



MEMO

TO: Cass County Board of Commissioners
FROM: Robert Wilson
DATE: May 15, 2018
SUBJECT: Retain Robbins Geller Rudman & Dowd LLP for Opioid Litigation

County
Administrator

Robert Wilson
701-241-5770
wilsonro@casscountynd.gov

A growing number of counties, municipalities and states have initiated litigation against the manufacturers and distributors of opioids as a result of the nationwide abuse of the painkillers and the allegation of receptive and fraudulent marketing practices.

Hundreds of these lawsuits have been consolidated into a single set of Multi-District Litigation (MDL) cases currently docketed in a federal court in Ohio. One of the law firms involved in the MDL, Robbins, Geller, Rudman & Dowd, has reached out to Cass County on several occasions regarding potential representation.

Through NACo resources, professional contacts across the country and North Dakota Association of County resources, Birch Birdick, Mike Montplaisir and I have learned about both the merits of joining this litigation, and received feedback from other counties working with this firm.

There is no cost to Cass County to retain Robbins Geller. Fees would be paid as a percentage (25%) of any settlement proceeds – plus costs incurred. If the County retains Robbins Geller, the initial requirement will be the time involved in gathering information needed to prepare and file the case. The requirement is estimated at 20 hours of staff time.

When Mike and I were at the NACo Legislative Conference in Washington in March, we attended a session on opioid litigation. At that time, the message from county officials and legal experts across the country was consistent—that because of the volume of cases filed against opioid manufactures and distributors, the likelihood of a settlement being reached was high. Additionally, counties that file prior to settlement will be in a much better position to protect their rights and be in a position to potentially secure resources needed to address the opioid issues we face here in Cass County.

Respectfully Submitted,

Robert W. Wilson
County Administrator

Suggested Motion:

Authorize Chair to retain Robbins Geller Rudman & Dowd LLP to represent Cass County in opioid related litigation.

Box 2806
211 Ninth Street South
Fargo, North Dakota 58103

Mark J. Dearman
Mdearman@rgrdlaw.com

CONFIDENTIAL: ATTORNEY-CLIENT PRIVILEGED

May 11, 2018

Rick Steen
Cass County Commissioner
Cass County Courthouse
211 9th Street S
Fargo, ND 58103

Re: *Opioids Epidemic Litigation*

Dear Commissioner Steen:

This letter will confirm that Robbins Geller Rudman & Dowd LLP (“Robbins Geller”) has been retained by the Cass County, North Dakota (the “County”) to recover for the harm incurred as a result of the alleged deceptive and fraudulent marketing practices of several pharmaceutical manufacturers and the alleged failure to report suspicious purchases by certain wholesalers. As a result, these manufacturers and wholesalers have violated federal and state laws. Robbins Geller has conducted an investigation and believes there is a valid basis to prosecute such an action. The terms under which we will represent the County as a plaintiff are:

1. We will prosecute the action on a contingency fee and cost basis.
2. We will advance all fees and expenses necessary to prosecute the case. Costs and expenses will be paid only out of a recovery (*i.e.*, judgment or settlement). Legal fees will be paid in the amount of 25% of any recovery net of costs and expenses.
3. While not currently anticipated, the County agrees that, in the event the case is consolidated, coordinated, or other plaintiffs are joined in the case, we may divide fees with other attorneys as necessary. The division of attorneys’ fees with other counsel may be determined upon a percentage basis or upon time spent in assisting the prosecution of an action. The division of fees with other counsel is our sole responsibility and will not increase the total fees due from the County upon a successful resolution of the litigation.
4. The County will cooperate in the prosecution of the action, including participating in discovery and providing deposition testimony, if requested. The County understands that Robbins Geller may represent other entities against the same defendants in this action or in separate actions.
5. It is important that any documents related to the case, in the broadest sense, are set aside and protected from destruction. This includes electronic records such as e-mail. If we can be

Rick Steen
May 11, 2018
Page 2

of any assistance in identifying and preserving relevant documents and electronic files, please contact me.

6. The County agrees that our files and documents compiled in connection with our investigation and prosecution of this matter constitute the work product and property of Robbins Geller over which Robbins Geller has complete control with respect to their use and/or disclosure.

7. Robbins Geller will defend and indemnify the County, to the fullest extent of the law, for any claims asserted against the County for its institution, prosecution, and/or resolution of this action, including, but not limited to, claims or sanctions involving attorneys' fees or costs.

8. All notices to be given by the parties hereto shall be in writing and served by depositing same in the United States Post Office, postage prepaid, and registered as follows:

TO THE CLIENT Rick Steen
 Cass County Commissioner
 Cass County Courthouse
 211 9th Street S
 Fargo, ND 58103

TO ATTORNEYS Mark J. Dearman, Esquire
 Robbins Geller Rudman & Dowd LLP
 120 East Palmetto Park Road, Suite 500
 Boca Raton, Florida 33432

9. All disputes, disagreements, and claims arising out of or related to this agreement shall be resolved exclusively through binding arbitration in the State of North Dakota pursuant to the Rules of the American Arbitration Association.

10. This letter sets forth the entire agreement between the parties and supersedes all other oral or written provisions.

After executing this letter please return it to us via email to MDearman@rgrdlaw.com.

Rick Steen
May 11, 2018
Page 3

We look forward to the successful prosecution of these claims to recover the damages which the County has suffered.

Very truly yours,



MARK DEARMAN

cc: Aelish Baig
Roxana Pierce
Paul Geller
Elise Grace
Tom Egler

Please sign below and return this agreement if you would like us to pursue this matter as outlined above.

CASS COUNTY, NORTH DAKOTA

By: _____ [DATE]

