


CITY ATTORNEY'S OFFICE

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

RESOLUTION AUTHORIZING THE CITY ATTORNEY TO: (1) RELEASE THE CITY'S POTENTIAL CLAIMS AS NECESSARY TO JOIN EIGHT NATIONAL SETTLEMENT AGREEMENTS WITH OPIOID MANUFACTURERS ALVOGEN, AMNEAL, APOTEX, HIKMA, INDIVIOR, MYLAN, SUN, AND ZYDUS, AND THE ACCOMPANYING CALIFORNIA STATE-SUBDIVISION AGREEMENTS; AND (2) RELEASE THE CITY'S CLAIMS AGAINST PURDUE PHARMA AND SACKLER ENTITIES AS NECESSARY TO CONSENT AND PARTICIPATE IN THE ACCOMPANYING BANKRUPTCY PLAN AND SETTLEMENT AGREEMENTS (OFFICE OF THE CITY ATTORNEY - PUBLIC NUISANCE, FALSE ADVERTISING, UNFAIR COMPETITION)

WHEREAS, in May 2014, the Santa Clara County Counsel's Office and the Orange County District Attorney's Office filed the first lawsuit in the nation brought by government entities against major opioid manufacturers, including Purdue Pharma L.P., for the companies' roles in creating and perpetuating the opioid crisis; and

WHEREAS, in 2018, Oakland and Los Angeles County, in the name of the People of the State of California, joined that lawsuit; and

WHEREAS, the City Attorney's participation in the state court lawsuit has put the City of Oakland in its current position to authorize the City Attorney to (1) fully participate in the eight individual settlements with smaller opioid manufacturers (Alvogen, Inc., Amneal Pharmaceuticals Inc., Apotex Corp., Hikma Pharmaceuticals USA, Inc., Indivior Inc., Mylan Pharmaceuticals Inc., Sun Pharmaceuticals Industries, Inc., and Zydus Pharmaceuticals (USA) Inc.) (collectively the "Manufacturers"), and (2) to participate in a collection of agreements with Purdue Pharma L.P., its related corporate entities, and members of the Sackler family ("Purdue/Sackler Entities"); and

WHEREAS, the settlements arose from the litigation by innumerable state and local governments across the country, challenging the conduct of a wide variety of opioid industry actors for the role they played in the opioid crisis; and

WHEREAS, in September 2019, Purdue Pharma L.P. and related entities filed for bankruptcy, and the People's claims against the Purdue defendants were stayed; and

WHEREAS, in 2021, the bankruptcy court issued an order confirming Purdue's Chapter 11 Plan of Reorganization, however the plan was struck down by the Supreme Court in 2024 on the basis that the Bankruptcy Code did not authorize release and injunction provisions of the Chapter 11 Plan that effectively discharged claims against certain non-debtors, including members of the Sackler family that own Purdue, without the consent of those affected (*Harrington v. Purdue Pharma L.P.*, 603 U.S. 204 (2024)); and

WHEREAS, affected entities have been in mediation since that Supreme Court decision and have since reached agreements in principle to resolve the payment obligations of the Sacklers and Purdue through a series of agreements, including the Governmental Entity & Shareholder Direct Settlement Agreement (“GESA”), the Master Settlement Agreement (“MSA”), the Thirteenth Amended Joint Chapter 11 Plan of Reorganization of Purdue Pharma L.P. and its Affiliated Debtors (the “Plan”), the Governmental Remediation Trust Agreement (“GRTA”), and State-Subdivision Agreements (collectively, the “Purdue/Sackler Settlement”); and

WHEREAS, the City may elect to participate in all of the settlements, in exchange for releasing the City of Oakland’s relevant claims against the eight smaller Manufacturers, the Purdue/Sackler Entities, and by dismissing state court claims against Purdue; and

WHEREAS, to join the national settlements, the City must also agree to California’s “State-Subdivision Allocation Agreements,” which set forth a division of settlement funds between the state and its local governments and between those local governments; and

WHEREAS, the City will receive funds under the settlements over the course of years, to be directed to activities that will abate the harms of the opioid crisis; now, therefore, be it

RESOLVED: That the City Attorney is authorized to release the City’s potential claims as necessary to join eight nationwide settlements with Alvogen, Inc., Amneal Pharmaceuticals Inc., Apotex Corp., Hikma Pharmaceuticals USA, Inc., Indivior Inc., Mylan Pharmaceuticals Inc., Sun Pharmaceuticals Industries, Inc., and Zydus Pharmaceuticals (USA) Inc., and the associated California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds; and be it

FURTHER RESOLVED: That the City attorney is authorized to release the City’s claims against Purdue Pharma L.P., any related corporate entities, and potential claims against members of the Sackler family as defined in the agreements (“Purdue/Sackler Entities”) as necessary to join and consent to a collection of agreements, including the Governmental Entity & Shareholder Direct Settlement Agreement (“GESA”), the Master Settlement Agreement (“MSA”), the Thirteenth Amended Joint Chapter 11 Plan of Reorganization of Purdue Pharma L.P. and its Affiliated Debtors (the “Plan”), the Governmental Remediation Trust Agreement (“GRTA”), and the California Purdue/Sackler State-Subdivision Agreement (collectively, the “Purdue/Sackler Settlement”); and

FURTHER RESOLVED: That the City Attorney is further authorized and directed to take whatever steps as may be necessary to effect said agreements.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - BROWN, FIFE, GALLO, HOUSTON, RAMACHANDRAN, UNGER, WANG, AND
PRESIDENT JENKINS

NOES –
ABSENT –
ABSTENTION –

ATTEST: _____
ASHA REED
City Clerk and Clerk of the Council of the
City of Oakland, California