Keller | Lenkner

August 12, 2019

David J. Brodie
City Attorney
City of Coon Rapids
11155 Robinson Drive
Coon Rapids, MN 55433

Re: Representation of Coon Rapids Concerning Opioid Matter

Dear Mr. Brodie:

1. Parties

This agreement is between the City of Coon Rapids as the client ("you"), and Keller Lenkner LLC, Consovoy McCarthy Park PLLC, and Hoff Barry, P.A., the attorneys.

2. Scope of Representation

The attorneys agree to represent you in you in prosecuting claims against Defendants Purdue Pharma L.P., Purdue Pharma Inc., the Purdue Frederick Company, Inc., Insys Therapeutics, Inc., Teva Pharmaceutical Industries, Ltd., Teva Pharmaceuticals USA, Inc., Cephalon, Inc., Johnson & Johnson, Janssen Pharmaceuticals, Inc., Endo Health Solutions Inc., Endo Pharmaceuticals, Inc., Actavis plc, Actavis, Inc., Watson Pharmaceuticals, Inc., and Watson Laboratories, Inc. (collectively, "Manufacturer Defendants"); McKesson Corporation, Cardinal Health, Inc., and AmerisourceBergen Corporation (collectively, "Distributor Defendants") (all together, "Defendants") arising from potential violations of law in the marketing, sale, and distribution of opioids, in turn causing economic harm to the City of Coon Rapids (the "Matter").

The attorneys shall have no obligation to represent you in any other matter and no obligation to handle any appeal of a decision in this matter. The attorneys agree to represent you, however, in the defense of any counterclaims filed by the Defendants.

3. Attorneys' Fees

a. No Recovery, No Fee – You will not owe the attorneys anything unless there is a recovery, payment to you, or settlement in your case. This is a contingent fee agreement. The attorneys' fees described below are contingent on you receiving a recovery, payment to you, settlement or award in this case.

b. Low Value or Pick-Off Settlement Offers – You have the right to accept or not any settlement offer made to you. You also recognize that the defendant or defendants may offer you

a lump sum that is less than the expenses the attorneys have invested in prosecuting your case or less than the expenses and reasonable value of the attorneys' fees incurred in prosecuting your case. Defendants sometimes do this to put pressure on attorneys or to try to escape litigation without properly compensating plaintiffs or their lawyers. We will inform you if we believe you have been offered such a settlement. You recognize and agree that in the event you accept such a settlement, a large portion, perhaps a very large portion, may be required to reimburse us for expenses and attorneys' fees. We will not recommend that you accept such a settlement.

c. Contingent Fee – The fee to be paid will be a percentage of the "gross recovery." The term "gross recovery" means the total of all amounts received by settlement, arbitration award or judgment, including any award of attorney's fees. The fee will be calculated after the deduction of any costs and expenses as set forth below. But, in no circumstance, should the Client be obligated to pay any costs and expenses exceeding the amount of client's portion of the gross recovery. In other words, if the Client's share of the gross recovery is less than the total amount of costs and expenses attributable to the client, the Attorneys will be responsible for the remainder. The attorney's fee shall be calculated as follows: 33.33% of the gross recovery after deduction of costs and expenses attributable to you.

d. Fee the Result of Negotiation, Not Set By Law – You acknowledge that this fee is the result of an arm's length transaction between you and the attorneys. You recognize that the attorneys have made substantial investments of time and resources to pursue this case on your behalf and bear a substantial risk of recovering nothing at all or nothing for a substantial amount of time. You agree that that risk justifies the fees under this agreement. You acknowledge that this fee is not set by law.

e. Lien – You grant attorneys a lien to secure payment of the fees and expenses described by this agreement.

f. Fee Due at Settlement or Payment – The fees and expenses described by this agreement are due as soon as any claims are settled or any payments made to you.

g. Division of Fee Among Attorneys – You understand and agree that attorneys will divide any fee among themselves, based upon the division of responsibility between the attorneys' firms: An undivided 15% will be paid to Keller Lenkner LLC/Consovoy McCarthy Park LLC (to be split equally between the firms) and an undivided 15% will be paid to Hoff Barry, P.A, and the remaining 70% of the contingent fee will be divided among Keller Lenkner LLC/Consovoy McCarthy Park LLC (to be split equally between the firms) and Hoff Barry, P.A. on the basis of relative time and effort that the firms devoted to the case utilizing a modified lodestar+multiplier. The remaining 70% shall receive the same positive or negative multiplier applied to each firm's lodestar to determine its pro rata share of the fees to be paid.

