

Overview of Opioid Settlements – Sacklers and Secondary Manufacturers

Lara J. Fogel

Assistant Attorney General in-Charge of Opioid Litigation and Recovery

Division of Law

New Jersey Attorney General's Office

Overview of Opioid Settlements – The Sacklers and Secondary Manufacturers

Disclaimer

- ❖ All information presented in this webinar and related communications is for general information purposes.
- ❖ The content of this webinar and related communications may not be considered advice, recommendations, or an offer to perform services.
- ❖ No one should act upon or refrain from acting upon any information provided in this webinar or related communications without seeking professional legal counsel from an attorney licensed in the relevant jurisdiction.
- ❖ Only your individual attorney can provide assurances that the information contained in this webinar and related communications – and your interpretation of it – is applicable or appropriate to your particular situation.
- ❖ No representations are being made as to the completeness of the information contained in this webinar or related communications.
- ❖ No aspect of this webinar or related communications is intended to create an attorney-client relationship and/or be construed as legal advice.

Overview of Opioid Settlements – The Sacklers and Secondary Manufacturers

Purpose & Overview

- ❖ This presentation provides basic information about the settlements with the Sacklers and the 8 Secondary Manufacturers.
- ❖ As with prior opioid settlements, the more eligible subdivisions sign on to these settlements, the more money is available for New Jersey and its eligible subdivisions to help abate the opioid epidemic.
- ❖ Deadline to sign onto Sackler direct settlement: **September 30**
- ❖ Deadline to sign onto 8 secondary manufacturer settlements: **October 8**

Overview of Opioid Settlements – The Sacklers and Secondary Manufacturers

Parties & Structure

Sacklers

- ❖ Members of the Sackler family who founded Purdue Pharma, LP
- ❖ **1 single settlement agreement** (Governmental Entity & Shareholder Direct Settlement Agreement) between the Settling States, the Participating Subdivisions, the Master Disbursement Trust and the Sackler family.

Secondary Manufacturers

1. Alvogen, Inc.
2. Amneal Pharmaceuticals LLC
3. Apotex Corp.
4. Hikma Pharmaceuticals USA Inc.
5. Indivior Inc.
6. Mylan Inc., now Viatris Inc.
7. Sun Pharmaceutical Industries, Inc.
8. Zydus Pharmaceuticals (USA) Inc.

***8 separate settlement agreements**

Overview of Opioid Settlements – The Sacklers and Secondary Manufacturers

Maximum Payouts - Estimated

Payout	Sacklers + Purdue	Secondary Manufacturers	Total
Nationwide	\$7.4 billion	\$718.7 million	\$8.1 billion
New Jersey + Eligible Subdivisions	\$125.5 million	\$19.8 million	\$145.3 million

Overview of Opioid Settlements – The Sacklers and Secondary Manufacturers

Maximum Payouts - Estimated

Payment Type	Payment Date 1	Payment Date 2	Payment Date 3	Payment Date 4	Payment Date 5	Payment Date 6	Payment Date 7
Estate	\$ 9,083,900.75	\$ 295,168.95	\$ 534,981.93	\$ 1,273,832.39	\$ 271,237.16	\$ 3,924,514.68	\$ 4,566,499.08
Base	\$ 4,677,419.68	\$ 1,605,046.77	\$ 1,956,653.12	\$ 1,573,192.57	\$ 1,134,642.60	\$ 799,589.52	\$ 419,783.25
Incentive A	\$ 6,159,680.98	\$ 4,844,392.81	\$ 5,866,377.44	\$ 4,736,909.60	\$ 2,390,442.21	\$ 1,364,102.58	\$ 1,340,250.44
Incentive B	\$ 3,639,811.49	\$ 2,862,595.75	\$ 3,466,495.76	\$ 2,799,082.94	\$ 1,412,534.03	\$ 806,060.62	\$ 791,966.17
Incentive C	\$ 2,519,869.49	\$ 1,981,797.06	\$ 2,399,881.68	\$ 1,937,826.65	\$ 977,908.18	\$ 558,041.97	\$ 548,284.27
Incentive D	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 521,753.78
Max Incentive Payment	\$ 6,159,680.98	\$ 4,844,392.81	\$ 5,866,377.44	\$ 4,736,909.60	\$ 2,390,442.21	\$ 1,364,102.58	\$ 1,862,004.22
State Total	\$ 19,921,001.41	\$ 6,744,608.54	\$ 8,358,012.49	\$ 7,583,934.56	\$ 3,796,321.96	\$ 6,088,206.78	\$ 6,848,286.54

