

## **LEGAL SERVICES CONTRACT**

Mail or Fax to: NAPOLI SHKOLNIK PLLC

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WHEREAS, the undersigned, the City of Saint Paul, Minnesota ("Client") agrees to retain the law offices of Napoli Shkolnik PLLC and LaFlam LLP (together, "Law Firm") (collectively, "Parties") as Client's attorneys in the prosecution of any legal claim against manufacturers and distributors of opioids (or other entities to be named) arising out of the manufacturers' and distributors' fraudulent and negligent marketing and distribution of opioids. The Parties specifically agree as follows:

- 1. **FEE PERCENTAGE:** As consideration for legal services rendered and to be rendered by the Attorneys in carrying out the purpose hereof, Client agrees to pay Law Firm 20% (twenty percent) of all net amounts recovered. Further, if the action is certified as a class action, the law firm shall request an award of common benefit fees and compensation to be award within the discretion of the court irrespective of the stated retainer amount. Client assigns, and the Law Firm accepts and acquires as its fee, a proportionate interest in the subject matter of any claim, action, or suit instituted or asserted under the provisions of this agreement. All expenses and costs will be deducted prior to the contingent fee calculation. Any liens and subrogation are to be deducted after the contingent fee is calculated.
- 2. <u>ALLOCATION OF LEGAL FEES</u>: Pursuant to Rule 1.5(e) of the Minnesota Rules of Professional Conduct, the attorneys' fees shall be apportioned as follows: 25% (twenty-five) percent to LaFlam LLP and 75% (seventy-five percent) to Napoli Shkolnik PLLC.
- 3. <u>DISBURSEMENTS:</u> The Law Firm shall be reimbursed all reasonable expenses associated with the legal services being rendered including, but not limited to, legal research, long distance telephone calls, fax, postage, copying, travel, and expert expenses. Costs shall also include, but not be limited to, any "MDL Assessment" imposed by any Multi-District Litigation ("MDL") Court or withheld from any settlement or favorable judgment by any defendant. In addition to the above listed individual costs, there will be common benefit costs. Common benefit costs are costs expended for the common benefit of a group of clients. For example, if a deposition of a defendant expert witness is taken in one case, and this deposition can be used for and/or benefits the claims of many other clients, these costs will be classified as common benefit costs. By using this common benefit cost system, no one client has to solely bear the costs which actually benefit the group as a whole, and many of the most substantial costs of litigation can be shared equally by all. Client grants a special privilege to the



Law Firm for their professional fees, expenses, costs, interest, and loans, on all monies and properties recovered or obtained for Client. Client's repayment of costs and expenses is contingent on the outcome from any funds received on the claim in question.

- 4. **FINANCING OF CASE:** If the firm borrows money from any lending institution to finance the cost of the client's case, the amounts advanced by this firm to pay the cost of prosecuting or defending a claim or action or otherwise protecting or promoting the client's interest will bear interest at the highest lawful rate allowed by applicable law. In no event will the interest be greater than the amount paid by the firm to the lending institution.
- 5. <u>TAX ADVICE</u>: The Client understands that the Law Firm will not provide any advice regarding the tax consequences of accepting money from a settlement or award. CLIENT SHOULD CONTACT A TAX PROFESSIONAL REGARDING ANY TAX CONCERNS REGARDING ANY SETTLEMENT PRIOR TO THE SETTLEMENT.
- 6. <u>TERMINATION</u>: The Law Firm expressly reserves the right to withdraw its representation at any time upon reasonable notification to the Client, subject to applicable ethical rules, if any. Should the Client terminate the Law Firm, the Law Firm shall continue to be entitled to its legal fees on any and all sums recovered as a result of the claims.
- 7. <u>APPEALS:</u> The above contingency fee does not contemplate any appeal. The Law Firm is under no duty to perfect or prosecute any such appeal until a satisfactory fee arrangement is made between the Parties and is reduced to writing regarding costs and attorneys' fees.
- 8. <u>COUNTERCLAIMS:</u> The above contingency fee does not contemplate the Law Firm's representation of Client against any claims made by a person against the Clients. The Law Firm is under no duty to defend or prosecute any such claim or counterclaim until a satisfactory fee arrangement is made between the Parties and is reduced to writing regarding costs and attorneys' fees.
- 9. <u>STATUTE OF LIMITATIONS:</u> Client understands that the Statute of Limitations period for the case must be investigated and that this Agreement is made subject to that investigation as well as an investigation of the entire case. Client understands that statutes of limitation may have run on the case and agrees to hold the Law Firm harmless in the event the applicable statutes of limitation have run for any reason.
- 10. **NO GUARANTEE OF FINAL OUTCOME:** No attorney can accurately predict the outcome of any legal matter. Accordingly, the Law Firm makes no express or implied representations as to the final outcome of the matter(s) contemplated by this Agreement. Client further understands that Client must immediately report any changes in Client's address or telephone number to the Law Firm.
- 11. **APPROVAL NECESSARY FOR SETTLEMENT:** Client hereby grants the Law Firm power of attorney so that the Law Firm may have full authority to prepare, sign and file all legal instruments, pleadings, drafts, authorizations, and papers as shall be reasonably necessary to conclude the representation including settlement and/or reducing to possession any and all monies or other things of value due to Client under its claim as fully as the Client could do so. The Law Firm is also authorized



and empowered to act as Client's sole negotiator in any and all negotiations concerning the subject of this Agreement. The decision regarding settlement shall always be held and remain with the Client.

- 12. **ASSOCIATION OF OTHER ATTORNEYS:** The Law Firm may, at its own expense, use or associate with other attorneys in the representation of the Client. Client understands that the Law Firm is a Professional Limited Liability Company with a number of attorneys. Several of those attorneys may work on Client's case.
- 13. **ASSOCIATE COUNSEL:** Another attorney may participate in the division of fees in this case and assume joint responsibility for the representation of Client, either in the event that the Law Firm retains associate counsel or in the event that Client later chooses new counsel, provided that the total to Client does not decrease as a result of the division of fees and that the attorneys involved have agreed to the division of fees and assumption of joint responsibility.
- 14. <u>CLASS ACTION</u>: Client understands that Attorneys may pursue a class action on behalf of Client and all others similarly situated and client specifically authorizes attorneys to do so. Client understands that Client may serve as a class representative and may be called upon to act in a representative capacity for those who are similarly situated. Client knows of no conflict that would cause Client to be inadequate representative and agrees to vigorously defend the interests of the class if called upon to do so.
- 15. MINNESOTA STATE LAW TO APPLY: This Agreement shall be construed under and in accordance with the laws of the State of Minnesota and the rights, duties and obligations of Client and of the Law Firm's representation of Client and the laws of the State of Minnesota shall govern regarding anything covered by this Agreement.
- 16. **PARTIES BOUND:** This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, executors, administrators, legal representative, successors and assigns.
- 17. **LEGAL CONSTRUCTION:** In case any one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal or unenforceable, such invalidity, herein illegality, or unenforceability shall not affect any other provisions hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained.
- 18. **PRIOR AGREEMENTS SUPERSEDED:** This Agreement constitutes the sole and only agreement of the Parties hereto and supersedes all prior understandings or written or oral agreement between the Parties respecting the within subject matter, if any.

Client certifies and acknowledges that Client has had the opportunity to read this Agreement. Client further affirms that Client has voluntarily entered into this Agreement, that Client has been advised that Client may seek legal counsel to review this Agreement before signing, and that Client is fully aware of the terms and conditions contained in this Agreement.



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