as a loss payee on any such insurance. City shall not be liable for any business income or other consequential loss sustained by County. City shall not be liable for any loss of County's personal property even if such loss is caused by negligence of City, City's employees, or agents.

If City or County maintains broader coverage and/or higher limits than the minimums shown above, the other Party shall be entitled to the broader coverage and/or higher limits maintained. Any available insurance



proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the other Party.

Endorsements. County's program of self-insurance shall contain the following provisions:

a. Indemnified Party Status. The City of Laguna Woods and its elected and appointed boards, officers, officials, agents, employees, and volunteers are to be covered as an Indemnified Party on the County's program of self-insurance with respect to liability arising out of work or operations performed by or on behalf of the County of Orange including materials, parts, or equipment furnished in connection with such work or operations.

b. Notice of Cancellation. Each insurance policy required above shall provide that coverage shall not be canceled, suspended, voided, nor the coverage or limited reduced, except with thirty (30) days written notice to the City.

Upon approval by City, the required endorsements set forth herein may be satisfied by County's Certificate of Self-insurance.

Waiver of Subrogation. County and City hereby waive all rights of subrogation.

Acceptability of Insurers. Insurance is to be placed with insurers authorized to conduct business in the State of California with a current A.M. Best's rating of no less than A: VII, unless otherwise acceptable to the City.

County and City shall provide Certificates of Insurance with required endorsements, or a Certificate of Self-insurance to comply with the insurance requirements stated herein prior to the Commencement Date.

Special Risks or Circumstances. City reserves the right to modify these requirements at any time, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances; however, said modifications must be mutually agreed upon by both Parties.

In the event any self-insurance or policy of insurance required under this Lease does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary, and any premium paid by City will be promptly reimbursed by County. In the alternative, City may terminate this Lease.

## **24. INDEMNIFICATION (3.3 N)**

To the fullest extent permitted by law, County shall, at County's sole expense and with counsel reasonably acceptable to City, defend, indemnify, and hold harmless City and City's officials, officers, members, employees, agents, and representatives (collectively, the "City Representatives"), from and against any and all claims (including demands, losses, actions, causes of action, damages, liabilities, expenses, charges, assessments, fines, or penalties of any kind, and costs including consultant and expert fees, court costs, and attorneys' fees) or liabilities (any of the foregoing, a "Claim") from any cause arising out of or relating (directly or indirectly) to County's use or occupancy of the Premises, the conduct of County's operations, or from any activity, work, or thing done, permitted or suffered by County in or about the Premises (including any activity, work, or thing done by any visitors, patrons, guests, invitees, or member of the public), and shall further defend, indemnify, and hold harmless City and the City Representatives against and from any and all Claims arising from any breach or default in the performance of any obligation on County's part to be performed hereunder,

or arising from any act or negligence or misconduct of County, or of its agents, employees, visitors, patrons, guests, invitees, licensees, or vendors in or about the Premises or the Building. Notwithstanding the foregoing, County shall not be liable for damage or injury occasioned by the gross negligence or willful misconduct of City or City Representatives. County's indemnification obligation specifically extends to any and all Claims arising from any activity or thing done by County, or any of its agents, employees, visitors, patrons, guests, invitees, licensees, or vendors, or any member of the public on computers or other electronic devices, located on the Premises, including accessing, downloading, uploading, or viewing material or information regardless of whether such activity or thing done is legal. County's obligation to indemnify shall include County's payment of reasonable attorneys' fees and investigation costs and all other reasonable costs, expenses, and liabilities incurred or suffered by City from City's receipt of the first notice that any Claim is to be made or may be made. County's indemnification obligation hereunder shall survive the expiration or earlier termination of this Lease until all Claims against City involving any of the indemnified matters are fully, finally, and absolutely barred by the applicable statutes of limitation.