Overview of Opioid Settlements – The Sacklers and Secondary Manufacturers

Maximum Payouts - Estimated

Payment Date 8	Payment Date 9	Payment Date 10	Payment Date 11	Payment Date 12	Payment Date 13	Payment Date 14	Payment Date 15	Payment Date 16	Totals
\$ 3,260,320.93	\$ 3,323,877.83	\$ 1,413,692.77	\$ 1,556,027.81	\$ 1,556,027.81	\$ 1,556,027.81	\$ 2,497,767.91	\$ 2,497,767.91	\$ 2,696,113.06	\$ 40,307,758.77
\$ 428,487.57	\$ 467,292.05	\$ 817,146.00	\$ 926,913.51	\$ 926,913.51	\$ 926,913.51	\$ 1,961,639.33	\$ 1,961,639.33	\$ 1,961,639.33	\$ 22,544,911.63
\$ 1,362,409.15	\$ 1,461,194.29	\$ 2,432,934.25	\$ 2,724,223.85	\$ 2,724,223.85	\$ 2,724,223.85	\$ 5,753,850.05	\$ 5,753,850.05	\$ 5,753,850.05	\$ 57,392,915.44
\$ 805,059.95	\$ 863,432.99	\$ 1,437,642.96	\$ 1,609,768.64	\$ 1,609,768.64	\$ 1,609,768.64	\$ 3,400,002.30	\$ 3,400,002.30	\$ 3,400,002.30	\$ 33,913,995.49
\$ 557,349.20	\$ 597,761.30	\$ 995,291.28	\$ 1,114,455.21	\$ 1,114,455.21	\$ 1,114,455.21	\$ 2,353,847.75	\$ 2,353,847.75	\$ 2,353,847.75	\$ 23,478,919.95
\$ 521,753.78	\$ 521,753.78	\$ 521,753.78	\$ 521,753.78	\$ 521,753.78	\$ 521,753.78	\$ 521,753.78	\$ 521,753.78	\$ 521,753.78	\$ 5,217,537.77
\$ 1,884,162.93	\$ 1,982,948.07	\$ 2,954,688.02	\$ 3,245,977.63	\$ 3,245,977.63	\$ 3,245,977.63	\$ 6,275,603.82	\$ 6,275,603.82	\$ 6,275,603.82	\$ 62,610,453.20
\$ 5,572,971.43	\$ 5,774,117.94	\$ 5,185,526.79	\$ 5,728,918.94	\$ 5,728,918.94	\$ 5,728,918.94	\$ 10,735,011.06	\$ 10,735,011.06	\$ 10,933,356.20	\$ 125,463,123.60

Overview of Opioid Settlements – The Sacklers and Secondary Manufacturers

Injunctive Terms

Sacklers

- ❖ Cannot participate in the domestic opioid business.
- ❖ Must make commercially reasonable best efforts to sell their international opioid manufacturing companies (IACs).
- ❖ Must permit the removal of the Sackler name (including from facilities, scholarships, and endowments) and refrain from seeking Sackler naming rights.

Overview of Opioid Settlements – The Sacklers and Secondary Manufacturers

Injunctive Terms (continued)

Purdue

- ❖ Purdue successor company, NewCo, will be wholly owned by a new foundation with a board of directors chosen by the states, in consultation with the Ad Hoc Committee of Governmental Entities.
- ❖ NewCo must comply with Purdue's existing ban on opioid promotion, including through lobbying, and it will continue to be under the scrutiny of a monitor, who will issue regular reports.
- ❖ NewCo must create an online, public document repository of over 30 million documents, including documents otherwise privileged, which show unlawful conduct on the part of Purdue and the Sacklers.

