

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

MALLINCKRODT PLC, et al.,

Reorganized Debtors.¹

CHAPTER 11

Case No. 20-12522 (JTD)

(Jointly Administered)

**NOTICE OF FILING OF ANNUAL REPORT OF TRIBAL ABATEMENT FUND
TRUST II PURSUANT TO TRIBAL ABATEMENT FUND TRUST II AGREEMENT**

PLEASE TAKE NOTICE that, in accordance with Section 2.4 of the Tribal Abatement Fund Trust II (“**TAFT II**”) Agreement dated as of June 26, 2022 (the “**Trust Agreement**”), Mary L. Smith, Kevin K. Washburn, and Dr. Kathy Hopinkah Hannan, in their capacity as the TAFT II Trustees (collectively, the “**Trustees**”), have filed with this Court an annual report for the period ended December 31, 2024 (the “**Annual Report**”) audited by the Independent Auditors along with an opinion of the Independent Auditors as to the fairness in all material respects of the special-purpose financial statements contained in the Annual Report (the “**Opinion**”).² A copy of the Annual Report and a copy of the Opinion are attached hereto as **Exhibit 1**.

¹ A complete list of the Reorganized Debtors in these chapter 11 cases may be obtained on the website of the Reorganized Debtors’ claims and noticing agent at <http://restructuring.ra.kroll.com/Mallinckrodt>. The Reorganized Debtors’ mailing address is 675 McDonnell Blvd., Hazelwood, Missouri 63042.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Trust Agreement.

PLEASE TAKE FURTHER NOTICE that in accordance with Section 2.5 of the Trust Agreement, the Trustees are also required to file with this Court a report on the Approved Tribal Opioid Abatement Uses (the “**Tribal Opioid Abatement Report**”) during the period covered by the Annual Report. A copy of the Tribal Opioid Abatement Report for the period ended December 31, 2024 is attached hereto as **Exhibit 2**.

DATED: April 29, 2025

Respectfully Submitted,

CAMPBELL & LEVINE LLC

/s/ Kathleen Campbell Davis
Kathleen Campbell Davis (I.D. No. 4229)
222 Delaware Ave, Suite 1620
Wilmington, Delaware 19801
(302) 426-1900
kdavis@camlev.com

and

**KEATING MUETHING & KLEKAMP
PLL**

Rachael A. Rowe (Ohio Bar No. 0066823)
Philip A. Tracy (Ohio Bar No. 0091389)
Keating Muething & Klekamp PLL
One East Fourth Street, Suite 1400
Cincinnati, OH 45202
(513) 579-6400
rrowe@kmklaw.com
ptracy@kmklaw.com

Counsel to TAFT II Trustees

EXHIBIT 1

Tribal Abatement Fund Trust II

**Audited Financial Statements-Modified Cash Basis
For the year ended December 31, 2024**

Tribal Abatement Fund Trust II

Contents

Independent Auditor's Report	1-2
Financial Statements – Modified Cash Basis	
Statement of Net Assets – Modified Cash Basis	3
Statement of Changes in Net Assets – Modified Cash Basis	4
Statement of Cash Flows – Modified Cash Basis	5
Notes to the Modified Cash Basis Financial Statements	6-10



Plante & Moran, PLLC

Suite 300
2601 Cambridge Court
Auburn Hills, MI 48326
Tel: 248.375.7100
Fax: 248.375.7101
plantemoran.com

Independent Auditor's Report

To the Trustees
Tribal Abatement Fund Trust II

Opinion

We have audited the modified cash basis financial statements of Tribal Abatement Fund Trust II (the "Trust"), which comprise the statement of net assets - modified cash basis as of December 31, 2024 and the related statements of changes in net assets - modified cash basis and cash flows - modified cash basis for the year then ended, and the related notes to the modified cash basis financial statements.

In our opinion, the accompanying modified cash basis financial statements present fairly, in all material respects, the net assets of the Trust as of December 31, 2024 and the changes in its net assets and its cash flows for the year then ended in accordance with the modified cash basis of accounting described in Note 2 to the modified cash basis financial statements.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Modified Cash Basis Financial Statements* section of our report. We are required to be independent of the Trust and to meet our ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis of Accounting

We draw attention to Note 2 to the modified cash basis financial statements, which describes the basis of accounting. As described in Note 2, the accompanying modified cash basis financial statements were prepared by Tribal Abatement Fund Trust II on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. As a result, the modified cash basis financial statements may not be suitable for another purpose. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Modified Cash Basis Financial Statements

Management is responsible for the preparation and fair presentation of the modified cash basis financial statements in accordance with the modified cash basis of accounting described in Note 2 and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the modified cash basis financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the modified cash basis financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Trust's ability to continue as a going concern within one year after the date that the modified cash basis financial statements are issued or available to be issued.