Its: _____



Robbins Geller Rudman & Dowd LLP

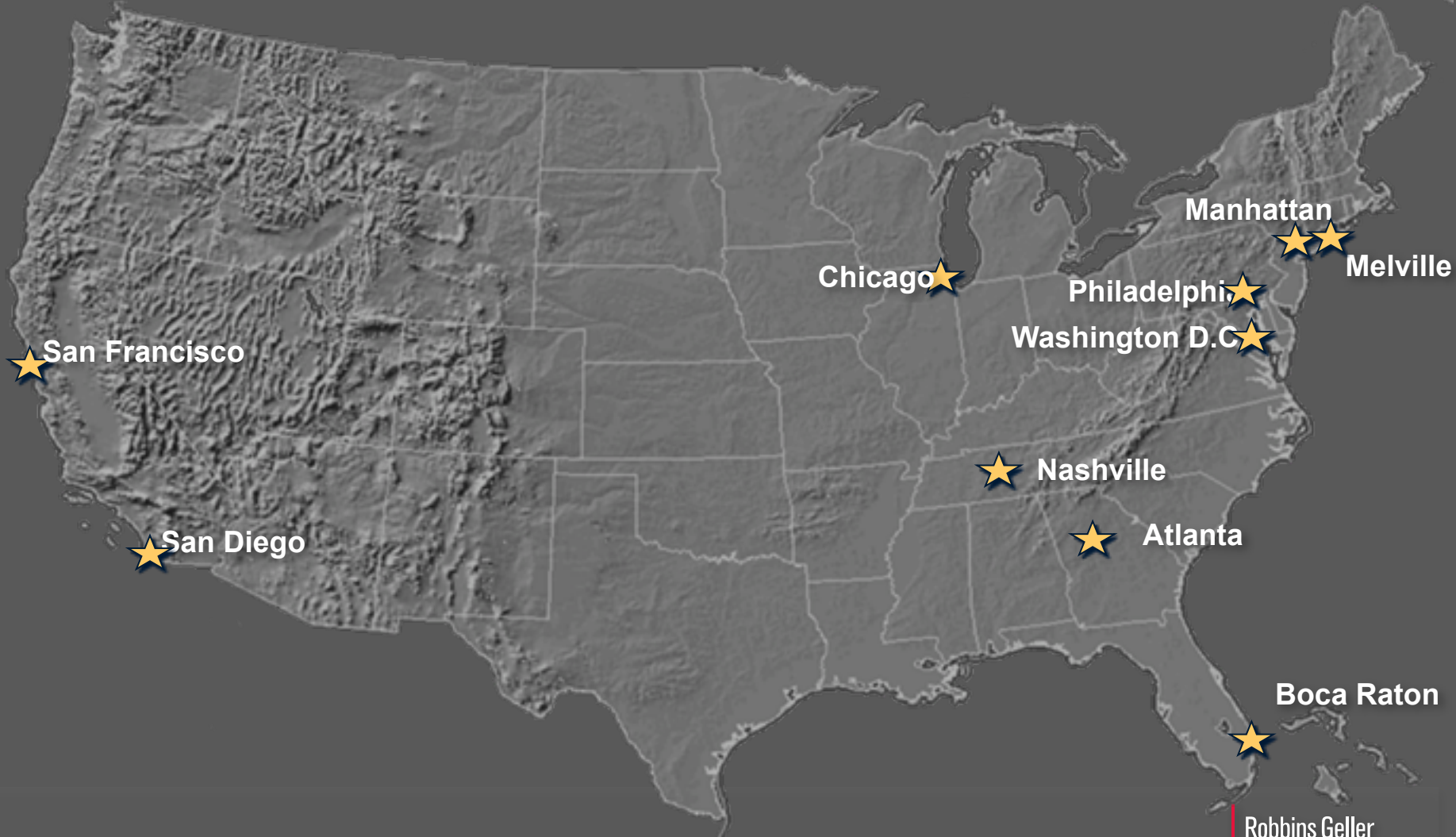
North Dakota

The Opioid Epidemic – How Do We Stop It?

One Firm. Global Reach.

200 Lawyers in 10 offices, including dozens of former Federal and State Prosecutors

230 Legal Professionals, including Forensic Accountants, Economists and Investigators



Robbins Geller's Record Recoveries



Largest Auto **Consumer Class Action** Recovery

\$17 billion



Largest **Securities Class Action** Recovery

\$7.2 billion



Largest **Securities Class Action Recovery Following Trial**

\$1.57 billion



UnitedHealth Group™

Largest **Options Backdating** Recovery

\$925 million



Largest **Opt-out Action** Recovery

\$657 million



Largest **MBS Purchaser Class Action** Recovery

\$500 million



Largest **Merger & Acquisition Class Action** Recovery

\$200 million

Robbins Geller Has Recovered Tens of Billions for Plaintiffs

\$7.2 bil.



Recovery

\$1.57 bil.



Recovery

\$925 mil.



Recovery

\$671 mil.



Recovery

\$657 mil.



Recovery

\$629 mil.



Recovery

\$627 mil.



Recovery

\$600 mil.



Recovery

\$500 mil.



Recovery
MBS

\$474 mil.



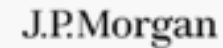
Recovery

\$400 mil.



Recovery

\$388 mil.



Recovery
MBS

\$272 mil.



Recovery
MBS



May 13, 2015



Top 50 for 2014

Securities Class Action Services, LLC

Published: 13 May 2015

Executive Summary

This year's ISS Securities Class Action Services 50 report contains a total of 505 court cases over \$2.4 billion in total settlement amount, nine of which were valued at more than \$10 million. 2014 saw the year's highest count of settlements with 49 cases settled for awards to

Robbins Geller Rudman & Dowd lead the report with over \$900 million in settlement amount of which is from Massey Energy Company (2012). Bernstein Litowitz Berger



Top 50 for 2015

Securities Class Action Services, LLC

Published: May 2, 2016



May 2, 2016

Securities Class Action Services

THE TOP 50

OF 2016

plaintiffs' law firms by the dollar amount of settlements while also ranking law firms by settlement volume. Plaintiff firms with the highest settlement volume analysis are those serving in the



THE TOP 50 FOR 2014

RANK	CASE NAME	SETTLEMENT AMOUNT (in USD)
1	Robbins Geller Rudman & Dowd	\$929,648,550

THE TOP 50 FOR 2015

Rank	Law Firm	Settlement Amount (in USD)
1	Robbins Geller Rudman & Dowd	\$1,577,538,880

The Top 50 of 2016

Rank	Law Firm	Settlement Amount (in USD)
1	Robbins Geller Rudman & Dowd	2,751,468,060

Robbins Geller Rudman & Dowd LLP

THE WALL STREET JOURNAL.

August 3, 2005

CIBC to Pay \$2.4 Billion Over Enron

Canadian Bank Is Settling Investors' Fraud Claims; Spotlight on Merrill, CSFB

Settling for More

Enron class-action recoveries to date:



Settling for More

Enron class-action recoveries to date:

DEFENDANTS	DATE	SETTLEMENT, IN BILLIONS
Canadian Imperial Bank of Commerce	August 2005	\$2.40
J.P. Morgan Chase	June 2005	2.20
Citigroup	June 2005	2.00
Outside Directors	January 2005	0.17
Lehman Brothers	October 2004	0.22
Bank of America	July 2004	0.07
Andersen Worldwide SC	2002	0.03
LM2 bankruptcy recovery	2004-2005	0.03
TOTAL as of Aug. 2, 2005		\$7.25 billion

Source: University of California



Some remaining defendants

- Merrill Lynch
- Credit Suisse First Boston

The New York Times

August 3, 2005

CIBC Settles Enron Case

Investors to Get \$2.4 Billion

By JEFF BAILEY

settling Enron-related legal matters."

For fiscal 2004, which ended Oct. 31, CIBC had net income of about \$1.8 billion.

The latest settlement is a victory for plaintiffs, led by the University of California, which is represented by the law firm of William S. Lerach.

The Enron lawsuit accused CIBC and other firms of creating false investments in elaborate and complex Enron partnerships that had the effect of deceiving investors and moving billions of dollars of debt off the company's balance sheet.

James E. Heist, the general counsel for the University of California, said, "It sets the stage for very important additional progress."

Mr. Lerach, said that settlement talks were continuing. "It's sort of up to whoever wants to settle for the next lowest price," he said.

An October 2006 trial is scheduled for defendants that do not settle.

As lead counsel, Mr. Lerach's firm will get the biggest piece of legal fees. In total, Mr. Lerach said that law firms would receive 8 percent of the first \$1 billion, 9 percent of the second \$1 billion and 10 percent of any recoveries after that, indicating that fees so far total about \$60 million. The fees must be approved by the court when the case is completed.

A suit accused

The amount makes it the largest class-action securities settlement on record

TOTAL RECOVERY \$7.2 billion



United States District Judge
Melinda Harmon

“The experience, ability, and reputation of the attorneys of [Robbins Geller Rudman & Dowd] is not disputed; **it is one of the most successful law firms in securities class actions**, if not the preeminent one, in the country.”

