

## ADDENDUM TO THE PUERTO RICO STATE-SUBDIVISION AGREEMENT

- Reference is made to the *Puerto Rico State-Subdivision Agreement* attached as **Exhibit 1** to this Addendum.
- With respect to the Settlement Agreements reached with opioid manufacturers Allergan and Teva, as well as with chain pharmacies CVS, Walmart, and Walgreens, the undersigned agree that the allocation of funds for these settlements will follow the same structure that the parties adopted in the Distributors and Janssen Settlement Agreements. *See Exhibit 1.*

### COMMONWEALTH OF PUERTO RICO


\_\_\_\_\_  
Name:  
Title:  
Date:

### MUNICIPALITY OF SAN JUAN



\_\_\_\_\_  
Name: DAVID EFRON  
Title: ATTORNEY FOR MUNICIPALITY OF SAN JUAN  
Date: AUGUST 29, 2023

### PARTICIPATING SUBDIVISIONS



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Name: Vicki J. Maniatis  
Title: Partner, Milberg Coleman Bryson Phillips Grossman, LLC  
Date: September 15, 2023

**PUERTO RICO STATE-SUBDIVISION AGREEMENT REGARDING THE  
DISTRIBUTOR AND JANSSEN SETTLEMENTS**

- This State-Subdivision Agreement is made between the Commonwealth of Puerto Rico (“Puerto Rico”), through its Attorney General Domingo Emanuelli, the Municipality of San Juan (“San Juan”), and the undersigned Puerto Rico Municipalities that are also Participating Subdivisions (collectively, the “Participating Subdivisions”) to the Distributor Settlement Agreement dated July 21, 2021 (“Distributor Settlement”) and the Janssen Settlement Agreement dated July 21, 2021 (“Janssen Settlement”).
- This Agreement applies only to San Juan’s participation in the Distributor and Janssen Settlements.
- Puerto Rico and the Participating Subdivisions have previously agreed to participate in both the Distributor Settlement and the Janssen Settlements.
- Puerto Rico and the Participating Subdivisions have previously agreed to apply the default allocation defined in Section V of the Distributor and Janssen Settlements.
- Pursuant to the default allocation, the proceeds to be received from the Distributor and Janssen Settlements will be distributed as follows:
  - 70% of the settlement proceeds will go to an Abatement Fund;
  - 15% of the settlement proceeds will go to a Subdivision Fund; and
  - 15% of the settlement proceeds will go to a State Fund.
- Subject to the approval of the Puerto Rico Attorney General and the required number of Participating Subdivisions as set forth in Section V and Exhibit O of the Distributor and Janssen Settlements, the Parties to this Agreement hereby convene as follows:
  - San Juan will agree to participate in the Distributor and Janssen Settlements and will submit two Releases with the Settlement Fund Administrator: one Release for the Distributor Settlement, and one for the Janssen Settlement;
  - The Parties to this Agreement will make best efforts so that the Distributors and Janssen will deem San Juan to be a Participating Subdivision in the Distributor and Janssen Settlements;
  - San Juan will receive 13.8% of the proceeds allocated to the Abatement Fund (which is 70% of the total settlement amount), and will work together with the Settlement Fund Administrator to ensure annual compliance and the proper use of abatement funds, consistent with the purpose of the Abatement Fund and the Distributor and Janssen Settlements;

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AWL*

- o San Juan will receive 13.8% of the proceeds allocated to the Subdivision Fund (which is 15% of the total settlement amount), and will work together with the Settlement Fund Administrator to ensure annual compliance and the proper use of subdivision funds, consistent with the purpose of the Subdivision Fund and the Distributor and Janssen Settlements;
- o The undersigned Participating Subdivisions represent at least 50% of Puerto Rico's population and 15% of Puerto Rico's total number of subdivisions, as required by Exhibit O of the Distributor and Janssen Settlements.

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**COMMONWEALTH OF PUERTO RICO**



Name: Andrés W. López

Title: Counsel to Puerto Rico AGO

Date: October 25, 2022

**MUNICIPALITY OF SAN JUAN**

A handwritten signature in blue ink, appearing to read "Israel O. Alicea", written over a horizontal line.

Name: *Israel O. Alicea*

Title: *Administrator*

Date: *10 Octubre del 2002*

**PARTICIPATING SUBDIVISIONS\***



Name: Marc D. Grossman

Title: Partner

Date: 25<sup>th</sup> of October 2022

*\*The list of Participating Subdivisions is included as Appendix A to this State-Subdivision Agreement.*

## APPENDIX A

1. Municipality of Aguada
2. Municipality of Aguadilla
3. Municipality of Aibonito
4. Municipality of Añasco
5. Municipality of Arecibo
6. Municipality of Arroyo
7. Municipality of Barranquitas
8. Municipality of Bayamón
9. Municipality of Cabo Rojo
10. Municipality of Caguas
11. Municipality of Camuy
12. Municipality of Cayey
13. Municipality of Cidra
14. Municipality of Coamo
15. Municipality of Comerío
16. Municipality of Dorado
17. Municipality of Fajardo
18. Municipality of Guánica
19. Municipality of Guayama
20. Municipality of Guayanilla
21. Municipality of Hatillo
22. Municipality of Hormigueros
23. Municipality of Isabela
24. Municipality of Lares
25. Municipality of Las Marías
26. Municipality of Manatí
27. Municipality of Maricao
28. Municipality of Moca
29. Municipality of Orocovis
30. Municipality of Ponce
31. Municipality of Quebradillas
32. Municipality of Rincón
33. Municipality of San Lorenzo
34. Municipality of Trujillo Alto
35. Municipality of Vega Baja