To the Trustees
Tribal Abatement Fund Trust II

Auditor's Responsibilities for the Audit of the Modified Cash Basis Financial Statements

Our objectives are to obtain reasonable assurance about whether the modified cash basis financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the modified cash basis financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the modified cash basis financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the modified cash basis financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the modified cash basis financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Trust's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Plante & Moreau, PLLC

March 29, 2025

Tribal Abatement Fund Trust II
Statement of Net Assets – Modified Cash Basis
December 31, 2024

Assets

Cash and cash equivalents	\$ 4,609,466
Prepaid expenses	23,296
Total assets	4,632,762

Liabilities

Accounts payable	9,899
Total liabilities	9,899

Net assets	\$ 4,622,863
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See accompanying notes to the modified cash basis financial statements.

Tribal Abatement Fund Trust II
Statement of Changes in Net Assets – Modified Cash Basis
For the year ended December 31, 2024

Additions

Interest income	\$ 164,720
Total additions	164,720

Deductions

Distributions to Trust Beneficiaries	63,862
Operating expenses	913,854
Total deductions	977,716

Decrease in net assets	(812,996)
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Net assets

Beginning of the year	5,435,859
End of the year	\$ 4,622,863

See accompanying notes to the modified cash basis financial statements.

Tribal Abatement Fund Trust II
Statement of Cash Flows – Modified Cash Basis
For the year ended December 31, 2024

Direct Method**Cash received from operating activities:**

Investment income	\$ 164,720
Total cash inflows	164,720

Cash paid for operating activities:

Distributions to Trust Beneficiaries	(63,862)
Trust operating expenses	(919,552)
Total cash outflows	(983,414)

Net decrease in cash and cash equivalents	(818,694)
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Cash and cash equivalents at the beginning of the year	5,428,160
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Cash and cash equivalents at the end of the year	\$ 4,609,466
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See accompanying notes to the modified cash basis financial statements.

Tribal Abatement Fund Trust II-Notes to the Modified Cash Basis Financial Statements

1. Description and Funding of the Trust

Tribal Abatement Fund Trust II (“TAFT II” or the “Trust”) was formed and became effective on June 16, 2022, pursuant to the Fourth Amended Joint Plan of Reorganization (with Technical Modifications) of Mallinckrodt plc and its Debtor Affiliates (Mallinckrodt) under Chapter 11 of the Bankruptcy Code, dated February 18, 2022 (the Plan). The Trust is intended to qualify as a “qualified settlement fund” within the meaning of Section 1.468B-1 *et seq.* of the Treasury Regulations promulgated under Section 468B of the IRC, and to the extent permitted by law, for state and local income tax purposes.

The Plan provides, *inter alia*, for the establishment of an Opioid Creditor Trust, as defined, with respect to Tribal Opioid Claims, as defined. As of the Effective Date, defined as June 16, 2022, any and all liability of the Debtors for any and all Tribe Opioid Claims shall automatically be channeled to and assumed by the Trust.

In accordance with the Tribal Abatement Fund Trust II Agreement (the Trust Agreement), the Trust shall (i) hold, manage and invest all funds and other Trust Assets received by the Trust from the Opioid MDT II (MDT II) for the benefit of the beneficiaries of the Trust; (ii) hold and maintain the TAFT II Operating Reserve; (iii) administer, process, and resolve all Tribe Opioid Claims in accordance with the TAFT II Trust Distribution Procedures (TDP); and (iv) pay all TAFT II Operating Expenses.

The Trust is funded with the consideration prescribed under the terms of the Plan through MDT II (also created under the Plan). Funds will be paid by Mallinckrodt to the MDT II, and MDT II will make distributions to TAFT II and other public and private Creditor Trusts. The MDT II consideration to be distributed to TAFT II is comprised of initial and deferred cash payments from Mallinckrodt, certain Warrants, and certain other non-cash assets as set forth under the Plan.

The initial cash distribution from MDT II was received by the Trust on June 17, 2022, in the amount of \$5,357,220.

On December 8, 2022, the Warrants were monetized and a Trust affiliate, the Tribal Opioid Abatement Fund LLC, received the cash proceeds associated with the monetization of these Warrants in 2023. The cash proceeds of the monetization of the Warrants were \$81,908 which was part of the cash distribution from MDT II to the Trust on August 29, 2023.