In re Enron Corp. Sec., Derivative & “ERISA” Litig., MDL No. 1446, Order at 130

“[I]n the face of extraordinary obstacles, **the skills, expertise, commitment, and tenacity of [Robbins Geller Rudman & Dowd] in this litigation cannot be overstated.** Not to be overlooked are the unparalleled results, \$7.2 billion in settlement funds, which demonstrate counsel’s clearly superlative litigating and negotiating skills.”

Id. at 112-13.

“As this Court has explained **[this is] an extraordinary group of attorneys** who achieved the largest settlement fund ever despite the great odds against them.”

Id. at 203.

Bloomberg.com

Household International, Officials Misled Investors, Jury Finds

By Andrew M. Harris

May 8 (Bloomberg) -- Household International Inc. and three executives misled investors about the company's business practices, a Chicago federal court jury found after a monthlong trial.

The jury of three women and seven men returned the verdict yesterday after 3 1/2 days of testimony. Jurors concluded the company and

panel's findings could indicate a loss of billions of dollars.

After the verdict was read and jurors had left, defense attorney Thomas Kavaler told Guzman their decision was "fatally flawed and inconsistent."

Kavaler, a partner in New York's Cahill Gordon &

An incisivemedio website

AMERICAN LAWYER.COM

Robbins Geller Hails Jury Verdict in Household International Securities Class Action Trial

By Andrew Longstreth
May 07, 2002

We e-mailed Thomas Kavaler of Cahill

Bloomberg

Household International, Officials Misled Investors, Jury Finds

By Andrew M. Harris

May 8 (Bloomberg) – Household International Inc. and three executives misled investors about the company's business practices, a Chicago federal court jury found after a month long trial.

Jurors didn't award a judgment to the U.S. District Judge Ronald A. Guzman, who presided over the trial, admonished them not to discuss the case publicly and told trial lawyers not to talk to the jurors because the case isn't over.

Having found Household and the executives liable for making misleading statements, the jury calculated the amount of shareholders' daily losses at as much as \$23.94 a share from March 23, 2001, to Oct. 11, 2002.

Potential Loss

The company said in corporate filings that it had an average of 455.4 million shares outstanding for the three months ended Sept. 30, 2002, meaning the

"Household had no intent to deceive investors," Kavaler told the jury that same day.

Aldinger and co-defendants David Schoenholz, who was chief financial officer, and Gary Gilmer, who led the consumer-lending division, had no intent to deceive anyone, the lawyer said.

Presented with 40 alleged instances in which misleading public statements were made, the jury found the company and at times some or all three of the executives made actionable comments concerning Household's business practices 17 times.

The case is *Lawrence E. Jaffe Pension Plan v. Household International Inc.*, 1:02-cv-05893, U.S. District Court, Northern District of Illinois (Chicago).

and plaintiffs have won this historic victory," said Coughlin Stois partner Patrick Coughlin in a statement e-mailed to the Litigation Daily. "The jury's verdict is a victory for the millions of Americans suffering as a result of deceptive predatory lending practices and a victory for all investors fighting for greater corporate transparency, honesty and integrity. The verdict is also a testament to our firm's willingness and ability to see a case through on behalf of our clients, despite facing adversaries with tremendous power and resources."

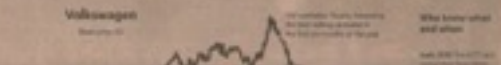
SEC
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14, 20

1-1

Volkswagen emission test cheating rocks Europe's car manufacturers

ORTUNE

Fuel for scandal



VW Engine-Rigging Scheme Said to Have Begun in 2008

VW Scandal Is Latest for Industry With Outlaw Streak Against Regulation

From First Business Page
 came more sophisticated, as illustrated by Volkswagen's admission this week that it million diesel cars worldwide were equipped with software used to cheat on emissions tests. The scandal played out on Wednesday with the resignation of the automaker's chief executive, Martin Winterkorn.



of Transport and Environment. "We don't think this will be limited to Volkswagen. If you look at the testing numbers for the other manufacturers, they are just as bad." He said the group had found gaps in both emissions of pollutants and overall fuel efficiency. Greg Archer, another official at the group and a former director at Britain's renewable fuels re-

airs on as many as aged vehicles and has many's image as a steering prowess. September, Volkswagen's three top managers played prominent roles in development, but they not publicly discuss for the suspension. Working intensively



VW's U.S. Chief Knew Of 'Possible' Problem

From First Business Page
 development center in Weissach, Germany, only once every three years. Mr. Müller did say that four

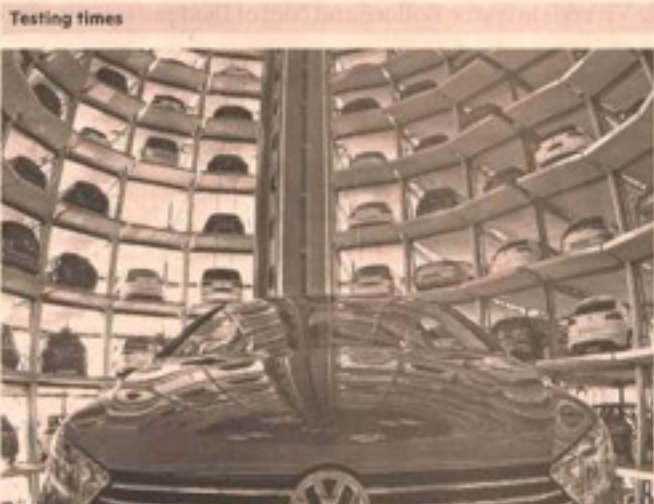
US regulator shocked by the scale of 'deceit'

Environmental Protection Agency taken aback by revelation that emissions cheating also took place in Europe

Volkswagen scandal spreads beyond diesel

German carmaker's shares tumble after it admits to carbon dioxide emissions problems with 800,000 vehicles

ANDY SHARMAN — LONDON
 JIM BRIDGMAN — BRUSSELS
 Any feeling that Volkswagen had drawn a line under the sprawling emissions scandal evaporated in two days this week. On Monday, Porsche, the luxury VW subsidiary, was drawn into the scandal after allegations of understated emissions of harmful nitrogen oxides by its Cayenne sport utility vehicle. And then, late on Tuesday, the German carmaker disclosed a new issue of understated carbon dioxide emissions by 800,000 VW vehicles. VW's share price dropped sharply again yesterday, falling almost 10 percent as investors tried to make sense of the latest information supplied by the company. VW's shares have rebounded 30 percent



Digging deep
 Latest charge increases pressure on Müller
 Matthias Müller, Volkswagen's new chief executive, needed any confirmation of the pressure he is under, this week has provided it. Allegations on Monday that Volkswagen's Cayenne SUV was caught up in the emissions scandal hitting the German group have put his name at the centre of the affair for the first time. He was chief executive of Porsche from 2000 until September. The fortnight response from VW to those latest charges by a US regulator has also raised concerns. The Environmental Protection Agency said VW had installed an illegal defeat device on 10,000 more diesel cars than previously admitted — including some Porsche sport utility vehicles — in an effort to cheat during tests for emissions of nitrogen oxides. VW, which was not informed about the allegations in advance, swiftly put out a statement denying it had installed any software that altered emissions characteristics in cars that weren't compliant with

Pfizer agrees to \$400 million settlement in off-label marketing class action

Investors claimed Pfizer misled them concerning the government's investigation of off-label marketing of Bextra and other drugs

BY ZACH WARREN
JANUARY 28, 2015



Off-label marketing deception in the pharmaceutical industry has increasingly seen a watchful eye from regulators — Florida Attorney General Pam Bondi wrote for InsideCounsel in December of 2014 that False Claims Act prosecution was one of her biggest priorities. However, it's not just regulators who are getting in on the off-label action, as investor lawsuits over off-label marketing are now hitting companies where it hurts: the bottom line.