To the fullest extent permitted by law, City shall, at City's sole expense and with counsel reasonably acceptable to County, defend, indemnify, and hold harmless County and its elected and appointed officials, officers, members, employees, agents, volunteers and representatives (collectively, the "County Representatives"), from and against any and all Claims (including demands, losses, actions, causes of action, damages, liabilities, expenses, charges, assessments, fines, or penalties of any kind, and costs including consultant and expert fees, court costs, and attorneys' fees) or liabilities from any cause arising out of or relating (directly or indirectly) to City's ownership or maintenance (or lack of maintenance) of the Premises or the Building, including any activity, work, or thing done, permitted to be done or requested by City to be done or posted in or about the Premises, except for liability arising out of the sole negligence or willful misconduct of County or County Representatives. City shall also defend, indemnify, and hold harmless County and County Representatives against and from any and all Claims arising from any breach or default in the performance of any obligation on City's part to be performed hereunder, or arising from any act or negligence or misconduct of City, or of its agents, employees, visitors, patrons, guests, invitees, licensees, or vendors in or about the Premises or the Building. City's obligation to indemnify shall include City's payment of reasonable attorneys' fees and investigation costs and all other reasonable costs, expenses, and liabilities incurred or suffered by County from County's receipt of the first notice that any Claim is to be made or may be made. City's indemnification obligation hereunder shall survive the expiration or earlier termination of this Lease until all Claims against County involving any of the indemnified matters are fully, finally, and absolutely barred by the applicable statutes of limitation.

In the event judgment is entered against County and City because of the concurrent active negligence of County and City, their officers, agents, or employees, the Parties agree that an apportionment of liability to pay such judgment shall be made by a court of competent jurisdiction. Neither Party shall request a jury apportionment.

## **25. TAX EXEMPTION (3.4 SA) – *intentionally omitted***

## **26. TOXIC MATERIALS (3.5 SA)**

County hereby warrants and represents that County will comply with all laws and regulations relating to the storage, use and disposal of hydrocarbon substances and hazardous, toxic or radioactive matter, including, but not limited to, those materials identified in Title 26 of the California Code of Regulations (collectively "**Toxic Materials**"). County shall be responsible for and shall indemnify and hold City, its elected officials, officers, directors, employees, agents, and representatives, harmless from and against all claims, costs and liabilities, including attorneys' fees and costs arising out of or in connection with the storage, use, and disposal of Toxic Materials on the Premises by County. If the storage, use, and disposal of Toxic Materials on the Premises by

County results in contamination or deterioration of water or soil resulting in a level of contamination greater than maximum allowable levels established by any governmental agency having jurisdiction over such contamination, County shall promptly take any and all action necessary to clean up such contamination.

City hereby warrants and represents that City has in the past and will hereafter comply with all applicable laws and regulations relating to the storage, use and disposal of Toxic Materials. If the previous, current and future storage, use, and disposal of Toxic Materials on the Premises by City results in contamination or deterioration of water or soil resulting in a level of contamination greater than maximum allowable levels established by any governmental agency having jurisdiction over such contamination (and such violation does not arise out of any acts or omissions of County, its agents, employees or contractors), City shall promptly take any and all action necessary to clean up such contamination.

**27. SUBORDINATION, ATTORNMENT AND NON-DISTURBANCE (3.6 SA) - *intentionally omitted***

**28. ESTOPPEL CERTIFICATE (3.7 SA) - *intentionally omitted***

**29. DEFAULTS AND REMEDIES (3.8 N)**

**County Default:**

County shall be deemed in default of this Lease if: a) in the event of any monetary breach of this Lease by County, City shall notify County in writing of such breach, County shall have ten (10) days from such notice in which to cure said breach, and County fails to cure said breach, or b) in the event of any non-monetary breach of this Lease, County fails within fifteen (15) days after receipt by County of written notice specifying wherein such obligation of County has not been performed; provided however, that if the nature of County's obligation is such that more than fifteen (15) days after such notice are reasonably required for its performance, then County shall not be in breach of this Lease if performance is commenced as soon as reasonably possible within such fifteen (15) day period and thereafter diligently pursued to completion (each, a "County Default").

