LAW OFFICES

WAGSTAFF & CARTMELL LLP

4740 GRAND AVENUE - SUITE 300 KANSAS CITY, MISSOURI 64112

> (816) 701-1100 FAX (816) 531-2378

November 14, 2019

VIA EMAIL AND REGULAR MAIL

Steven R. Durbin 150 Peppers Ferry Road N.E. Christiansburg, VA 24073

Re:

Opioid Litigation - Carroll County and Grayson County

Class Action Notice

Dear Mr. Durbin:

As you know from our prior communication, the MDL City and County Plaintiffs brought a motion to certify a voluntary Negotiation Class to consider and vote on any future settlement offers made to the class by one or more of the manufacturer, distributor or pharmacy opioid defendants. The purposes of the Class are (a) to unify cities and counties into a single negotiating entity to maximize their bargaining power and (b) to provide a pathway to achieve finality to opioids litigation for any settling Defendant. Judge Polster granted the motion on September 11, 2019, and certified a voluntary Negotiation Class for all cities and counties, whether or not they filed a lawsuit. This is a novel procedural mechanism tailored to the unique complexities of the nationwide opioids litigation.

Although there is no current settlement offer for you to consider, you must make an election before November 22 between the following two options:

- * Stay in the Class, or
- * Opt out of the Class

The attached FAQ document provides detailed information about the Negotiation Class. Please carefully read this document and, if you'd like, we are happy to schedule a call to discuss this important decision. It is our recommendation that Carroll County and Grayson County remain in the Negotiation Class. Remaining in the class means that you retain your right to pursue your case in court unless and until a Class settlement is approved by the Court. As a Class Member, you have the right to vote on any settlement proposed to the Negotiation Class. A settlement will not be accepted unless it is supported by 75% of the voting Class Members, counted by number, population and allocation, for both litigating and non-litigating entities, and approved by the court. A litigating entity is defined as a city or county that filed a lawsuit before June 14, 2019. Your

Mr. Steven R. Durbin November 14, 2019 Page 2

decision to participate in the Class is irrevocable; you cannot change your mind and opt out of the Class in the future, including after a proposed Class settlement is reached.

If there is a Court-approved Class Settlement, the settlement funds will be distributed at the county level and each county's share – and each city's suggested share – can be viewed by utilizing the Allocation Map that can be found at the Class website, www.opioidsnegotiationclass.info. If the Court approves any settlement, Class Members will be prohibited from suing the settling Defendants about the claims and issues in the litigation.

If Carroll County and/or Grayson County decides to remove itself from the class, you will not vote on or be paid under any Class settlement. You will retain your right to pursue your case in court and negotiate separately about the same legal claims in this lawsuit. Class Members must exclude themselves from the Class on or before November 22, 2019. Please call us immediately if you are considering opting out of the Class.

Class membership does not eliminate your existing fee agreement with our law firm. Under the current terms of the Negotiation Class, in the event of any settlement that achieves Class and Court approval, there would be a "Private Attorneys Fund" from which outside counsel for Class Members like Carroll County and Grayson County that had filed opioid-epidemic related litigation before June 14, 2019, could apply for fees and costs in lieu of any current fee agreement.

Since Carroll County and Grayson County filed opioid-epidemic related litigation before June 14, 2019, the law firm may be entitled to apply for its attorney fees and litigation costs to be paid from the Private Attorneys Fund. Any such payment must be approved by the Court and there is no guarantee your attorney fees and litigation costs will be paid from this fund. Carroll County and Grayson County's attorney fees and litigation costs will be paid pursuant to the existing signed retainer agreement.

Once you have reviewed the information contained in the attached Notice and FAQ's, please feel free to contact me with any questions. Thank you in advance for your attention to this important matter

Sincerely,

Sarah S. Ruane

Sarah S. Ruane Jab

Encl.

cc: Kimberly Haugh (kchlawgroup@gmail.com)

Case: 1:17-md-02804-DAP Doc #: 2583-1 Filed: 09/10/19 1 of 16. PageID #: 413495

EXHIBIT A

Case: 1:17-md-02804-DAP Doc #: 2583-1 Filed: 09/10/19 2 of 16. PageID #: 413496

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF OHIO

(PROPOSED) CLASS ACTION NOTICE AND FREQUENTLY ASKED QUESTIONS ("FAQs")

To: All U.S. Counties, Cities, and Local Governments as listed at www.opioidsnegotiationclass.info

A court authorized this notice. This is not a solicitation from a lawyer.

