

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF DENTON APPROVING A SETTLEMENT AGREEMENT AND RELEASE IMPLEMENTING THE TERMS OF THE SETTLEMENT IN LITIGATION STYLED “*IN RE: SEIS PELICULAS, LLC RODDRICK NEWHOUSE VS. CITY OF DENTON, TEXAS*” CAUSE NO. 24-41979-ELM-7 PENDING IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF TEXAS, FORT WORTH DIVISION; AND DIRECTING THE CITY MANAGER OR DESIGNEE AND THE CITY’S ATTORNEYS TO EFFECTUATE AS NECESSARY AND APPROPRIATE THE TERMS OF A SETTLEMENT AGREEMENT AND RELEASE TO EFFECTUATE THIS APPROVAL; AND DECLARING AN EFFECTIVE DATE.

THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The City Council hereby ratifies and approves the proposed settlement of litigation styled “*In Re: Seis Peliculas, LLC Roddrick Newhouse vs. City of Denton, Texas*” Cause No. 24-41979-elm-7 pending in the United States Bankruptcy Court for the Northern District of Texas, Fort Worth Division, under terms set forth in the attached Settlement Agreement and Release.

SECTION 2. The City Manager or designee and the City’s Attorneys are hereby authorized to act on the City’s behalf in approving and executing any and all documents necessary or appropriate to effectuate the terms of the settlement, and to take other actions necessary to finalize the settlement.

SECTION 3. This Ordinance shall become effective immediately upon its passage and approval.

The motion to approve this ordinance was made by _____ and seconded by _____. This Ordinance was passed and approved by the following vote [___ - ___]:

	Aye	Nay	Abstain	Absent
Mayor Gerard Hudspeth:	_____	_____	_____	_____
Jordan Villarreal, District 1:	_____	_____	_____	_____
Nick Stevens, District 2:	_____	_____	_____	_____
Suzi Rumohr, District 3:	_____	_____	_____	_____
Joe Holland, District 4:	_____	_____	_____	_____
Brandon Chase McGee, At Large Place 5:	_____	_____	_____	_____
Jill Jester, At Large Place 6:	_____	_____	_____	_____

PASSED AND APPROVED this the _____ day of _____, 2026.

GERARD HUDSPETH, MAYOR

ATTEST:
KRISTI FOGLE, INTERIM CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

BY: *Davin Q. Alexander*

EXHIBIT "A"

Settlement Agreement and Release

SETTLEMENT AND RELEASE AGREEMENT

THIS SETTLEMENT AND RELEASE AGREEMENT (the “Settlement Agreement”) dated as of June 4, 2026 by and between The City of Denton, Texas (“Denton”) and Roddrick Newhouse (the “Trustee”), the duly appointed Chapter 7 Trustee for the Estate (the “Estate”) of Seis Peliculas, LLC (the “Debtor”). Denton and the Trustee are sometimes referred to individually as a “Party” and collectively as the “Parties.” This Settlement Agreement is subject to Bankruptcy Court approval through the Federal Rule of Bankruptcy Procedure 9019 process and is not effective until that approval is obtained.

WHEREAS, on June 6, 2024 (the “Petition Date”), the Debtor filed a voluntary petition under Chapter 7 of title 11 of the United States Code (the “Bankruptcy Code”), commencing the Chapter 7 bankruptcy matter styled *In re Seis Peliculas, LLC*, Case No. 24-41979-elm-7 (the “Bankruptcy Case”) in the United States Bankruptcy Court for the Northern District of Texas, Fort Worth Division (the “Bankruptcy Court”) thereby creating the Estate;

WHEREAS the Debtor transferred to Denton \$12,101.64 on June 7, 2024 (the “Transfer”) in exchange for certain utilities offered by Denton utilized by the Debtor;

