

the Pennsylvania Opioid Fee Fund. The Wave 2 settling defendants are Teva/Allergan, Walgreens, CVS and Walmart (the “Pharmacy defendants”). The Special Master has thoroughly evaluated and considered all relevant submissions made by all Applicants in view of the governing Orders and eligibility requirements. The Special Master has also reviewed the report of the auditor, Amy L. Collins. P.C. In summary, the Special Master recommends that the law firms listed in this Report and Recommendation be reimbursed the total amount of \$1,534,612.16. The amount to be reimbursed to law firms for approved contract attorney costs is \$144,777.54. The amount to be reimbursed to law firms for other approved eligible costs and expenses is \$1,389,834.62.² All of these amounts were incurred in connection with the representation of Pennsylvania clients who filed cases in the Unified Judicial System of Pennsylvania and who executed Participation Agreements to participate in the “Wave 2 settlements.” As required, all firms who will receive Awards agreed to waive enforcement of their fee contracts with respect to the Pennsylvania client(s) for whom they seek to recover fees.

BACKGROUND

The background of this matter is best understood by briefly discussing the Court Orders that govern the recommended payment amounts:

1. July 12, 2022 – Commonwealth Court of Pennsylvania’s Order Establishing the Pennsylvania Opioid Misuse and Addiction Abatement Trust.
2. August 2, 2022 – The Honorable Barry C. Dozor’s Order granting “Plaintiff’s Motion to Establish a Pennsylvania Opioid Fee Fund and Appoint a Special Master to Determine and Disburse Attorney’s Fees and Establish a Procedure for Reimbursing Counsel for Documented Expenses and Costs.”

² There were no disallowed or withdrawn claims for contract attorney costs. The total claims for other eligible costs and expenses submitted was \$1,799,496.20 and was amended to \$1,394,625.23. The disallowed or withdrawn claims for other eligible costs and expenses totals \$424,527.54.

3. October 15, 2024 - Commonwealth Court of Pennsylvania's First Amended and Restated Order.
4. November 13, 2024 – The Honorable Barry C. Dozor's Order "Granting Plaintiffs' Motion to Add Funds to the Pennsylvania Opioid Fee Fund."
5. September 16, 2025 – The Honorable George A. Pagano's Order "Establishing Application Protocols for the Reimbursement of Costs and Expenses Under the Pennsylvania Opioid Trust and Allocation Order for Wave 2 Settlements."

1. July 12, 2022 Order

On July 12, 2022, the Commonwealth Court of Pennsylvania entered an Order establishing the Pennsylvania Opioid Misuse and Addiction Abatement Trust. (Hereinafter referred to as the "July 12, 2022 Trust Order.") The Trust was created for the purpose of distributing funds obtained by the Commonwealth and its subdivisions pursuant to settlement agreements entered into by the Pennsylvania Office of the Attorney General and the opioid manufacturer and distributor defendants³ ("Wave 1 settlements"). The Trust is the vehicle under which up to \$1,070,609,642 paid by the Distributor and J&J defendants will be delivered to the Commonwealth and Participating Subdivisions over as many as 18 years. *See* July 12, 2022 Trust Order at I.J. The Trust was also designated to deposit attorney's fees and expenses into an account to be maintained by the Delaware County Court of Common Pleas. *Id.* at A.1. The methodology for the payment of attorney's fees and costs and expenses for settlements is set forth in Exhibit 4 to the Trust Order. *Id.* at IX.A.

³ The Distributor defendants are collectively, McKesson Corporation, Cardinal Health, Inc. and Amerisource Bergen Corporation. The J&J defendants are collectively, Johnson and Johnson, Janssen Pharmaceuticals, Inc., Ortho-McNeil Pharmaceuticals and Janssen Pharmaceuticals, Inc.

