

# Opioid Master Disbursement Trust II

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DISTRIBUTION DETAILS

AUGUST 2023

# MDT II Distribution Summary

Illustrated below are the amounts distributed by the MDT II to selected opioid creditor trusts & attorneys' fee funds. Note that the below does not incorporate potential distributions on account of litigation recoveries (which are unknown at this time) nor does it include distributions to parties that are not scheduled to receive a further deferred cash payment<sup>(1)</sup>.

Trust	Amounts Received to Date	Upcoming Distribution	Total Distributions
NOAT II	\$179,030,789.82	\$179,606,937.81	\$358,637,727.63
TAFT II	5,496,285.18	5,364,161.89	10,860,447.07
PI Trust (NAS PI / PI Opioid Claims Share)	37,218,750.00	25,172,559.57	62,391,309.57
Third-Party Payor Trust	30,363,666.67	13,877,287.94	44,240,954.61
Hospital Trust	13,387,500.00	9,054,512.61	22,442,012.61
Municipal and Tribe Opioid Attorneys' Fee Fund	11,276,654.58	11,303,789.43	22,580,444.01
State Opioid Attorneys' Fee Fund (NOAT II)	9,226,353.75	9,248,554.98	18,474,908.73
<b>Total</b>	<b>\$286,000,000.00</b>	<b>\$253,627,804.23</b>	<b>\$539,627,804.23</b>

(1) Includes Emergency Room Physicians Trust, NAS Monitoring Trust, Ratepayer Account and Public Schools' Special Education Initiative.

# MDT II Distribution Detail

Illustrated is a detailed breakdown of the amounts distributed by the MDT II to opioid creditor trusts & attorneys' fee funds. Note that the below does not incorporate potential distributions on account of litigation recoveries (which are unknown at this time). Additionally, the analysis illustratively assumes all funds in the operating reserves are spent before the dissolution of the MDT II.

(\$ in actuals)

		[A]	[B]	[C]	[B+C]	[A+B+C]
	Treatment Under the Plan	Initial MDT II Distribution 6/16/22	Warrant Sale Proceeds 12/8/22	\$250mm Payment 8/23/23	Second MDT II Distribution 8/28/23	Total MDT II Distributions
<b>Distributable Value Summary</b>						
Initial Opioid MDT II Pmt. & Opioid Deferred Cash Pmt.		\$450,000,000.00	-	\$250,000,000.00	\$250,000,000.00	\$700,000,000.00
New Opioid Warrants Sale Proceeds		-	4,000,000.00	-	\$4,000,000.00	\$4,000,000.00
New Opioid Warrants Sale Proceeds Accrued Interest		-	119,439.80	-	119,439.80	119,439.80
<b>Opioid MDT II Distributable Value</b>		<b>\$450,000,000.00</b>	<b>\$4,119,439.80</b>	<b>\$250,000,000.00</b>	<b>\$254,119,439.80</b>	<b>\$704,119,439.80</b>
FHCA Opioid Claims (DOJ) <sup>(1)</sup>	\$15,000,000.00	(\$15,000,000.00)	-	-	-	(\$15,000,000.00)
Warrant Administration & Monetization Costs		-	(491,635.57)	-	(491,635.57)	(491,635.57)
MDT II Operating Reserve <sup>(2)</sup> (Litigation Expenses)	\$60,000,000.00	(60,000,000.00)	-	-	-	(60,000,000.00)
<b>Net Dist. Value (For Private Dist. Calculation)</b>		<b>\$375,000,000.00</b>	<b>\$3,627,804.23</b>	<b>\$250,000,000.00</b>	<b>\$253,627,804.23</b>	<b>\$628,627,804.23</b>
PI Trust (PI Opioid Claims Share) <sup>(3)</sup>	9.300%	(34,875,000.00)	(337,385.79)	(23,250,000.00)	(23,587,385.79)	(58,462,385.79)
Third-Party Payor Trust <sup>(4)</sup>	\$44,240,954.61	(30,363,666.67)	-	(13,877,287.94)	(13,877,287.94)	(44,240,954.61)
Hospital Trust <sup>(5)</sup>	3.570%	(13,387,500.00)	(129,512.61)	(8,925,000.00)	(9,054,512.61)	(22,442,012.61)
PI Trust (NAS PI Opioid Claims Share) <sup>(6)</sup>	0.625%	(2,343,750.00)	(22,673.78)	(1,562,500.00)	(1,585,173.78)	(3,928,923.78)
Emergency Room Physicians Trust <sup>(7)</sup>	\$4,500,000.00	(4,500,000.00)	-	-	-	(4,500,000.00)
NAS Monitoring Trust <sup>(8)</sup>	\$1,500,000.00	(1,500,000.00)	-	-	-	(1,500,000.00)
Ratepayer Account <sup>(9)</sup>	\$3,000,000.00	(3,000,000.00)	-	-	-	(3,000,000.00)
Public Schools' Special Education Initiative <sup>(10)</sup>	\$5,000,000.00	(5,000,000.00)	-	-	-	(5,000,000.00)
<b>Total Privates / Ratepayers / Schools</b>		<b>(\$94,969,916.67)</b>	<b>(\$489,572.18)</b>	<b>(\$47,614,787.94)</b>	<b>(\$48,104,360.12)</b>	<b>(\$143,074,276.79)</b>
<b>Gross Public Opioid Creditor Share (Before MDT II Exp. and Reserves)</b>		<b>\$280,030,083.33</b>	<b>\$3,138,232.05</b>	<b>\$202,385,212.06</b>	<b>\$205,523,444.11</b>	<b>\$485,553,527.44</b>
MDT II Operating Reserve <sup>(2)</sup> (Operating Expenses)	\$75,000,000.00	(75,000,000.00)	-	-	-	(75,000,000.00)
<b>Public Opioid Creditor Share (Before Opioid Attorneys' Fee Fund)</b>		<b>\$205,030,083.33</b>	<b>\$3,138,232.05</b>	<b>\$202,385,212.06</b>	<b>\$205,523,444.11</b>	<b>\$410,553,527.44</b>
Opioid Attorneys' Fee Fund <sup>(11)</sup>	10.000%	(20,503,008.33)	(313,823.21)	(20,238,521.21)	(20,552,344.41)	(41,055,352.74)
<b>Net Public Opioid Creditor Share</b>		<b>\$184,527,075.00</b>	<b>\$2,824,408.85</b>	<b>\$182,146,690.85</b>	<b>\$184,971,099.70</b>	<b>\$369,498,174.70</b>
<i>Memo: Net Public Opioid Creditor Share Allocation</i>						
TAFT II (Tribe Opioid Claims Share) <sup>(12)</sup>		5,496,285.18	81,907.86	5,282,254.03	5,364,161.89	10,860,447.07
NOAT II (State & Municipal Government Opioid Claims Share)		179,030,789.82	2,742,500.99	176,864,436.82	179,606,937.81	358,637,727.63