Due to the deteriorating financial situation of Mallinckrodt plc (the “Debtor”), on August 23, 2023, MDT II and other key stakeholders signed a restructuring support agreement (the “August 2023 RSA”) with the Debtor. Pursuant to the August 2023 RSA, MDT II agreed to

receive a one-time payment of \$250 Million in lieu of the then-remaining Opioid Deferred Cash Payments under the earlier Plan of Reorganization. This August 2023 agreement by MDT II meant, in effect, that the Debtor would be paying the MDT II Creditor Trusts (of which TAFT II is one), almost \$1 Billion less than it had promised in 2022. MDT II determined that due to the Debtor's significantly deteriorating financial circumstances, the RSA provided the best outcome available for its Creditor Trusts, including TAFT II. In addition to the one-time \$250 Million cash payment, the RSA also requires the Debtor to provide MDT II enhanced cooperation in connection with the third-party litigations it is pursuing on behalf of the Creditor Trusts (which should reduce costs related to those litigations), and provides warrants in Mallinckrodt plc, which could have some value if the Debtor's financial performance improves materially. Although MDT II may receive value from these warrants, any related distributions to TAFT II remain uncertain.

MDT II received the \$250 Million cash payment contemplated in the August 2023 RSA on August 24, 2023, and on August 28, 2023, distributed to TAFT II its portion of that payment, \$5,364,162. Although TAFT II may receive additional distributions from MDT II in the future in connection with the third-party litigations MDT II is pursuing on behalf of the Creditor Trusts, the outcome of these litigations, and any related distributions to TAFT II remain uncertain. The third-party litigation matters in which TAFT II retains an interest that remain pending include an insurance coverage action, Opioid MDT II v. Ace America Ins. Co., et al., Case No. 22SL-CC02974 (Mo. Cir. Ct.), the Covidien spinoff action, Opioid MDT II v. Covidien Unlimited Co., et al., Adv. Pro. No. 22-50433 (Bankr. D. Del.), and the share repurchase program case, Opioid MDT II v. Argos Capital Appreciation Master Fund LP, et al., Adv. Pro. No. 22-50435 (Bankr. D. Del.). MDT II periodically reports on these litigations pursuant to the Debtor's Plan of Reorganization.

Future cash received, if any, from the Debtor and MDT II will be recorded when received by the Trust.

The Trust will make Abatement Distributions, as set forth in the Tribal Abatement Fund Trust II Agreement, and in accordance with the TAFT II TDP, which provides for the Tribe Beneficiaries and Tribal Allocation Percentages. Abatement Distributions of \$63,862 were made during the year ended December 31, 2024. Abatement Distributions of \$3,986,138 were made during the year ended December 31, 2023. There were no Abatement Distributions during 2022. In addition, the Trust has unpaid distributions to Trust Beneficiaries of approximately \$2,803,000 at December 31, 2024, which will be disbursed to those Trust Beneficiaries upon approval from the Trustees and receipt from the Trust Beneficiaries of information required to complete the distribution payments.

2. Significant Accounting Policies

Basis of accounting

The Trust's policy is to prepare its financial statements on a modified cash basis, which is a

comprehensive basis of accounting other than accounting principles generally accepted in the United States of America (U.S. GAAP). The modified cash basis methods include the following:

- Assets or additions to net assets are generally recorded when they are received by the Trust and expenses or deductions to net assets are generally recorded when the invoice is received from the vendor. The Trust records interest income when received. Under GAAP, interest income is recorded when earned.
- Future fixed liabilities under contractual obligations and other agreements entered into by the Trust are recorded as deductions from net assets in the same period that the invoice for such contractual obligations or agreements are received by the Trust. Under GAAP, liabilities and contractual obligations are recorded over the period that is benefited by the underlying contract or agreement.
- The full amounts of Abatement Distributions will be recorded in the period in which the Abatement Distributions are paid. Under GAAP, a liability would be recorded for an estimate of the total Abatement Distributions to be made in accordance with the Trust Agreement and the TDP.
- Income tax expense payments or refunds, when applicable, will be recorded when paid or received. Under GAAP, a provision for income taxes is recorded based upon income reported for financial statement purposes, and federal and state income taxes both currently payable and changes in deferred taxes due to differences between financial reporting and tax bases of assets and liabilities.

Use of estimates

The preparation of financial statements in conformity with the modified cash basis described above requires the Trust to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and the disclosures of contingent assets and liabilities at the date of the modified cash basis financial statements, as well as the reported amounts of additions and deductions to the net assets during the reporting period. Actual results could differ from those estimates.

Cash equivalents

The Trust considers all highly liquid instruments with original maturities of three months or less to be cash equivalents.

Prepaid expenses

Payments for services to be received over an extended period in the future are recorded as a prepaid expense and amortized over the period in which the related benefits are received.

Operating expenses

Operating expenses of the Trust are recorded as reductions of net assets when invoices are received or, in the case of prepaid expenses when the benefit is received. Expenses settled by MDT II on behalf of the Trust through an expense allocation holdback are not reported by the Trust.

Income taxes

The Trust is classified as a Qualified Settlement Fund pursuant to the Internal Revenue Code and Regulations thereunder (the Code). As a result, the Trust is subject to federal income taxes based on modified gross income, as defined by the Code. In the opinion of the Trustees and the Trust's tax advisors, the Trust is not subject to state income taxes.