On Jan. 27, Pfizer announced that it had reached a \$400 million settlement before trial in a class action case with investors. The company's investors had claimed that Pfizer made misleading statements connected to a government investigation of Pfizer's off-label marketing practices of Bextra and other drugs, an investigation that eventually led to a \$2.3 billion settlement in 2009.

The investor settlement comes with a looming jury trial, which was expected to begin on Feb. 10 in U.S. District Court for the Southern District of New York. The judge's acceptance of the settlement is still pending.

"This resolution reflects a desire by the company to avoid the distraction of continued litigation and focus on the needs of patients and physicians," said Pfizer spokeswoman Christine Regan Lindenbloom in a statement to Reuters.

Ahead of the trial, Pfizer fought hard to block jurors from hearing testimony from one damages expert who claimed that the company's stock had been artificially inflated by \$1.26 per share as a result of the off-label marketing. Pfizer had, after all, gotten one previous securities class action dismissed after the expert's testimony was barred. U.S. District Judge Alvin Hellerstein, however, ruled in early January that the expert would be allowed to testify in the case.

The investor settlement adds to what was already a high cost for Pfizer in the off-label marketing probe. As part of the \$2.3 billion government settlement in 2009, the company paid a \$1.95 billion criminal penalty specifically for its off-label marketing of the drug Bextra, at the time the largest criminal fine in U.S. history.

HCA to Pay \$215M in Latest Big Securities Class Settlement

By Jenna Greene
November 4, 2015

For the first six months of the year, it looked like securities class actions were in the doldrums.

Between January and June, the median settlement was a mere \$1.2 million, the lowest in a decade, according to a midyear report by O'Connell, Davis & Conahan.

New things were done too, whether compared with the preceding six months or the 15-year historical average, another study found.

But since June 30, there have been a series of big ticket settlements in securities class actions brought by Robbins Geller Rudman & Dowd. Among them: a pending \$398 million settlement by JP Morgan Chase & Co., and a \$272 million settlement by Goldman Sachs.

On Wednesday, the firm struck again, when Hospital Corporation of America agreed to pay \$215 million to settle a securities class action stemming from its initial public offering in 2011.

The case is a bit different from the parade of suits against banks based on residential mortgage-backed securities.

Filed in Nashville federal court in 2011, the suit pined the class action speculation against counsel from Latham & Watkins for HCA and Chase Park & Winchell for the underwriter.

By way of background, HCA is the largest for-profit hospital chain in the country. In 2003, it paid \$1.7 billion to settle Medicare fraud charges by the Justice Department, and in 2012 was dinged in a New York Times article for performing medically unnecessary procedures.

At a crucial hearing in the class action—a motion to dismiss before Chief Judge Kevin Sharp of the U.S. District Court for the Middle District of Tennessee in 2013—the big dog was out. Robbins Geller name partner Damon Robbins argued for the plaintiffs, and former "Big" Johnson Jr., at the time the chair of Latham's litigation department, made the case for the defense.

The key point of contention: Did the hospital giant fail to disclose material facts before it went public on March 9, 2011? At the time, it was the largest ever private equity-backed IPO in the U.S., with \$4.3 billion in securities raised.

Johnson called the allegations "typical investor stories, based by hindsight. You disclosed it on Tuesday; you must have known it on Monday. It was filed not to disclose it on Monday. That's what this case is about," he said, according to a transcript of the proceedings.

"In this case, the only thing that's in dispute is whether HCA failed to disclose certain known risks that it was aware of before March 9, 2011, and which it reasonably believed would have an unfavorable—material unfavorable—impact on its revenues," he said.

The risks included a decline in Medicaid revenue per admission and movement away from cardiac surgical treatment into less expensive medical treatment.

"These things are constant in medicine," Johnson argued. "There is always movement from one treatment to another. Every time somebody invents a drug or a device, there is movement. But this is like counting nosebleeds, you know. These kinds of movements don't have any real significant effect until they become very significant over a very long period of time."

When it was Robbins' turn, he responded, "These aren't nosebleed treatments or scratches. We're talking about, you know, implants into people's hearts and cardiovascular surgeries that were being done and were not medically necessary."

Robbins continued, "We heard a broad, broad presentation. But when you



Damon Robbins

look and drill down into the case supporting this, they don't support the law as articulated by the defendants."

He pointed to Item 303 of Regulation S-K, which requires a registrant to disclose "any known trends or uncertainties" that could affect its revenue or profits.

"This is a strict liability claim," he said. "And, in fact, that strict liability claim applies to HCA for any misrepresentation."

He continued, "Would a reasonable shareholder care that in your largest market over a quarter of your hospitals are now drastically reducing unnecessary—medically unnecessary—procedures?"

The judge let the case, which was brought by the New England Teachers & Trucking Industry Pension Fund and individual plaintiff Karen Schab, go forward, though he trimmed some of the claims. Last year, he certified it as a class.

With a January trial date looming, the parties moved to settle. Robbins is an interview and that negotiation took a year.

"It was either trial or substantial pension recovery," Robbins said, adding that the settlement "represents one of the largest percentage recoveries" for investors.

Still, there was a bit more drama to the win for Robbins. In 1997, he filed his first case in Nashville—another suit against HCA, which is based there—teaming up with local counsel George Barrett. He continued to work with Barrett many times over the years and counted him as "my dear friend."

A lion of the bar and civil rights crusader who led the fight to desegregate Tennessee universities, Barrett was a name partner at Barrett Johnson Martin & Gustin.

He and Robbins appeared in court together on Aug. 7, 2014, successfully convincing Sharp to certify the class.

The next day, Barrett checked into a hospital (St. Thomas, not a HCA facility). He died on Aug. 26, 2014, of acute pancreatitis. He was 86.

"George Barrett was instrumental in the prosecution of this case and the incredible result we ultimately achieved for shareholders. George Barrett was truly a great American," Robbins said.

Contact Jenna Greene at jgreene@alm.com or on Twitter @jgreeneqpm.

RGRD Is Unmatched In Our Ability to Finance Litigation



UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

LAWRENCE E. JAFFE PENSION PLAN, On
Behalf of itself and All Other Similarly
Situated,
Plaintiff,
vs.
HOUSEHOLD INTERNATIONAL, INC., et al.,
Defendants.

Lead Case No. 02 C 5883
(Consolidated)
CLASS ACTION
Judge Ronald A. Guzman
Magistrate Judge Nan R. Nolan

DEMAND FOR JURY TRIAL

- Filed (2002)
- Trial victory (2009)
- Partial judgment entered (2013)
- Claims and Objections (2011-2016)
- Defendants' Appeal
- New trial ordered for June 6, 2016
- Settled \$1.575 billion on June 6, 2016

In the
United States Court of Appeals
For the Seventh Circuit

No. 13-3532

GLICKENHAUS & COMPANY, et al.,
on behalf of themselves and all
others similarly situated,
Plaintiff-Appellants,
vs.
HOUSEHOLD INTERNATIONAL, INC., et al.,
Defendants-Appellees.