**City Default:**

City shall be deemed in breach of this Lease if: a) in the event of any monetary breach of this Lease by City, County shall notify City in writing of such breach, City shall have ten (10) days from such notice in which to cure said breach, and City fails to cure said breach, or b) in the event of any non-monetary breach of this Lease, City fails within fifteen (15) days after receipt by City of written notice specifying wherein such obligation of City has not been performed; provided however, that if the nature of City's obligation is such that more than fifteen (15) days after such notice are reasonably required for its performance, then City shall not be in breach of this Lease if performance is commenced as soon as reasonably possible within such fifteen (15) day period and thereafter diligently pursued to completion (each, a "City Default").

**County Remedies:**

County's remedies as the result of City Default shall be the right to damages, injunctive relief, and/or any other rights at law or in equity.

**City Remedies:**

City's remedies as the result of County Default for monetary or non-monetary breach shall be the right to damages, injunctive relief, and/or any other rights at law or in equity.

In addition to the remedies set forth herein, in the event of a City Default or a County Default, the non-defaulting Party may terminate this Lease. Such termination shall be deemed effective thirty (30) days after the non-defaulting party provides written notice to the defaulting party that it is terminating this Lease pursuant to this Clause 29. Such termination shall be handled in the same manner as the terminations described in Clause 8 (OPTION TO TERMINATE LEASE), except that written notice shall be thirty (30) days instead of at least one hundred and twenty (120) days.

**30. DEBT LIMIT (3.9 SA) - *intentionally omitted***

**31. LABOR CODE COMPLIANCE (4.0 SA)**

City acknowledges and agrees that all improvements or modifications required to be performed as a condition precedent to the Commencement Date of the Term of this Lease or any such future improvements or modifications performed by City at the request of County shall be governed by, and performed in accordance with, the provisions of Article 2 of Chapter 1, Part 7, Division 2 of the Labor Code of the State of California (Sections 1770, et seq.), as applicable. These provisions may be applicable to improvements or modifications costing more than \$1,000, unless an exception applies, including but not limited to the exception to the definition of public works under § 1720.2.

Pursuant to the provisions of Section 1773 of the Labor Code of the State of California, City shall comply with the general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work in the locality applicable to this Lease for each craft, classification, or type of workman needed to execute the aforesaid improvements or modifications. The rates are available at the following website: <http://www.dir.ca.gov/oprl.mail.htm> from the Director of the State Department of Industrial Relations. As required by applicable law, City shall post a copy of such wage rates at the job site and shall pay the adopted prevailing wage rates at all times for all improvements or modifications to be completed for County within the Premises. As applicable, City shall comply with the provisions of Sections 1775 and 1813 of the Labor Code.

As required by applicable law, City shall maintain payroll records for all workers that will be assigned to the improvements or modifications. Said payroll records shall contain, but not be limited to, the complete name, address, telephone number, social security number, job classification, and prevailing wage rate for each worker

Except as expressly set forth in this Lease, nothing herein is intended to grant authority for City to perform improvements or modifications on space currently leased by County or for which County has entered into a lease or lease amendment.

**32. RIGHT TO WORK AND MINIMUM WAGE LAWS (4.1 SA)**

City shall comply with the United States Immigration Reform and Control Act of 1986 and the United States of America Fair Labor Standard Act of 1938, as amended. Notwithstanding the minimum wage requirements provided for in this Clause 32, City, where applicable, shall comply with the prevailing wage and related requirements, as provided for in Clause 31 (LABOR CODE COMPLIANCE) of this Lease.

**33. COMMISSION (4.2 SA) - *intentionally omitted***

**34. COUNTY PROPERTY (4.3 SA)**

All trade fixtures, merchandise, inventory, telecommunications equipment, supplemental air conditioning equipment and all personal property placed in or about the Premises by, at the direction of or with the consent (express or implied) of the City, its employees, agents, licensees or invitees, shall be at the sole risk of the County, and City shall not be liable for any loss of or damage to said property resulting from any cause whatsoever unless such loss or damage is the result of City's negligence or willful misconduct and not otherwise waived pursuant to Clause 35 (CITY'S RIGHT OF ENTRY) below. City hereby waives any and all lien rights, whether statutory or common law or established pursuant to this Lease, that City may have as "landlord" with respect to any and all goods, wares, equipment, fixtures, furniture, improvements and other personal property of County presently or which may hereafter be situated within the Premises.

