

RETENTION AGREEMENT

WHEREAS, the Attorney General has determined that claims should be made against certain persons and legal entities which are now or have previously been overcharging the State of Mississippi through Medicaid expenditures and the citizens of the State of Mississippi through Medicare Part B deductibles for prescription drugs on account of the artificial inflation of the Average Wholesale Price ("AWP") being Miss. Code Ann. 89-12-1, et seq.; and

WHEREAS, the Attorney General has authority to bring this action on his own behalf due to its authority to investigate and prosecute Medicaid criminal and civil fraud as the Director of the Medicaid Fraud Control Unit pursuant to Miss. Code Ann. 43-13-219 & 43-13-221. In addition, the Attorney General has the authority to bring this action on his own behalf to recover taxes and state revenues improperly expended due to the fraudulent AWP pursuant to Miss. Code Ann. 7-5-55. Further, acting as a constitutional officer possessing all the power and authority inherited from the common law as well as that specially conferred upon it by statute, the Attorney General has the right to institute, conduct and maintain this suit in order to enforce the laws of the State of Mississippi, preserve order and protect the public's right to Medicaid and Medicare benefits. Finally, the Attorney General has the right to maintain this suit in a *parens patriae* capacity due to the State's quasi-sovereign interest in the economic well-being of its residents who have been overcharged for their Medicare Part B medications.

WHEREAS, the Attorney General has determined that the claims include fraud, suppression, breach of agreement, unjust enrichment, various state Medicaid violations, interest, prejudgment interest, penalties, and attorney fees for intentionally violating the statutes of the State of Mississippi and refund of funds which should not have been paid for the State and by the citizens of Mississippi ("claims");

WHEREAS, the Attorney General has determined that the investigation, research, and litigation of the Claims will require the expenditure of large sums of money and require extensive work by numerous lawyers, paralegals, accountants, and secretaries who are experienced in civil recoupment litigation, and medicaid and health law issues for an extended period of time; and

WHEREAS, the Attorney General has further determined that it is in the best interests of the State and its citizens that the State retain attorneys experienced in civil recoupment litigation and medicaid and health law to pursue the Claims; and,

WHEREAS, the below listed Law Firm is experienced in civil recoupment litigation and medicaid and health law and has consented to represent the State of Mississippi, in association with the Attorney General, respecting the Claims and pursuant to the terms and conditions hereof.

IT IS, ACCORDINGLY, AGREED as follows:

1. The Office of the Attorney General hereby retains the Law Firm of Copeland, Cook, Taylor & Bush, P.A., ("Law Firm") and its principal member, Charles G. Copeland, is hereby designated as Special Assistant Attorney General to investigate, research and file the Claims in any appropriate Court or Courts or before any appropriate governmental agency.

2. The Attorney General does not relinquish his constitutional or statutory authority or responsibility through this Retention Agreement. The Attorney General has the sole authority to settle this litigation on behalf of the State of Mississippi and its citizens. The Law Firm shall consult with the Attorney General and obtain his approval on all material matters pertinent to these Claims and any litigation arising therefrom, and the Attorney General shall cooperate with the Law Firm and use his best efforts to secure the cooperation of other State agencies. Prior to initiating inquiries or demands to any persons or entities, the Attorney General and the Firm will agree upon entities to be contacted and/or claims to be pursued; the Firm will thereafter be entitled to its reasonable fees

and expenses, as provided below, on any recovery from such agreed-upon entity or claims, discovered as a consequence of the Firm's inquiry/demand. The Attorney General is not required, however, to assign any members of his staff to pursue the Claims, but may from time to time afford staff and other support services as the Attorney General deems appropriate. The Attorney General shall designate a member(s) of his staff to monitor these Claims, and the Law Firm shall keep the Attorney General and his designated staff member(s) fully informed on all matters pertaining to the Claims.

3. The Attorney General and the Law Firm both 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. The Attorney General shall maintain responsibility for the public distribution of information concerning this matter. All press inquiries shall be referred to the Attorney General for comment and response.

5. Notwithstanding the potential difficulties, the Law Firm has agreed to represent the State, and the Attorney General hereby agrees that the Law Firm will be compensated for its efforts on the following basis:

A. Fee Agreements:

Exhibit A - Retention Agreement - Matter Settled Prior to Initiation of
Litigation

Exhibit B - Retention Agreement - Matter Resolved After Initiation of Litigation

B. All reasonable and necessary costs 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 Attorney General, shall initially be borne

entirely by the Law Firm, but shall be reimbursed from any gross recoveries from the pursuit of such claims on a case-by-case basis;

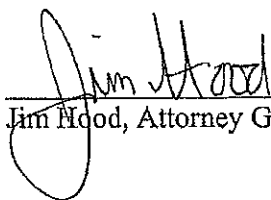
C. The Law Firm shall receive no compensation or reimbursement other than set out above. In the event that no recovery is realized, the Law Firm shall receive no compensation or reimbursement

6. With the approval of the Attorney General, the Law Firm may associate other attorneys at its own expense and at no cost to the State of Mississippi. Notwithstanding such association of other attorneys, this Retention Agreement is non-assignable and non-transferable, nor are the Law Firm's commitments delegable without the express, written approval of the Attorney General.

DATED this 28th day of February, 2005.

