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December 18, 2025

VIA E-MAIL ONLY
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Special Master Jack Van de North
Larson King LLP
30 East Seventh Street, Suite 2800
St. Paul, MN 55101

Re: *Minnesota Opioids Backstop Fund Fee Awards*

Dear Special Master Van de North:

I write in response to your letter dated December 12, 2025, in which you requested additional information regarding applications to the Wave 2 Backstop Fund. Specifically, you asked that we address differences between the amounts awarded from the National Contingency Fee Fund and the amount sought by the Minnesota Backstop Fund. Although we have limited information regarding the National Contingency Fee Fund, we attempt to address your concerns below.

The State-Subdivision Memorandum of Agreement (“the MOA”) reflects the Parties’ understanding that awards from the National Contingency Fee fund were unlikely to provide sufficient resources to compensate counsel at amounts equal to 15% of the amounts received by subdivisions who retained outside counsel to initiate the opiate litigation (i.e., the contingency fee). To incentivize counsel to waive their contingent fee agreements at the outset of the settlements, and recognizing that national awards were uncertain, the Parties negotiated and agreed upon a Minnesota Backstop Fund to ensure that counsel would receive payment up to the reduced contract rate.

As further contemplated by the Parties at the creation of the Minnesota Backstop Fund, the National Contingency Fee Fund focuses on objective information unrelated to matters considered in the Backstop Fund. For example, the National Contingency Fee Fund does not consider the results obtained for the clients, the novelty of the questions presented, or other criteria described

by the MOA. Rather, the National Contingency Fee Fund distributes fee awards based on a mathematical formula influenced by the amount of funds available, specific provisions in the fee agreements, and timing of claims.

Awards made pursuant to the Minnesota Backstop Fund appear to be based on factors and information not contemplated by the National Contingency Fee Fund. The two funds complement, rather than compete with, each other. Further, absent awards made through the Minnesota Backstop Fund, there would be no consideration given to the risk incurred and specific contributions of counsel. The litigating subdivisions, by and through their counsel, assumed significant risk in bringing claims that ultimately formed the foundation of the litigation in Minnesota and paved the way for successful resolution of such claims not only for the litigating subdivisions, but for the State as a whole. Counsel take pride in this accomplishment and submit that the requested compensation from the Back Stop Fund is reasonable, appropriate, and consistent with the terms of the MOA.

Please do not hesitate to contact us if you have additional questions. Thank you.

Sincerely,

LOCKRIDGE GRINDAL NAUEN PLLP



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DWA/ymf