**35. CITY'S RIGHT OF ENTRY AND ACCESS TO THE PREMISES (4.4 N)**

City shall have the right to access, enter, inspect, and/or perform work within the Premises at any time, with reasonable notice to County. The right extends to City officials, employees, contractors, licensees, vendors, and invitees. City shall make best efforts to avoid unreasonably interfering or interrupting County programming and operations within the Premises. In the event of an emergency, City shall have a separate right to access, enter, and inspect the Premises to provide or investigate the need for Emergency Services, as described in Clause 19(F). Routine maintenance and janitorial work that the City causes to be performed on or about the Premises or Building shall not require notice to County.

**36. SIGNAGE (4.5 N)**

County shall not erect, install or maintain any sign or display upon or outside of the Premises and/or Building without prior written approval from City. All such signage shall be consistent with City's municipal sign ordinances and codes, all applicable laws and zoning and site plan requirements, unless specifically waived by City. The name of the library on the Premises shall be the "Laguna Woods OC Public Library."

**37. SECURITY SERVICES (4.6 SA)**

At its sole cost and expense, County shall be responsible for installing and maintaining a security alarm system with a feature notifying local law enforcement of any intrusions or alarm triggers. At its sole cost and expense, County shall also be responsible for installing door access systems, surveillance systems, and any other security system deemed necessary by County. County's security alarm system and security systems shall provide security services solely within the Premises. When installed in a manner that would puncture City-owned surfaces, or be attached or affixed to any glass surface in or on the Premises, County's security alarm system and security systems shall be subject to the provisions of Clause 16 (IMPROVEMENTS AND CHANGES).

**38. AUTHORITY (4.7 SA)**

The persons executing the Lease below on behalf of County or City warrant that they have the power and authority to bind County or City to this Lease.

**39. LEASE ORGANIZATION (4.8 SA)**

The various headings in this Lease, the numbers thereof, and the organization of the Lease into separate sections and paragraphs are for purposes of convenience only and shall not be considered otherwise.

**40. SUCCESSORS IN INTEREST (4.9 SA)**

Unless otherwise provided in this Lease, the terms, covenants, and conditions contained herein shall apply to and bind the heirs, successors, executors, administrators, and assigns of all the Parties hereto, all of whom shall be jointly and severally liable hereunder.

**41. DESTRUCTION OF OR DAMAGE TO PREMISES (5.0 NA) – *Intentionally Omitted***

**42. AMENDMENT (5.1 SA)**

This Lease sets forth the entire agreement between City and County and any modification must be in the form of a written amendment.

**43. PARTIAL INVALIDITY (5.2 SA)**

If any term, covenant, condition, or provision of this Lease is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

**44. CIRCUMSTANCES WHICH EXCUSE PERFORMANCE (5.3 SA)**

If either Party hereto shall be delayed or prevented from the performance of any act required hereunder by reason of Force Majeure as defined below in Clause 55 (FORCE MAJEURE), performance of such act shall be excused for the period of the delay; and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. Financial inability shall not be considered a circumstance excusing performance under this Lease.

**45. STATE AUDIT (5.4 SA)**

Pursuant to and in accordance with Section 8546.7 of the California Government Code, in the event that this Lease involves expenditures and/or potential expenditures of State funds aggregating in excess of ten thousand dollars (\$10,000), City shall be subject to the examination and audit of the Auditor General of the State of California for a period of three years after final payment by County to City under this Lease. The examination and audit shall be confined to those matters connected with the performance of the contract, including, but not limited to, the costs of administering the contract.

**46. WAIVER OF RIGHTS (5.5 SA)**

The failure of City or County to insist upon strict performance of any of the terms, conditions, and covenants in this Lease shall not be deemed a waiver of any right or remedy that City or County may have, and shall not be deemed a waiver of any right or remedy for a subsequent breach or default of the terms, conditions, and covenants herein contained.