- Counties and cities across the country have sued manufacturers, distributors, and
 retailers of prescription opiate drugs seeking, among other things, reimbursement for
 monies spent addressing the opioid crisis. All federal actions have been centralized
 into one court in Ohio and are entitled, <u>In re: National Prescription Opiate Litigation</u>,
 MDL No. 2804 (N.D. Ohio). Additional cases are pending in state courts.
- The Court in <u>In re: National Prescription Opiate Litigation</u> has certified a voluntary "Negotiation Class" ("Class"). The Class is defined as: all counties, parishes, and boroughs (collectively, "counties"); and all incorporated places, including without limitation cities, towns, townships, villages, and municipalities (collectively "cities"). The Class includes all counties and cities, whether they have filed a lawsuit or not. The complete current list of Class Members is available at the Class website: www.opioidsnegotiationclass.info. This list may be updated as the Court may order.
- NO SETTLEMENT HAS BEEN REACHED. HOWEVER, IF YOUR
 COUNTY OR CITY STAYS IN THE CLASS, it will be bound if a Class
 settlement is approved in the future. Your county or city will likely <u>NOT</u> be provided
 another opportunity to be excluded from this Class action, so you should read this
 notice carefully and consult with your counsel regarding your county or city's rights.
- The Court has certified [] (see FAQ 7). The Class is certified solely to consider and vote on any future settlements offers made to the Class by one or more of 13 defendants (see FAQ 5). The purposes of the Class are (a) to unify cities and counties into a single negotiating entity to maximize their bargaining power and (b) to provide finality to opioids litigation for any settling Defendant.
- This Negotiation Class will not decide any claims or defenses in opioids litigation on
 the merits. It is certified as a Negotiation Class only, to facilitate Class Members'
 approval or rejection of proposed settlements. There are no proposed settlements at
 this time, and no guarantee that there will be in the future. However, your legal
 rights are affected and it is recommended that you consult with counsel
 regarding the choice you have to make now.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT

STAY IN THE CLASS

REQUIRES NO ACTION

Stay in the Class. Await the negotiation outcome, but retain the right to pursue your own lawsuit in the meantime. Give up certain rights if a Class settlement is reached and approved by the Class and Court, but get a share of any Class settlement.

By taking no action in response to this Notice, you remain in the Class. As a Class Member, you will still retain your right to pursue your own case unless and until any possible Class settlement is approved by the Court. As a Class Member, you have the right to vote on any settlement proposed to the Negotiation Class. A settlement will not be accepted unless supported by 75% of the voting Class Members, counted by number, population, and allocation, for both litigating and non-litigating entities, and approved by the Court. Settlement funds will be distributed at the county level and each county's share – and city's suggested share – can be viewed not by utilizing the Allocation Map at the Class website, www.opioidsnegotiationclass.info. If the Court approves any settlement, that judgment will prohibit Class Members from suing the settling Defendant(s) about the claims and issues in the litigation.

REMOVE YOURSELF FROM THE CLASS

REQUIRES ACTION BY NOVEMBER 22, 2019

Get out of the Class. Get no portion of any settlement. Keep rights.

Those who exclude themselves from the Class cannot vote on, will not have the right to be paid under, and will not be bound by, any Class settlement. You keep any rights to negotiate separately about the same legal claims in this lawsuit, even if the Court approves a settlement for the Class. Class Members may exclude themselves from ("opt out" of) the Class by having an authorized officer or employee complete and sign the Exclusion Request Form enclosed here and submit it on or before **November 22**, **2019** by email or mail in accordance with the instructions in FAQ 26 below.

- Class representatives and Class counsel will represent the Class in negotiations with Defendants who choose to do so. You may enter an appearance through an attorney (at your own expense) if you desire, but it is not required. Class Membership does not eliminate existing agreements with individual counsel. The procedure for payment of Class/common benefit attorneys' fees/costs in connection with any Class settlement must be approved by the Court. Details of the proposed options and procedures for fees and costs are posted on the Class website.
- For complete information on the Class, the settlement allocation formulas, the Class certification motion and Order, the list of included Class Members, the voting process to be used by the Class in accepting or rejecting any Class settlement offer, and an Allocation Map determining your allocation of any proposed settlement, go to www.opioidsnegotiationclass.info. Important information on the Opioids-related litigation, including all pertinent Orders and Schedules, and Frequently Asked Questions, will be available on the Class website on an ongoing and current basis.