2. August 2, 2022 Order

On August 2, 2022, Judge Dozor executed his Order granting Plaintiff’s “Motion to Establish a Pennsylvania Opioid Fee Fund and Appoint a Special Master to Determine and Disburse Attorneys’ Fees and Establish a Procedure for Reimbursing Counsel for Documented Expenses and Costs.” (Hereinafter referred to as the “August 2, 2022 Fee Fund Order.”) Pursuant to the August 2, 2022 Fee Fund Order an Attorney Fee Fund was to be established and held in a separate account subject to the jurisdiction of the Court, to be held and disbursed in a manner consistent with the terms of the August 2, 2022 Fee Fund Order. *See* August 2, 2022 Fee Fund Order at I. To be eligible to participate in the Fee Fund counsel were required to agree to waive enforcement of their fee contracts with respect to the Pennsylvania clients for whom they are seeking to recover fees.” *Id.* at I.J. Only the attorneys that timely returned an executed Participation Form in accordance with Judge Dozor’s August 31, 2022 Order “Setting Deadline to Serve Executed Intent to Participate in Pennsylvania Opioid Fee Fund Form” could apply for reimbursement. The Special Master has verified that all law firms that will receive disbursements have met these eligibility requirements.

As noted in the August 2, 2022 Fee Fund Order, the undersigned was appointed as Special Master to “oversee and allocate the Pennsylvania Opioid Fee Fund[.]” The Special Master is responsible for “designing and implementing processes and procedures for the allocation of fees, costs, and expenses, consistent with the criteria set forth” in the August 2, 2022 Fee Fund Order. The Special Master is authorized to employ the services of assistants, professionals and vendors to act under his direction to accomplish the objectives and work set forth in the August 2, 2022 Fee Fund Order. The Special Master has the “sole authority for

making decisions regarding allocations, disbursements, and payments from the Pennsylvania Opioid Fee Fund.” See August 2, 2022 Fee Fund Order at II.

The August 2, 2022 Fee Fund Order, required that requests for reimbursement for costs and expenses be submitted in two parts. The first part was for costs and expenses incurred in connection with the representation of Pennsylvania clients who filed cases in the Unified Judicial System of Pennsylvania and who executed Participation Agreements to participate in the “J&J and Distributor Settlements,” except for costs for document review by contract attorneys. Id. at V. (emphasis in original). Before submitting requests for costs and expenses other than for contract review attorneys, counsel were required to first apply to the Cost Fund established in connection with the Distributor and J&J Settlements in the MDL. Id. However, counsel could elect to submit a request for cost and expenses from the Fee Fund while a request to the MDL Cost Fund was pending. Id. If this election was made counsel were required to certify that they will immediately reimburse the Fee Fund for any amount awarded by the MDL Cost Fund for expenses incurred in the representation of Pennsylvania clients who filed cases in the Unified Judicial System of Pennsylvania, plus interest. Id.

The second part of a law firm’s request for reimbursement was for “document review by contract attorneys incurred in connection with the representation of Pennsylvania clients who filed cases in the Unified Judicial System of Pennsylvania and executed Participation Agreements to participate in the J&J and Distributor Settlements.” Id.

3. October 15, 2024 Order

On October 15, 2024, the Commonwealth Court of Pennsylvania entered an Order Amending and Restating the Pennsylvania Opioid Misuse and Addiction Abatement Trust (hereinafter referred to as the “October 15, 2024 Amended and Restated Trust Order.”) The

Trust was amended and restated in its entirety with certain changes made to address the distribution of funds to be received pursuant to settlement agreements between the Pennsylvania Office of the Attorney General and the opioid manufacturer defendants and the pharmacy defendants⁴ (“Wave 2 settlements”).

The October 15, 2024 Amended and Restated Trust order is the vehicle under which “The Teva Settlement Agreement, Allergan Settlement Agreement, Walgreens Settlement Agreement, CVS Settlement Agreement and Walmart Settlement Agreement (the “Wave 2 Settlements”) will deliver up to \$773,387,187.72 to the Commonwealth over as many as 15 years with payments to be made as described in Paragraph VII.” See October 15, 2024 Amended and Restated Trust Order at I.GG. The October 15, 2024 Amended and Restated Trust was also designated to deposit attorney’s fees and expenses into an account to be maintained by the Delaware County Court of Common Pleas. Id. at II.A. The methodology for the payment of attorney’s fees and costs and expenses for settlements is set forth in Exhibit 8 to the Amended and Restated Trust Order. Id. at IX.B.

