

**RESOLUTION R-2021-120  
LUZERNE COUNTY COUNCIL**

*A Resolution by the Luzerne County Council Approving the Chapter 11 Bankruptcy  
Restructuring Plan of Pharmaceutical Company Mallinckrodt PLC, et al*

WHEREAS, in 2017, Luzerne County Council recognized that there existed a serious public health and safety crisis involving opioid abuse, addiction, treatment, morbidity and mortality in Luzerne County; and

WHEREAS, the Luzerne County Manager recommended the initiation of litigation in this regard and Luzerne County Council agreed that the initiation of such litigation was appropriate; and

WHEREAS, at a public meeting on September 27, 2017, a majority of County Council for the County of Luzerne approved the initiation of litigation to recover any money from opioid manufacturers and distributors that may be due to the County because of the serious public health and safety crisis involving opioid abuse, addiction, treatment, morbidity and mortality in Luzerne County; and

WHEREAS, County Council subsequently approved to engage the legal services of an outside law firm specializing in such litigation; and

WHEREAS, Mallinckrodt PLC and its affiliates (“Mallinckrodt”), as opioid manufacturers that are named defendants in the aforesaid litigation, have filed for Chapter 11 bankruptcy protection and a structured reorganization plan is pending before the United States Bankruptcy Court in the State of Delaware; and

WHEREAS, in preparation for its bankruptcy filing, Mallinckrodt communicated with the Plaintiff Executive Committee, a judicially appointed entity created to protect the interests of and provide legal advice to government plaintiffs such as Luzerne County with respect to the opioid litigation; and

WHEREAS, the Plaintiff Executive Committee, Attorney Generals for the states involved in the litigation and Mallinckrodt reached an economic settlement agreement which is to be incorporated into Mallinckrodt’s bankruptcy restructuring plan; and

WHEREAS, Mallinckrodt’s bankruptcy restructuring plan is subject to approval by the United States Bankruptcy Court for the State of Delaware; and

WHEREAS, since Luzerne County has opioid litigation pending against Mallinckrodt, the County has the eligibility to vote on Mallinckrodt’s proposed reorganization plan; and

WHEREAS, on August 5, 2021, Brown Rudnick LLP, as co-lead counsel for the Plaintiff Executive Committee, issued an opinion and recommendation to governmental entities regarding said vote on Mallinckrodt's bankruptcy reorganization plan which incorporates a proposed settlement agreement for the opioid litigation; and

WHEREAS, Brown Rudnick LLP, on behalf of the Plaintiff Executive Committee, has advised that the settlement agreement with Mallinckrodt is a fair and equitable resolution of the opioid related litigation subject to the resolution of certain outstanding additional material and economic terms as defined in Brown Rudnick LLP's correspondence of August 5, 2021; and

WHEREAS, Luzerne County Council desires to accept the advice of Brown Rudnick LLP in this regard and vote to approve Mallinckrodt's Chapter 11 plan should Brown Rudnick LLP ultimately advise that the outstanding economic issues be resolved.

NOW, THEREFORE, BE IT RESOLVED, County Council for the County of Luzerne hereby votes to approve Mallinckrodt's Chapter 11 restructuring plan filed with the United States Bankruptcy Court for the State of Delaware conditioned upon notice from Brown Rudnick LLP that outstanding economic terms and issues related to the underlying opioid-related litigation settlement agreement have been satisfactorily resolved.

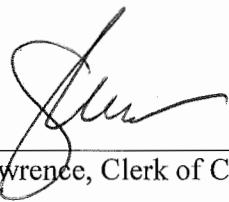
This Resolution shall become effective immediately.

ADOPTED at a meeting of the Luzerne County Council held August 24, 2021.

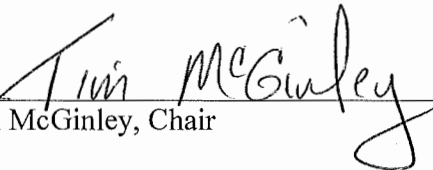
ROLL CALL VOTE (10-0) with (1) Abstention

YES: Griffith, Haas, Houck, McDermott, McGinley, Perry, Radle, Saidman, Schnee and Vough

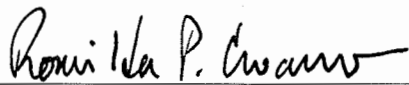
ABSTAINED: SJ Urban

Attest:   
Sharon Lawrence, Clerk of Council

LUZERNE COUNTY COUNCIL

By:   
Tim McGinley, Chair

LUZERNE COUNTY MANAGER

By:   
Romilda P. Crocamo, Esq.,  
Acting County Manager