

Settlement Document

Binding on State of Georgia When Executed by Georgia AG / Governor

September 10, 2018, or as may be amended, 60% of the remaining funds shall be transferred by the receiving state agency through the Office of Planning and Budget to the State Treasury and spent at the direction of the State Legislature for Approved Purposes by appropriation and in compliance with the terms of the Third Wave Manufacturer Settlements and this Memorandum. The remaining 40% after payment of fees and costs shall be transferred to the Trust by the receiving state agency and shall be expended by the Trustee on a regional basis ("Regional Distribution") as set forth in the Declaration of Trust, the 2022 MOU, and this Third Wave MOU.

- (i.) For purposes of the Regional Distribution under the Third Wave Manufacturer Settlements, the Regions shall be the same as established pursuant to the 2022 MOU, including Qualifying Block Grantees.
- (ii.) Each Qualifying Block Grantee shall receive its allocation of the Regional Distribution via a direct block grant so long as it certifies that it has sufficient infrastructure to provide opioid abatement services.
- (iii.) The Trustee shall use the same allocation model as used under the 2022 MOU for the Regional Distribution.
- (iv.) The Regional Advisory Councils established pursuant to the 2022 MOU shall have the same duties and responsibilities in connection with the funds allocated to the Trust pursuant to this Third Wave MOU as under the 2022 MOU, including reporting requirements and making themselves available to consult with the Government Participation Mechanism and with Participating Local Governments to best determine how funds will be spent for opioid remediation within the established Regions. In every instance the Trustee shall retain final authority over Regional Distributions.

III. Funds to be used for Approved Purposes; Clawback and Recoupment

- a. With the exception of administrative expenses as allowed under the Third Wave Manufacturer Settlements, funds set aside for attorneys' fees and costs for State of Georgia outside counsel, and funds set aside for attorneys' fees for Local Government outside counsel pursuant to Section VI of this Memorandum, State Opioid Funds and Local Government Opioid Funds shall be used for Approved Purposes.
- b. Funds are to primarily (no less than 70 percent) be used for future abatement purposes. Funds used to reimburse the Parties for past abatement expenses