

COMMISSIONERS

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County of Forest

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Tionesta, Pennsylvania 16353*

CHIEF CLERK

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SOLICITOR

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RESOLUTION NO. 13 of 2021

Authorizing the County of Forest, Pennsylvania to Enter Into the Settlement Agreements with McKesson Corporation, Cardinal Health, Inc., AmerisourceBergen Corporation, Johnson & Johnson, Janssen Pharmaceuticals, Inc., Ortho-McNeil-Janssen Pharmaceuticals, Inc., and Janssen Pharmaceutica, Inc., and Agree to the Terms of the Pennsylvania Opioid Misuse and Addiction Abatement Trust.

WHEREAS, the United States is facing an ongoing public health crisis of opioid abuse, addiction, overdose and death. The Commonwealth of Pennsylvania and Pennsylvania local governments **spend billions of dollars each year** to address the direct consequences of this crisis.

WHEREAS, since at least 2017, state and local governments in Pennsylvania and around the United States have been pursuing investigations and litigation against certain manufacturers, distributors, and retailers of opioid pharmaceuticals (the "Opioid Defendants") in an effort to hold the Opioid Defendants financially responsible for the impact on of the Opioid Epidemic on the **County of Forest, Pennsylvania** and resources necessary to combat the opioid epidemic;

WHEREAS, negotiations to settle claims against several of the Opioid Defendants, specifically McKesson Corporation, Cardinal Health, Inc., AmerisourceBergen Corporation, Johnson & Johnson, Janssen Pharmaceuticals, Inc., Ortho-McNeil-Janssen Pharmaceuticals, Inc., and Janssen Pharmaceutica, Inc. (the "Settling Defendants") have been ongoing for several years;

WHEREAS, negotiations with the Settling Defendants have resulted in proposed nationwide settlements of state and local government claims to settle the Litigation;

WHEREAS, the proposed terms of those proposed nationwide settlements have been set forth in the Distributors Master Settlement Agreement and the J&J Master Settlement Agreement (collectively "Settlement Agreements");

WHEREAS, copies of the Settlement Agreements as well as summaries of the main terms of the Settlement Agreements have been provided to the **County of Forest** with this Resolution;

WHEREAS, the Settlement Agreements provide, among other things, for the payment of a certain sum to settling government entities in Pennsylvania including to the Commonwealth of Pennsylvania and Participating Subdivisions upon occurrence of certain events as defined in the Settlement Agreements ("Pennsylvania Opioid Funds");

WHEREAS, Pennsylvania local governments as well as the attorneys representing those local governments have engaged in extensive discussions with the Commonwealth's Office of Attorney General ("OAG") as to how the Pennsylvania Opioid Funds will be allocated, which has resulted in the Proposed Pennsylvania Opioid Misuse and Addiction Abatement Trust (the "Trust");

WHEREAS, a copy of the Trust has been provided with this Resolution;

WHEREAS, the Trust proposes to allocate the Pennsylvania Opioid Funds 15% to a Commonwealth Account; 70% to local governments in a County Abatement Account; and 15% to a Litigating Subdivision Account. For the avoidance of doubt, all funds allocated to Pennsylvania from the Settlements will be combined pursuant to the Trust, and 15% of that total shall be allocated to the Commonwealth of Pennsylvania (the "Commonwealth of Pennsylvania Account"), 70% to the County Abatement Account ("County Abatement Account Allocation"), and 15% to the Litigating Subdivision Account ("Litigating Subdivision Account");

WHEREAS, the Counties and Litigating Subdivisions, their Associations, such as the County Commissioners Association of Pennsylvania, [other] Association and Counsel for the Subdivisions have participated in a series of meetings to draft allocation formulas. Those meetings have resulted in allocation formulas for the County Abatement Account and the Litigating Subdivision Account and establish a Local Allocation Share under each Account for Eligible Local Subdivisions. The funds in the County Abatement Account have been allocated to each County as described in Exhibit 1 to the resolution. The funds in the Litigating Subdivision Account have been allocated to the Litigating Subdivision or described in Exhibit 2 to the Resolution.

WHEREAS, any [POLITICAL SUBDIVISION] that is an Eligible Local Government will receive its Local Allocation share only when it becomes a Participating Subdivision by signing the Participation Agreements to the Settlements.

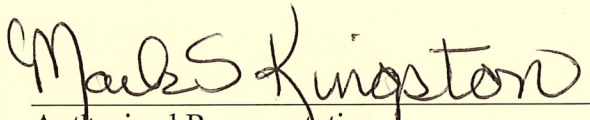
NOW, THEREFORE, BE IT RESOLVED: the County of Forest hereby approves and authorizes Mark S. Kingston to settle and release the **County of Forest's** claims against the Settling Defendants in exchange for the consideration set forth in the Settlement Agreements and Trust Agreement including taking the following measures:

1. The execution of the Participation Agreement to the Distributors Settlement Agreement and any and all documents ancillary thereto.
2. The execution of the Participation Agreement to the Janssen Settlement Agreement and any and all documents ancillary thereto.
3. The execution of the Memorandum of Understanding agreeing to the allocations to the County Abatement and Litigating Subdivision Accounts and agreeing to be a beneficiary of the Trust under the terms set forth in the Trust. Proposed

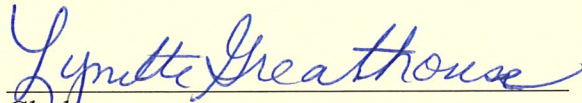
Pennsylvania Opioid Misuse and Addiction Abatement Trust by executing the signature pages to that Trust Agreement.

BE IT FURTHER RESOLVED that all actions heretofore taken by the Council and other appropriate public officers and agents of the **County of Forest** with respect to the matters contemplated under this Resolution are hereby ratified, confirmed and approved.

Adopted by the Forest County Board of Commissioners on this 22nd day of December, 2021.


Authorized Representative

ATTEST:


Clerk