Appeal from the United States District Court
for the Northern District of Illinois, Eastern Division,
No. 02 C 5883 — Ronald A. Guzman, Judge.

ARGUED MAY 29, 2014 — DECIDED MAY 21, 2015

Before BAUER, KANNE, and SYKES, Circuit Judges.
SYKES, Circuit Judge. This securities-fraud class action was
tried to a jury and produced an enormous judgment for the

Cash invested over 14 years:
\$34 million

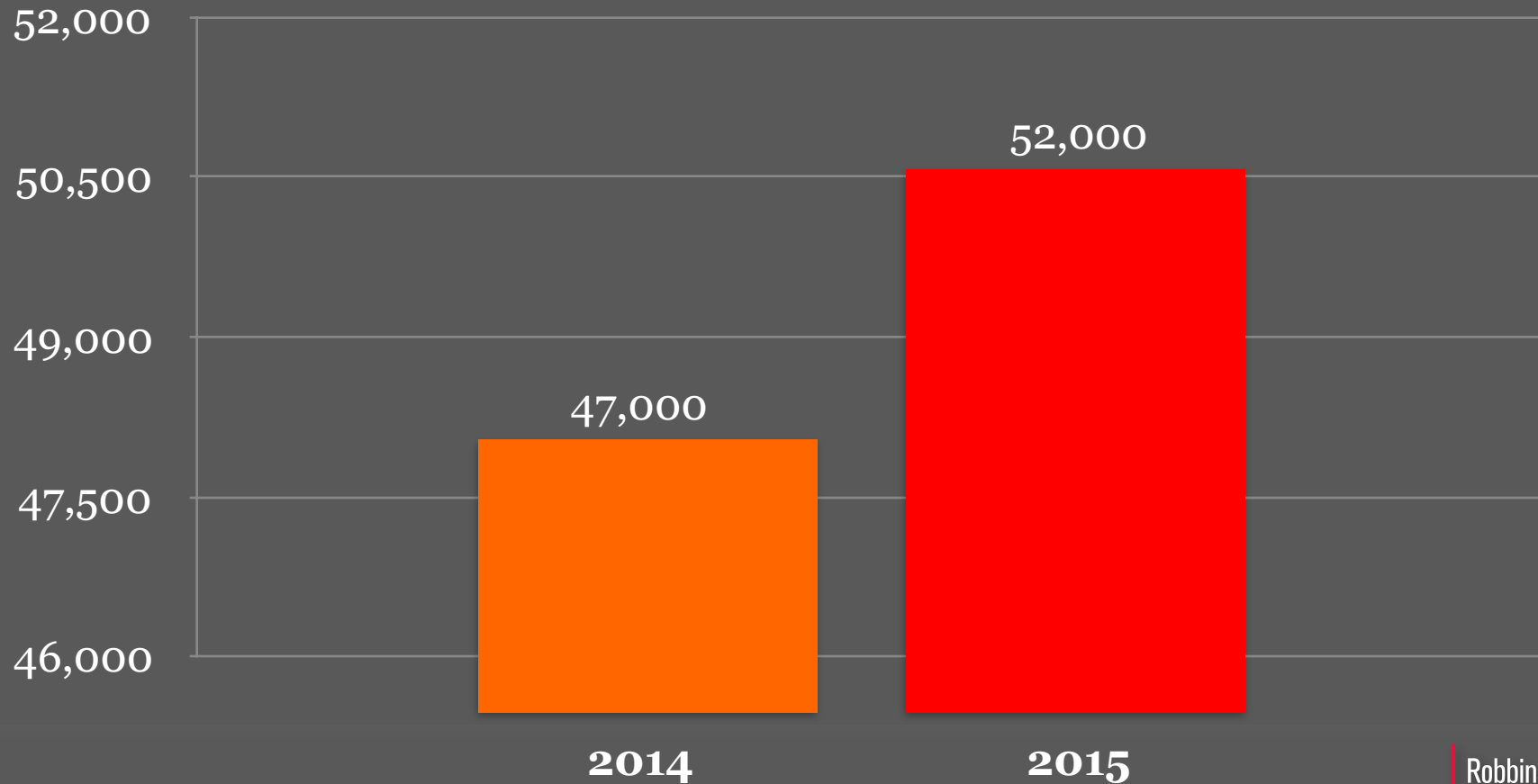
A photograph of a wooden surface. In the upper right, an orange pill bottle is tipped over, spilling several white, oval-shaped tablets. In the foreground, a pile of crushed white powder is scattered on the wood. The text "Holding Big Pharma Accountable for the Opioid Epidemic It Created" is overlaid in white, bold, sans-serif font across the center of the image.

**Holding Big Pharma Accountable
for the Opioid Epidemic It Created**

Opioids: The Worst Drug Crisis in American History

- Health Care Providers wrote 259 million prescriptions for painkillers in 2012.

