

ATTORNEY'S RETAINER CONTRACT

This Attorney's Retainer Agreement ("Agreement") is made and entered into this ____ day of ____ 2018, between Ferrer Poirot & Wansbrough, Fears Nachawati, Motley Rice and Attorney Aaron Wiley collectively referred to as the "Law Firms" or "Attorneys", and ELLIS COUNTY, TEXAS ("Client").

WHEREAS, The Client has determined that claims should be made against Purdue Pharma, L.P., Purdue Pharma, Inc., The Purdue Frederick Company, Inc., Teva Pharmaceutical Industries USA, Ltd., Cephalon, Inc., Johnson & Johnson, Janssen Pharmaceuticals, Inc., Ortho-McNeil-Janssen Pharmaceuticals, Inc. n/k/a Janssen Pharmaceuticals, Inc., Janssen Pharmaceutical, Inc. n/k/a Janssen Pharmaceuticals, Inc., Endo Health Solutions Inc., Endo Pharmaceuticals, Inc., Allergan, PLC f/k/a Actavis, PLC, Actavis, Inc. f/k/a Watson Pharmaceuticals, Inc., Watson Laboratories, Inc., Actavis, LLC, and Actavis Pharma, Inc. f/k/a Watson Pharma, Inc., AmerisourceBergen, McKesson and Cardinal Health, and/or such other entities as may be revealed in subsequent litigation, which have engaged in various wrongdoing, including but not limited to, violations of Medicaid Fraud, Public Nuisance, Common Law Fraud, Negligence, Gross Negligence, violations of the Controlled Substances Act, RICO, DTPA and other violations of law in the fraudulent marketing and sales of certain highly addictive, opiate-derived painkillers for purposes for which they are neither safe nor effective; and

WHEREAS, The Client has determined that the investigation, research, and litigation of the claims may require the expenditure of large sums of money and require the work of numerous lawyers, paralegals, and others who are familiar with Defendants' wrongful actions and/or inactions and related issues for an extended period of time; and,

WHEREAS, The Client has further determined that it is in the best interests of the city/ county and its citizens that the city/county retain attorneys with significant litigation experience; and,

WHEREAS, The Law Firms, are experienced at such litigation and consented to represent the Client, respecting the claims and pursuant to the terms and conditions hereof.

IT IS, ACCORDINGLY, AGREED as follows:

1. The Client hereby retains the Law Firms, to investigate, research, and prepare claims or complaint(s) for the Office of the Client to file in any appropriate court or before any appropriate governmental agency.
2. The Client does not relinquish its constitutional or statutory authority or responsibility through this Retention Agreement. The Client has the sole authority to settle this litigation, and the Law Firms shall apprise the Client of all settlement offers. The Law Firms shall consult with the Client and obtain its approval on all material matters pertinent to the claims and any litigation arising therefrom; including whether and how to proceed with litigation, which claims to advance, what relief to seek, and whether and on what terms to settle. The Client shall cooperate with the Law Firms and use its best efforts to secure the cooperation of other County agencies. The Client is not required, however, to assign any member of his staff to pursue the claims, but may from time to time afford staff and either support services as the Client deems appropriate. The Client shall designate one or more members of his staff to monitor these claims, who will be available directly to the parties in this matter as needed, and the Law Firms shall keep the Client and his designated staff member(s) fully informed on all matters pertaining to the claims.
3. The Client and the Law Firms recognize that the claims present numerous factual and legal obstacles and that no assurance of success on the claims has or can be made.
4. Notwithstanding the potential difficulties, the Law Firms have agreed to represent the Client and the Client hereby agrees that the Law Firms will be compensated for any monies recovered by the Client on the following basis:
5. The Client hereby transfers and assigns to Law Firms an undivided present, not executory, interest in Client's claims. The undivided interest hereby assigned to Attorney by Client is equivalent to the fees, costs, and

expenses, including the percentage of any recovery as defined in the paragraph below, paragraph 6 and 7, and, by this agreement, promises to pay to Law Firms:

Attorneys will assume joint responsibility for your representation and the division of the attorney's fees between Attorneys and any associated counsel will be based upon that joint representation and will not affect the amount that Client(s) recovers in any way. The percentages referenced below will be calculated on and subtracted from the gross amount of any recovery obtained before any outstanding expenses, incurred by Attorneys. The attorneys' fees will be split between Attorneys as follows: Motley Rice LLC will retain 50 percent (50%) of the total net attorneys' fees, and Fears | Nachawati Law Firm, PLLC will retain 16.66 percent (16.66%) of the total net attorneys' fees, and the Law Office of Ferrer Poirot & Wansbrough will retain 16.66 percent (16.66%) of the total net attorneys' fees, and Attorney Aaron Wiley will retain 16.66 percent (16.66%) of the total net attorneys' fees based upon the following schedule of fees:

