

**MENDOCINO COUNTY BACKSTOP AGREEMENT**

On August 6, 2021, Judge Polster of the US District Court for the Northern District of Ohio issued an Order (the “Order”), docket number 3814, in In Re National Prescription Opiate Litigation, MDL 2804 (“Opioid Litigation”), addressing contingent attorney fee contracts between political subdivisions eligible to participate in the McKesson Corporation, Cardinal Health, Inc., and AmerisourceBergen Corporation (collectively “Distributors”) Settlement and their counsel.

In light of the Order, and at the request of the County of Mendocino (“County”), the County, its counsel Baron & Budd, P.C. (“Baron & Budd”) and associated counsel providing legal services in the Opioid Litigation to County pursuant to contract, and the California Attorney General, on behalf of the State of California, are entering into this California-Subdivision Backstop Agreement (“Backstop Agreement”).

County and Baron & Budd intend this Backstop Agreement to constitute a State Back-Stop Agreement as that term is used in the Order and in Exhibit R (Agreement on Attorneys’ Fees, Costs, and Expenses) of the Distributors Settlement Agreement. Unless otherwise specified, all terms in this Backstop Agreement have the same meaning as contained in the California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Distributors Settlement.

Pursuant to this Backstop Agreement, County may, subject to the limitations of the Distributors Settlement Agreement and CA Distributors Allocation Agreement, as well as any other limitations imposed by law, use funds that it receives from the Distributors Settlement CA Subdivision Fund to pay a contingent fee of 3% to Baron & Budd on County’s total recovery from Distributors Settlement CA Subdivision Fund and the Distributors CA Abatement Accounts Fund (“County Recovery”). For purposes of calculating the contingency fee, the County Recovery does not include any funds County receives from another entity as a result of the entity not electing direct distribution. Moreover, for purposes of calculating the contingency fee, the County Recovery does not include any additional funds the County receives as a direct and sole result of any agreement with a litigating special district.

Baron & Budd represents it has applied for attorneys’ fees from the national Attorney Fee fund and costs from the national Cost Funds. The 3% payment from County to Baron & Budd, together with any contingency fees that Baron & Budd may receive from the national Attorney Fee Fund, will not exceed a total contingency fee of 15% of the total gross recovery of County from the Distributors Settlement CA Subdivision Fund and the Distributors CA Abatement Accounts Fund. In the event Baron & Budd receives attorneys’ fees from the national Attorney Fee Fund that result in an excess of a 12%

contingency fee, the County's obligation to pay a contingency fee to Baron & Budd pursuant to this Backstop Agreement will be reduced proportionally.

Pursuant to Judge Polster's Order and Exhibit R, Baron & Budd and any associated counsel waive their right to enforce any contractual term in excess of 3% that applies to the settlement which is the subject of this Backstop Agreement. In addition, Baron & Budd and associated counsel waive any right to seek recovery of costs from County related to the Distributors Settlement Agreement and will only seek reimbursement of costs from the national Cost Funds.

To the extent that one or more entities or persons other than Baron & Budd have contracted to provide legal services in the Opioid Litigation to County pursuant to an agreement with County or pursuant to an agreement with Baron & Budd, Baron & Budd shall be responsible for compensating those other entities or persons. Baron & Budd shall defend and indemnify County for any claims by any other person or entity for claims or actions for any attorneys' fees or other costs arising out the representation of County in the settlement which is the subject of this Backstop Agreement. County represents and warrants that it has not entered into any other agreement for representation in the Opioid Litigation other than the agreement to which Baron & Budd and County entered into with an effective date of April 22, 2018. Baron & Budd warrants that it is authorized to execute this Backstop Agreement on behalf of any entity or person contracted to provide legal services in the Opioid Litigation to County pursuant to an agreement with County or pursuant to an agreement with Baron & Budd.

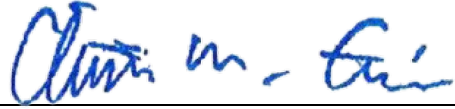
Baron & Budd and any associated counsel certify that they first sought fees and costs from the national Attorney Fee Fund created under the Distributors Settlement Agreement before seeking or accepting payment under this Backstop Agreement. Baron & Budd and any associated counsel further certify that they are not seeking and will not accept payment under this Backstop Agreement of any litigation fees or costs that have been reimbursed through prior settlements or judgments.

The Attorney General is executing this agreement solely because the definition of "State Back-Stop Agreement" in Exhibit R of the Distributors Settlement Agreement requires such agreements to be between "a Settling State" and private counsel for a participating subdivision. Neither the California Attorney General nor the State of California have any obligations under this Backstop Agreement, and this Backstop Agreement does not require the payment of any state funds to County, Baron & Budd, or any other party.

SIGNATURE PAGE FOLLOWS

**COUNTY OF MENDOCINO**

Date: 03/14/2023



Christian Curtis  
County Counsel  
County of Mendocino  
State of California

Date: 03/14/2023



Glenn McGourty, Chair  
Board of Supervisors  
County of Mendocino  
State of California

**BARON & BUDD**

Date: \_\_\_\_\_

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John Fiske  
Shareholder  
Baron & Budd, P.C.

**CALIFORNIA ATTORNEY GENERAL**

Date: \_\_\_\_\_

\_\_\_\_\_  
Name:  
California Attorney General