

A RESOLUTION OF THE CITY OF COATESVILLE (“CITY”) AUTHORIZING, APPROVING AND DIRECTING THE EMPLOYMENT OF CERTAIN LAW FIRMS TO REPRESENT CITY IN POTENTIAL LITIGATION AGAINST CONTRIBUTORS OF OPIOID ADDICTION CRISIS.

WHEREAS, the City is experiencing serious Opioid use as a result of the ready availability of the drug and its abuse; and,

WHEREAS, the City desires to retain the Law Firms identified herein to advise and represent the City regarding litigation and the award of damages from the contributors of opioids within the City.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF COATESVILLE, AS FOLLOWS:

Section 1. The City Council, as the governing body of the City, hereby authorizes and approves the employment of the law firms identified in the Legal Services Agreement, attached hereto and incorporated herein as **Exhibit “A”** (herein referred to as the “Law Firms”) to represent the City in potential litigation against contributors of the Opioid addiction crises.


Section 2. The City Council hereby authorizes and approves, or confirms authorization and approval, of the Legal Services Agreement, substantially in the form attached hereto and incorporated herein by reference thereto as **Exhibit “A”**, and directs the City Council President to execute and enter into the Legal Services Agreement with the Law Firms, setting forth the scope of the work to be performed by the Law Firms, including litigation against contributors to the Opioid addiction crises within the City and the terms and conditions of the employment of the Law Firms. The Legal Services Agreement may be amended, after approval of this Resolution, without further action of the City Council, with the approval of the City Council President, whose signature on the Legal Services Agreement shall be evidence of such approval.

Section 3. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

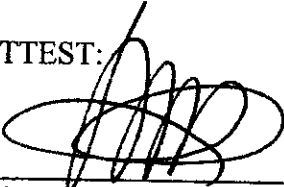
Section 4. This Resolution shall be in full force and effect from and after its adoption as provided by law.

[Signatures for Resolution appear on the following page S-1]

This Resolution was introduced, seconded and adopted at a duly convened meeting of the Council of the City of Coatesville held on May 14, 2018.


Linda Lavender Norris
City Council President

ATTEST:

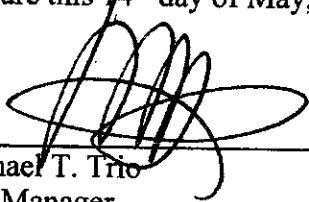


Michael T. Trio
City Manager

CERTIFICATE

I, the undersigned, do hereby certify that I am the duly qualified and acting City Manager of The City of Coatesville that the foregoing is a true and complete copy of a certain Resolution duly adopted by The Council of the City of Coatesville, at a duly convened meeting properly held on May 14, 2018; that said Resolution appears as a matter of public record in the official records of the City; that said meeting was duly held in accordance with all applicable requirements of City laws that said Resolution has not been amended, modified, revoked or repealed; and that same is now in full force and effect.

IN TESTIMONY WHEREOF, witness my signature this 14th day of May, 2018.



Michael T. Trio
City Manager

EXHIBIT "A"

Legal Services Agreement

LEGAL SERVICES AGREEMENT: ENGAGEMENT TO REPRESENT

RE: The Coatesville, Pennsylvania civil suit against those legally responsible for the wrongful manufacture and distribution of prescription opiates and damages caused thereby.

1. **SCOPE OF EMPLOYMENT:** The City of Coatesville, Pennsylvania (hereinafter "CLIENT"), by and through its City Council, hereby retains the law firms of SKIKOS CRAWFORD SKIKOS & JOSEPH, LLP, and WAPNER, NEWMAN, WIGRIZER, BRECHER & MILLER, P.C. ("The FIRM") pursuant to the Pennsylvania Rules of Professional Conduct, on a contingent fee basis, to pursue all civil remedies, as outlined in the FIRMS' attached proposal publication, against the manufacturers of prescription opiates, those in the chain of distribution, and/or other parties against which liability can attach of prescription opiates responsible for the opioid epidemic which is plaguing Coatesville, Pennsylvania including, but not limited to, filing a claim for public nuisance to abate, enjoin, recover and prevent the damages caused thereby. **Steven Wigrizer** and **Samuel A. Anyan** of the law firm of WAPNER, NEWMAN, WIGRIZER, BRECHER & MILLER, P.C. and **Steve Skikos** of the law firm of SKIKOS CRAWFORD SKIKOS & JOSEPH, LLP shall serve as LEAD COUNSEL. CLIENT authorizes lead counsel to employ and/or associate additional counsel, with consent of CLIENT, to assist LEAD COUNSEL in the just prosecution of the case. CLIENT consents to the participation of the following firms (collectively referred to, herein, as "Attorneys"), if no conflicts exist, including but not limited to conflicts pursuant to ABA Model Rules of Professional Conduct:

WAPNER, NEWMAN, WIGRIZER, BRECHER & MILLER, P.C.
2000 Market Street, Suite 2750
Philadelphia, PA 19103

SKIKOS CRAWFORD SKIKOS & JOSEPH, LLP
One Sansome Street, Suite 2830
San Francisco, CA 94104

2. **ATTORNEYS FEES:** In consideration, CLIENT agrees to pay thirty percent (20%) of the total recovery (gross) in favor of the CLIENT as an attorney fee whether the claim is resolved by compromise, settlement, or trial and verdict (and appeal). The gross recovery shall be calculated on the amount obtained before the deduction of costs and expenses. CLIENT

grants the FIRM an interest in a fee based on the gross recovery. If a court awards attorneys' fees, the FIRM shall receive the "greater of" the gross recovery-based contingent fee or the attorneys' fees awarded. **There is no fee if there is no recovery.**

The CLIENT acknowledges this fee is reasonable given the time and labor required, the novelty and difficulty of the questions involved, and the skill requisite to perform the legal service properly, the likelihood this employment will preclude other employment by the FIRM, the fee customarily charged in the locality for similar legal services, the anticipated (contingent) litigation expenses and the anticipated results obtained, the experience, reputation, and ability of the lawyer or lawyers performing the services and the fact that the fee is contingent upon a successful recovery.

This litigation is intended to address a significant problem in the community. The litigation focuses on the manufacturers and wholesale distributors and their role in the diversion of millions of prescription opiates into the illicit market which has resulted in opioid addiction, abuse, morbidity and mortality. There is no easy solution and no precedent for such an action against this sector of the industry. Many of the facts of the case are locked behind closed doors. The billion-dollar industry denies liability. The litigation will be very expensive and the litigation expenses will be advanced by the FIRM with reimbursement contingent upon a successful recovery. The outcome is uncertain, as is all civil litigation, with compensation contingent upon a successful recovery. Consequently, there must be a clear understanding between the CLIENT and the FIRM regarding the definition of a "successful recovery."

The FIRM intends to present a damage model designed to abate the public health and safety crisis. This damage model may take the form of money damages and/or equitable remedies (e.g., an abatement fund). The purpose of the lawsuit is to seek reimbursement of the costs incurred in the past fighting the opioid epidemic and/or recover the funds necessary to abate the health and safety crisis caused by the unlawful conduct of manufacturers, wholesale distributor, and/or other parties which liability can attach. The CLIENT agrees to compensate the FIRM, contingent upon prevailing, by paying 20% of any settlement/resolution/judgment, in favor of the CLIENT, whether it takes the form of monetary damages or equitable relief that is quantifiable monetarily. For instance, if the remedy is in the form of monetary damages, CLIENT agrees to pay 20% of the gross amount to FIRM as compensation and then reimburse the reasonable litigation expenses. If the remedy is in the form of monetary equitable relief or relief with a quantifiable monetary value (e.g., abatement fund), CLIENT agrees to pay 20% of the gross value of the equitable relief to the FIRM as compensation and then reimburse the reasonable litigation expenses. Equitable relief that has no quantifiable monetary value (e.g. an injunction not to engage in illegal sale or distribution practices), then there is no fee recovery to FIRM based on such relief. To be clear, the FIRM shall not be paid nor receive reimbursement from public funds unless required by law. However, any judgment arising from successful prosecution of the case, or any consideration arising from a settlement of the matter, whether monetary or equitable, shall not be considered public funds for purposes of calculating the contingent fee unless required by law. Under no circumstances shall the CLIENT be obligated to pay any attorneys fee or any litigation expenses except from moneys expended by defendant(s) pursuant to the resolution of the CLIENT's claims. If the defendant(s) expend their own resources to abate the public health and safety crisis in exchange for a release of liability, then the FIRM will be paid the designated contingent fee from the resources expended by the defendant(s). CLIENT acknowledges this is a necessary condition required by the FIRM to dedicate their time and

invest their resources on a contingent basis to this enormous project. If the defendant(s) negotiate a release of liability, then the FIRM should be compensated based upon the consideration offered to induce the dismissal of the lawsuit.