**47. HOLDING OVER (5.6 SA)**

In the event County shall continue in possession of the Premises after the Term or any Extension Term of this Lease, such possession shall not be considered a renewal of this Lease but a tenancy from month to month and shall be governed by the conditions and covenants contained in this Lease.

**48. EARTHQUAKE SAFETY (5.7 SA)**

City hereby confirms that to the best of City's knowledge, the Premises was in compliance with all applicable seismic safety regulations and building codes at the time of construction.

**49. QUIET ENJOYMENT (5.8 SA)**

City agrees that, subject to the terms, covenants and conditions of this Lease, County may, upon observing and complying with all terms, covenants and conditions of this Lease, peaceably and quietly occupy the Premises.

**50. ADMINISTRATIVE COSTS (5.9 SA) - *intentionally omitted*****51. GOVERNING LAW AND VENUE (6.0 SA)**

This agreement has been negotiated and executed in the State of California and shall be governed by and construed under the laws of the State of California. In the event of any legal action to enforce or interpret this agreement, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California, and the Parties hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure section 394.

**52. ATTORNEYS' FEES (6.1 SA)**

In the event of a dispute between City and County concerning claims arising out of this Lease, or in any action or proceeding brought to enforce or interpret any provision of this Lease or where any provision hereof is validly asserted as a defense, each Party shall bear its own attorneys' fees and costs.

**53. TIME (6.2 SA)**

Time is of the essence of this Lease.

**54. INSPECTION OF PREMISES BY A CERTIFIED ACCESS SPECIALIST (6.3 SA)**

In accordance with California Civil Code 1938(e), "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The Parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises."

Pursuant to California Civil Code section 1938, City hereby represents that the Premises has not undergone an inspection by a certified access specialist and no representations are made with respect to compliance with accessibility standards. However, if it is determined that a violation of handicapped access laws (including the Americans with Disabilities Act) existed at the Premises as of the Commencement Date, City shall correct such non-compliance at City's cost.

**55. FORCE MAJEURE (6.4 SA)**

For purposes of this Lease, the term “**Force Majeure**” means any of the following events which are beyond the control of either Party: act of God, unavailability of equipment or materials (but only if such equipment and materials were ordered in a timely fashion), enemy or terrorist act, act of war, riot or civil commotion, strike, lockout or other labor disturbance, fire, earthquake, explosion, epidemic, pandemic, governmental delays (including nonstandard delays in issuance of any permit or other necessary governmental approval or the scheduling of any inspections or tests), nonstandard delays by third party utility providers, or any other matter of any kind or character beyond the reasonable control of the Party delayed or failing to perform under this Lease despite such Party’s best efforts to fulfill the obligation. “**Best Efforts**” includes anticipating any potential force majeure event and addressing the effects of any such event (a) as it is occurring and (b) after it has occurred, to prevent or minimize any resulting delay to the greatest extent possible. Force Majeure shall not include inability to obtain financing or other lack of funds. City and County shall be excused for the period of any delay in the performance of any obligation hereunder when such delay is occasioned by causes beyond its control.

**56. CONDEMNATION (6.5 SA)**

If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (collectively, “**Condemnation**”), this Lease shall terminate as to the part taken as of the date the condemning authority takes title or possession, whichever first occurs. If all or a material portion of the rentable area of the Premises are taken by Condemnation, County may, at County’s option, to be exercised in writing within ten (10) days after City shall have given County written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. City shall also have the right to terminate this Lease if there is a taking by Condemnation of any portion of the Building or property which would have a material adverse effect on City’s ability to operate the remainder of the Building. If neither Party terminates this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining. Condemnation awards and/or payments shall be the property of City, whether such award shall be made as compensation for diminution in value of the leasehold, the value of the part taken or for severance damages. County hereby waives any and all rights it might otherwise have pursuant to Section 1265.130 of the California Code of Civil Procedure, or any similar or successor Laws.

**57. CONSENT OR APPROVAL (6.6 SA)**

Unless expressly stated otherwise, where the consent or approval of a Party is required, such consent or approval will not be unreasonably withheld, conditioned or delayed.

