

RESOLUTION NO. 2026-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 SIX REGIONAL DISTRIBUTORS/DISPENSER DEFENDANTS (REMNANT DEFENDANTS SETTLEMENT): ASSOCIATED PHARMACIES, INC. (AND AMERICAN ASSOCIATED PHARMACIES); J M SMITH CORPORATION; LOUISIANA WHOLESALE DRUG COMPANY, INC.; MORRIS AND DICKSON CO.; NORTH CAROLINA MUTUAL WHOLESALE DRUG COMPANY, INC.; AND UNITED NATURAL FOODS, INC. (INCLUDING ITS SUBSIDIARIES SUPERVALU AND ADVANTAGE LOGISTICS); AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE RELATED COMBINED SUBDIVISION PARTICIPATION AND RELEASE 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 in the amount of \$23,145.47; 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, the on August 25, 2025, by Resolution No. 2025-R53, the City opted into a settlement agreement between the State of Texas and 8 opioid manufacturers, namely Alvogen, Amneal, Apotex, Hikma, Indivior, Mylan, Sun, Zydus to receive an undetermined sum over 15 years; and

WHEREAS, on March 5, 2026, the City received notice of a new opioid settlement agreement between the State of Texas and six regional distributors/dispenser defendants (Remnant Defendants listed in resolution caption) to receive 0.0145509503% of the pooled settlement amount of \$97,625,000.00 (Approx. \$14,205.36); and

WHEREAS, in order to participate in the Remnant Defendants settlement agreement and receive a portion of the settlement funds, City Council must take formal action to opt in, authorize the city manager to sign and submit the Combined Subdivision Participation and Release Form attached to this resolution by the deadline of May 4, 2026.

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 settlement agreement between the State of Texas and six regional distributors/dispenser defendants (Remnant Defendants Settlement): Associated Pharmacies, Inc. (and American Associated Pharmacies); J M Smith Corporation; Louisiana Wholesale Drug Company, Inc.; Morris and Dickson Co.; North Carolina Mutual Wholesale Drug Company, Inc.; and United Natural Foods, Inc. (including its subsidiaries SuperValu and Advantage Logistics); and authorizes the city manager to execute the Combined Subdivision Participation and Release 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 May 4, 2026.

PASSED, ADOPTED AND APPROVED at an open meeting properly posted and conducted in accordance with the Texas Open Meetings Act on this, the 13th day of April, 2026.

City of New Braunfels, Texas

NEAL LINNARTZ, Mayor

Attest:

GAYLE WILKINSON, City Secretary

EXHIBIT G

**Six (6) Remnant Defendants’
Combined Subdivision Participation and Release Form
 (“Combined Participation Form”)**

Governmental Entity: New Braunfels city	State: TX
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 the six (6) Remnant Defendants’ Settlement Agreement (“RDSA”), dated February 3, 2026, and described further in Paragraph 1, and acting through the undersigned authorized official, hereby elects to participate in the RDSA, release all Released Claims against all Released Entities, and agrees as follows:

1. The Governmental Entity hereby elects to participate in the RDSA as a Participating Subdivision with each of the following six (6) Remnant Defendants that are parties to the RDSA: (1) Associated Pharmacies, Inc. (and American Associated Pharmacies), (2) J M Smith Corporation, (3) Morris and Dickson Co., L.L.C., (4) Louisiana Wholesale Drug Company, Inc., (5) North Carolina Mutual Wholesale Drug Company, Inc., and (6) United Natural Foods, Inc. (and SuperValu).
2. The Governmental Entity is aware of and has reviewed the RDSA, understands that all capitalized terms not defined in this Combined Participation Form have the meanings defined in the RDSA, and agrees that by executing this Combined Participation Form, the Governmental Entity elects to participate in the RDSA and become a Participating Subdivision as provided in the RDSAs.
3. The Governmental Entity shall promptly, and in any event no later than 14 days after the Reference Date and prior to the filing of the Consent Judgment, dismiss with prejudice any Released Claims that it has filed against any Released Entity in the RDSA. With respect to any 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 for each of six (6) Remnant Defendants listed in Paragraph 1 above substantially in the form found at <https://nationalopioidsettlement.com/additional-settlements/>.
4. The Governmental Entity agrees to the terms of each of the RDSA pertaining to Participating



Subdivisions as defined therein.

5. By agreeing to the terms of the RDSA settlements and becoming a Releasor, the Governmental Entity is entitled to the benefits provided therein, including, if applicable, monetary payments beginning after the Effective Date.
6. The Governmental Entity agrees to use any monies it receives through the RDSA solely for the purposes provided therein.
7. The Governmental Entity submits to the jurisdiction of the MDL Court and agrees to follow the process for resolving any disputes described in the RDSA.
8. The Governmental Entity has the right to enforce the RDSA as provided therein.
9. The Governmental Entity, as a Participating Subdivision, hereby becomes a Releasor for all purposes of the RDSA, including without limitation all provisions related to release of any claims, 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 Releasor, provides for a release to the fullest extent of its authority. 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 Released Claims against any Released Entity in the RDSA in any forum whatsoever. The release provided for in the RDSA is intended by the Parties to be broad and shall be interpreted so as to give the Released Entities in the RDSA the broadest possible bar against any liability relating in any way to Released Claims and extend to the full extent of the power of the Governmental Entity to release claims. The RDSA shall be a complete bar to any Released Claim against the Released Entities.
10. The Governmental Entity hereby takes on all rights and obligations of a Participating Subdivision as set forth in the RDSA.
11. In connection with the releases provided in the RDSA, 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 Released Claims in the RDSA, but each Governmental Entity hereby expressly waives and fully, finally, and forever settles, releases and discharges, upon the Effective Date, any and all Released Claims 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 RDSA.

12. The Governmental Entity understands and acknowledges that nothing herein is intended to modify in any way the terms of any of the RDSA, to which Governmental Entity hereby agrees. To the extent this Combined Participation Form is interpreted differently from the RDSA in any respect, the RDSA controls.

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

Signature: _____

Name: _____

Title: _____

Date: _____