Overview of Opioid Settlements – The Sacklers and Secondary Manufacturers

Injunctive Terms (continued)

Secondary Manufacturers

- ❖ Cannot promote opioids (including through sales representatives, opinion leaders, sponsorships, medical-education programs, and lobbying).
- ❖ Cannot manufacture opioid products with more than 40 mg of oxycodone or offer rebates from opioid sales.
- ❖ Must create a system for detecting, documenting, and reporting any suspicious opioid ordering.
- ❖ **Indivior**
 - Primarily manufactures products for treating opioid use disorder and thus has less stringent injunctive terms.
 - Cannot manufacture or sell opioids in the United States for 10 years.
 - Must ensure its marketing activity is truthful and does not promote opioid use.

Overview of Opioid Settlements – The Sacklers and Secondary Manufacturers

AG Press

55 Attorneys General Sign On to \$7.4 Billion Purdue Settlement

New Jersey to Receive Up to \$125 Million Related to Deadly Epidemic

For Immediate Release: June 16, 2025

Office of the Attorney General

– Matthew J. Platkin, Attorney General

Division of Law

– Michael C. Walters, Acting Director

TRENTON – Attorney General Matthew J. Platkin today announced that all eligible states and U.S. territories, agreed to sign on to a \$7.4 billion settlement with the owners, the Sackler family.

For Further Information:

Media Inquiries–

Allison Inserro

OAGpress@njoag.gov

AG Platkin: Eight Opioid Drug Makers Agree to Pay \$720 Million In Nationwide Settlements

New Jersey Could Receive up to \$19.8 Million

For Immediate Release: July 10, 2025

Office of The Attorney General

– Matthew J. Platkin, Attorney General

Division of Law

– Michael C. Walters, Acting Director

TRENTON – Attorney General Matthew J. Platkin today announced approximately \$720 million in nationwide settlements with eight drug makers that manufactured opioid products and worsened the nationwide opioid crisis.

For Further Information:

Media Inquiries–

Allison Inserro, OAGpress@njoag.gov

Overview of Opioid Settlements – The Sacklers and Secondary Manufacturers

Subdivision Agreement

- ❖ The purpose of the *Memorandum of Agreement Between the State of New Jersey and Local Governments on Opioid Litigation Recoveries* (“the State Subdivision Agreement”) is “to establish binding terms for the distribution and spending of funds from any National Opioid Litigation Resolution that is a settlement agreement and – at the sole discretion of the State – any National Opioid Litigation Resolution that is a bankruptcy plan.”

MEMORANDUM OF AGREEMENT BETWEEN THE STATE OF NEW JERSEY AND LOCAL GOVERNMENTS ON OPIOID LITIGATION RECOVERIES

A. General Principles

1. The people of the State of New Jersey and New Jersey communities have been harmed by the opioid epidemic, which has been caused, in part, by entities within the Pharmaceutical Supply Chain.
2. The State of New Jersey and certain local governments are separately pursuing

Overview of Opioid Settlements – The Sacklers and Secondary Manufacturers

Intrastate Allocation of Opioid Funds

- ❖ The Subdivision Agreement defines “Opioid Funds” as monetary amounts other than Additional Restitution Amounts or funds “allocated to payment of counsel fees and litigation expenses from the Attorney Fee Fund, State Outside Counsel Fee Fund or State Cost Fund as defined in the distributors and Janssen agreements.”
- ❖ Opioid Funds are allocated
 - 50% to the State (“State Share”), and
 - 50% to Participating Local Governments (“Local Government Share”).

Overview of Opioid Settlements – The Sacklers and Secondary Manufacturers

Intrastate Allocation

- ❖ The Subdivision Agreement also includes the intrastate allocation for the Local Government Share.

Allocations are subject to change pursuant to a State-Subdivision Agreement, Allocation Statute, Statutory Trust, or voluntary redistribution.