**58. UNENFORCEABLE PROVISIONS (6.7 SA)**

If any paragraph or clause hereof shall be determined illegal, invalid or unenforceable by a court of competent jurisdiction, it is the express intention of the Parties hereto that the remainder of the Lease shall not be affected thereby, and it is also the express intentions of the Parties hereto that in lieu of each paragraph or clause of this Lease which may be determined to be illegal, invalid or unenforceable, there may be added as a part of this Lease a paragraph or clause as similar in terms to such illegal or invalid or unenforceable paragraph or clause as may be possible and may be legal, valid and enforceable.

**59. NOTICES (6.8 SA)**



All written notices pursuant to this Lease shall be addressed as set forth below or as either Party may hereafter designate by written notice and shall be deemed received upon personal delivery, delivery by facsimile machine, electronic mail, or seventy-two (72) hours after deposit in the United States Mail.

To: City  
City of Laguna Woods  
24264 El Toro Road  
Laguna Woods, CA 92637  
Attention: City Manager

To: County of Orange  
Orange County Public Library  
1501 E. St. Andrew Place  
Santa Ana, CA 92705  
Attention: County Librarian

With a copy to:

Alisha Patterson  
City Attorney, City of Laguna Woods  
24264 El Toro Road  
Laguna Woods, CA 92637

With a copy to:

County of Orange, CEO Real Estate  
400 Civic Center Drive West, 5<sup>th</sup> Floor  
Santa Ana, CA 92701  
Attention: Chief Real Estate Officer

## **60. ATTACHMENTS (6.9 SA)**

This Lease includes the following, which are attached hereto and made a part hereof:

### **I. EXHIBITS**

Exhibit A - Description of Premises  
Exhibit B - Depiction of Premises

## **61. NO THIRD-PARTY BENEFICIARIES**

There are no intended third-party beneficiaries under this Lease, and no such third parties shall have any rights or obligations hereunder.

## **62. SIGNATURES IN COUNTERPARTS**

This Lease may be executed in one or more electronic or original counterparts, each of which will be deemed an original signature, but all of which together will constitute one and the same instrument.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties have executed this Lease the day and year first above written.

APPROVED AS TO FORM:

OFFICE OF COUNTY COUNSEL  
ORANGE COUNTY, CALIFORNIA

By \_\_\_\_\_  
Deputy

Date: \_\_\_\_\_

RECOMMENDED FOR APPROVAL

OC Public Libraries

By \_\_\_\_\_  
County Librarian

COUNTY EXECUTIVE OFFICE

By \_\_\_\_\_  
Administrative Manager  
Real Estate Services

SIGNED AND CERTIFIED THAT A  
COPY OF THIS DOCUMENT HAS BEEN  
DELIVERED TO THE CHAIRMAN OF  
THE BOARD OF SUPERVISORS  
PER GC § 25103, RESO. 79-1535

BY: \_\_\_\_\_  
ROBIN STIELER  
Clerk of the Board of Supervisors  
of Orange County, California

CITY

City of Laguna Woods, a municipal corporation

By \_\_\_\_\_  
Cynthia S. Conners, Mayor

APPROVED AS TO FORM:

By \_\_\_\_\_  
Alisha Patterson, City Attorney

COUNTY

COUNTY OF ORANGE

BY: \_\_\_\_\_  
Chairman of the Board of Supervisors  
Orange County, California

