

DECLARATION OF TRUST

THE MONTANA OPIOID ABATEMENT TRUST

A Montana Charitable Trust

This Trust Agreement is entered into and effective as the last date signed below, by and among Austin Knudsen in his representative capacity as the Montana Attorney General, as Trustor, and Rusty Gackle, as the Initial Interim Trustee. This Trust shall be known and referred to as **The Montana Opioid Abatement Trust** (the "Trust").

RECITALS

WHEREAS, the State of Montana participated in an action against Janssen (aka Johnson & Johnson) and opioid distributors McKesson Corporation, Cardinal Health, Inc., and Amerisource Bergen Corporation alleging wrongdoing related to actions that fueled the opioid addiction epidemic.

WHEREAS, the State of Montana, political subdivisions, and Janssen reached a settlement agreement dated July 21, 2021, as amended, and the State of Montana, political subdivisions, and above-named distributors reached a settlement agreement dated July 21, 2021, resolving any and all such claims (together with any amendments executed before or after the date of this Trust, the "Settlement Agreements") attached as Exhibit A.

WHEREAS on November 26, 2021, Trustor and Montana's 63 political subdivisions entered into a Memorandum of Understanding, detailing the mechanics of the fund allocation, purpose, timing, and sub-trust creation (together with any amendments executed before or after the date of this Trust, the "MOU") attached as Exhibit B.

NOW, THEREFORE, in consideration of the mutual covenants and understandings contained herein, and subject to and on the terms and conditions set forth herein, the parties agree as follows:

ARTICLE 1

Declaration of Trust

1.1. Purpose. The purpose of the Trust is to further opioid remediation in a manner that will benefit the citizens of Montana by implementing and carrying out the envisioned

Abatement Accounts Fund contained in the Settlement Agreements and MOU by receiving any settlement payments, establishing procedures and mechanisms for considering how the Trust assets are to be distributed, and distributing the Trust estate in accordance with the terms and conditions set forth in this Trust, Settlement Agreements, and MOU. As identified in the MOU, the primary purpose of the Trust is to conduct opioid remediation, which is defined as the care, treatment and other programs and expenditures designed to (1) address the misuse and abuse of opioid products, (2) treat or mitigate opioid use or related disorders, or (3) mitigate other alleged effects of the opioid abuse crisis, including on those injured as a result of the opioid abuse crisis. As provided herein, the affairs of the Trust shall be managed by the Initial Trustee and Operating Trustees for the benefit of the citizens of Montana and specifically the Abatement Regions and Multi-County Abatement Regions.

1.2. Qualified Settlement Fund. The Trust is intended to be a qualified settlement fund within the meaning of Section 1.468B-1(c) of the Treasury Regulations promulgated under Section 468B of the Internal Revenue Code of 1986 as amended (the "Code").

1.3. Transfer of Assets. Pursuant to the Settlement Agreements and MOU, the Trustor shall promptly transfer any initial settlement payment to the Trust. All assets received by the Trust pursuant to the terms of the Settlement Agreements, and any earnings thereon, shall be held, administered, and disbursed pursuant to the terms of this Trust. Trustees shall accept any distributions made pursuant to the Settlement Agreements. The Trustees may also receive and accept additions to the Trust of any kind of property from any source or sources, in the Trustees' discretion.

1.4. Tax Exempt Organization. The Trustor intends that at all times the Trust shall be an organization exempt from federal income tax under Code §501(a) and described in Code §§ 170(c)(2), 501(c)(3), 2055(a) and 2522(a)(2). The Trust shall be held exclusively for charitable, scientific, and educational purposes, all within the meaning of Code §501(c)(3), including, but not limited to abate and remediate the impacts of the opioid crisis and maximize the resources to combat such crisis.

1.5. Charitable Recognition. The Trustees shall have no power, right, duty, immunity, or discretion that prohibit the Trust from being recognized as a tax-exempt entity described by Code §501(c)(3). The Trustor directs that this Trust be construed to assure such charitable recognition. In furtherance of the foregoing intent, the Trustees may, at any time and from time to time, amend this Trust, or reduce or release any powers granted to the Trustees, in either case without the necessity of court approval, for the sole purpose of complying with Code

§§170(c)(2), 501(a), 501(c)(3), 2055(a) and 2522(a)(2), and the regulations from time to time in effect under those Sections. Trustor hereby directs the Initial Interim Trustee immediately to apply under Code §508(a) for a determination by the Internal Revenue Service that the Trust is an organization described in Code §501(c)(3) and exempt from federal income tax under Code §501(a).