The Trust records income tax expense (or benefit) associated with amounts paid (or received) under current federal income taxes and does not record a provision for (or benefit from) deferred taxes. Accordingly, there is no provision for deferred taxes associated with any future benefit from the potential use of net operating loss carryforwards to reduce taxable income in future years.

The Trust generated a net operating loss of approximately \$749,000 for the year ended December 31, 2024.

In accordance with authoritative guidance on accounting for uncertainty in income taxes issued by the Financial Accounting Standards Board, management has evaluated the Trust's tax positions and has concluded that the Trust has taken no uncertain tax positions that require disclosure.

Risks and uncertainties

Certain of the Trust's assets are exposed to credit risk. Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits. The Trust has never experienced any losses related to these balances.

3. Trustees' Fees

The Trust Agreement describes the compensation to be paid to the Trustees for their services, including out of pocket costs and expenses. During the year ended December 31, 2024, the Trust paid a total of \$540,000 in Trustee fees.

4. Contingent Liabilities

The Trust Agreement subjects the Trust to certain reimbursement and indemnification obligations that may result in future claims against the Trust. The probability of such claims cannot be reasonably determined. The Trust has obtained insurance for purposes of supporting its obligation to indemnify the Trustees. If a contingent liability were identified, it would be disclosed when probable and recognized in the financial statements when paid.

5. Subsequent Events

The Trust has evaluated its modified cash basis financial statements as of December 31, 2024, for subsequent events through March 29, 2025, the date the modified cash basis financial statements were available to be issued.

EXHIBIT 2

**Tribal Opioid Abatement Use Report
2024 Distribution**

**Tribal Abatement Fund Trust II
Trust Agreement Pursuant to the Debtors' Fourth Amended Joint Plan of Reorganization of
Mallinckrodt plc and its Debtor Affiliates Under Chapter 11**

Dated April 26, 2025

**The Hon. Mary L. Smith
TAFT II Managing Director**

**Dr. Kathy Hopinkah Hannan
TAFT II Director**

**The Hon. Kevin K. Washburn
TAFT II Director**

I. INTRODUCTION

This report is submitted pursuant to TAFT II Trust Agreement, Article 2, Powers and Trust Administration, Section 2.5, Tribal Opioid Abatement Reporting.

In 2024, TAFT II distributed a total of \$63,862 to address the opioid crisis in Indian Country.

TAFT II abatement funds were disbursed to Tribal beneficiaries by year-end December 31, 2024. For successful distribution, beneficiaries were asked to provide a payment election form that specified whether the payment should be made by check or wire transfer, and if by wire transfer, adequate information to make the wire transfer.

Distributions to Alaska Tribes were automatically disbursed to their Tribal Health Organization (“THO”), unless they elected to receive their share directly. California Tribes were required to elect whether to transfer all or a portion of their allocation to an Inter-Tribal Health Program, Inter-Tribal Health Organization, or Tribal Health Consortium. In instances in which the full allocation was sent to a Tribal Health Organization, an Inter-Tribal Health Program, Inter-Tribal Health Organization, or Tribal Health Consortium (“Consortium”), the duty to file a Tribal Opioid Abatement Use Report shifted to the entity receiving the distribution.

Distributed funds to Tribal beneficiaries under TAFT II should generally be used pursuant to the guidelines provided by Purdue Schedule B, Approved Uses and/or Schedule D, Tribal Abatement Strategies (“Purdue Approved Uses and Tribal Abatement”).

As of April 1, 2025, 339 Tribes / THOs / Consortiums filed Tribal Opioid Abatement Use Reports with the Directors. Of the 40 Tribes that had not filed their reports, 16 are Tribes represented by counsel and 24 are unrepresented. The Directors have reached out to all Tribes non-reporting Tribes repeatedly to obtain submission of their reports and will continue to seek reports. Tribes and tribal entities that have not filed a report will not receive further distributions until they have filed a report.

II. TABLE OF REPORTED USES OF FUNDS

While the tribal beneficiaries have been issued separate payments from each of the Tribal Abatement Fund Trusts (TAFTs), each of them pooled the resources developed from the TAFTs for abatement and prevention purposes. Thus, the reporting of the uses of funds from each TAFT is undifferentiated.

Of the total 339 tribes who responded to the requirement to report fund usage or planned usage, 188 tribes certified that they used the funds for approved uses and 151 reported that they were unable to use the funds by the January 2025 reporting deadline. A majority of the tribes who failed to utilize the abatement funds explicitly stated that they would use the funds

for approved uses, with a number of groups specifying which of the intended approved uses they planned to adopt.

Some tribes described how their planned use of funds aligned with evidence-based or evidence-informed strategies, with details unique to their cultural identity, geographic location, or existing abatement and treatment strategies. Reports from some other tribes were more terse, and echoed a full or partial list of the court-identified approved uses without additional narrative. Below is a summary of the reported uses and planned uses by the 339 reporting tribes. Many tribes reported multiple authorized uses.