Your rights and options are further explained below. Any questions? Read on and visit www.opioidsnegotiationclass.info.

FREQUENTLY ASKED QUESTIONS ("FAQS")

BASIC	Information	. 1
1.	Why is a Negotiation Class being formed? What is its purpose?	. 1
2.	Is this the first Negotiation Class Action?	1
3.	Why use a Class mechanism?	1
4.	Who are the Class Representatives?	1
5.	Who are the Defendants?	2
6.	Has a Class settlement been reached with Defendants yet?	2
THE C	LASS CLAIMS AND ISSUES	2
7.	What claims and issues are certified for the Negotiation Class?	2
8.	Has the Court decided any claims or issues?	3
WHO	IS IN THE CLASS	3
9.	What entities are included in the Negotiation Class?	3
10.	Are counties and cities with state court-filed actions considered part of the	-
	Negotiation Class?	3
11.	Will the Negotiation Class end the opioid litigation that my County or City has filed?	3
12.	How does the Negotiation Class affect other types of opioid plaintiffs that are not)
	counties or cities?	4
THE N	EGOTIATION CLASS PROCESS	4
13.	Now that the Court has approved this process, what will happen next?	4
14.	If my County or City chooses to participate in the Negotiation Class, how will it	-
	know when there is a proposed Class settlement?	5
15.	If there is a proposed Class settlement, does the Court still have to approve it?	5
16.	If there is a proposed settlement and my County or City is included in the)
	Negotiation Class, but it disapproves of the settlement terms, can my County	
	or City object to the settlement?	5
17.	How long will the Negotiation Class last?	5
	[G	
18.	If there is a proposed Class settlement, how will the voting be done?	6
19.	If there is a proposed Class settlement, how many votes are needed to approve it?	6
ALLO	CATION OF CLASS SETTLEMENT FUNDS	7
20.	If there is a Class settlement, how will my County or City's share of the settlement	1
	be determined?	7
21	What happens if a county and its constituent cities make different decisions	1
21.	about staying in the Class?	0
22	If there is a settlement between a Defendant and a State or States, what impact	0
	will this Negotiation Class have on the division of monies between a State	
	and the cities and counties within the State?	0
23	Will Negotiation Class Representatives receive anything more than other Class Members?	
24.		
	RIGHTS AND OPTIONS	
25.	NAME OF THE PARTY	
26.		
	If my county or city stays in the Negotiation Class, can it exclude itself later	7
21.	if it doesn't like a proposed settlement?	0
	if it doesn't like a proposed settlement?	U

Case: 1:17-md-02804-DAP Doc #: 2583-1 Filed: 09/10/19 5 of 16. PageID #: 413499

THE L	AWYERS REPRESENTING THE CLASS	1 (
28.	Who are the Class Counsel?	1 (
29.	How do Class Counsel get paid?	1(
	Under this proposal, what happens to my County or City's current	
	fee agreement with outside counsel?	1
GETT	ING MORE INFORMATION	1
31.	How can my County or City keep up with what's going on in this case?	1

BASIC INFORMATION

1. Why is a Negotiation Class being formed? What is its purpose?

The purpose of the Negotiation Class is to create a cohesive group of cities and counties to negotiate Classwide settlements, on a voluntary basis, with Defendants who make, distribute, or sell opioids nationwide. Class Representatives and Class Counsel will represent the Negotiation Class. Class Members will vote on any Class settlement proposal. If 75% of those Class Members who vote (as described in FAQ 18 and 19 below) support a proposed Settlement, Class Counsel will ask the Court to approve it. The ultimate purpose of the Negotiation Class is to make settlement easier to obtain.

2. Is this the first Negotiation Class Action?

Yes. This is a new use of the Class action mechanism under Federal Rule of Civil Procedure 23, reflecting the unique nature of the national opioids litigation. Unlike any mass litigation before, thousands of cities and counties nationwide are pursuing claims against major defendants. The goal is to recover money to help fight the opioids epidemic, provide prevention and treatment services going forward, and change Defendants' practices.