NJ1	Aberdeen Township, New Jersey	0.0797396894%
NJ2	Asbury Park City, New Jersey	0.3916349671%
NJ3	Atlantic City, New Jersey	1.2847690915%
NJ4	Atlantic County, New Jersey	2.8915764045%
NJ5	Barnegat Township, New Jersey	0.1626638814%
NJ6	Bayonne City, New Jersey	0.8502340058%
NJ7	Beachwood Borough, New Jersey	0.0492329228%
NJ8	Belleville Township, New Jersey	0.0872090223%
NJ9	Bellmawr Borough, New Jersey	0.0640989992%
NJ10	Bergen County, New Jersey	4.9446361090%
NJ11	Bergenfield Borough, New Jersey	0.0618076073%
NJ12	Berkeley Heights Township, New Jersey	0.0272673062%
NJ13	Berkeley Township, New Jersey	0.2619731788%
NJ14	Bernards Township, New Jersey	0.0910577073%
NJ15	Bloomfield Township, New Jersey	0.1173874959%
NJ16	Bordentown Township, New Jersey	0.0545891482%
NJ17	Bound Brook Borough, New Jersey	0.0527105023%
NJ18	Branchburg Township, New Jersey	0.0561024563%
NJ19	Brick Township, New Jersey	0.5908193174%
NJ20	Bridgeton City, New Jersey	0.2079614154%
NJ21	Bridgewater Township, New Jersey	0.1828057629%
NJ22	Burlington County, New Jersey	4.4940916659%
NJ23	Burlington Township, New Jersey	0.1157900630%
NJ24	Camden City, New Jersey	1.660288428%

Approved Purposes

- ❖ Under the Subdivision Agreement, Opioid Funds must be used for “Approved Purposes,” defined as “those uses identified in the List of Opioid Remediation Uses,” which is Exhibit E of the Distributor Settlement Agreement and the Janssen Settlement Agreement, or the equivalent list in the applicable settlements.

Overview of Opioid Settlements – The Sacklers and Secondary Manufacturers

Opioid Remediation Uses—Exhibit E

❖ **Schedule A—Core Abatement Strategies**

- A. Naloxone or other FDA-approved drug to reverse opioid overdoses
- B. Medication-Assisted Treatment (MAT) distribution and related treatment
- C. Pregnant and postpartum women
- D. Expanding treatment for Neonatal-Abstinence Syndrome (NAS)
- E. Expansion of warm hand-off programs and recovery services
- F. Treatment for incarcerated population
- G. Prevention programs
- H. Expanding syringe service programs
- I. Evidence-based data collection and research analyzing the effectiveness of state abatement strategies

Overview of Opioid Settlements – The Sacklers and Secondary Manufacturers

Opioid Remediation Uses—Exhibit E

❖ Schedule B—Approved Uses

Part I: Treatment

- A. Treat opioid use disorder
- B. Support people in treatment
- C. Connect people to care
- D. Address needs of people involved in the criminal-justice system
- E. Address needs of pregnant and parenting women and their families, including children with NAS

Part II: Prevention

- A. Prevent over-prescribing and ensure appropriate prescribing and dispensing
- B. Prevent opioid misuse
- C. Prevent overdose deaths and other harm

Part III: Other Strategies

- A. First responders
- B. Leadership, planning, and coordination
- C. Training
- D. Research

Overview of Opioid Settlements – The Sacklers and Secondary Manufacturers

Supplement Not Supplant

- ❖ Opioid Funds **shall be used to supplement and shall not supplant** federal, state, county or municipal funds that otherwise would have been used for Approved Purposes.
- ❖ Opioid Funds **shall not be used** to reimburse the State, or any county or municipality, for past expenditures, except as may otherwise be required for any reimbursement to the federal government.
- ❖ Neither this provision, nor any other in this Agreement, shall be interpreted to prevent or prohibit either the State or any Local Government from modifying, changing or terminating any opioid abatement related programs when, in their respective judgments, changing circumstances and conditions make such changes or modifications appropriate.

Overview of Opioid Settlements – The Sacklers and Secondary Manufacturers

Reporting

- ❖ At least annually, by September 1 of each year, each Region shall provide to the State a report detailing for the preceding state fiscal year, in the manner and form prescribed by the State:
 - The amount of the Local Government Share received by each Local Government within the Region;
 - The allocation of any awards approved (listing the recipient, the amount awarded, the program to be funded and disbursement terms);
 - The amounts disbursed on Approved Purposes; and
 - The amounts spent on administrative expenses.
- ❖ Each Participating Local Government prepares its own report detailing the information required above in the manner and form prescribed by the State and provides its report to delegates selected by the Region to compile all reports in the Region and make them available publicly and to the State.