## Footnotes & Disclaimer

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# Additional Detail & Footnotes

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- 1) Per the filed Plan (ECF 6510), the U.S. Government received \$15mm in cash on the Opioid MDT II Initial Distribution Date on account of its FHCA Opioid Claims, all other Opioid Claims held by the U.S. Government will be considered Other Opioid Claims.
- 2) Per the filed Plan (ECF 6510), the Opioid MDT II Operating Reserve was established and funded to provide for Trust expenses (i.e., those reflected in the *Illust. Opioid MDT II Operating Expense* line items) and other payment obligations. The MDT II Operating Reserve was funded with \$135mm at emergence with such amounts used to pay (i) future MDT II Operating Expenses through the dissolution of the MDT II, (ii) potential incremental expenses, and (iii) potential litigation fees and costs in connection with insurance, Covidien, shareholder repurchase claims and other potential litigation matters. The Plan requires private distributions to be net of litigation reserves but not operating reserves; the MDT II Operating Reserve is split into litigation and operating reserves funded at emergence with \$60mm and \$75mm, respectively. Funds are assumed to be released as needed to pay MDT II expenses with any remaining funds released upon the dissolution of the Trust.
- 3) Per the filed Plan (ECF 6510), the PI Trust (Non-NAS) receives 9.30% of *Net Distributable Value (Before Admin & Reserves)*.
- 4) The Third-Party Payor Trust receives \$44mm reflecting (i) the upfront amount paid pursuant to the Plan and (ii) a second payment that reflects the Third-Party Payor Trust's proportionate share on a net present value-basis of the final \$250mm payment from Mallinckrodt.
- 5) Per the filed Plan (ECF 6510), the Hospital Trust receives 3.57% of *Net Distributable Value (Before Admin & Reserves)*.
- 6) Per the filed Plan (ECF 6510), the PI Trust (NAS) receives 0.625% of *Net Distributable Value (Before Admin & Reserves)*.
- 7) Per the filed Plan (ECF 6510), the Emergency Room Physicians Trust received \$4.5mm in cash on the Opioid MDT II Initial Distribution Date.
- 8) Per the filed Plan (ECF 6510), the NAS Monitoring Trust received \$1.5mm in cash on the Opioid MDT II Initial Distribution Date.
- 9) Per the filed Plan (ECF 6510), the Ratepayer Trust received \$3mm in cash on the Opioid MDT II Initial Distribution Date.
- 10) Per the filed Plan (ECF 6510), the School Districts received \$5mm in cash on the Opioid MDT II Initial Distribution Date.
- 11) Per the filed Plan (ECF 6510), Municipal and Tribe Opioid Attorneys' Fee Fund shall be funded in an amount not to exceed \$110mm from periodic distributions of 5.5% of each distribution on account of the Public Opioid Creditor Share. The State Opioid Attorneys' Fee Fund shall be funded in an amount not to exceed \$90mm from periodic distributions of 4.5% of each distribution on account of the Public Opioid Creditor Share.
- 12) Per the filed Plan (ECF 6510), the tribes are to be paid 2.90% of the first \$625mm received on account of the Public Opioid Creditor Share Distributable Value (after payments to the Opioid Attorneys' Fee Fund), (ii) 2.95% of amounts received in excess of \$625mm and up to and including \$1.25bn on account of the Public Opioid Creditor Share Distributable Value, and (iii) 3.0% of amounts received in excess of \$1.25bn on account of the Public Opioid Creditor Share Distributable Value. In conjunction with the School Districts' settlement, MDT II will distribute to TAFT II \$145,000 of the first \$625mm received on account of the Public Opioid Creditor Share which would otherwise be distributed to NOAT II.

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