Twenty-five percent (25%) of any recovery up to Ten Million Dollars (\$10,000,000.00); plus

Twenty percent (20%) of any portion of such recovery between Ten Million Dollars (\$10,000,000.00) and Fifteen Million Dollars (\$15,000,000.00); plus

Fifteen percent (15%) of any portion of such recovery between Fifteen Million Dollars (\$15,000,000.00) and Twenty Million Dollars (\$20,000,000.00); plus

Ten percent (10%) of any portion of such recovery between Twenty Million Dollars (\$20,000,000.00) and Twenty-Five Million Dollars (\$25,000,000.00); plus

Five percent (5%) of any portion of such recovery exceeding Twenty-Five Million Dollars (\$25,000,000.00).

6. To the extent required by law or Court order, the Client may request that the Court award the State/County/City and the Law Firms reasonable attorneys' fees not in excess of the fee schedule outlined in paragraph 5 above.
7. In addition to the assigned interest of attorney's fees and/or other proof of attorney's fees, as may be required by law or Court order, all reasonable and necessary costs or expenses of litigation including, but not limited to, court costs, travel, witness fees, consultants, accounting, and expert fees and expenses, as shall be approved by the Client, shall be borne entirely by the Law Firms, but shall be reimbursed, after deduction for attorney's fees, from any gross recoveries from the pursuit of the claims.
8. If no recovery is obtained for Client, Law Firms shall receive no compensation or reimbursement for attorney's fees or expenses or costs of court.
9. **Attorneys will use best efforts to minimize costs.** The Firms will be proportionally responsible according to the division of attorneys' fees for fronting all case expenses, included but not limited to travel expenses. Client agrees that if there is a settlement or verdict to reimburse firms for all case costs and expenses including but not limited to experts, depositions, copying, filing fees, records fees, discovery and litigation support, settlement and fund administration fees, interest on any firm lines of credit, jury consultants and all other case costs not mentioned herein. Firms agree to use good judgment in controlling case expenses.
10. Attorneys, and/or its associated counsel, are hereby authorized to file suit when and in any manner they deem advisable; however, the consent of Client(s) must be secured before any final settlement is made. Further, Client empowers Attorneys to take all steps in said matter deemed by Attorneys to be advisable, including but not limited to effectuating a compromise, instituting legal proceedings and to take any other appropriate steps

necessary to prosecute the case. All money collected and disbursed to, or on behalf of, Client will be accounted for in an itemized statement upon successful conclusion, if any, of Client's case.

11. With the approval of the Client, the Law Firms may associate other attorneys at its own expense and at no cost to the Client. Notwithstanding such association of other attorneys, this Retention Agreement is non-assignable and non-transferable, nor are the Law Firms' commitments delegable without the express, written approval of the Client. The Firms will assume joint responsibility for your representation, and the division of the attorney's fees, between our firm, and the referring attorney(s) will be based upon that joint representation.
12. The Law Firms will consult with the Client in making the decision on the proper venue to file any suit(s) that arise(s) from the retention of the Law Firms.
13. The Firms shall defend and indemnify the County/City for any claims asserted against the county by the defendants related to this action.
14. The Law Firms shall, from the date hereof until not less than four (4) years after this contract expires or is terminated, maintain detailed current records, including documentation of all expenses, disbursements, charges, credits, underlying receipts and invoices, and other financial transactions that concern the providing of attorney services. In addition, the Law Firms shall maintain detailed contemporaneous time records for the attorneys and paralegals working on this matter in increments of no greater than one tenth of an hour, and shall promptly provide these records to the Client upon request.

I HAVE READ AND FULLY UNDERSTAND THE ABOVE CONTRACT

SIGNED AND EXECUTED THIS _____ DAY OF _____, 20 ____ .

Attorney for Fears | Nachawati Law Firm

**Authorized Representative On Behalf of ELLIS
COUNTY, TEXAS
CLIENT**

Attorney for Ferrer Poirot & Wansbrough

Attorney Aaron Wiley

Attorney for Motley Rice