

Resolution #21-0527
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**RESOLUTION AUTHORIZING OR RATIFYING THE CITY’S VOTE IN FAVOR OF THE
MALLINCKRODT, PLC CHAPTER 11 BANKRUPTCY REORGANIZATION PLAN**

WHEREAS, Mallinckrodt, PLC (“Mallinckrodt”), one of the defendants in the opioid litigation filed by the City of Winston-Salem and other cities and counties across the country, filed Bankruptcy-Chapter 11; and

WHEREAS, Mallinckrodt’s Chapter 11 Reorganization Plan (“Plan”) is scheduled for a vote on or about September 17, 2021, which may be extended; and

WHEREAS, the Plan proposes to establish the opioid plaintiff recovery trust (the “Opioid Trust”) that, among other things, would establish an abatement fund to offset the costs of combatting opioid addiction and providing support to communities impacted by opioid abuse; and

WHEREAS, the structure of the Opioid Trust, which includes sub-trusts for the benefit of: non-federal governments, tribal nations, and various private creditors, is substantially similar to the Purdue Pharma Plan, which the City voted in favor of in July, upon recommendation of outside legal counsel and the City Attorney’s Office; and

WHEREAS, outside legal counsel is now recommending, with the concurrence of the City Attorney’s Office, that the City vote in favor of the Mallinckrodt Plan; and

WHEREAS, based upon the foregoing, a favorable vote for said Plan will be cast by outside legal counsel at the confirmation hearing on the Plan for the City of Winston-Salem.

NOW, THEREFORE, BE IT RESOLVED this the 20th day of September 2021, that the Mayor and City Council hereby authorize or ratify the vote cast for the City in favor of the Plan.