Certification of Use and Use Categories	Total	% of Tribes Reporting
Tribes that certified that they had used funds for approved uses	188	55.5%
Tribes that had not determined a final plan for using the funds	151	44.5%
To treat Opioid Use Disorder (OUD)	121	35.7%
To support people in treatment and recovery	186	54.9%
To connect people who need help to the help they need (Connections to Care)	136	40.1%
To address the needs of criminal justice-involved persons	54	15.9%
To address the needs of pregnant or parenting women	30	8.8%
To prevent over-prescribing and ensure appropriate prescribing and dispensing of opioids	38	11.2%
To prevent misuse of opioids	122	36.0%
To prevent overdose deaths and other harms (Harm Reduction)	111	32.7%
First responders	48	14.2%
Leadership, planning, and coordination	82	24.2%
Training	81	23.9%
Research	24	7.1%
Tribal Abatement	175	51.6%
Other	28	8.3%

Undeclared	52	15.3%
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The court settlement document organized examples of treatment of Opioid Use Disorder (OUD) and any co-occurring Substance Use Disorder or Mental Health (SUD/MH) conditions into several categories of examples of evidence-based or evidence-informed programs or strategies. Schedules B and D of the settlement are summarized below:

Schedule B: Approved Uses

Part One: Treatment

- A. To treat Opioid Use Disorder (OUD)
 - Support treatment centers / expanding the availability of treatment.
 - Fund MAT (Medication-Assisted Treatment) training.
- B. To support people in treatment and recovery
 - Provide wrap-around services (transportation, housing, family support).
 - Hire counselors and other professional support staff.
- C. To connect people who have or are at risk of developing OUD and co-occurring SUD/MH to the help they need (Connections to Care)
 - Fund screening, brief intervention, and referral to treatment to reduce the transition from use to disorders, with a focus on pregnant women, youth, and young adults.
 - Provide funding for peer support specialists or recovery coaches.
- D. To address the needs of persons with OUD and any co-occurring SUD/MH conditions who are involved in, are at risk of becoming involved in, or are transitioning out of the criminal justice system
 - Support pre-arrest or pre-arraignment diversion and deflection strategies, including self-referral strategies.
 - Support treatment and recovery courts and tribal courts.
 - Support treatment, recovery, harm reduction, and other appropriate services for individuals with OUD who are incarcerated or are transitioning back to their communities.
 - Provide training on best practices for addressing the needs of criminal-justice involved persons with OUD and any co-occurring SUD/MH conditions.
- E. Address the needs of pregnant or parenting women with OUD and any co-occurring SUD/MH conditions, and the needs of their families, including babies with neonatal abstinence syndrome (NAS).
 - Enhance family support and child care services for parents with OUD and any co-occurring SUD/MH conditions.
 - Provide enhanced support for children and family members suffering trauma as a result of addiction in the family; and offer trauma-informed behavioral health treatment for adverse childhood events.

- Fund additional positions and services related to children's services, including supportive housing and other residential services, relating to children being removed from the home and/or placed in foster care due to custodial opioid use.

Part II: Prevention

- F. To prevent over-prescribing and ensure appropriate prescribing and dispensing of opioids
 - Promote training and Continuing Education programs for healthcare providers prescribing opioids to patients.
- G. To prevent misuse of opioids
 - Fund public education to prevent opioid misuse and related drug disposal methods through the media, school-based or youth-focused programs, and through community-based education programs and campaigns.
- H. To prevent overdose deaths and other harms (Harm Reduction)
 - Increase availability and distribution of naloxone and other drugs that treat overdoses.
 - Offer training and education regarding naloxone and other drugs that treat overdoses for first responders, overdose patients, patients taking opioids, families, schools, community support groups, and other members of the general public.

Part III: Other Strategies

- I. First Responders
 - Support law enforcement or other first responders with education regarding appropriate practices and precautions when dealing with fentanyl or other drugs, as well as wellness and support services for first responders and others who experience secondary trauma associated with opioid-related emergency events.
- J. Leadership, Planning and Coordination
 - Support efforts to coordinate, plan, facilitate, and provide technical assistance to work with statewide, regional, local or community regional planning to address strategies to abate the opioid epidemic.
 - Support the creation of a dashboard to (a) share reports, recommendations, or plans to spend opioid settlement funds; (b) to show how opioid settlement funds have been spent; (c) to report program or strategy outcomes; or (d) to track, share or visualize key opioid or health-related indicators.
 - Invest in infrastructure or staffing at government or not-for-profit agencies to support collaborative, cross-system coordination with the purpose of preventing root causes of OUD and supporting treatment and other abatement strategies.
- K. Training
 - Provide funding for staff training or programs to improve the capability of government, community, and not-for-profit entities to abate the opioid crisis.
 - Support infrastructure and staffing for collaborative cross-system coordination.
- L. Research
 - Support opioid abatement research.