WHEREAS the Trustee filed his *Original Complaint* against Denton seeking recovery of the Transfer pursuant to section 549 and 550 of the Bankruptcy Code, thereby initiating Adversary Proceeding Number 26-04053 pending before the United States Bankruptcy Court for the Northern District of Texas (the “Adversary Proceeding”);

WHEREAS Denton disputes liability for the Transfer and maintains that it has applicable affirmative defenses to the recovery of the Transfer;

WHEREAS the Parties desire to settle the Transfer on the terms set forth herein solely for the purpose of avoiding the burden, expense, risk, and uncertainty inherent in litigation;

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements set forth in this Settlement Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Court Approval: Within five (5) business days after Denton executes the Settlement Agreement, the Parties shall cause their respective counsel to file a Motion under Federal Rule of Bankruptcy Procedure 9019 (the “9019 Motion”) for entry of an order approving the Settlement Agreement and dismissing the Lawsuit. Counsel for the Trustee shall draft the 9019 Motion subject to comment and approval by Counsel for Denton.

2. Payment: Within fourteen (14) days of entry of an order of the Bankruptcy Court approving the Settlement Agreement, Denton shall pay \$10,500 (the “Settlement Amount”) to the Trustee.

3. Releases:

- a. Release of Denton: Immediately upon the Effective Date, except for claims for breach of this Settlement Agreement and without need for further document or order, the Trustee, for himself, the Debtor, and the Estate, hereby releases and discharges Denton and each of its respective agents, attorneys, partners, employees, predecessors, successors, assigns, and insurers (hereinafter collectively, the “Denton Releasees”) of and from any and all actions, causes of action, claims, counterclaims, debts, demands, obligations, liabilities, liens, losses, and damages of any kind or character whatsoever, whether at law or equity or otherwise, whether known or unknown, contingent, suspected or unsuspected, asserted or unasserted, which they ever had, now have, or may have had against the Denton Releasees.
- b. Release of the Trustee: Immediately upon the Effective Date, except for claims for breach of this Settlement Agreement and without need for further document or order, Denton, for itself and on behalf of their partners, managers, members, owners, agents, predecessors, successors, and attorneys, hereby release and discharge the Trustee and his attorneys, employees, and agents, both personally and in their capacity on behalf of the Estate and the Debtor (the “Trustee Releasees”) of and from any and all actions, causes of action, claims, counterclaims, debts, demands, obligations, liabilities, liens, losses, and damages of any kind or character whatsoever, whether at law or equity or otherwise, whether known or unknown, contingent, suspected or unsuspected, asserted or unasserted, which they ever had, now have, or may have had against the Trustee Releasees.

4. Attorneys’ Fees. Each Party shall bear its own attorney’s fees and costs incurred in the Lawsuit and through the execution of the Settlement Agreement.

5. Dismissal of Adversary Proceeding. Within five (5) business days of receipt of the Settlement Amount, the Trustee shall file a notice of dismissal with prejudice thereby dismissing the Adversary Proceeding and the claims brought therein against Denton with prejudice.

6. Governing Law. This Settlement Agreement shall be governed by the laws of the State of Texas without regard for its conflict of laws principles and federal law where applicable.

7. Jurisdiction and Venue. Should any dispute arise under this Settlement Agreement, the Parties agree that the exclusive jurisdiction and venue for such disputes shall be the United States Bankruptcy Court for the Northern District of Texas, Fort Worth Division or any other court in the Northern District of Texas.

8. Effective Date: The Effective Date of the Settlement Agreement shall be the same as the date of entry of an order of the Bankruptcy Court approving this Settlement Agreement.

9. No Admission. This Settlement Agreement is a compromise of disputed claims. Nothing contained in the Settlement Agreement shall be interpreted or construed to be an admission on the part of, or to the prejudice of, Denton or the Trustee.

10. Non-Admissibility. Pursuant to Federal Rule of Evidence 408, this Settlement Agreement and any related documents filed or created in connection with it shall be inadmissible in evidence in any proceeding, except as necessary to approve, interpret or enforce this Settlement Agreement.