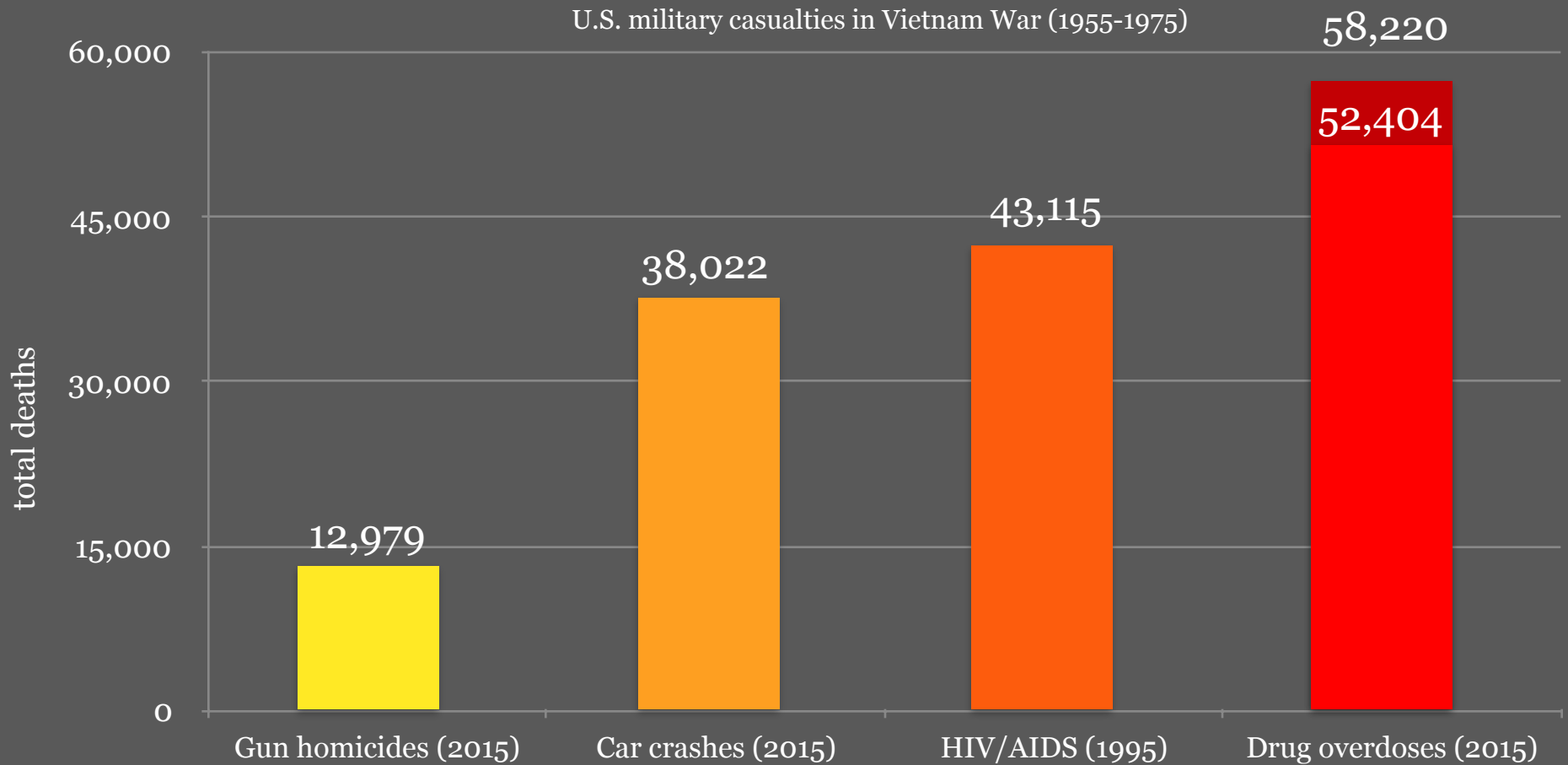
lethal overdoses



Opioids: The Worst Drug Crisis in American History

- Overdose deaths from prescription opioids quadrupled between 1999 and 2010.
- Between 1999 and 2015, more than 560,000 people died.
- Overdoses now kill more people than car accidents or guns.

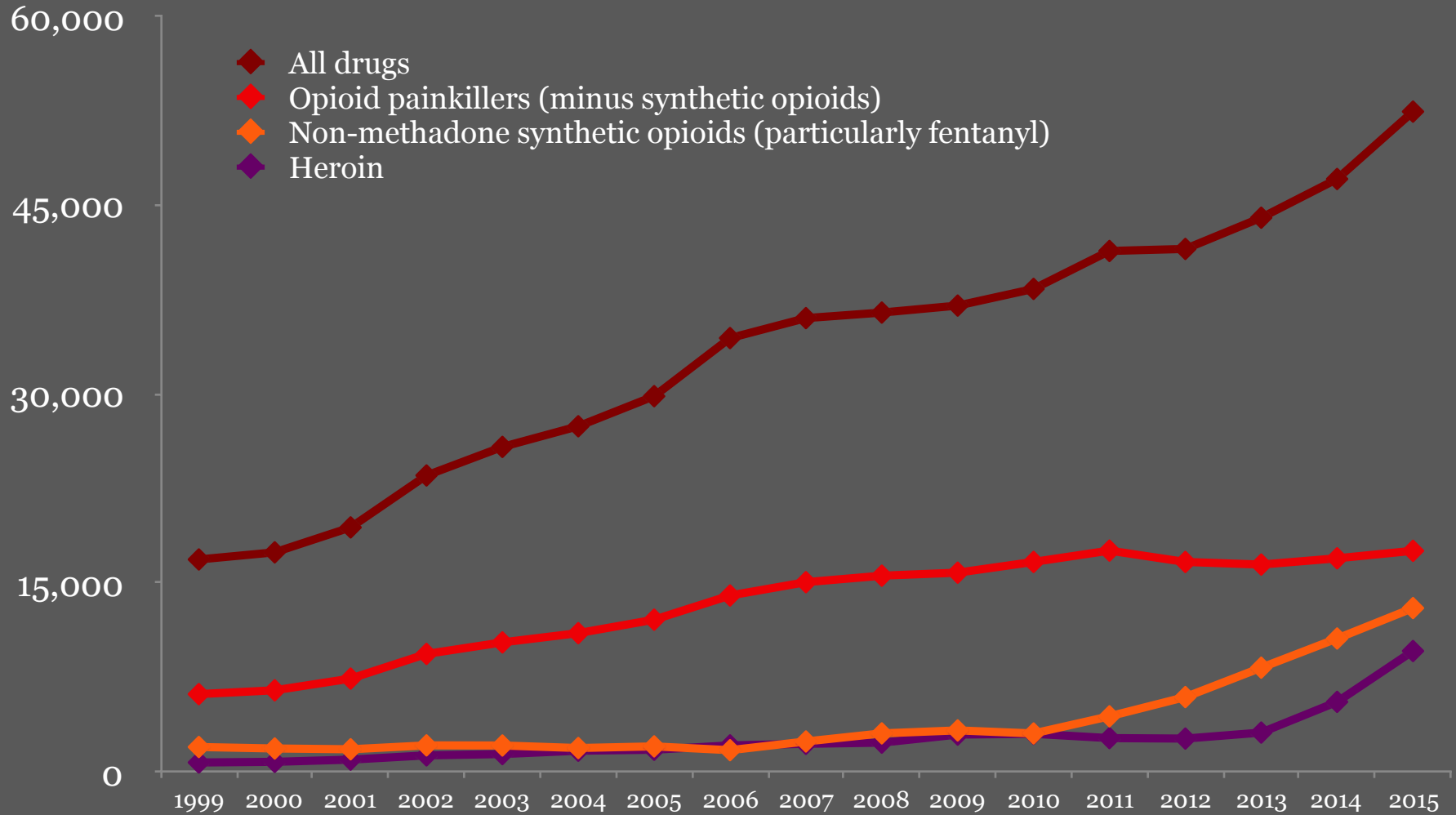
Total Deaths In The United States by Cause and Year



Source: Centers for Disease Control and Prevention

Robbins Geller
Rudman & Dowd LLP

Drug Overdose Deaths Are On The Rise



Source: National Institute on Drug Abuse

- Opioids are manufactured by:



- Opioids are distributed by:



FDA regulates prescription opioids as Schedule II Controlled Substances.

- high potential for abuse.
- may lead to severe psychological or physical dependence.
- approved only for *limited, highly restricted* use.