Overview of Opioid Settlements – The Sacklers and Secondary Manufacturers

Voluntary Redistribution

- ❖ The Subdivision Agreement permits eligible subdivisions to sign on to the settlement agreements and have their shares redistributed.
- ❖ Upon any subdivision's election of this option, that subdivision's share of the settlement proceeds gets redistributed
 - to the county in which the municipality is located (if the subdivision is a municipality), or
 - Proportionally to the other counties (if the subdivision is a county).
- ❖ A subdivision can opt to have its proceeds redistributed in this way at any time and can do so on an opioid settlement by settlement basis.

Overview of Opioid Settlements – The Sacklers and Secondary Manufacturers

Sign-On Mechanics

- ❖ Rubris, the Implementation Administrator for all 9 settlements, should have sent sign-on packets for the settlements.
- ❖ Sign-On and Other Information:

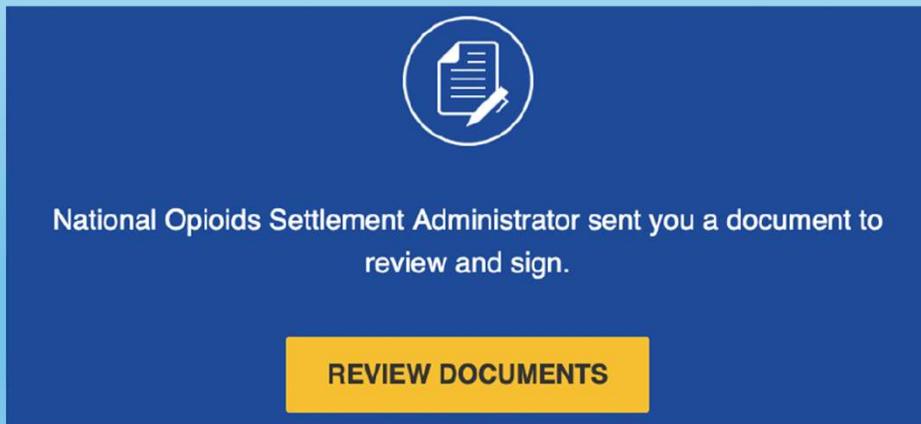
	Sacklers	Secondary Manufacturers
Deadline	<u>September 30, 2025</u>	<u>October 8, 2025</u>
Website	https://nationalopioidsettlement.com/purdue-sacklers-settlements	https://nationalopioidsettlement.com/additional-settlements
Methods	<ol style="list-style-type: none">1. <u>DocuSign</u> (e-signature)—<i>preferred</i>2. <u>DocuSign</u> (manual signature)—<i>next best</i>3. <u>E-Mail</u> (opioidsparticipation@rubris.com) (manual signature)—<i>least preferred</i>	

- ❖ Sign-on to all 9 settlements can be done through the DocuSign platform.

Overview of Opioid Settlements – The Sacklers and Secondary Manufacturers

Sign-On Mechanics (continued)

- ❖ You should have received two emails from Rubris, the National Opioids Settlement Administrator, from a DocuSign.net email address—one for the Sacklers settlement, one for the Secondary Manufacturers settlement.
- ❖ Within each email, click the “REVIEW DOCUMENTS” button.



- ❖ Follow the instructions to complete and execute the participation forms.

Overview of Opioid Settlements – The Sacklers and Secondary Manufacturers

Questions & Additional Information

- ❖ If you have questions about the subdivision sign-on process, please email:
 - ❖ Rubris at opioidparticipation@rubris.com or
 - ❖ The New Jersey Attorney General's Office at OpioidSettlements@njoag.gov.

- ❖ If you have questions for the **Division of Mental Health and Addiction Services**, or would like to inquire if there is technical assistance available to support initiatives considered by counties, municipalities and subdivisions, please send an email to DMHAS@dhs.nj.gov.