

RESOLUTION NO. 2025-R_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEW BRAUNFELS, TEXAS APPROVING PARTICIPATION IN A SETTLEMENT AGREEMENT BETWEEN THE STATE OF TEXAS AND OPIOID MANUFACTURERS- ALVOGEN, AMNEAL, APOTEX, HIKMA, INDIVIOR, MYLAN, SUN, AND ZYDUS; AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE RELATED SETTLEMENT PARTICIPATION FORM.

WHEREAS, the City of New Braunfels ("City") obtained information indicating that certain drug companies and their corporate affiliates, parents, subsidiaries, and such other defendants as may be added to the litigation (collectively, "Defendants") have engaged in fraudulent and/or reckless marketing and/or distribution of opioids that have resulted in addictions and overdoses; and

WHEREAS, these actions, conduct and misconduct have resulted in significant financial costs to the City; and

WHEREAS, on May 13, 2020, the State of Texas, through the Office of the Attorney General, and a negotiation group for Texas political subdivisions entered into an Agreement entitled Texas Opioid Abatement Fund Council and Settlement Allocation Term Sheet (hereafter, the Texas Term Sheet) approving the allocation of any and all opioid settlement funds within the State of Texas; and

WHEREAS, in accordance with the Texas Term Sheet, the use of the funds received by the city are restricted to expenses related to opioid remediation and abatement on that non-exhaustive list in Exhibit E of the Distributor Settlement Agreement dated July 21, 2021, or as may be listed in any other settlement documents; and

WHEREAS, on September 27, 2021, by Resolution No. 2021-R51, the City opted into that initial settlement agreement which included many defendants including but not limited to McKesson, Cardinal Health, ABCD, and Janssen/Johnson & Johnson, Endo/Par and Teva, and it was awarded \$307, 313.00 in settlement funds; and

WHEREAS, on February 27, 2023, by Resolution No. 2023-R26, the City opted into additional settlement agreements with other manufacturers and pharmacies including Allergan, CVS, Walgreens, and Walmart, from which the City can expect to receive \$289,592; and

WHEREAS, on November 25, 2024, by Resolution No. 2024-R79, the City opted into the settlement with Kroger with the expectation of receiving a portion of those settlement funds; and

WHEREAS, the city has received a total of \$206,799.42 in three payments as follows: \$96,471.88 paid on 3/15/23, \$18,767.90 paid on 4/16/24, and \$91,559.64; and

WHEREAS, on this same date of August 25, 2025, by separate resolution, the City also opted into that settlement agreement between the State of Texas and Purdue Pharma L.P. and the Sackler Family; and

WHEREAS, the City's settlement share under this settlement agreement between the State

of Texas and the 8 opioid manufacturers identified above, and that separate settlement agreement with Purdue Pharma LP and the Sackler Family has not yet determined but will be once the State knows how many Texas cities will participate in these settlements; and

WHEREAS, once a settlement amount is calculated, it will be paid over a period not to exceed 10 years; and

WHEREAS, if the City wishes to opt into this settlement between the State of Texas and the 8 opioid manufacturers listed above and receive a portion of the settlement funds, City Council must take formal action to opt in and submit the subdivision participation form to the appropriate administrator by October 8, 2025.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of New Braunfels, Texas that the City does hereby:

Choose to participate in the opioid settlement agreement between the State of Texas and OPIOID MANUFACTURERS- ALVOGEN, AMNEAL, APOTEX, HIKMA, INDIVIOR, MYLAN, SUN, AND ZYDUS, to receive its share of the settlement proceeds related to this settlement agreement; and the City Council further authorizes the City Manager to execute all related documents, including, but not limited to the Subdivision Participation Form attached hereto as Exhibit A, and any other forms necessary to carry out the City's participation in order to submit prior to the deadline of October 8, 2025.

PASSED, ADOPTED AND APPROVED at an open meeting properly posted and conducted in accordance with the Texas Open Meetings Act on this, the ____ day of August, 2025.

