

STATE OF COLORADO
DEPARTMENT OF LAW

October 1, 2021

Dear Commissioner, Mayor, Administrator, Manager and/or Attorney:

We are pleased to inform you that the Colorado Department of Law has come to an agreement with Colorado's local governments for distributing opioid settlement and recovery funds to local counties and municipalities. The attached Memorandum of Understanding ("MOU") is the product of a lengthy and complex negotiation between the Attorney General's Office, Colorado Counties, Inc. ("CCI"), Colorado Municipal League ("CML"), and many negotiating local governments detailing that distribution process.

As you may know, the State, as well as several Colorado local governments, have pursued litigation against various pharmaceutical companies for their role in causing the opioid epidemic in Colorado. That litigation recently resulted in settlements with Purdue Pharma, McKinsey & Co., Johnson & Johnson, AmerisourceBergen, Cardinal Health, and McKesson, resulting in up to approximately \$400 million in settlement funds for both the State and Colorado local governments to abate the opioid crisis.

To maximize the settlement funds within Colorado, it is important that all Colorado counties and municipalities participate in these settlements and the distribution process by signing the following four documents:

1. The MOU that lays out the allocation of Opioid recoveries in the State of Colorado;
2. The Subdivision Settlement Participation Form that releases subdivisions' legal claims against Johnson & Johnson;
3. The Subdivision Settlement Participation Form that releases subdivisions' legal claims against AmerisourceBergen, Cardinal Health, and McKesson; and
4. The Colorado Subdivision Escrow Agreement that ensures subdivisions' legal claims are released only when 95% participation by certain local governments has been reached. That 95% participation threshold is important because it triggers certain amounts of incentive payments under the settlements and signals to the settling pharmaceutical companies that the settlements have wide acceptance.

We are asking you to present the enclosed MOU, Subdivision Settlement Participation Forms, and Colorado Subdivision Escrow Agreement to the body or individual with authority to approve and execute the documents on behalf of your county or municipality. We request that you return the signed documents as detailed below by **November 5, 2021**. If you are unable to return the signed documents by this date, please contact Heidi Williams, Department of Law Director of Opioid Response, at Heidi.Williams@coag.gov. By promptly returning the signed documents, we will be able to put Colorado and our local governments in a position to maximize our share of the settlements and begin putting the settlement funds to use abating the crisis in our communities.

Please email or mail the signed documents to either CCI or CML at the following addresses:

<u>For Counties:</u> Colorado Counties, Inc. 800 Grant, Ste 500 Denver, CO 80203 Email: Kyley Burress KBurress@ccionline.org Katie First KFirst@ccionline.org	<u>For Municipalities:</u> Colorado Municipal League 1144 N. Sherman St. Denver, CO 80203 Email: opioidsettlement@cml.org
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For more information about the opioid response funds, please check out our website at www.coag.gov/opioids. If you have any questions about the Colorado MOU, the settlements, or this letter, please contact Heidi Williams, Department of Law Director of Opioid Response, at Heidi.Williams@coag.gov.

Thank you for your partnership and commitment to Colorado.

Phil Weiser
Attorney General

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