

RESOLUTION

A RESOLUTION OF THE CITY OF LAUREL, MISSISSIPPI ("COMMUNITY") AUTHORIZING, APPROVING AND DIRECTING THE EMPLOYMENT OF CERTAIN LAW FIRMS TO REPRESENT THE CITY OF LAUREL IN POTENTIAL LITIGATION AGAINST CONTRIBUTORS OF OPIOID ADDICTION CRISIS.

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

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

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF LAUREL CITY COUNCIL ("GOVERNING BODY") AS FOLLOWS:

Section 1. The Governing Body of this Community, 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 Community in potential litigation against contributors of the Opioid addiction crises.

Section 2. The Governing Body 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 authorized executor of this government 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 Community 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 Governing Body, with the approval of the authorized executor, 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.

Motion was made by Councilperson Thaxton and seconded by Councilperson Capers, for the adoption of the above and foregoing Resolution.

Upon roll call vote, the result was as follows:

YEAS: Capers, Wheat, Thaxton, Carmichael, S. Comegys, T. Comegys, Page

NAYS: None

ABSTAINING: None

ABSENT: None

The President thereupon declared the motion carried and the Resolution be adopted this the 5th day of JUNE, A.D. 2018.

President of the City Council

ATTESTED AND SUBMITTED TO THE MAYOR BY THE CLERK OF THE COUNCIL ON
THIS THE _____ day of _____, 2018.

Clerk of the Council

APPROVED () DATE _____

VETOED () DATE _____

MAYOR

ATTEST:

CITY CLERK

Min. of: 06/05/18; Book No: 101; Page No: _____; Agenda Item No: 4C

CERTIFICATE

I, the undersigned, do hereby certify that I am the duly qualified and acting Clerk of Council of The City of Laurel, Mississippi that the foregoing is a true and complete copy of a certain Resolution duly adopted by The City of Laurel City Council at a duly convened meeting properly held on _____, 2018; that said Resolution appears as a matter of public record in the official records of the governing body; that said meeting was duly held in accordance with all applicable requirements of Mississippi law; 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 _____, 2018.

Clerk of the Council

EXHIBIT “A”

Legal Services Agreement

ENGAGEMENT TO REPRESENT

RE: The City of Laurel, Mississippi civil suit against those legally responsible for the wrongful distribution of prescription opiates and damages caused thereby.

The The City of Laurel City Council (hereinafter “CLIENT”), by and through its governing body, hereby retains the law firm MCHUGH FULLER LAW GROUP, PLLC (“Firm”) pursuant to the Mississippi Rules of Professional Conduct and MISS Code Ann. §§ 21-15-25 and 21-17-5, on a contingent fee basis, to pursue all civil remedies, as outlined in the Firm’s attached proposal publication, against those in the chain of distribution of prescription opiates responsible for the opioid epidemic which is plaguing The City of Laurel, Mississippi including, but not limited to, filing a claim for public nuisance to abate, enjoin, recover and prevent the damages caused thereby. **Michael J. Fuller, Esq** (MS Bar# 101156) of the law firm MCHUGH FULLER LAW GROUP, PLLC 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”):

MCHUGH FULLER LAW GROUP
97 Elias Whiddon Road
Hattiesburg, Mississippi

LEVIN, PAPANTONIO, THOMAS, MITCHELL, RAFFERTY & PROCTOR, PA
316 South Baylen Street
Pensacola, Florida

GREENE, KETCHUM, FARRELL, BAILEY & TWEEL, LLP
419 11th Street
Huntington, West Virginia

BARON & BUDD, PC
3102 Oak Lawn Avenue #1100
Dallas, Texas

HILL PETERSON CARPER BEE & DEITZLER PLLC
500 Tracy Way
Charleston, West Virginia

POWELL & MAJESTRO, PLLC
405 Capitol Street, P-1200
Charleston, West Virginia

ALLEN, ALLEN, BREELAND & ALLEN, PLLC
214 Justice Street
Brookhaven, Mississippi

HORTMAN HARLOW BASSI ROBINSON & McDANIEL
414 West Oak Street
Laurel, Mississippi 39440

In consideration, Client agrees to pay twenty-five percent (25%) 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. Total fees and expenses shall not exceed thirty-five percent (35%) of the gross recovery. Client grants Attorneys an interest in a fee based on the gross recovery. If a court awards attorneys' fees, Attorneys 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.**

MCHUGH FULLER LAW GROUP, PLLC and/or the other law firms, 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.**

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 wholesale distributors and manufacturers 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 the wholesale distributors and manufacturers. The CLIENT agrees to compensate the Firm, contingent upon prevailing, by paying 25% of any settlement/resolution/judgment, in favor of the CLIENT, whether it takes the form of monetary damages or equitable relief. For instance, if the remedy is in the form of monetary damages, CLIENT agrees to pay 25% of the gross amount to Firm as compensation and then reimburse the reasonable litigation expenses. If the remedy is in the form of equitable relief (e.g., abatement fund), CLIENT agrees to pay 25% of the gross value of the equitable relief to the Firm as compensation and then reimburse the reasonable litigation expenses. 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.

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 Mississippi 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 Mississippi Rules of Professional Conduct; and (4) the total fee is *not clearly excessive*.

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 Mississippi Rules of Professional Conduct. The closing statement shall be signed by the CLIENT and each attorney among whom the fee is being divided.

Nothing in this Agreement and nothing in the Attorneys' statement to the CLIENT may be construed as a promise or guarantee about the outcome of this matter. The Attorneys 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.

The City of Laurel, Mississippi

Mayor Johnny Magee

Accepted:

McHUGH FULLER LAW GROUP
97 Elias Whiddon Road
Hattiesburg, Mississippi

By _____
Michael J. Fuller
Lead Counsel

Date