Negotiability of Fees: The rates set forth above are not set by law but are negotiable, and have been negotiated in good faith and arm's length, between the FIRM and CLIENT.

3. COSTS AND OTHER EXPENSES: THE FIRM and/or the other law firms in association with the FIRM, hereinafter referred to as the "Attorneys," shall advance all necessary litigation expenses necessary to prosecute these claims. All such litigation expenses, including the reasonable internal costs of electronically stored information (ESI) and electronic discovery generally or the direct costs incurred from any outside contractor for those services, will be deducted from any recovery after the contingent fee is calculated. **There is no reimbursement of litigation expenses if there is no recovery. Costs advanced will be payable out of the Client's share of any recovery and will not affect the contingency rate or fees due to the FIRM.**
4. FEE SHARING WITH CO-COUNSEL: The division of fees, expenses and labor between the Attorneys will be decided by private agreement between the law firms and subject to approval by the CLIENT. Any division of fees will be governed by the ABA Model Rules of Professional Conduct including: (1) the division of fees is in proportion to the services performed by each lawyer or each lawyer assumes joint responsibility for the representation and agrees to be available for consultation with the CLIENT; (2) the CLIENT has given *written* consent after full disclosure of the identity of each lawyer, that the fees will be divided, and that the division of fees will be in proportion to the services to be performed by each lawyer or that each lawyer will assume joint responsibility for the representation; (3) except where court approval of the fee division is obtained, the *written* closing statement in a case involving a contingent fee shall be signed by the CLIENT and each lawyer and shall comply with the terms of the ABA Model Rules of Professional Conduct; and (4) the total fee is *not clearly excessive*.
5. COMMUNICATIONS WITH CLIENT: LEAD COUNSEL shall appoint a contact person to keep the CLIENT reasonably informed about the status of the matter in a manner deemed appropriate by the CLIENT. The CLIENT at all times shall retain the authority to decide the disposition of the case and personally oversee and maintain absolute control of the litigation.


Upon conclusion of this matter, LEAD COUNSEL shall provide the CLIENT with a written statement stating the outcome of the matter and, if there is a recovery, showing the remittance to the client and the method of its determination. The closing statement shall specify the manner in which the compensation was determined under the agreement, any costs and expenses deducted by the lawyer from the judgment or settlement involved, and, if applicable, the actual division of the lawyers' fees with a lawyer not in the same firm, as required in Rule 1.5 of the ABA Model Rules of Professional Conduct. The closing statement shall be signed by the CLIENT and each attorney among whom the fee is being

divided.

- 6 REVIEW AND UNDERSTANDING OF THIS AGREEMENT: CLIENT acknowledges its review and understanding of this agreement, having read its contents in its entirety, and CLIENT understands and agrees with all of its provisions. CLIENT acknowledges that nothing in this Agreement makes any promise or guarantee regarding the successful determination of client's claim or causes of action, nor any guarantees regarding the amount of recovery or the type of relief, if any, which Client may obtain therefrom. Further, the Attorneys, its employees or agents, make no such promises or guarantees. Attorneys' comments about the outcome of this matter are expressions of opinion only and the Attorneys make no guarantee as to the outcome of any litigation, settlement or trial proceedings.

SIGNED, this day of _____, 2018.

Coatesville, Pennsylvania



Linda Lavender-Norris
City Council President

Accepted:

WAPNER, NEWMAN, WIGRIZER, BRECHER & MILLER, P.C.
2000 Market Street, Suite 2750
Philadelphia, PA 19103

SKIKOS CRAWFORD SKIKOS & JOSEPH, LLP
One Sansome Street, Suite 2830
San Francisco, CA 94104

By _____
Steven Wigrizer
Samuel A. Anyan
Steve Skikos
Lead Counsel

Date: _____