4. Expenses

You authorize attorneys to incur reasonable expenses to pursue your potential claims. Attorneys will pay for expenses as they are incurred with the understanding that they will be repaid out of any recovery, as described above.

Expenses could include, but are not limited to, testifying and expert witness fees (including for evaluation, reports, and/or testimony), filing fees, court or arbitration costs, fees for court reporters and transcripts, deposition expenses, legal research expenses, commercial and private transportation expenses, travel expenses (including lodging and meals), consultant fees, postage, long-distance telephone calls, messengers, record service fees, photocopying, preparation of exhibits, investigative fees and expenses, specialized outside counsel and service fees and expenses (e.g., probate, taxation, bankruptcy), costs associated with collecting judgments, structured settlement expenses, witness fees and mileage, subpoena fees, any expenses to assist with investigating or resolving third-party liens, and all other reasonable and necessary costs and expenses that we in our professional judgment determine to be reasonably necessary in connection with prosecuting or settling your claims. If we represent more than one client with potential claims similar to yours (which we intend to do) then we may apportion joint expenses on a pro rata basis between you and similar clients if those expenses can reasonably be viewed as benefitting you and the other client or clients.

Expenses in this case could be significant.

5. Client's Duties

Your cooperation is critical to the successful pursuit of your claims. You agree to perform the following duties:

a. Participation in Discovery – You may be required to locate and produce documents, to answer written questions, or appear at a time and place to answer questions under oath. You agree to make yourself available to do these things on reasonable notice.

b. Participation in Hearing – You agree to make yourself available to participate in a hearing on your claims on reasonable notice.

c. Document Preservation – You must not destroy, delete, or discard documents and other information sources in your possession that are relevant to your potential claims. This includes physical, paper documents and electronic documents like email or social media posts, whether on a computer, phone, or other device.

You agree and acknowledge that your failure to fulfill any of these duties is grounds for the attorneys to stop representing you.

6. Third-Party Liens

Certain third parties may have, or may assert in the future, liens on any recovery you might ultimately obtain by verdict, settlement or otherwise. You recognize and understand that any liens must be resolved and satisfied before we can distribute to you your portion of recovery from any settlement, judgment, or award. You acknowledge that we may engage the services of a company that specializes in resolving these types of liens, and that any fee paid to such company will be treated as an expense or advance under this Agreement. Satisfaction of liens could significantly reduce, or even eliminate entirely, any net proceeds to you from this matter. If any liens on the proceeds of this matter are asserted, you authorize us to hold in trust any funds we reasonably believe are or may be subject to any liens, until such liens are resolved and released.

7. Attorneys' Right to Withdraw

You acknowledge that the attorneys have the absolute right to stop representing you at any time if, in their professional judgment and consistent with their ethical responsibilities, they come to believe that your potential claims are unlikely to result in a recovery for any reason, including, but not limited to, the lack of a source of funds to pay your claims.

8. Client's Right to Terminate Attorneys

You may terminate attorneys at any time by written notice to the Attorneys. Such termination is subject to the Attorneys' Fees and Expenses provisions of this agreement.

9. No Guarantee

You acknowledge that the attorneys have not and will not provide any guarantee about the outcome of your claims.

10. Potential Conflicts

The attorneys intend to represent many clients with claims similar to yours. At this time, your interests and the interests of other clients align. We know of no conflicts of interest that would have an adverse impact on our representation of you. It is, however, possible that conflicts may arise in the future, including:

a. We discover that there is a limited pool of assets from which recovery is reasonably likely (for example, an insurance policy), and those assets are insufficient to pay all of our clients the full value of their claims.

b. A defendant offers an aggregate or "lump sum" settlement to all of our clients that does not specify the amount each client will receive.

c. A defendant offers to settle, but only if a certain percentage, or even all, of our clients accept the proposed settlement.