1.6. Use of Funds. No part of the assets or net earnings of the Trust shall inure to the benefit of or be distributable to any Trustee or other private persons, except that the Trustees shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Section 1.1 of this Trust. Any such compensation or payments shall be made out of the Trust assets. No substantial part of the activities of the Trust shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Trust shall not participate in, or intervene in (including the publishing and distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. The Trust shall not carry on any activities not permitted to be carried on (a) by a trust exempt from federal income tax under Code §501(a) as an organization described in Code §501(c)(3), or (b) by a trust, contributions to which are deductible under Code §§170(c)(2), 2055(a) and 2522(a).

1.7. Irrevocability. Subject to Montana Uniform Trust Code, this Trust is irrevocable.

1.8. Court Approval. Any issues requiring court approval pursuant to the Montana Uniform Trust Code, or for approval of termination of the Trust shall be submitted to the Montana Thirteenth Judicial Court, Yellowstone County (the "Court").

ARTICLE 2

Initial Interim Trustee Provisions

2.1. Initial Interim Trustee. The Initial Interim Trustee designated herein shall serve with the below restricted powers and responsibilities. The Initial Interim Trustee shall have any powers granted to Trustees pursuant to the Montana Uniform Trust Code in furtherance of the following powers and responsibilities:

- A. To receive and accept all assets directed to the Trust that are associated with the Settlement Agreements pursuant to the procedures and restrictions set forth by the MOU.

- B. Finalize and coordinate any updates, amendments, or changes to the Settlement Agreements or MOU as required for the fulfillment of charitable purposes or administration of the Trust.
- C. To organize and coordinate the initial activities of the Trust pursuant to the purpose and terms of this Trust until the organizational meeting of the Operating Trustees for the Trust during which the Operating Trustees are granted power to oversee the Trust (referred in the MOU as the “Advisory Committee”).
- D. To coordinate and assist in the Trust’s application for recognition of federal tax-exempt status pursuant to Code §501(a) as an organization described in Code §§ 170(c)(2), 501(c)(3), 2055(a) and 2522(a)(2).

2.2. The Initial Interim Trustee’s powers and obligations shall terminate upon the date of the organizational meeting of the Operating Trustees.

ARTICLE 3
Operating Trustees

3.1. The Operating Trustees shall consist of ten voting members. The Operating Trustees are the same individuals referred to as an “Advisory Committee” in the MOU. Three members shall be appointed by the Attorney General, three members shall be appointed by the Metropolitan Regions, two members by the Multi-County Regions, and two members by the Montana Department of Public Health and Human Services (the “Appointing Entities”) and shall be demographically compliant with the MOU. Each Appointing Entity shall develop their own procedure for appointing and removing Operating Trustees which shall be provided to the Operating Trustees in writing. The Operating Trustees shall hold an organizational meeting following the appointment and written acceptance of all of the initial Operating Trustees. The organizational meeting of the Operating Trustees shall take place no later than June 31, 2025.

3.2. The Operating Trustees shall have, without authorization from any court, all powers granted to Trustees pursuant to the Montana Uniform Trust Code. All such powers shall be exercised during the administration of the Trust under this Trust and for a reasonable period after termination of the Trust. The Trustee powers are exercisable solely in a fiduciary capacity consistent with and in furtherance of the charitable purposes of the Trust.

3.3. A vacancy in the office of an Operating Trustee shall occur upon an Operating Trustee's resignation, refusal or inability to act, or from their removal. Any Trustee may resign

at any time. In the event a Trustee resigns, refuses, or is unable to act, their respective Appointing Entity shall be responsible for appointing a successor Operating Trustee. Operating Trustees may be removed by their respective Appointing Entity or by a vote of 2/3rds of the Operating Trustees.

3.4. Each successor Operating Trustee shall have the same trusts and powers as the prior Trustee without the necessity of a conveyance. No successor Operating Trustee shall be required to examine the accounts or records or be responsible for the acts or omissions of any prior Trustee. Each successor Operating Trustee may accept an accounting of the prior Operating Trustee, or of all of the Operating Trustees, as conclusive of the amount, nature, and allocation of Trust assets.

3.5. As provided by the MOU, the Montana Attorney General shall appoint the Executive Director. The Executive Director shall vote with the Operating Trustees only in the event of a tie. The Executive Director shall be the primary officer for the Trust and shall report directly to the Operating Trustees. The Executive Director shall be responsible for administrative management of the Trust, with general and active supervision of the programs of the Trust. The Executive Director shall perform the duties as directed by the Operating Trustees through specific authorization or policies adopted by the Operating Trustees. The Executive Director shall be compensated for such services from the Trust assets, at a rate to be determined by the Operating Trustees.

