

RESOLUTION NO. 2024 - 56

A RESOLUTION AUTHORIZING THE ADMINISTRATION TO CONSENT TO THE MATERIAL TERMS OF THE KROGER SETTLEMENT IN CONNECTION WITH THE OPIOID EPIDEMIC LITIGATION, PURSUANT TO THE ONE OHIO MEMORANDUM OF UNDERSTANDING, AUTHORIZING THE ADMINISTRATION TO EXECUTE A SUBDIVISION PARTICIPATION AND RELEASE FORM FOR THE KROGER SETTLEMENT, AND DECLARING AN EMERGENCY

WHEREAS, the State of Ohio, through its Attorney General, and certain Local Governments, including the City of Parma Heights, through their elected representatives and counsel, are separately engaged in litigation seeking to hold Opioid Pharmaceutical Supply Chain Participants accountable for the damage caused by their misfeasance, nonfeasance, and malfeasance in connection with the opioid crisis; and

WHEREAS, by and through Resolution No. 2021-15, Council authorized the Administration to enter into a One Ohio Memorandum of Understanding (“MOU”) on behalf of the City for the purpose of collaboratively seeking resolution of the opioid litigation in the State of Ohio; and

WHEREAS, this Council understands that an additional purpose of the MOU is to create an effective means of distributing any potential settlement funds obtained under the MOU between the State of Ohio and Local Governments in a manner and means that would promote an effective and meaningful use of the funds in abating the opioid epidemic throughout Ohio, as well as to permit collaboration and explore potentially earlier resolution of the Opioid Litigation against various companies; and

WHEREAS, the MOU was collaboratively drafted to maintain all individual claims while allowing the State and Local Governments to cooperate in exploring all possible means of resolution; and

WHEREAS, nothing in the MOU binds any party to a specific outcome, but rather, any resolutions under the MOU require acceptance by the State of Ohio and the Local Governments; and

WHEREAS, in addition, a settlement is now being presented to the State of Ohio and Local Governments by The Kroger Co. (the “Kroger Settlement”) to resolve governmental entity claims in the State of Ohio using the structure of the aforementioned One Ohio MOU and consistent with the material terms of a March 22, 2024 Settlement Agreement with Kroger; and

WHEREAS, this Council wishes to agree to the terms of the Kroger Settlement pertaining to Participating Subdivisions, in order that the City will be entitled to the benefits provided therein, including monetary payments.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Parma Heights, County of Cuyahoga, and State of Ohio:

Section 1: That this Council hereby consents to the material terms of the Kroger Settlement pertaining to Participating Subdivisions on behalf of the City of Parma Heights, and pursuant to the terms of the One Ohio MOU.

Section 2: That this Council hereby authorizes the Administration to execute the Kroger Settlement *Subdivision Participation and Release Form* on behalf of the City of Parma Heights, which is attached hereto as Exhibit "A" and incorporated by reference, pursuant to the terms of the One Ohio MOU.

Section 3: This Council finds and determines that all formal actions of this Council concerning and relating to the adoption of this Resolution were taken in an open meeting of this Council and that all deliberations of the Council and of any of its Committees comprised of a majority of the members of the Council that resulted in those formal actions were in meeting open to the public, in compliance with the law.

Section 4: This Resolution is declared to be an emergency measure necessary for the immediate preservation of the public health, safety and welfare of said City and for the further reason it is necessary to consent to the City's participation in the proposed Kroger Settlement, in order to protect the City's interests to ensure prompt pursuit of funds to assist in abating the opioid epidemic throughout Ohio; wherefore, this Resolution shall be in full force and effect from and immediately after its passage by Council and approval by the Mayor.

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| PASSED: | <u>August 12, 2024</u> | <u>Thomas Rounds</u> PRESIDENT OF COUNCIL |
| ATTEST: | <u>Barbara Allen</u> CLERK OF COUNCIL | <u>August 12, 2024</u> APPROVED |
| FILED WITH THE MAYOR: | <u>August 12, 2024</u> | <u>Marie Gallo</u> MAYOR MARIE GALLO |

EXHIBIT A

EXHIBIT K

Subdivision Participation and Release Form

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|----------------------|--------|
| Governmental Entity: | State: |
| Authorized Official: | |
| Address 1: | |
| Address 2: | |
| City, State, Zip: | |
| Phone: | |
| Email: | |

The governmental entity identified above (“*Governmental Entity*”), in order to obtain and in consideration for the benefits provided to the Governmental Entity pursuant to the Settlement Agreement dated March 22, 2024 (“*Kroger Settlement*”), and acting through the undersigned authorized official, hereby elects to participate in the Kroger Settlement, release all Released Claims against all Released Entities, and agrees as follows.

