

RESOLUTION AUTHORIZING PARTIAL SETTLEMENT OF VAPING LITIGATION

WHEREAS, in 2020 November 11 Wheaton Warrenville Community Unit School District No. 200 (the “District”) authorized national counsel Frantz Law Group, APLC of California with local counsel Franczek PC to initiate Vaping Litigation against Juul Labs, Inc. and other parties via Resolution;

WHEREAS, in recent years the use and abuse of e-cigarettes and vaping devices increased dramatically among high school and middle school students, leading to significant risks of addiction and potentially life-threatening respiratory ailments; and

WHEREAS, students attending the District have not been immune to this phenomenon with the District observing students using e-cigarettes and vaping devices in school and on school grounds; and

WHEREAS, the use of e-cigarettes and vaping devices by students has caused the District to incur costs in the form of staff time, disciplinary proceedings, and other costs, with the expectation that these costs will only increase unless and until student use of these devices decreases and stops; and

WHEREAS, the District authorized litigation against Juul Labs, Inc. and other parties responsible for the production, marketing, sale, and distribution of e-cigarettes and vaping devices, with this litigation now involving more than 1,400 U.S. public school districts across more than 25 states and being led by the Frantz Law Group, APLC of California; and

WHEREAS, a settlement has been reached with Defendant Juul Labs, Inc. and certain individual board members, directors, executives and parties with whom Juul Labs, Inc. has indemnity agreements; and

WHEREAS, litigation against Altria Group, Inc. and remaining defendants will continue;
and

WHEREAS, partial settlement means the District would forever release all claims against Juul Labs and the other released entities; and

WHEREAS, in return, the District would receive certain cash payments; and

WHEREAS, the amount that the District receives will be based on a final allocation framework recommended by the court-appointed Special Master Thomas Perrelli with the allocation framework for all governmental entities including factors such as population and litigation risk and be no less than \$ 287,000 for the District; and

WHEREAS, it is anticipated an initial payment of approximately 50% of the settlement amount will be received by late 2023; and

WHEREAS, the remainder payments will be made in four installments in 2024, 2025 and 2026.

WHEREAS, the Board of Education (the “Board”) of the District has determined that it is necessary, advantageous, desirable, and in the public interest and the best interests of the District that it settle this litigation against Juul Labs, Inc. and continuing the litigation against remaining other parties involved with e-cigarettes and vaping devices.

NOW, THEREFORE, BE IT RESOLVED by the Board of Education of Wheaton Warrenville Community Unit School District No. 200, DuPage County, Illinois, as follows:

1. The Board finds that all of the recitals contained above are substantive, true and correct, and that the same are hereby incorporated herein by reference.
2. The Board authorizes the partial settlement of the vaping lawsuit against defendant Juul Labs, Inc. and certain individual board members, directors, executives and parties with whom Juul Labs, Inc. has indemnity agreements.

3. A Settlement with the substantive terms contained herein is hereby approved in substantially the form reviewed by the Board and together with such minor modifications as are deemed necessary by the Board's attorneys and administrators to protect the best interests of the District.
4. The President, Superintendent and Board Attorney are hereby authorized to finalize, sign and enter into the Settlement Agreement on behalf of the District and report the final signed Settlement Agreement back to the Board.
5. This Resolution shall be in full force and effect upon its adoption.

ADOPTED this 8th day of March 2023, by a roll call vote as follows:

YES: _____

NO: _____

ABSENT: _____

ABSTAIN: _____

President, Board of Education

Attest:

Secretary, Board of Education