We may also be required by the applicable rules of professional conduct to share material information about your claims and negotiating position with our other clients with similar claims. While we will try to avoid these issues if it is practical to do so, they might still occur. If any conflict of interest affecting you does arise, we will inform you promptly and work with you on how best to proceed in accordance with the applicable rules of professional conduct.

11. Data Privacy

In the course of representing you, we may learn facts about you, the defendants, or other parties, that could later be helpful in identifying or bringing a claim on behalf of another client or potential client. You agree that, so long as we do not disclose your identity to anyone other than our employees, agents, or service providers, we may use information gained through our representation of you to identify or pursue a legal claim on behalf of another party.

12. Association of Counsel

You acknowledge that the attorneys will likely associate with other counsel to assist with your potential claims and authorize us to do so. You authorize us to associate other counsel as we see fit. As discussed above, it may be necessary to retain specialized outside counsel to assist with specialized questions such as probate, taxation, or bankruptcy. In that event, fees and expenses of these counsel will be treated as expenses advanced for your benefit. On the other hand, if we choose to associate other counsel to pursue the merits of your case, you agree that we may do so, we will be responsible for paying the associated counsel, and your fees will not increase as a result of any association with other counsel. If we intend to associate with other counsel in your case for either purpose, we will let you know promptly.

13. Entire Agreement and Choice of Law

This Agreement contains the entire agreement of the parties. It cannot be modified or canceled except in writing signed by all parties. This Agreement will be construed in accordance with the laws of the State of Illinois (including Illinois choice-of-law principles).

14. Arbitration

In the event of any dispute, controversy, or claim between us (or our respective heirs, successors, assigns, or affiliates) arising out of, relating to, or in connection with your engagement of us (any of the foregoing, a "dispute"), you and we irrevocably and unconditionally waive the right to seek remedies in court, including the right to a jury trial, and agree to submit said dispute exclusively to binding arbitration conducted by a single arbitrator

subject to the rules of the American Arbitration Association. The seat of the arbitration will be in Chicago, Illinois. The arbitrator shall have the authority to determine his or her own jurisdiction by interpreting the scope of this agreement and whether a controversy or claim arises out of or relates to your engagement of us.

16. Power of Attorney

No settlement shall be made without your approval and permission. Consistent with the attorney ethics rules and other requirements for powers of attorney, you grant us the power of attorney to execute all documents connected with your claims, including pleadings, contracts, checks or drafts, settlement agreements, deposit of settlement funds in a trust account and disbursement of those funds, compromises, releases, verifications, dismissals, and orders, as well as all other documents that you could properly execute.

17. No Tax or Benefit Advice

It is possible that resolution of this case may result in a monetary payment to you. You acknowledge and agree that the attorneys cannot and will not provide legal advice regarding the tax and government benefit implications of receiving any settlement or sum of money.

18. Authority to Sign

You acknowledge that you have read this Agreement in its entirety, that you fully understand the terms and conditions of same, and that you agree to abide by its terms.

Sincerely,

Ashley Keller
Ashley Keller (Aug 21, 2019)
Keller Lenkner LLC

Will Consovoy (Aug 21, 2019)
Consovoy McCarthy Park PLLC

Jared Shepherd
Jared Shepherd (Aug 21, 2019)
Hoff Barry, P.A.

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AGREED AND ACCEPTED

Client Signature: _____

Jerry Koch

Title: Mayor

Date: 8/21/19

_____

Matt Stemwedel

Title: City Manager

Date: 8/21/19

retainer - coon rapids

Final Audit Report 2019-08-21

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By:	Seth Meyer (sam@kellerlenkner.com)
Status:	Signed
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Signed document emailed to Ashley Keller (ack@kellerlenkner.com), Seth Meyer (sam@kellerlenkner.com), Will Consovoy (will@consovoymccarthy.com), and Jared Shepherd (jshepherd@hoffbarry.com)
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