4. November 13, 2024 Order

On November 13, 2024, Judge Dozor entered an Order Granting Plaintiffs’ Motion to Add Funds to the Pennsylvania Opioid Fee Fund (hereinafter “November 13, 2024 Wave 2 Fee Fund Order”). The November 13, 2024 Wave 2 Fee Fund Order was “entered into as an adjunct to the Pennsylvania Opioids Trust and Allocation Order entered in 244 M.D. 2022 and 243 M.D. 2022 (the “Trust”)”. See November 13, 2024 Wave 2 Fee Fund Order at ¶2.

⁴ The manufacturer defendants are Teva Pharmaceutical Industries, Ltd, Teva Pharmaceuticals USA, Inc. and Cephalon, Inc. (collectively “Teva”) and Allergan Limited, Allergan Finance, LLC, Watson Laboratories, Inc, Actavis Pharma, Inc., Actavis LLC (collectively “Allergan”). The pharmacy defendants are Walgreens, CVS and Walmart.

Consistent with the terms of the Trust and pursuant to 42 P.S. §2503(8), the Wave 2 Settlement attorney fees and costs will be disbursed by the Pennsylvania Opioid Fee Fund established by Order of this Court on August 2, 2022 (Id. at I). The Wave 2 Settlement Attorney Fees and Costs shall follow the methodology for disbursement outlined in this Court’s August 2, 2022 Fee Fund Order (Id. at I.B). The Sections relating to collateral attacks, the Special Master, the Fee Administrator, and Reimbursement of Costs and Expense in the August 2, 2022 Order are all applicable to the Wave 2 Settlement Attorney Fees and Costs. Id.

5. September 16, 2025 Order

On September 16, 2025, Judge Pagano entered an Order “Establishing Application Protocols for the Reimbursement of Costs and Expenses Under the Pennsylvania Opioid Trust and Allocation Order for Wave 2 Settlements” (hereinafter referred to as “September 16, 2025 Wave 2 Protocol Order”.) The September 16, 2025 Wave 2 Protocol Order approved and set forth the Special Master’s protocol for the application and reimbursement of contract attorney and other eligible costs and expenses. As noted in the September 16, 2025 Wave 2 Protocol Order, the Order sets forth the required procedure to submit cost and expense applications and reports for the two categories of reimbursable costs and expenses: document review contract attorney costs and other eligible costs and expenses. See September 16, 2025 Wave 2 Protocol Order at III.A. and B.

As with the Wave 1 Settlements, Amy L. Collins, PC was retained as an auditor to assist the Special Master. As set forth in the September 16, 2025 Wave 2 Protocol Order, Ms. Collins has extensive experience and expertise in auditing expense records and was retained to advise on processes to establish audits and to audit submissions. Id. at II. Her responsibilities included ensuring “that the costs and expenses submitted for compensation from the Fee Fund

are in compliance with all applicable orders and the requirements established by the Special Master.” Id. at V. The Special Master directed Ms. Collins to audit the costs and expenses submitted by each Applicant, to identify the costs and expenses not in compliance with the applicable orders and requirements of the Special Master, and to prepare a Report and Recommendation to the Special Master. Id. Importantly, before Ms. Collins issued her Report and Recommendation to the Special Master, she provided each Applicant with an audit notice of non-compliant entries and each Applicant was permitted to respond to demonstrate compliance. Id. Ms. Collins recently provided the Report and Recommendation to the Special Master.

4. Special Master Review

This Report and Recommendation only addresses the disbursement of recoverable contract attorney and other eligible costs and expenses for Wave 2 settlements. The September 16, 2025 Wave 2 Protocol Order provides that the Auditor’s review and determinations are not binding. See September 16, 2025 Wave 2 Protocol Order at V. The Special Master’s review of the Auditor’s findings regarding Contract Attorney Expense Reports and Cost and Expense Reports is *de novo*. Id. The September 16, 2025 Protocol Order requires the Special Master to arrange to issue to each Applicant a Preliminary Award Notice of its Award which was effectuated by Amy L. Collins, P.C. Id. at VI. D. Applicants had ten (10) days to accept or object to their Preliminary Award Notice. After the Special Master’s review of any objections, the Special Master is required to file with the Court a “Special Master’s Report and Recommendation of Final Expense Awards” which shall include an award amount for each Applicant for Contract Attorney and other Eligible Costs and Expenses. Id. at VI. D.