Schedule D: Tribal Abatement Strategies

The court compiled a non-exhaustive, illustrative list of culturally appropriate activities, practices, teachings or ceremonies that may, in the judgment of the Tribes, be aimed at or supportive of remediation and abatement of the opioid crisis within a tribal community.

Tribal cultural activities can help address historical and intergenerational trauma and feelings of cultural loss that may be underlying root causes and/or contributing factors to addiction. Culturally competent prevention programs, tailored to each tribal community, can play an important role in stopping and reversing the spread of the opioid epidemic by using elements of a Tribe's culture to help prevent substance abuse and connect its youth to their tribal community and culture.

Examples of culturally competent prevention programs include, but are not limited to, the following:

- Sweat lodges, talking circles, drum making, and cultural ceremonies.
- Tribal Wellness courts or Peacekeeping courts establish judicial practices that are consistent with tribal values and needs. They combine the resources and expertise of both systems and focus on the reintegration of tribal members into the community.
- Community Workforce Development and Training: In rural and remote tribal communities, it can be extremely difficult to recruit and retain qualified health care professionals. Cultural competency training and community workforce development can be a critical tool for addressing gaps in services.

I. Themes / Anecdotes / Examples of Uses or Planned Uses

In reviewing the reporting form submissions, certain themes emerged regarding challenges faced by tribes and strategies to address these challenges with the settlement funds. These themes include the following:

- Increasing tribal capacity to care for community members through the hiring of mental, behavioral, and administrative professionals to address OUD and related issues.
- Centering youth in programmatic and education outreach initiatives, both as the treatment population and as direct targets of opioid misuse prevention efforts.
- Updating physical infrastructure and electronic database systems to support tribal treatment and recovery efforts.
- Developing culturally competent strategies to address, treat, and support those affected by the opioid crisis.
- Hosting public events and support groups to promote healthy habits, foster a sense of community, and discourage substance abuse.

A. INCREASING CAPACITY FOR CARE

Several tribes utilized abatement funds to hire mental or behavioral health , and administrative professionals to effectively treat and support those affected by OUD and any co-occurring health conditions.

- The Pueblo of Santa Clara Tribe in New Mexico used settlement funds to hire a full-time clinical social worker to provide both substance abuse and mental health therapy for individuals, families, and children impacted by OUD.
- The Ponca Tribe of Indians of Oklahoma was able to use the funds to add a treatment provider and peer recovery support specialist to address opioid use disorder in the community. This led to additional treatment services being provided to community members. Additionally, it allowed the tribe to provide a therapist and peer recovery support specialist in the jail system. Ponca was able to reach 100 individuals in the jail system over the past year.
- The Pueblo of Acoma Tribe in New Mexico utilized the funds to hire a Prevention Specialist to develop a Harm Reduction program for community members. This Prevention Specialist regularly provides Narcan training sessions and oversees the distribution of Narcan to the community at-large.
- The Native Village of Eyak contracted a Behavioral Health Counselor to expand the telehealth services and increase access to treatment for OUD and SUD conditions, including MAT. This option has increased the Village's behavioral health patient volume and created alternate ways to access care. This Behavioral Health Counselor visits Cordova, AK, quarterly and holds in-person community events that support the MAT participants through their outpatient treatment program. The counselor also provides treatment of trauma to individuals with OUD/SUD and their family members.

B. FOCUS ON YOUTH

A large number of tribes stated that their funds have been or will be spent on efforts to engage youth in their communities in opioid abatement and prevention. These engagement efforts predominantly aim to directly treat and support youth affected by OUD, and educate them to prevent opioid misuse and related harms.

- The La Posta Band of Diegueno Mission Indians of the La Posta Indian Reservation in California hosted several tribal family and community evening events to teach the tribal and native youth and families about recognizing signs of drug use in others, what drugs can look like and how they can be packaged. The Band also taught K-12 students and their families communication techniques to help those affected by drug use learn the best ways to seek help.

Finally, La Posta held a high school and college student drug awareness event to educate older students about the dangers on their campuses, how to respond in emergency situations, and how to use Narcan and other first aid and rescue measures during suspected drug overdoses.

- The Mississippi Band of Choctaw Indians organized a Youth Leadership Conference, as well as a Youth Night Bonfire, featuring fellowship and informational sessions regarding substance and drug abuse awareness. The Choctaw Task Force also created an event entitled “Back to School” with the aim of educating tribal children and teens about opioid and other drug use, substance abuse, suicide awareness, and drug prevention. This event was targeted at children from all tribal communities with hopes of creating an open door for discussion on any opioid concerns.
- The Pinoleville Pomo Nation of California partnered with the local school district and Pinoleville Pomo Nation youth and education programs to deliver a series of workshops at local schools on mental health facts, signs of depression and anxiety, PTSD, historical trauma, consequences of substance abuse and where students can seek help. Pinoleville also participated and supported cultural education programs in local schools, and worked with tribal education programs to provide academic support and counseling to Native K-12 students.