City of New Braunfels, Texas

NEAL LINNARTZ, Mayor

Attest:

GAYLE WILKINSON, City Secretary

EXHIBIT K**Subdivision Participation and Release Form**

Governmental Entity:	State:
Authorized Official:	
Address 1:	
Address 2:	
City, State, Zip:	
Phone:	
Email:	

The governmental entity identified above (“*Governmental Entity*”), in order to obtain and in consideration for the benefits provided to the Governmental Entity pursuant to that certain Governmental Entity & Shareholder Direct Settlement Agreement accompanying this participation form (the “*Agreement*”)¹, and acting through the undersigned authorized official, hereby elects to participate in the Agreement, grant the releases set forth below, and agrees as follows.

1. The Governmental Entity is aware of and has reviewed the Agreement, and agrees that by executing this Participation and Release Form, the Governmental Entity elects to participate in the Agreement and become a Participating Subdivision as provided therein.
2. The Governmental Entity shall promptly after the Effective Date, and prior to the filing of the Consent Judgment, dismiss with prejudice any Shareholder Released Claims and Released Claims that it has filed. With respect to any Shareholder Released Claims and Released Claims pending in *In re National Prescription Opiate Litigation*, MDL No. 2804, the Governmental Entity authorizes the Plaintiffs’ Executive Committee to execute and file on behalf of the Governmental Entity a Stipulation of Dismissal with Prejudice substantially in the form found at <https://nationalopiodsettlement.com>.
3. The Governmental Entity agrees to the terms of the Agreement pertaining to Participating Subdivisions as defined therein.
4. By agreeing to the terms of the Agreement and becoming a Releasor, the Governmental Entity is entitled to the benefits provided therein, including, if applicable, monetary payments beginning following the Effective Date.
5. The Governmental Entity agrees to use any monies it receives through the Agreement solely for the purposes provided therein.
6. The Governmental Entity submits to the jurisdiction of the court in the Governmental Entity’s state where the Consent Judgment is filed for purposes limited to that court’s role as and to the extent provided in, and for resolving disputes to the extent provided in, the

¹ Capitalized terms used in this Exhibit K but not otherwise defined in this Exhibit K have the meanings given to them in the Agreement or, if not defined in the Agreement, the Master Settlement Agreement.

Agreement. The Governmental Entity likewise agrees to arbitrate before the National Arbitration Panel as provided in, and for resolving disputes to the extent otherwise provided in, the Agreement.

