

TEMPORARY RESOLUTION NO. 36-24

PERMANENT RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR, ON BEHALF OF THE CITY OF LANCASTER, OHIO, TO VOTE ON BEHALF OF THE CITY IN THE ENDO INTERNATIONAL REORGANIZATION BANKRUPTCY CASE AND TO DECLARE AN EMERGENCY

WHEREAS, the City of Lancaster, Ohio (City) is a municipal corporation formed and organized pursuant to the Constitution and laws of the State of Ohio; and

WHEREAS, the people of the State and City have been harmed by misfeasance, nonfeasance and malfeasance committed by certain entities within the opioid pharmaceutical supply chain; and

WHEREAS, ENDO International manufactured and distributed opioids in the City, State of Ohio, United States, and internationally; and

WHEREAS, due to more than Eight Billion Dollars (\$8,000,000,000.00) in debt as a result of judgments in opioid related lawsuits, ENDO International filed for Chapter 11 reorganization bankruptcy in the United States Bankruptcy Court, Southern District of New York; and

WHEREAS, the Bankruptcy Court has determined that the City qualifies as a member of a class of creditors (“(B)(6) local government”) with potential claims against the debtor who will be impacted by ENDO International’s reorganization; and

WHEREAS, on Monday, February 5, 2024, the City received its first communication as a member of the class which included a ballot to vote for or reject the Second Amended Joint Chapter 11 Plan of Reorganization of ENDO International, et al. (“proposed plan of reorganization”) which is due by Thursday, February 22, 2024; and

WHEREAS, the proposed plan of reorganization will make approximately Four Hundred Sixty Billion Forty Eight Million Dollars (\$460,048,000.00) available in a Public Opioid Trust to be distributed to nationwide, through the states’ respective opioid abatement programs, which in Ohio is the OneOhio Recovery Foundation; and

WHEREAS, voting for the proposed plan of reorganization now automatically entitles the City to an additional payment of four times what it would have initially would have been entitled to, but that amount would be the total settlement of all the City’s possible claims, and the City would have to release ENDO International from any further claims and/or causes of action; and

WHEREAS, voting against the proposed plan of reorganization now may require the City to sue ENDO International individually, which would complicate and prolong recovering any damages significantly as well as cost the City additional litigation fees; now, therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF LANCASTER, STATE OF OHIO

SECTION 2. That the Mayor is further authorized to execute any and all other documents necessary to facilitate the proposed settlement on behalf of the City of Lancaster, Ohio, for the City's potential claims.

SECTION 3. That it is found and determined that all formal actions of the Council relating to the adoption of this resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements.

SECTION 4. This resolution is declared to be an emergency measure necessary for the immediate preservation of the public peace, property, health, safety and welfare of this City and is required to be immediately effective to ensure prompt pursuit of funds to assist in abating the City's opioid epidemic; wherefore this Resolution shall be in full force and effect immediately upon its passage by City Council and approval by the Mayor.

Passed: _____ after _____ reading. Vote: Yeas _____ Nays _____

Date Approved: _____

President of Council

Clerk: _____

Mayor

Offered by: _____

Second by: _____

Requested by Finance Committee