11. Entire Agreement. This Settlement Agreement constitutes the entire agreement between the Parties with respect to subject of the Settlement Agreement and shall supersede any prior understandings with respect to this settlement, whether written or oral. No representations, warranties, or inducements have been made to any of the Parties, other than those representations, warranties, and covenants contained in this Settlement Agreement.

12. No Construction Against Drafter. This Settlement Agreement shall be deemed to have been drafted jointly by the Parties and, in construing and interpreting this Settlement Agreement, no provision of this Settlement Agreement shall be construed or interpreted against any Party because such provision, or this Settlement Agreement as a whole, was purportedly prepared or requested by such Party.

13. No Waiver. No failure to exercise and no delay in exercising any right, power or remedy under this Settlement Agreement shall impair any right, power or remedy which any Party may have, nor shall any such delay or failure be construed to be a waiver of any such rights, powers or remedies or an acquiescence in any breach or default under this Settlement Agreement, nor shall any waiver of any breach or default of any Party be deemed a waiver of any default or breach subsequently arising.

14. Headings. The headings set forth in this Settlement Agreement are for purposes of convenience only and shall not be construed as affecting the meaning or interpretation of the text of this Settlement Agreement.

15. Counterparts. This Settlement Agreement may be signed in counterparts, and the separate signature pages executed by the Parties may be combined to create a document binding on all of the Parties and together shall constitute one and the same instrument. Facsimile or electronically transmitted signatures are effective as originals.

16. Authority to Enter into the Settlement Agreement. Each Party represents and warrants that he/she has the right and authority to execute this Settlement Agreement.

17. Consultation with Counsel. Each of the Parties represents and warrants that he/she has had the opportunity to consult and receive advice from independent legal counsel, and he/she has carefully read and fully understands all of the provisions of this Settlement Agreement.

18. No Oral Modifications. This Settlement Agreement may not be amended, modified, altered, waived, or otherwise changed in any manner except by a writing signed by the Parties.

19. Severability of Provisions. Should any provision of this Settlement Agreement be declared or determined by any court of competent jurisdiction to be wholly or partially illegal, invalid, or unenforceable, the legality, validity, and enforceability of the remaining parts, terms, or provisions shall not be affected thereby, and the illegal, invalid, or unenforceable part, term, or provision shall be deemed not to be a part of this Settlement Agreement.

20. Binding Effect and Benefit. This Settlement Agreement shall be binding upon and inure to the benefit of the Parties and their respective parents, subsidiaries, members, affiliates, related entities, partners, successors, and assigns.

21. Further Assurances: Each Party agrees to execute or cause their respective counsel to execute, such further and additional documents, instruments, and writings as may be necessary, proper, required, desirable, or convenient for the purpose of fully effectuating the terms and provisions of this Settlement Agreement.

[SIGNATURES ON NEXT PAGE]

TRUSTEE SIGNATURE:

_____ Date of Signature: _____
Roddrick Newhouse, Trustee

BEFORE ME, the undersigned authority, on this day personally appeared Roddrick Newhouse who is known to me to be the person whose name is subscribed to the foregoing instrument, who is personally known by me or by providing _____ as qualifying identification.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS _____ DAY OF JUNE 2026.

Notary Public – State of Texas

CITY OF DENTON, TEXAS
SIGNATURE:

Date of Signature: _____

CASSEY OGDEN, INTERIM CITY MANAGER
On behalf of the City of Denton, Texas
Per delegated authority

BEFORE ME, the undersigned authority, on this day personally appeared Cassey Ogden, known to me to be the person whose name is subscribed to the foregoing instrument, who is personally known to me or by providing _____ as qualifying identification.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS _____ DAY OF JUNE, 2026.

Notary Public – State of Texas

APPROVED AS TO LEGAL FORM
MACK REINWAND, CITY ATTORNEY

BY: Devin Q. Alexander
Devin Q. Alexander