C. DEVELOPING INFRASTRUCTURE AND UPDATING SYSTEMS

Developing and updating infrastructure was another area in which tribes used their abatement funds. Examples included expanding telehealth services or building treatment centers to treat, support and care for those affected by OUD.

- The Puyallup Tribe of the Puyallup Reservation used settlement funds to assist with the construction of the Tribe’s new treatment clinic, Cedar Wellness, which opened to patients in May 2024. The purpose of this clinic is to provide coordinated treatment services, including MAT for OUD/SUD, together with physical medicine and mental health services. Services include screening, evaluation, group and individual counseling, referral to community resources, and assisting clients in utilizing other resources. The program includes a comprehensive, culturally appropriate prevention and treatment program for patients diagnosed with OUD/SUD and other addictive behaviors. The clinic building is a two-story, 12,000 square-foot, full-service substance abuse facility, open 365 days each year.
- The Fort McDermitt Paiute and Shoshone Tribes of the Fort McDermitt Indian Reservation, Nevada, and Oregon used the funds to develop telehealth services

and provide treatment to community members with limited transportation access.

- The Reno-Sparks Indian Colony of Nevada (RSIC) Tribal Council approved reallocating the Opioid Settlement funds for the design and construction of a Multi-Purpose Justice Center to include Tribal Court, Human Services and Tribal Police. As of January 2025 these three departments operated in old, manufactured structures with inadequate space for staff and clients who need services. The Justice Center will directly serve the high-risk population with effective programming, training and a healthy environment to improve life skills to regain normal function that is compromised with opioid use and other high-risk behavior.
- The Salt River Pima-Maricopa Indian Community of the Salt River Reservation in Arizona used the funds to access Reconnect, a platform for inpatient/outpatient SUD care. With this platform, staff can more efficiently monitor clients' progress, including MAT programming, and individuals in recovery can access support and resources.

D. TRIBAL ABATEMENT STRATEGIES

A majority of tribes reported Tribal Abatement Strategies as a way to support the remediation and abatement of the opioid crisis. These reflect a wide variety of activities, including traditional activities associated with cultural identity and healing, culturally competent integrated treatment models, culturally grounded community prevention, peacekeeping and wellness courts, and community workforce development and training.

- The Nez Perce Tribe expanded its detox services to include traditional cleansing ceremonies and provide a culturally safe environment for individuals beginning their recovery journey. These services are designed to respect and uphold the spiritual significance of traditional practices. They are also designed to provide treatment and rehabilitation services, traditional healing practices such as sweat lodges, prayer circles, longhouse ceremonies, and other spiritual activities. The practices are facilitated by cultural leaders and elders, ensuring authenticity and respect for traditional protocols.
- The Chippewa Cree Indians of the Rocky Boy's Reservation of Montana used the funds to build upon their Wellness Court system. The Tribal Court used the funds in support of the Rocky Boy's Family Healing to Wellness Court (HTW) Program. This Family HTW Court provided services to eligible participants referred to the program by law enforcement, public defenders, prosecutors, or Tribal Court staff. Each client underwent screening and assessment for potential

drug and alcohol dependencies, as well as any co-occurring disorders. The screening process helped determine the appropriate treatment modalities—such as outpatient, residential, or intensive outpatient care—necessary to effectively meet the clients' needs. All evaluations and reports were conducted by medical professionals at the Rocky Boy Health Center's White Sky Hope Center.

- The Confederated Tribes of Siletz Indians of Oregon maintains a behavioral health program featuring cultural activities like talking circles, sweat lodges, smudging and prayer, and the use of traditional medicines that help individuals connect with their identity and promote healing. These activities provide a sense of belonging and use familiar traditions to help people recover and build resilience. The Siletz Tribe behavioral health program also combines mainstream treatment methods with cultural practices and values. Staff are trained to understand and respect the traditions of the people they serve. Treatment plans are personalized to fit each person's background, making care more effective and helping individuals feel supported and understood.

E. COMMUNITY CONVENING AND SUPPORT GROUPS

Funds were also spent on community-wide events and safe spaces to connect, educate, and encourage tribal members to foster a strong network of support. Through these gatherings, many tribes sought to aid in OUD recovery efforts or prevent opioid-related harms.