3.6. The Operating Trustees shall meet no less than quarterly. Any or all Operating Trustees may participate in a meeting of the Operating Trustees by, or the Operating Trustees may conduct the meeting through, the use of conference telephone or any means of electronic communication by which persons participating in the meeting may hear each other simultaneously during the meeting. An Operating Trustee participating in the meeting by conference telephone or electronic means is deemed present in person at the meeting. The chair of the meeting may establish reasonable rules as to conducting the meeting by telephone or electronic means. The Montana Attorney General's office shall be entitled to attend and participate in any such meeting in person or electronically. Such meetings shall occur following written notice, electronically or otherwise, provided to each Operating Trustee and to the Montana Attorney General's office, not less than 15 days prior to such meeting.

3.7. A majority vote of a quorum of Operating Trustees shall be required for any decision. A majority of the members of the then-serving Operating Trustees (but no less than five) shall constitute a quorum.

3.8. As provided by the MOU, the Trust and any entities receiving Opioid Remediation funds shall operate in a transparent manner. Trustee meetings shall follow Montana constitutional and statutory law and be open and all documents shall be public to the same extent they would be if the Trust were a public, governmental entity. All operations of the Trust and all entities receiving funds from the Trust shall, with respect to the receipt and use of such funds, be subject to audit.

3.9. The Operating Trustees and Executive Director shall work together to provide any such information required by the Settlement Fund Administrators to ensure compliance with the Settlement Agreements.

ARTICLE 4

Distribution of Income and Principal

4.1. The Operating Trustees shall distribute the income and principal of the Trust in such manner, in such amounts, and at such times as the Operating Trustees deem appropriate within the charitable purposes specified above in Section 1.2 and as comply with the MOU and Settlement Agreements.

4.2. Upon termination of the Trust, after paying or providing for the payment of all liabilities of the Trust, the Operating Trustees shall dispose of all of the assets of the Trust exclusively for the charitable purposes of the Trust in such manner as the Operating Trustees in their sole discretion determine, including distributing the assets for purposes consistent with the Settlement Agreements and MOU to one or more charitable, scientific, and educational institutions within the State of Montana as shall at the time qualify as exempt organizations under Code §501(c)(3). Any assets not so distributed shall be disposed of by the Court exclusively for charitable purposes or to organizations organized and operated exclusively for charitable purposes within the State of Montana.

4.3. The Operating Trustees shall distribute income of the Trust for each year and, to the extent income is insufficient, principal at such time and in such manner as not to become subject to the tax on undistributed income imposed by Code §4942, and the Trust shall not engage in any act of self-dealing as defined in Code §4941(d), nor retain any excess business holdings as defined in Code §4943(c), nor make any investments in such manner as to incur tax liability under Code §4944, nor make any taxable expenditures as defined in Code §4945(d).

4.4. The Operating Trustees shall prepare a periodic report that identifies a balance sheet of the Trust estate including: receipts and disbursements; profits and losses; investments and assets; the award of grants and other charitable activities of the Trust; and a statement of significant events.

- A. The periodic report shall be provided on a yearly basis to the Montana Attorney General.
- B. The annual report shall be made available to the public at the principal office of the Trust.

ARTICLE 5
Termination and Winding Up

5.1. The Operating Trustees may administratively terminate and wind up the affairs of the Trust within a reasonable time following:

- A. The date the Trust no longer has any assets (other than a reasonable reserve for final expenses) and will not receive any more transfer of funds pursuant to the terms of the Settlement Agreements;
- B. The Operating Trustees' determination that the purposes of the Trust have been substantially met;
- C. Notice by the Operating Trustees to the Court of such determination and a recommendation to the Court that the Trust be terminated; and
- D. The Court's approval of termination of the Trust.

5.2. On termination, the Operating Trustees shall submit a final periodic accounting of its administration and distribution of the Trust estate to the Court. Upon Court approval, the duties of the Operating Trustees shall cease (except for winding up and distributing the remaining Trust assets) and the Trustees shall forever and finally be discharged upon final payment and distribution.

5.3. On termination of the Trust, the Operating Trustees shall, after paying or making provision for the payment of all liabilities of the Trust, dispose of all of the assets of the Trust exclusively for the charitable purposes of this Trust in such manner, including distributing such

assets to one or more agencies or instrumentalities and charitable, scientific, and educational institutions which will use such assets for the exclusive purposes consistent with this Trust and the Settlement Agreements and MOU. Any assets not so disposed of shall be distributed to the State of Montana for deposit in its general fund.