3. Why use a Class mechanism?

Joining all cities and counties together as a Negotiation Class gives them maximum negotiating power, makes the negotiation of comprehensive settlements a more practical process, enables Defendants to know the group with which they are negotiating, and enables Class Members to vote on resulting settlement offers.

4. Who are the Class Representatives?

The Court has authorized the following 49 counties and cities to serve as the Negotiation Class's Class Representatives: (1) County of Albany, New York; (2) City of Atlanta, Georgia; (3) Bergen County, New Jersey; (4) City of Baton Rouge/East Baton Rouge Parish, Louisiana; (5) Broward County, Florida; (6) Camden County, New Jersey; (7) Cass County, North Dakota; (8) City of Chicago, Illinois; (9) Cobb County, Georgia; (10) City of Concord, New Hampshire; (11) Cumberland County, Maine; (12) City of Delray Beach, Florida; (13) Denver, Colorado; (14) Escambia County, Florida; (15) Essex County, New Jersey; (16) County of Fannin, Georgia; (17) Franklin County, Ohio; (18) Galveston County, Texas; (19) County of Gooding, Idaho; (20) City of Grand Forks, North Dakota; (21) County of Hennepin, Minnesota; (22) City of Indianapolis, Indiana; (23) County of Jefferson, Alabama; (24) Jefferson County/ City of Louisville, Kentucky; (25) Jersey City, New Jersey; (26) Kanawha County, West Virginia; (27) King County, Washington; (28) City of Lakewood, Ohio; (29) City of Los Angeles, California; (30) City of

Lowell, Massachusetts; (31) City of Manchester, New Hampshire; (32) Maricopa County, Arizona; (33) Mecklenburg County, North Carolina; (34) The Metropolitan Government of Nashville and Davidson County, Tennessee; (35) Milwaukee County, Wisconsin; (36) Monterey County, California; (37) City of Norwalk, Connecticut; (38) County of Palm Beach, Florida; (39) Paterson City, New Jersey; (40) City of Phoenix, Arizona; (41) Prince George's County, Maryland; (42) Riverside County, California; (43) City of Saint Paul, Minnesota; (44) City of Roanoke, Virginia; (45) County of Rockland, New York; (46) City and County of San Francisco, California; (47) County of Smith, Texas; (48) County of Tulsa, Oklahoma; and (49) Wayne County, Michigan.

5. Who are the Defendants?

The Court has authorized the Negotiation Class to negotiate with 13 Defendants (including their affiliates): (1) Purdue, (2) Cephalon, (3) Endo, (4) Mallinckrodt, (5) Actavis, (6) Janssen, (7) McKesson, (8) Cardinal, (9) AmerisourceBergen, (10) CVS Rx Services, Inc., (11) Rite-Aid Corporation, (12) Walgreens, and (13) Wal-Mart. The Negotiation Class is authorized to negotiate settlements with any of these 13 Defendants, on any of the claims or issues identified below in FAQ 7, or other claims or issues arising out of the same factual predicate. If Class Counsel seek to negotiate for the Class with any other defendants, they can file a motion asking the Court to amend the Class certification order.

6. Has a Class settlement been reached with Defendants yet?

No. No Class settlement has been reached yet with any Defendant. But the existence of a Negotiation Class makes the possibility of Class settlement more feasible because a Defendant will know the group with which it is negotiating. There is no guarantee, however, that there will be a Class settlement and it is possible that there will be settlements that do not encompass the Class, such as settlements between one or more Class Members and one or more Defendants.

THE CLASS CLAIMS AND ISSUES

7. What claims and issues are certified for the Negotiation Class?

In this Negotiation Class, the Court certified []. The RICO claims and the issues related to the CSA are similar across the country and the Class. The first RICO claim alleges that five Defendants misled physicians and the public about the need for and addictiveness of prescription opioids, all in an effort to increase sales. The second RICO claim alleges that eight Defendants ignored their responsibilities to report and halt suspicious opioid sales, all in an effort to artificially sustain and increase federally-set limits (quotas) on opioid sales. The CSA issues allege that the CSA required Defendants to create systems to identify, suspend, and report unlawful opioid sales, and that Defendants failed to meet those obligations. As noted in FAQ 5, above, the Negotiation Class is authorized to negotiate Class settlements concerning these claims and issues or other claims or issues arising out of the same factual predicate. **However, this**

Negotiation Class does not involve claims by State governments against the Defendants and no Class settlement will release or otherwise interfere with any State government's current or future litigation. This Negotiation Class concerns claims only of counties and cities. You can read more about these claims and issues in the Court's Memorandum Opinion certifying this Class, which is posted at www.opioidsnegotiationclass.info.