**EXHIBIT A**

**LEASE DESCRIPTION (10.1 S)**

PROJECT NO: CEO/RFLS/OCCR-018-029  
PROJECT: Laguna Woods Library

DATE:3/9/2023  
VERIFIED BY:  
Julie Oakley

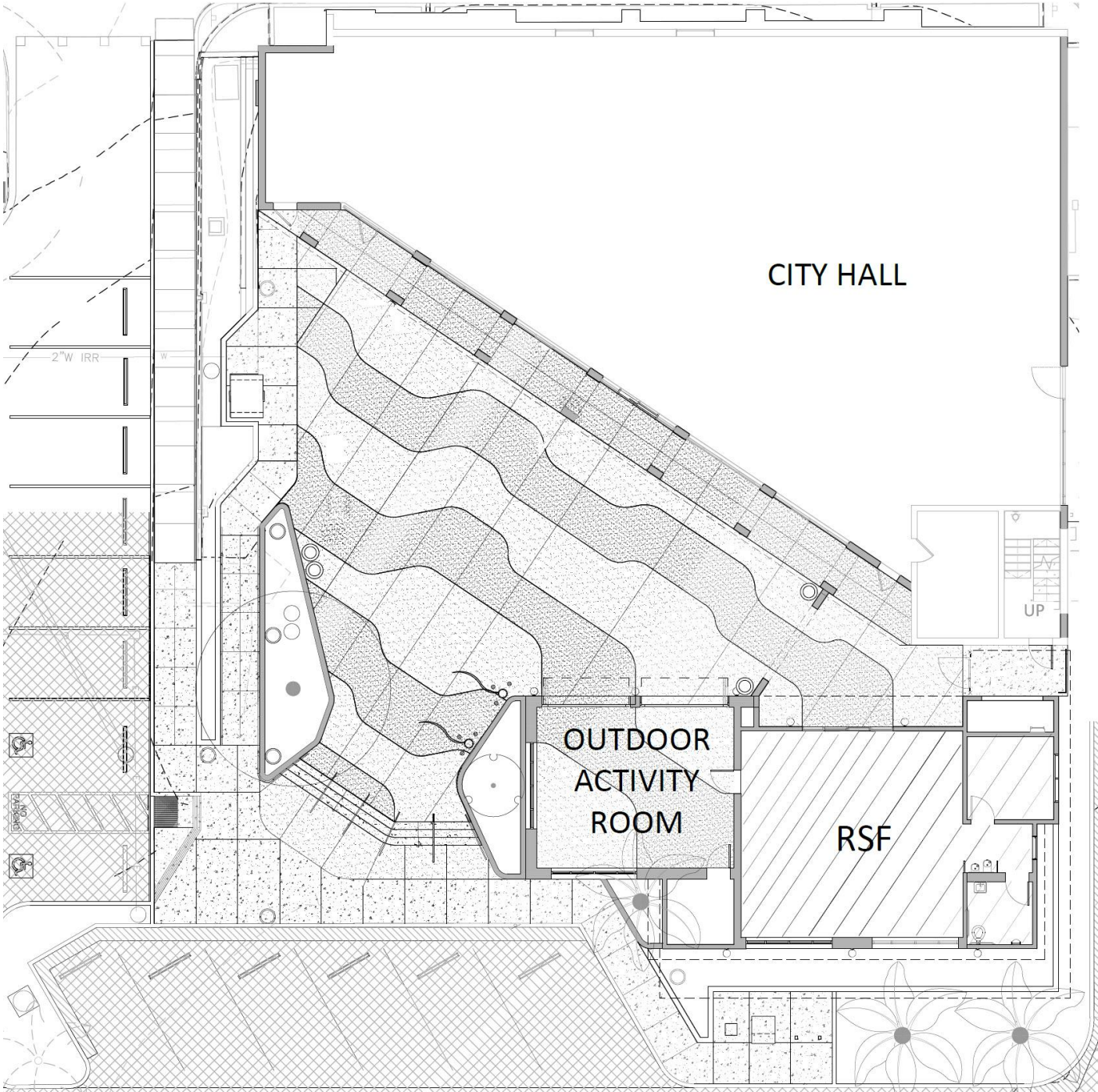
That certain property including the improvements thereon, shown in hatch markings on Exhibit B, of approximately 1,074 RSF in the Building.

The County shall also have the non-exclusive, in common use of the Outdoor Activity Room shown and defined on Exhibit B and the non-exclusive, in common use of Server Room. The County shall also have the non-exclusive, in common access to and use of parking areas, driveways for vehicle ingress and egress, pedestrian walkways, and other facilities and common areas surrounding the Building.

**NOT TO BE RECORDED**

**EXHIBIT B**

**DEPICTION OF PREMISES**



**7.2**  
**LAGUNA WOODS CIVIC SUPPORT FUND**  
***(NO REPORT)***