5.4. The Operating Trustees' powers shall be exercisable during the administration of the Trust and for a reasonable period after termination of the Trust.

ARTICLE 6

Administrative Provisions

6.1. The Initial Interim Trustee may receive reasonable compensation for services, at a rate to be determined by the Attorney General. The Operating Trustees shall not receive compensation for their services, but all Trustees shall be entitled to reimbursement of reasonable expenses incurred in the course of conducting services on behalf of the Trust.

6.2. No Trustee shall be required to give any bond or security or be liable for any error in judgment or good faith reliance on advice of counsel. Except where provided herein, no Trustee shall be required to qualify before or account to any court, in the absence of an alleged breach of trust.

6.3. Where this Trust requires compliance with the MOU and Settlement Agreements, in the event the MOU and Settlement Agreements contradict, the Settlement Agreements shall govern.

6.4. Persons dealing in good faith with the Operating Trustees under this Trust shall not be required to see to the application of any money or property delivered to the Operating Trustees and may rely without inquiry upon the Operating Trustees' certificate that the Trust involved is in full force and effect, the Operating Trustees or an individual designated by resolution, is authorized to act, and the Operating Trustees' act is in accordance with the provisions of this Trust.

6.5. Each appointment, designation, delegation, acceptance, revocation, and resignation shall be in writing signed by the makers and placed with the Trust records. Copies of

each delegation, acceptance, and resignation shall also be delivered to each then acting Co-Trustee.

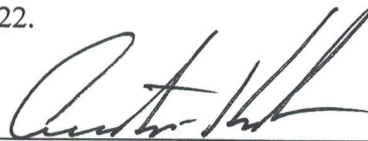
6.6. Subject to the Montana Uniform Trust Code, the Trustees shall not be liable for any damages with respect to their actions or omissions regarding this Trust. Further, no Trustee shall be liable for any damages for any act or omission of any agent or employee of this Trust unless the agent's actions or the Trustee's selection or retention of the agent or employee intentionally breaches the Trustee's duties and/or meets the standards of misconduct identified in the exculpatory provisions of the Montana Uniform Trust Code.

6.7. Should any provision of this Trust be determined to be unenforceable, such determination shall in no way limit or affect the enforceability and operative effect of any and all other provisions of this Trust.

6.8. This Trust and all Trust assets shall in all respects and for all purposes be construed, administered, regulated, and governed by Montana law except that all matters of federal tax law shall be governed by federal income tax law.

6.9. This Trust may be executed in any number of counterparts, each of which shall constitute an original, and all such counterparts shall together constitute one instrument. The date of this Trust shall be considered to be the last date of execution.

DATED: August 1st, 2022.



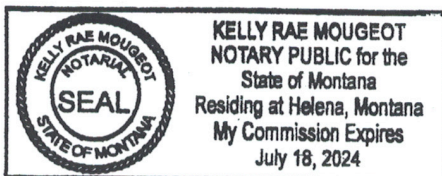
Austin Knudsen, in his representative capacity as Attorney General of the State of Montana (Trustor)

STATE OF Montana)
: ss.
County of Lewis & Clark

The foregoing Trust was acknowledged before me on Aug 1, 2022 by Austin Knudsen in his representative capacity as the Attorney General of the State of Montana as Trustor.



Notary Public for the State of Montana



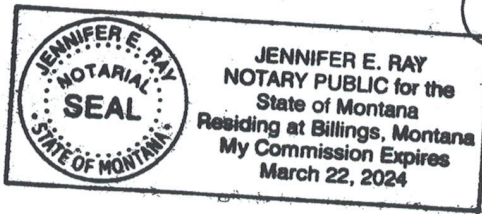
DATED: Aug 3rd, 2022.

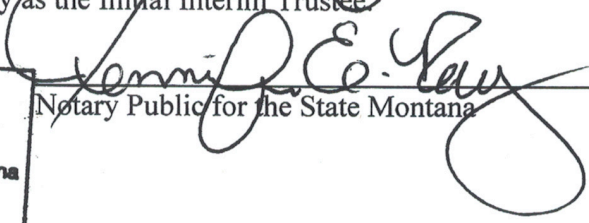


Rusty Gackle, Initial Interim Trustee

STATE OF Montana
: ss.
County of Yellowstone

The foregoing Trust was acknowledged before me on August 3, 2022 by Rusty Gackle in his representative capacity as the Initial Interim Trustee.





Notary Public for the State of Montana