7. The Governmental Entity has the right to enforce the Agreement as provided therein.
8. The Governmental Entity, as a Participating Subdivision, hereby becomes a Releasor for all purposes in the Agreement, including without limitation all provisions of Article 10 (Release), and along with all departments, agencies, divisions, boards, commissions, districts, instrumentalities of any kind and attorneys, and any person in his or her official capacity whether elected or appointed to serve any of the foregoing and any agency, person, or other entity claiming by or through any of the foregoing, and any other entity identified in the definition of Subdivision Releasor, to the maximum extent of its authority, for good and valuable consideration, the adequacy of which is hereby confirmed, the Shareholder Released Parties and Released Parties are, as of the Effective Date, hereby released and forever discharged by the Governmental Entity and its Subdivision Releasors from: any and all Causes of Action, including, without limitation, any Estate Cause of Action and any claims that the Governmental Entity or its Subdivision Releasors would have presently or in the future been legally entitled to assert in its own right (whether individually or collectively), notwithstanding section 1542 of the California Civil Code or any law of any jurisdiction that is similar, comparable or equivalent thereto (which shall conclusively be deemed waived), whether existing or hereinafter arising, in each case, (A) directly or indirectly based on, arising out of, or in any way relating to or concerning, in whole or in part, (i) the Debtors, as such Entities existed prior to or after the Petition Date, and their Affiliates, (ii) the Estates, (iii) the Chapter 11 Cases, or (iv) Covered Conduct and (B) as to which any conduct, omission or liability of any Debtor or any Estate is the legal cause or is otherwise a legally relevant factor (each such release, as it pertains to the Shareholder Released Parties, the "Shareholder Released Claims", and as it pertains to the Released Parties other than the Shareholder Released Parties, the "Released Claims"). For the avoidance of doubt and without limiting the foregoing: the Shareholder Released Claims and Released Claims include any Cause of Action that has been or may be asserted against any Shareholder Released Party or Released Party by the Governmental Entity or its Subdivision Releasors (whether or not such party has brought such action or proceeding) in any federal, state, or local action or proceeding (whether judicial, arbitral, or administrative) (A) directly or indirectly based on, arising out of, or in any way relating to or concerning, in whole or in part, (i) the Debtors, as such Entities existed prior to or after the Petition Date, and their Affiliates, (ii) the Estates, (iii) the Chapter 11 Cases, or (iv) Covered Conduct and (B) as to which any conduct, omission or liability of any Debtor or any Estate is the legal cause or is otherwise a legally relevant factor.
9. As a Releasor, the Governmental Entity hereby absolutely, unconditionally, and irrevocably covenants not to bring, file, or claim, or to cause, assist or permit to be brought, filed, or claimed, or to otherwise seek to establish liability for any Shareholder Released Claims or Released Claims against any Shareholder Released Party or Released Party in any forum whatsoever, subject in all respects to Section 9.02 of the Master Settlement Agreement. The releases provided for herein (including the term "Shareholder Released

Claims” and “Released Claims”) are intended by the Governmental Entity and its Subdivision Releasors to be broad and shall be interpreted so as to give the Shareholder Released Parties and Released Parties the broadest possible release of any liability relating in any way to Shareholder Released Claims and Released Claims and extend to the full extent of the power of the Governmental Entity to release claims. The Agreement shall be a complete bar to any Shareholder Released Claim and Released Claims.

10. To the maximum extent of the Governmental Entity’s power, the Shareholder Released Parties and the Released Parties are, as of the Effective Date, hereby released and discharged from any and all Shareholder Released Claims and Released Claims of the Subdivision Releasors.
11. The Governmental Entity hereby takes on all rights and obligations of a Participating Subdivision as set forth in the Agreement.
12. In connection with the releases provided for in the Agreement, each Governmental Entity expressly waives, releases, and forever discharges any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code, which reads:

General Release; extent. A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

A Releasor may hereafter discover facts other than or different from those which it knows, believes, or assumes to be true with respect to the Shareholder Released Claims or such other Claims released pursuant to this release, but each Governmental Entity hereby expressly waives and fully, finally, and forever settles, releases and discharges, upon the Effective Date, any and all Shareholder Released Claims or such other Claims released pursuant to this release that may exist as of such date but which Releasors do not know or suspect to exist, whether through ignorance, oversight, error, negligence or through no fault whatsoever, and which, if known, would materially affect the Governmental Entities’ decision to participate in the Agreement.

13. Nothing herein is intended to modify in any way the terms of the Agreement, to which Governmental Entity hereby agrees. To the extent any portion of this Participation and Release Form not relating to the release of, or bar against, liability is interpreted differently from the Agreement in any respect, the Agreement controls.
14. Notwithstanding anything to the contrary herein or in the Agreement, (x) nothing herein shall (A) release any Excluded Claims or (B) be construed to impair in any way the rights and obligations of any Person under the Agreement; and (y) the Releases set forth herein shall be subject to being deemed void to the extent set forth in Section 9.02 of the Master Settlement Agreement.

EXHIBIT A TO CITY COUNCIL RESOLUTION

I have all necessary power and authorization to execute this Participation and Release Form on behalf of the Governmental Entity.

Signature: _____

Name: _____

Title: _____

Date: _____