- The Kickapoo Tribe of Indians of the Kickapoo Reservation in Kansas used its funds to expand community outreach and prevention programs by developing new community support groups. The Tribe launched peer-led support circles for survivors of abuse, addiction recovery, and families affected by SUD.
- The Pueblo of Isleta Tribe of New Mexico hosted the Isleta Pueblo Family Wellness Summit in August 2024. The conference focused on prevention, education, and support to combat opioid addiction and promote overall family wellness. The aim was to foster holistic well-being among families in Isleta through a comprehensive program addressing physical, mental, and emotional health.
- The Shoshone-Paiute Tribes of the Duck Valley Reservation of Nevada did not organize local gatherings but instead used the funds to support culturally-relevant external trips. Ten individuals in recovery were supported through abatement funding to attend the Wellbriety Conference/Gathering in Billings, MT, which aimed to strengthen connections and recovery efforts. To further strengthen and support those in recovery, abatement funds were used to offer

five individuals in recovery the opportunity to participate in Nevada State Recovery Peer-Support Training via online training through the University of Nevada Reno.

- The Three Affiliated Tribes of the Fort Berthold Reservation in North Dakota utilized abatement funds to register clients for a recovery convention to find connections and support in their recovery journey.

II. INVESTIGATION OF POTENTIALLY NON-COMPLIANT USES

As demonstrated above, most of the 339 tribes reported fund uses or intended fund uses that fall within the settlement court's non-exhaustive list of approved uses. The following instances are in which a tribe described an intended use that does not fall squarely within the Schedule B or D of the court's document due to vagueness in language or core alignment.

- The Organized Village of Kake stated that abatement funds have been used for "supporting tribal families in times of death and celebration," with no further elaboration on what this support entailed. We contacted the tribal official who made the report and confirmed that the items reported were related to the treatment or prevention of opioid use disorder. For example, the "celebrations" referenced in the report were related to recovery events, such as graduation from treatment programs to support people seeking to overcome opioid and related substance use disorders. In light of this follow-up, we are satisfied that the Native Village of Kake understands the proper use of the funds and is applying them in a manner consistent with that understanding.
- The Ohkay Owingeh Tribe of New Mexico reported that it has not spent the funds yet but is considering the feasibility of working with other northern New Mexico pueblos to invest in infrastructure for emergency shelters and domestic violence victims. Because the connection to OUD treatment and prevention efforts was unclear, we provided the settlement documents setting forth authorized uses of the funds and asked for confirmation that any planning would take into account these guidelines.

III. SPECIFIC METRICS

With the successful distribution and usage of abatement funds, several tribes reported back with metrics or testimonials illustrating the impact of the settlement funds.

- The Cherokee Nation distributed 8,855 Narcan kits and trained staff to use them. At the pilot location of their harm reduction program, 52 overdoses were successfully reversed, and 17 individuals were referred to treatment. They plan to expand the mobile outreach service that launched in 2023 to an additional location.
- The Habematolel Pomo Tribe of Upper Lake, California, shared an account of how they provided support and financial assistance to a tribal adult who successfully completed

an intense in-person treatment program. The Tribe continues to support this adult and her four children by providing her with the tools to attend parenting and workforce development classes “so she can create a life where she is self-sufficient and can eventually have her kids back in her home.” The Tribe also sponsored a suicide prevention event in collaboration with neighboring tribes and county agencies to train staff and tribal members to identify people in crisis, and to equip them with the proper tools to assess, mitigate and refer those people who are at risk of addiction and suicide.

- The Match-e-be-nash-she-wish Band of Pottawatomi Indians of Michigan used the funds to provide air and ground transportation for five people to attend recovery programs at a treatment center.

III. **NON-REPORTING TRIBES, THOs, AND CONSORTIUMS**

The Directors will continue to work to secure Tribal Opioid Abatement Use Reports from the remaining Tribes / THOs / Consortiums. If a Use Report is not received at the time of the 2025 Distribution, the Directors will withhold the distribution until a Use Report is filed.



The Hon. Mary L. Smith
TAFT II Managing Director



Dr. Kathy Hopinkah Hannan
TAFT II Director



The Hon. Kevin K. Washburn
TAFT II Director

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

MALLINCKRODT PLC, et al.,

Reorganized Debtors.¹

CHAPTER 11

Case No. 20-12522 (JTD)

(Jointly Administered)

CERTIFICATE OF SERVICE

I hereby certify that on this 29th day of April, 2025, I caused to be filed with the Court electronically, and I caused to be served a true and correct copy of the *Notice of Filing of Annual Report of Tribal Abatement Fund Trust II Pursuant to Tribal Abatement Fund Trust II Agreement* upon the parties that are registered to receive notice via the Court's CM/ECF notification system.

/s/ Kathleen Campbell Davis

Kathleen Campbell Davis (I.D. No. 4229)

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¹ A complete list of the Reorganized Debtors in these chapter 11 cases may be obtained on the website of the Reorganized Debtors' claims and noticing agent at <http://restructuring.ra.kroll.com/Mallinckrodt>. The Reorganized Debtors' mailing address is 675 McDonnell Blvd., Hazelwood, Missouri 63042.