This Report and Recommendation is issued pursuant to the Court’s September 15, 2025 Order. As set forth in the November 13, 2024 Wave 2 Fee Fund Order, the Sections

outlined in the August 2, 2022 Order creating the Pennsylvania Opioid Fee Fund relating to collateral attacks, the Special Master, the Fee Administrator, and Reimbursement of Costs and Expenses are all applicable to the Wave 2 Settlement Attorney Fees and Costs. See November 13, 2024 Fee Fund Wave 2 Order at I.B.

DISCUSSION

As already noted, the Auditor did an independent review and analysis of all applications for reimbursement of costs and expenses for compliance with all relevant orders and prepared a Report and Recommendation to the Special Master regarding her recommendations for what should be allowed, disallowed or further investigated. The Auditor's Report and Recommendation was issued after giving Applicants an opportunity to object or comment upon the Auditor's preliminary findings. There were no objections to the recommendations in the report.

The Special Master has done a detailed and thorough *de novo* review of the Auditor's Report and Recommendation and arranged to issue Notices of Preliminary Awards to all Applicants whose claims for reimbursement the Special Master determined should be disallowed for any amount. No objections were received to these Preliminary Awards. Therefore, the Special Master certifies that there are no objections to the proposed Awards set forth herein. The Special Master also certifies that all necessary prerequisites set forth in the Trust, Fee Fund and Fee Protocol Orders to reimburse law firms for contract attorney and other eligible costs and expenses have been met⁵.

⁵ Applicants seeking reimbursement of contract attorney expenses were required to submit the following documents to the Auditor: Contract Attorney Expense Application, Contract Attorney Expense Report, invoices supporting the expenses submitted and IRS Form W-9. Applicants seeking reimbursement of other eligible costs and expenses were required to submit similar documents to the Auditor.

In view of the Special Master’s determination that all required eligibility and compliance requirements have been met for the following approved contract attorney costs, and noting that no objections have been made to these proposed Awards, the Special Master respectfully recommends that the following amounts be approved for reimbursement to the following firms for approved contract attorney costs:

Firm	Recommended Allowed
Pogust Goodhead, LLC	\$ 38,193.52
Saltz, Mongeluzzi & Bendesky, P.C	\$106,584.02
Grand Total	\$144,777.54

Further, in view of the Special Master’s determination that all required eligibility and compliance requirements have been met for the following approved eligible costs and expenses, and noting that no objections have been made to these proposed Awards, the Special Master respectfully recommends that the following amounts be approved for reimbursement to the following firms for approved eligible costs and expenses:

Firm	Recommended Allowed
Baron & Budd, P.C.	\$946,137.58
Boni, Zack & Snyder LLC	\$503.27
Dilworth Paxson LLP	\$9,280.33
Pogust Goodhead, LLC	\$158,030.47
Saltz, Mongeluzzi & Bendesky, P.C.	\$140,313.51
Simmons Hanly Conroy	\$135,569.46
Grand Total	\$1,389,834.62

In addition, the Special Master respectfully recommends that each law firm receiving a disbursement pursuant to the Court’s Order execute a Verification that acknowledges

and confirms that the signatory is authorized to execute the Verification on behalf of the designated law firm, the law firm accepts payment in full and final satisfaction of all contract attorney and other eligible costs and expenses claimed to date, the law firm acknowledges and will comply with the requirement in Section V of the August 2, 2022 Fee Fund Order regarding reimbursement of costs and expenses received from the MDL cost fund, and that the law firm is responsible for distributing any of the proceeds to persons or entities that have a claim to the proceeds. See also, September 16, 2025 Wave 2 Protocol Order, VIII.

CONCLUSION

For all the reasons stated herein, the Special Master respectfully recommends that this Report and Recommendation be adopted and approved and that the Special Master be authorized to direct the Court Appointed Administrator, Archer Systems, LLC, to process for prompt payment to the designated law firms the amounts set forth in this Report and Recommendation.

It is also respectfully recommended that before Archer processes any payments to the designated law firms, they execute an approved Verification.

Respectfully submitted,

By: s/Joel Schneider
Judge Joel Schneider (Ret.)
Special Master

DATED: February 11, 2026