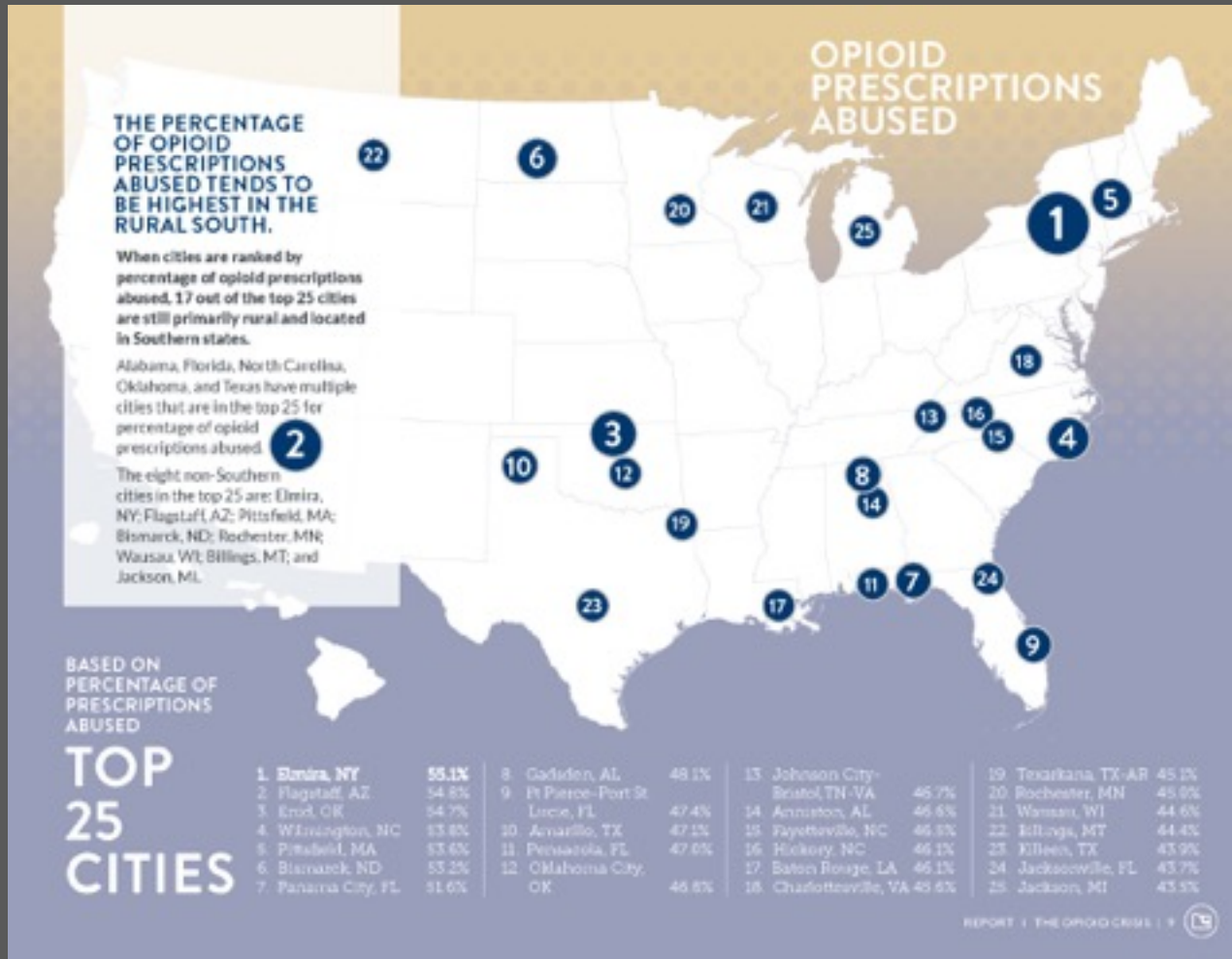
OxyContin
Duragesic
Opana
Methadone

Subsys
Fentanyl
Fentora

Opioid Epidemic in North Dakota

- Opioid-induced fatalities in North Dakota increased 125% from 2013 to 2014.
- Reports of heroin use have increased every single month in the state from mid-2013 through 2015.
- Heroin use increased 400% in the state between 2013 to 2015.
- Since 2010, heroin-related criminal charges in North Dakota have risen 4,300%.
- In 2015, the prescription opioid overdose death rate in North Dakota was 4.8 per 100,000 residents.
- The number of deaths related to opioid overdoses has more than tripled from 2013 to 2015.

Bismarck is the 6th highest city for percentage of opioid prescriptions abused (53.2% of opioid prescriptions)



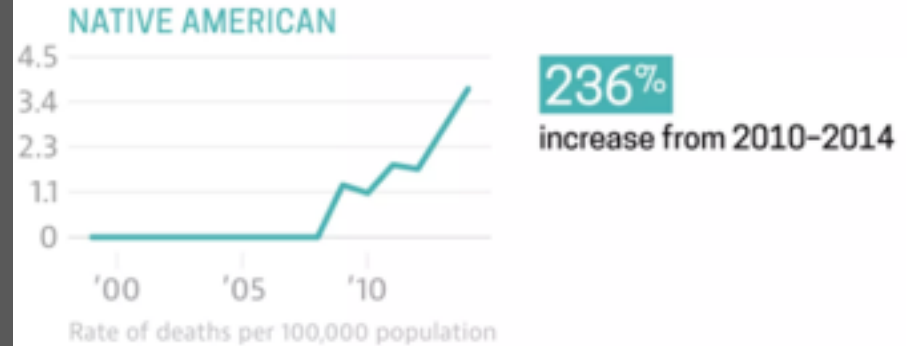
Native Americans

FRONTLINE



CRACKING HEROIN

How the Heroin Epidemic Differs in Communities of Color



Across the country, the Native communities have seen an almost 250 percent increase since 2010 in deaths from heroin overdose. Recorded heroin overdose deaths of Native Americans by the CDC remained in the low teens or 20s until 2009, when they rose to 32. But since then, they have shown the second-highest spike across all racial or ethnic groups. In 2014, there were 99 heroin-related deaths.

North Dakota: Combating the Crisis



North Dakota Opioid Epidemic

By Megan Keller
Posted Sep 27, 2017



The number of deaths related to opioid overdose has more than tripled from 2013 to 2015 in North Dakota.

Attorneys General from across the country, including Wayne Stenehjem, are working to combat the opioid crisis claiming thousands of lives.

Wayne Stenehjem, ND Attorney General: "We need to look to which entities may be responsible for initiating and promoting this problem."

In February, pharmacy giant CVS will implement stricter guidelines for dispensing opioids. We will see more of these medication disposal bins in an effort to safely dispose of unused pills.

Stenehjem says along with pharmacists, it's time for insurance companies to play a role in this crisis as well.

Wayne Stenehjem, ND Attorney General: "We are also working on legislation that addresses concerns that they are more than happy to cover the costs of prescription drugs and pain treatment for patients that are not addicted, though we are not sure how that will play out."

Jessica Ahmann is a nurse practitioner. She says many times, it's not the patient's choice, it's the provider's advice.

Jessica Ahmann, Pain Management Nurse Practitioner: "These medications can create a euphoria for people. This feeling of euphoria is what we always get concerned about is the tolerance that we develop to these medications."

The ND Board of Pharmacy says because of more education given to patients, the number of prescriptions actually dropped.

Mark Hardy, Exec Director of ND Board of Pharmacy: "The number of prescriptions actually decreased. It's decreased by about 75,000 prescriptions. When you look at the initial figure from 2017, it looks like we're going to see a similar trend of a decrease of roughly about 10%."



North Dakota gets \$2M to combat opioid crisis

BLAIR EMERSON Bismarck Tribune Jun 23, 2017

North Dakota has received a \$2 million federal grant to boost medication-assisted treatment across the state, equip more law enforcement officers with naloxone and provide grants to individual communities to fight opioid addiction.

Wayne Stenehjem; ND Attorney General: "We need to look to which the extent the pharmaceutical companies themselves may be responsible for initiating and promoting this particular epidemic."

In April of this year, the state was awarded a federal grant to fight this public health epidemic.

In September 2017, Governor Burgum signed an executive order directing cabinet agencies to collaborate with law enforcement and local and tribal governments to make naloxone available to first responders, community leaders, opioid users and their family.

