

Teva State-Subdivision Agreement

This Teva State-Subdivision Agreement is made and entered into on this 21 day of March 2023 (this “Agreement”), by and between, the State of Oklahoma (the “State”) through the Attorney General, Gentner Drummond, and counsel for the undersigned Litigating Political Subdivisions (“Counsel for LPS”).

WHEREAS, the State of Oklahoma, in 2019, by and through its Attorney General, entered into a settlement with Teva Pharmaceutical Industries, Ltd. (“Teva”) whereby Teva agreed to pay \$85,000,000 to the State. Some of the State’s settlement funds were allocated to Oklahoma’s Political Subdivision Opioid Abatement Grants Act, 74 Okla. Stat. § 30.3, *et. seq.* (the “Act”), for political subdivisions to obtain funds to combat the opioid epidemic.

WHEREAS, in December 2022, Teva proposed a global opioid settlement (the “Teva Global Settlement”). The Oklahoma Litigating Political Subdivisions can participate in the Teva Global Settlement but the State cannot as a Prior Settling State. A list of the Oklahoma Litigating Political Subdivisions is attached as Exhibit A (the “LPS”).

WHEREAS, the Teva Global Settlement permits a State and political subdivisions of a State to enter into a State-Subdivision Agreement regarding the allocation, distribution, and/or use of funds obtained from the Teva Global Settlement.

WHEREAS, the LPS desire to participate in the Teva Global Settlement and to enter into this State-Subdivision Agreement regarding the division and use of settlement funds obtained from the Teva Global Settlement.

ACCORDINGLY, the State and Counsel for LPS enter into this State-Subdivision Agreement regarding the allocation and use of Settlement Funds obtained from the Teva Global Settlement.

1. Share of Settlement. The State and the LPS agree that the Settlement Funds obtained from the Teva Global Settlement, including all base payments and incentive payments to be paid for all settlement payment years, will be allocated to the LPS in accordance with Exhibit B.

2. Use of Settlement Funds. The LPS agree that the use of Settlement Funds obtained from the Teva Global Settlement will be used in accordance with the terms of the Teva Global Settlement, including that: (a) all amounts received by the LPS from the Teva Global Settlement will be used for Opioid Remediation (as defined in the Teva Global Settlement), except as allowed by Section VIII.C of the Teva Global Agreement; and (b) that at least seventy percent (70%) of amounts received from the Teva Global Settlement will be used solely for future Opioid Remediation.

3. Primary Subdivisions Required by the Teva Global Settlement. The Teva Global Settlement requires the participation of certain Oklahoma non-litigating political subdivisions in

order to maximize the amount of settlement funds received from the Teva Global Settlement. These subdivisions are eligible to receive funds from the Teva money allocated to the Act.

4. Payment of LPS Share. The Teva Global Settlement shall be paid by Teva directly into a settlement fund established for the LPS. Counsel for the LPS will provide banking instructions.

5. Binding Nature of this Agreement. No LPS shall be bound by the terms of this Agreement until it has approved of its terms by its governing body or an appropriate elected government official authorized to execute this Agreement. The State and Counsel for LPS agree that the terms of this Agreement shall not expire or change until Counsel for LPS has completed the approval process of presenting this Agreement and the Teva Global Settlement for approval to the LPS. The Attorney General and each counsel signing this Agreement represent that the undersigned believes this Agreement is fair and reasonable.

6. Execution of Agreement. This Agreement may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. An executed signature page of this Agreement delivered in .pdf format via email shall be as effective as an original executed signature page.

7. Entire Agreement. This Agreement and any applicable State-Backstop Agreement constitute the entire agreement between the parties with respect to the Teva Global Settlement. This Agreement may only be amended by the mutual written consent of the parties. To the extent the terms of this Agreement conflict with the Teva Global Settlement, the State agrees that it will work with the Counsel for LPS to amend this Agreement to cure any such conflict. This Agreement and any of the rights, duties, or obligations of the parties hereunder shall not be assigned, transferred, or delegated by any of the parties hereto.

8. Governing Law. This Agreement shall be governed and construed in accordance with Oklahoma law.

IN WITNESS WHEREOF, the undersigned parties have executed this Agreement.

ON BEHALF OF THE STATE:



Gentner Drummond
Oklahoma Attorney General
State of Oklahoma

ON BEHALF OF COUNSEL FOR THE LITIGATING POLITICAL SUBDIVISIONS:

[A separate signature page will be executed by each counsel for Litigating Political Subdivisions joining the MOU.]



TONY G. PUCKETT, OBA #13336
TODD A. COURT, OBA #19438
MCAFFEE & TAFT A PROFESSIONAL CORPORATION
8th Floor, Two Leadership Square
211 N. Robinson
Oklahoma City, OK 73102
405/235-9621; 405/235-0439 (FAX)
tony.puckett@mcafeetaft.com
todd.court@mcafeetaft.com

ATTORNEYS FOR:

City of Ada
City of Anadarko
City of Altus
City of Bethany
City of Broken Arrow
City of Collinsville
City of Edmond
City of Elk City
City of Enid
City of Guthrie
City of Jenks
City of Lawton
City of Midwest City
City of Mustang
City of Oklahoma City
City of Owasso
City of Ponca City
City of Seminole
City of Shawnee
City of Stillwater
City of Tulsa
City of Yukon
Hughes County
Woods County



MATTHEW J. SILL, OBA #21547
HARRISON C. LUJAN, OBA #30154
FULMER SILL LAW GROUP
1101 N. Broadway Ave., Suite 102
Oklahoma City, OK 73103
Phone/Fax: 405-510-0077
msill@fulmersill.com
hlujan@fulmersill.com

ATTORNEYS FOR:

Atoka County
Beckham County
Caddo County
Choctaw County
Cimarron County
Cleveland County
Coal County
Comanche County
Custer County
Dewey County
Grady County
Greer County
Harmon County
Harper County
Haskell County
Jackson County
Jefferson County
Johnston County
Kay County
Kiowa County
Latimer County
LeFlore County
Lincoln County
Logan County
Love County
Major County
McCurtain County
Muskogee County
Noble County
Oklahoma County
Payne County
Pittsburg County
Pottawatomie County

Roger Mills County
Stephens County
Texas County
Tillman County
Woodward County
City of El Reno
City of Muskogee



GEORGE GIBBS
GIBBS ARMSTRONG BOROCHOFF
601 S. Boulder, Suite 500
Tulsa, OK 74119
(918) 587-3939 phone
(918) 582-5504 fax
ggibbs@gablawyers.com

ON BEHALF OF THE FOLLOWING COUNTIES:

1. Tulsa County
2. Pawnee County
3. Ottawa County
4. Osage County
5. Garvin County
6. Delaware County
7. McClain County; and
8. Seminole County
9. Okfuskee County



Bradford D. Barron, OBA #17571
The Barron Law Firm, PLLC
P.O. Box 369
Claremore, OK 74018
(918)341-8402 Phone
(918)515-4691 Fax
bbarron@barronlawfirmok.com

On behalf of the following Oklahoma Counties:

Washington County
Nowata County
Craig County
Rogers County
Mayes County
Okmulgee County
Creek County