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March 13, 2024

Special Master Jack Van de North
LARSON • KING, LLP
30 East Seventh Street, Suite 2800
Saint Paul, MN 5510

Re: Minnesota Opioid Litigation Backstop Fund

Dear Special Master Van de North,

Please accept this correspondence and *Application* form as Napoli Shkolnik PLLC's application to the *Minnesota Opioid Litigation Backstop Fund* in relation to its representation of the City of St. Paul.

Napoli Shkolnik is a national litigation firm providing representation in complex litigation, arbitration, and mediation in class action lawsuits and complex commercial cases as well as for victims of environmental disasters, aviation accidents, defective prescriptions drugs and medical devices, and other serious personal injury matters. The firm has been able to secure landmark verdicts and settlements in high profile cases throughout the country, including on behalf of the City of St. Paul in this litigation. Most recently the firm's founding partners were lead negotiators involved in the over \$55 Billion dollar opioid resolutions, as well as the \$14.2 Billion AFFF water provider settlements.

In 2017, MDL 2804 *In Re: National Prescription Opiate Litigation* was established in the United States District Court, Northern District, Eastern Division. In early 2018, Hunter Shkolnik was appointed to the MDL *Plaintiffs Executive Committee*. Along with Mr. Shkolnik, Salvatore Badala, Joseph Ciaccio, Paul Napoli and the undersigned, led a team of over 100, dedicating hundreds of thousands of hours to this case, both in Minnesota and across the country, including taking part in meetings held and/or attended by Attorney General Ellison and his team, Minnesota's Opioid Epidemic Response Advisory Council (OERAC), Association of Minnesota Counties, the League of Minnesota Cities, and the Coalition of Greater Minnesota Cities.

The time and labor involved in this litigation, both nationally and on the part of our clients, including the City of St. Paul, has been enormous and rewarding. Everything related to the litigation is both novel and difficult. The firm has performed work in all aspects of the opioid litigation, from pre-MDL to bellwether work, all aspects of both plaintiff-side and defendant-side

discovery, expert retention and workup, trial preparation, and trial, in addition to high level involvement in settlement negotiations and resolution. The firm's involvement in almost every intra-state agreement negotiation, including Minnesota, as well as defendant settlement related negotiation, has led to a higher baseline for all settlements, which benefitted not only MDL plaintiffs but municipalities across the United States, including those in Minnesota. The undersigned took a lead role in ensuring the maximum settlement participation both on a national scale and in Minnesota as well.

Since 2019, Napoli Shkolnik has represented the City of Saint Paul in the opioid litigation. Napoli Shkolnik's fee for the City is pure contingency at 20%. See attached *Legal Services Contract* attached as Exhibit A. On June 10, 2019, the firm filed a lawsuit on behalf of the City in MDL 2804 under case number 1:19-op-45424-DAP. See attached *Complaint* attached as Exhibit B. Since that filing, the firm has been in constant contact with City representatives on numerous items including but not limited to monthly updates, time sensitive updates, discovery obligations, strategy, and settlements.

Multiple manufacturers, distributors and pharmacies that were included in the City's Complaint have now settled due to the work of our firm, both as a member of the PEC, as lead counsel in multiple bellwether trials, and as part of the settlement negotiating teams. As a result of the Distributors and Janssen settlements, the City will receive approximately \$6,447,093.56 from the Distributors Agreement and approximately \$1,446,089.14 from the Janssen Agreement. More settlements have been announced and many more defendants are in mediation or litigation.


The firm submitted a fee application to the Fee Panel and included a copy of the *Complaint* as well as the *Legal Services Contract*. Pursuant to Exhibit R of the *Distributor Settlement Agreement* and *Janssen Settlement Agreement (Agreement on Attorneys' Fees, Expenses and Costs)*, and the *Description of the Mathematical Model for the Allocation of Contingency Fee Funds* included in Exhibit R, the firm was awarded \$291,820.81 in attorney fees from the *National Contingency Fee Fund* from the *Distributor Settlement Agreement* and \$66,006.99 from the *Janssen Settlement Agreement*. We are unable to provide a copy of the *Contingency Fee Fund* "final awards" as requested in the Application as none exists; however please find excels converted to PDF provided by the Fee Panel with *Contingency Fee Fund* amounts awarded, attached as Exhibit C. We have waived our contingent fee agreement as evidenced by our application to the *Contingency Fee Fund* since waiver was mandatory for that application. The *Attorney Certification* required by the Fee Panel which certifies that the firm is waiving its contingency fee agreement is confidential and not a public document and cannot be provided at this time. We will attempt to obtain permission from the Fee Panel to provide same.

The firm's fees are capped at 15% as per the state agreement. 15% of the approximately \$6,447,093.56 expected to the City from Distributors is \$967,064.03. 15% of the approximately \$1,446,089.14 expected to the City from Janssen is \$216,913.37. Therefore, including the 15% cap, the firm is entitled to \$1,183,977.40 total attorney fees. Napoli Shkolnik is entitled to \$357,827.80 under the *Contingency Fee Fund* as discussed above. The firm is therefore seeking an additional \$675,243.22 in fees for Distributors and \$150,906.38 in fees for

Janssen. \$826,149.60 is the total of those two numbers and the firm's total attorney fees sought from the backstop.

Thank you for your consideration and please feel free to contact the undersigned with any questions or concerns you may have. Be well.

Sincerely,



Shayna E. Sacks

Encls.

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