Drug Manufacturers and Wholesalers Fueled the Epidemic

- Manufacturers engaged in deceptive marketing.
 - North Dakota’s Unlawful Sales or Advertising Practices Law, N.D. Cent. Code §§ 51-15-01, *et seq.* prohibits
 - » any deceptive act or practice, fraud, false pretense, false promise, or misrepresentation, with the intent that others rely thereon in connection with the sale or advertisement of any merchandise
 - » any act or practice, in connection with the sale or advertisement of any merchandise, which is unconscionable or which causes or is likely to cause substantial injury to a person
- Wholesalers failed to report suspicious sales, as required by federal and state law.
 - Comprehensive Drug Abuse Prevention and Control Act of 1970, 21 U.S.C. §801, *et seq.*
 - Requires reporting of “suspicious orders” for controlled substances.
 - Authorizes \$10,000 penalty for each violation.
 - North Dakota licensing regulations expressly require wholesalers to comply with federal law, N.D.A.C. 61-10-01-09 (9) .

Drug Manufacturers' Marketing Scheme

The Message

- Campaign devoted to the “Catastrophic” “Crisis” of the “Under-Treatment of Pain.”
- Market opioids as rarely (less than 1%) addictive.
- Market opioids as being safe and effective for all kinds of pain, including chronic long-term pain.
- Market cancer drugs to non-cancer physicians.

The Method

- Directly market the drugs as being non-addictive through sales reps.
- Establish and fund pain foundations to disseminate the message.
- Publish prescribing guidelines and brochures stating the drugs are non addictive.
- Pay doctors to present materials at speakers' bureaus across the country.
- Bribe doctors to overprescribe drugs as dangerous as Fentanyl.
 - For example
 - Insys' former CEO, former VP of Sales and former National Director of sales are all indicted for bribery and racketeering.
 - Dr. Gavin Awerbuch, the top prescriber of Subsys, accepted \$89,975 from the company in 2013 and 2014. In 2015, he pleaded guilty of defrauding Medicare of \$1.9 million and Blue Cross Blue Shield \$1.2 million while overprescribing Subsys to patients.

Claims

Violation of State Consumer Protection Law

- Manufacturers - made misrepresentations and omissions of fact which rendered their marketing misleading.
- Wholesalers - failed to report suspicious orders as required by Controlled Substances Act.

Public Nuisance

- Manufacturers - interfered with public health, safety, peace and comfort by disseminating false information about opioids.
- Wholesalers - created public nuisance by failing to report suspicious orders of opioids.

Negligence

- Manufacturers - breached duty owed to city and public to promote opioids truthfully and disclose risks.
- Wholesalers - breached duty owed to city by failing to comply with Controlled Substances Act.

Unjust Enrichment

- City conferred benefits on defendants.
- The retention of those benefits by manufacturers and wholesalers is inequitable.






RICO - Racketeer Influenced and Corrupt Organizations Act , (18 U.S.C. sec. 1962(C)-(D)), and the North Dakota Racketeer Influenced and Corrupt Organization Act, N.D.C.C. Ch. 12.1-06.1

- Defendants collectively created an Opioid Fraud Enterprise.
- Defendants engaged in a pattern of racketeering through the illegal scheme to deceptively market and sell opioids.

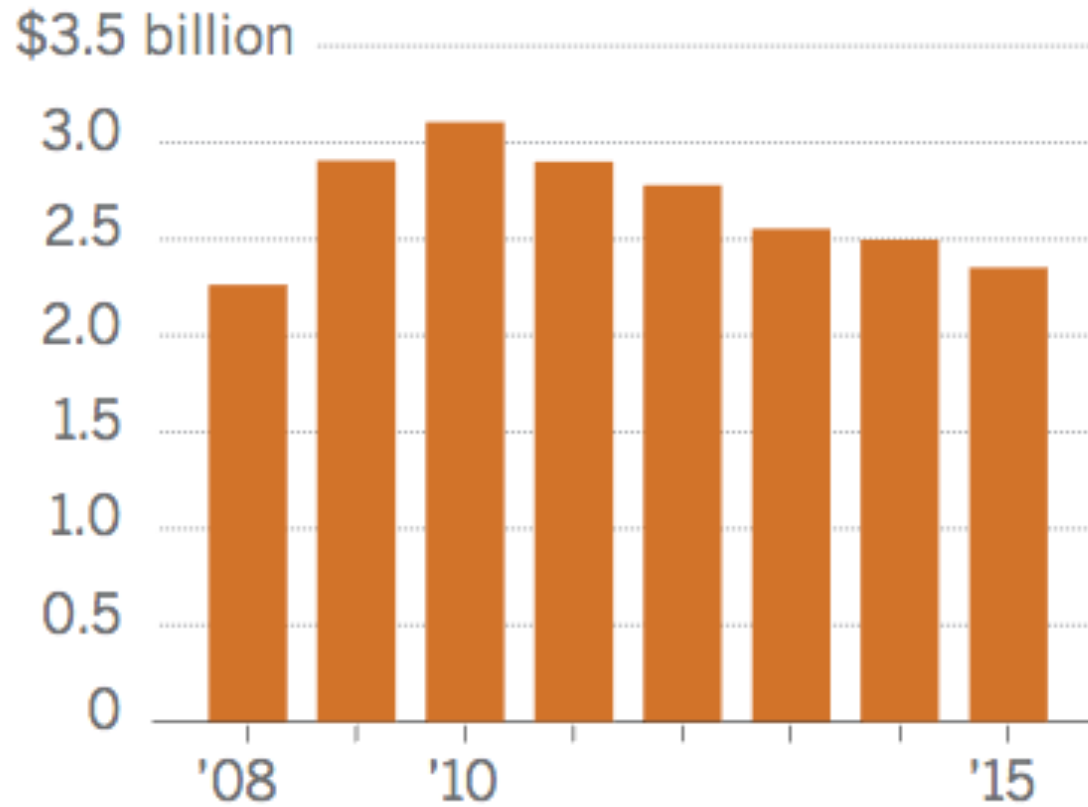
Potential Damages

- Restitution
 - increased law enforcement and judicial expenditures;
 - increased prison and public works expenditures;
 - increased substance abuse treatment and diversion plan expenditures;
 - increased emergency and medical care services;
 - lost economic opportunity.
- Disgorgement of unjust enrichment
- Punitive damages
- Injunctive relief
- Attorneys' fees

Settlements and Guilty Pleas

Year	Company	Settlement Amount	Allegations
2007		\$634.5 million	federal false marketing charges
2008		\$13.25 million	CSA violations
2008		\$425 million	false marketing allegations
2016		\$44 million	CSA violations
2016		\$16 million	W. VA/CSA violations
2017		\$150 million	U.S. DOJ/CSA

OxyContin sales



Source: QuintilesIMS National Sales Perspective

Los Angeles Times

OxyContin goes global — “We’re only just getting started”

By HARRIET RYAN, LISA GIRION AND SCOTT GLOVER

DEC. 18, 2016

Purdue, a private company owned by the Sackler family, has generated revenue of more than \$31 billion from OxyContin, the nation’s bestselling painkiller.

The scheme was so financially successful, Purdue is now taking it abroad, stating:

“We’re only just getting started.”

Put the painkiller that set off the U.S. opioid crisis into medicine cabinets around the world.

A network of international companies owned by the family is moving rapidly into Latin America, Asia, the Middle East, Africa and other regions, and pushing for broad use of painkillers in places ill-prepared to deal with the ravages of opioid abuse and addiction.



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