8. Has the Court decided any claims or issues?

No. The Court has not decided any Classwide claims or defenses on the merits and the Court will not render any Classwide decisions on the merits of any claims asserted by the Class or individual Members of it. By establishing this Negotiation Class and issuing this notice, the Court is not suggesting the Class would win or lose this case. This Class has been certified for negotiation purposes only.

WHO IS IN THE CLASS

9. What entities are included in the Negotiation Class?

The Negotiation Class is defined as:

All counties, parishes, and boroughs (collectively, "counties"); and all incorporated places, including without limitation cities, towns, townships, villages, and municipalities (collectively "cities").

A complete current list of Class Members is available at www.opioidsnegotiationclass.info. The list may be updated as the Court may order.

The terms "counties" and "cities" are used only as shorthand. The Class includes political subdivisions with other names, such as parishes, villages, towns, townships, etc. The list of Class Members was devised primarily from the U.S. Census bureau lists of governmental entities that provide services to their residents. Check the Cities and Counties lists posted on the Class website to confirm whether you are a Negotiation Class Member.

10. Are counties and cities with state court-filed actions considered part of the Negotiation Class?

Yes. Counties and cities that sue in state court are Members of this Negotiation Class, with the option to opt out. However, nothing about Membership in the Negotiation Class interferes with the rights of any federal or state court plaintiffs to proceed with their own cases for litigation, trial, or individual settlement. Only if and when a Class settlement has been reached, has been approved by 75% of the voting Class Members as described in FAQ 19, and has been approved by the Court, would Class Members lose their ability to proceed on their own, in exchange for the settlement benefits that they would receive.

11. Will the Negotiation Class end the opioid litigation that my County or City has filed?

Not now and only if a Class settlement is later reached and approved. Your county's or city's Membership in the Negotiation Class will not immediately affect any opioid suit it has filed, whether in federal or state court. It also will not stop your county or city from filing or pursuing a lawsuit, and it will not affect any scheduled hearings or trials in any lawsuit. However, if there is a final Class settlement, approved by the required 75% of the voting Class Members and by the Court, the final settlement will likely end all other opioids-related litigation brought by Class Members. In the meantime, you do not need to opt-out of the Class to file, continue to prosecute, or settle your own case, and you may keep any settlement or judgment you obtain. If any county or city obtains a judgment or settlement with a Defendant before the Negotiation Class does, however, it will not receive additional compensation through any later Negotiation Class settlement. But by remaining in the Class, your county or city does risk foregoing its own lawsuit (although it would obtain money from a Class settlement) if a Class settlement is reached and approved.

12. How does the Negotiation Class affect other types of opioid plaintiffs that are not counties or cities?

The Negotiation Class does not directly affect the litigation or settlement of the claims of other types of plaintiffs, such as Indian Tribes, third party payors, and others, that are proceeding in federal or state courts. These plaintiffs can organize themselves as groups or propose their own Classes, for trial or settlement purposes.

THE NEGOTIATION CLASS PROCESS

13. Now that the Court has approved this process, what will happen next?

The creation of the Negotiation Class has these next steps:

- On September [xx], 2019, Judge Polster, the federal judge overseeing all of the national opioids litigation, certified the Negotiation Class to go forward.
- On or before **September 20, 2019**, Class Action Notice will be sent via first Class mail and posted to the Class website www.opioidsnegotiationclass.info to all Class Members.
- Class Members have until November 22, 2019 to decide whether to participate or to opt out of the Class. This is the "opt-out period." All Class Members are automatically included in the Class. If a Class Member wants to participate, it does not need to do anything at this point. Only Class Members that wish to exclude themselves ("opt out") and not participate in the Class must act: they must submit a copy of the enclosed Exclusion Request Form on or before November 22, 2019, using the instructions in FAQ 26.