**ATTORNEY GENERAL OF
THE STATE OF MISSISSIPPI**

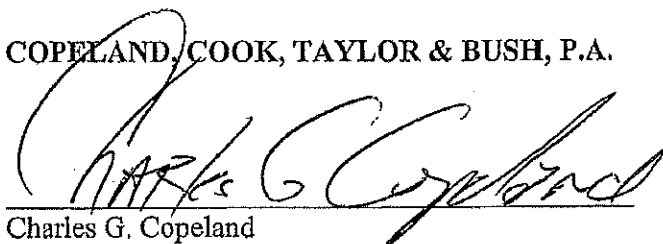
By:



Jim Hood, Attorney General

COPELAND, COOK, TAYLOR & BUSH, P.A.

By:



Charles G. Copeland

Attachment A
(Retention Agreement)
(Matter Settled Prior to Initiation of Litigation) *

The following shall be the structured contingent fee schedule:

For Sums Up to \$25,000,000.00:

15%; then in addition;

For those sums between \$25,000,000.00 and \$75,000,000.00:

13%; then in addition;

For those sums between \$75,000,000.00 to \$200,000,000.00:

7%; then in addition;

For those sums between \$200,000,000.00 to \$500,000,000.00:

4%; then in addition;

For all those sums greater than \$500,000,000.00:

2%; then in addition;

For all those sums greater than \$1,000,000,000.00:

1%

* Due diligence and good faith must be exercised to settle this matter prior to filing a complaint, or before any significant discovery initiated.

Attachment B
(Retention Agreement)
(Matter Resolved After Initiation of Litigation)

The following shall be the structured contingent fee schedule:

For Sums Up to \$25,000,000.00:

After filing complaint before discovery completed:	17%
After filing complaint after discovery complete awaiting trial:	20%
After commencement of trial:	25%

then in addition;

For those sums between \$25,000,000.00 and \$75,000,000.00:

After filing complaint before discovery completed:	15%
After filing complaint after discovery complete awaiting trial:	18%
After commencement of trial:	21%

then in addition;

For those sums between \$75,000,000.00 to \$200,000,000.00:

After filing complaint before discovery completed:	10%
After filing complaint after discovery complete awaiting trial:	14%
After commencement of trial:	18%

then in addition;

For those sums between \$200,000,000.00 to \$500,000,000.00:

After filing complaint before discovery completed:	6%
After filing complaint after discovery complete awaiting trial:	8%
After commencement of trial:	10%

then in addition;

For all those sums greater than \$500,000,000.00:

After filing complaint before discovery completed:	3%
After filing complaint after discovery complete awaiting trial:	4%
After commencement of trial:	5%

then in addition;

For all those sums greater than \$1,000,000,000.00:

After filing complaint before discovery completed:	2%
After filing complaint after discovery complete awaiting trial:	3%
After commencement of trial:	4%

AMENDMENT TO RETENTION AGREEMENT

WHEREAS, the Attorney General on behalf of the State of Mississippi entered into a Retention Agreement dated February 28, 2005, with the firm of Copeland, Cook, Taylor and Bush, P.A. ("Retention Agreement"); and

WHEREAS, at the time of the execution of the Retention Agreement it was anticipated by the parties thereto that the AWP liability claims against pharmaceutical companies would be pursued in one lawsuit, or one lawsuit on liability with separate hearings on damages; and

WHEREAS, upon the motion of the pharmaceutical company defendants - opposed by the State, the single lawsuit was divided into approximately 54 separate lawsuits with a single suit against each pharmaceutical company, and approximately 20 of the named pharmaceutical companies were dismissed without prejudice at the request of the special master with the claims against these non-suited companies to be resolved later; and

WHEREAS, the investigation and prosecution of the AWP claims in single suits is considerably more time consuming and requires more staff, effort and expense than the anticipated consolidated suit; and

WHEREAS, the contingent fee schedule that reduces the percentage allocated for a contingent fee as the recovery increases was designed for a consolidated suit and not separate suits.

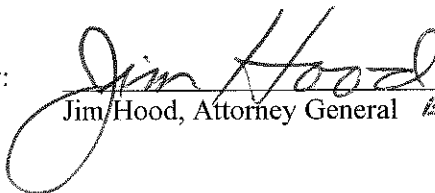
IT IS ACCORDINGLY, AGREED as follows:

1. The Retention Agreement is hereby amended and modified for the contingent fee amounts set forth in Attachment A and Attachment B to apply separately to each separate lawsuit. The adjusting fee schedule from this point forward will be measured against only the recoveries from each separate lawsuit, and will not be measured by the aggregate recoveries from all of the lawsuits. This change applies to all of the lawsuits that have not been finally resolved and to any additional claims or suits against pharmaceutical companies that artificially inflated the Average Wholesale Price resulting in overcharges to the State through Medicaid expenditures, including but not limited to, the approximately 20 claims that were dismissed without prejudice that will be re-filed.
2. There will be no adjustment for the contingency fee compensation that has been allowed for all settlements that have been disbursed prior to the date of this amendment.

DATED this the 28th day of June, 2012.

**ATTORNEY GENERAL OF
THE STATE OF MISSISSIPPI**

By:


Jim Hood, Attorney General *By: em*

**COPELAND, COOK, TAYLOR
and BUSH, P.A.**

By:


Charles G. Copeland