1. The Governmental Entity is aware of and has reviewed the Kroger Settlement, understands that all terms in this Participation and Release Form have the meanings defined therein, and agrees that by executing this Participation and Release Form, the Governmental Entity elects to participate in the Kroger Settlement and become a Participating Subdivision as provided therein.
2. The Governmental Entity shall promptly, and in any event no later than 14 days after the Reference Date and prior to the filing of the Consent Judgment, dismiss with prejudice any Released Claims that it has filed. With respect to any Released Claims pending in *In re National Prescription Opiate Litigation*, MDL No. 2804, the Governmental Entity authorizes the Plaintiffs’ Executive Committee to execute and file on behalf of the Governmental Entity a Stipulation of Dismissal with Prejudice substantially in the form found at <https://nationalopioidsettlement.com/>.
3. The Governmental Entity agrees to the terms of the Kroger Settlement pertaining to Participating Subdivisions as defined therein.
4. By agreeing to the terms of the Kroger Settlement and becoming a Releasor, the Governmental Entity is entitled to the benefits provided therein, including, if applicable, monetary payments beginning after the Effective Date.
5. The Governmental Entity agrees to use any monies it receives through the Kroger Settlement solely for the purposes provided therein.
6. The Governmental Entity submits to the jurisdiction of the court in the Governmental Entity’s state where the Consent Judgment is filed for purposes limited to that court’s role as provided in, and for resolving disputes to the extent provided in, the Kroger Settlement. The Governmental Entity likewise agrees to arbitrate before the National Arbitration Panel

as provided in, and for resolving disputes to the extent otherwise provided in, the Kroger Settlement.

7. The Governmental Entity has the right to enforce the Kroger Settlement as provided therein.
8. The Governmental Entity, as a Participating Subdivision, hereby becomes a Releasor for all purposes in the Kroger Settlement, including without limitation all provisions of Section XI (Release), and along with all departments, agencies, divisions, boards, commissions, districts, instrumentalities of any kind and attorneys, and any person in their official capacity elected or appointed to serve any of the foregoing and any agency, person, or other entity claiming by or through any of the foregoing, and any other entity identified in the definition of Releasor, provides for a release to the fullest extent of its authority. As a Releasor, the Governmental Entity hereby absolutely, unconditionally, and irrevocably covenants not to bring, file, or claim, or to cause, assist or permit to be brought, filed, or claimed, or to otherwise seek to establish liability for any Released Claims against any Released Entity in any forum whatsoever. The releases provided for in the Kroger Settlement are intended by the Parties to be broad and shall be interpreted so as to give the Released Entities the broadest possible bar against any liability relating in any way to Released Claims and extend to the full extent of the power of the Governmental Entity to release claims. The Kroger Settlement shall be a complete bar to any Released Claim.
9. The Governmental Entity hereby takes on all rights and obligations of a Participating Subdivision as set forth in the Kroger Settlement.
10. In connection with the releases provided for in the Kroger Settlement, each Governmental Entity expressly waives, releases, and forever discharges any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code, which reads:

General Release; extent. A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release that, if known by him or her would have materially affected his or her settlement with the debtor or released party.

A Releasor may hereafter discover facts other than or different from those which it knows, believes, or assumes to be true with respect to the Released Claims, but each Governmental Entity hereby expressly waives and fully, finally, and forever settles, releases and discharges, upon the Effective Date, any and all Released Claims that may exist as of such date but which Releasors do not know or suspect to exist, whether through ignorance, oversight, error, negligence or through no fault whatsoever, and which, if known, would materially affect the Governmental Entities' decision to participate in the Kroger Settlement.

11. Nothing herein is intended to modify in any way the terms of the Kroger Settlement, to which Governmental Entity hereby agrees. To the extent this Participation and Release Form is interpreted differently from the Kroger Settlement in any respect, the Kroger Settlement controls.

I have all necessary power and authorization to execute this Participation and Release Form on behalf of the Governmental Entity.

Signature: _____

Name: _____

Title: _____

Date: _____