



LAW DEPARTMENT

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December 21, 2021

HONORABLE CITY COUNCIL

RE: *In re National Prescription Opiate Litigation*, MDL 2804; Case No. 1:17-md-2804

The facts and particulars of the above-captioned lawsuit are set forth in a confidential memorandum that was circulated to City Council on November 24, 2021, and will be delivered to each member of Your Honorable Body. From this review, it is our considered opinion that settlement of this matter is in the best interests of the City of Detroit.

We, therefore, request authorization to settle this matter by authorizing the execution of Participation Agreements for: 1. the Master Settlement Agreement with Janssen Pharmaceuticals, Inc.; and 2. the Master Settlement Agreement with the three wholesale distributor defendants (Cardinal, Amerisource Bergen and McKesson), both of which are listed and available to the public at <https://nationalopioidsettlement.com/>.

Respectfully submitted,

/s/ Charles Raimi
Charles Raimi,
Interim Corporation Counsel

RESOLUTION AUTHORIZING ENTRY OF PARTICIPATION AGREEMENTS
IN PARTIAL SETTLEMENT OF THE NATIONAL PRESCRIPTION OPIATE
LITIGATION

WHEREAS, the City of Detroit filed a lawsuit in the United States District Court to address the public nuisance that is the Opioid Epidemic, which named, among other companies, the following four Defendants (“Settling Defendants”):

1. Janssen Pharmaceuticals, Inc. (a prescription opioids manufacturer);
2. Amerisource Bergen Corp. (a prescription opioids wholesaler distributor);
3. Cardinal Health, Inc. (a prescription opioids wholesaler distributor); and
4. McKesson Corporation (a prescription opioids wholesaler distributor)

AND WHEREAS the lawsuit was subsequently transferred to the United States District Court in the Northern District of Ohio and centralized as part of *In re National Prescription Opiate Litigation*, MDL 2804; Case No. 1:17-md-2804, which is presided over by the Honorable Dan Aaron Polster, United State Federal District Court Judge;

AND WHEREAS the Settling Defendants have negotiated proposed national settlement agreements (“Proposed Settlements”) with the State Attorneys General, and a Plaintiff Executive Committee-designated negotiating committee that represents approximately 4,000 local governments that have brought lawsuits similar to the City of Detroit’s lawsuit;

AND WHEREAS the Proposed Settlements contain significant equitable and monetary relief, including:

1. An agreement by Janssen that it will discontinue the manufacture and distribution of prescription opioids products for at least the next ten years;
2. An agreement by Janssen that it will suspend any lobbying efforts that concern prescription opioids products;
3. The creation of a National Clearinghouse for wholesale distributors that will assist in the detection, suspension and reporting of suspicious orders of prescription opioids products; and
4. The payment of up to \$26 billion (depending upon the level of participation of state and local governments in the Proposed Settlements) in funding installments over the next 18 years, the bulk of which will be dedicated to

funding abatement and prevention strategies associated with the opioids public nuisance.

NOW THEREFORE, the City of Detroit authorizes the execution of Participation Agreements for: 1. the Master Settlement Agreement with Janssen Pharmaceuticals, Inc.; and 2. the Master Settlement Agreement with the three wholesale distributor defendants (Cardinal, Amerisource Bergen and McKesson), both of which are listed and available to the public at <https://nationalopioidsettlement.com/>.