

RETENTION AGREEMENT

WHEREAS, the Attorney General has determined that claims should be made against the manufacturers of the prescription drugs Zyprexa, (Eli Lilly & Co.); Risperdal, (Janssen Pharmaceutica, LP.); Seroquel, (Astra Zeneca); [REDACTED] and other persons and legal entities which may be discovered in due course (all prospective defendants are referred to collectively hereinafter as the "DEFENDANTS"), and which have by manner of their wrongful actions and/or omissions caused injury to the lawful citizens of the State of Mississippi and/or the State of Mississippi by and through the Division of Medicaid; and

WHEREAS, the Attorney General has determined that the damages incurred by the State of Mississippi are likely to be substantial in nature, and

WHEREAS, the Attorney General has determined that the investigation, research, and litigation of the Claims will likely require the expenditure of large sums of money and require the work of numerous lawyers and experts who are familiar with the DEFENDANTS and their wrongful actions and/or omissions; 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 the prosecution of such claims; and

WHEREAS, the below listed attorney is experienced in the prosecution of mass tort, consumer fraud and complex commercial litigation 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 William M. Quin II ("QUIN") and hereby designates QUIN as a Special Assistant Attorney General to investigate, research, file and prosecute 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. QUIN 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 QUIN 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 QUIN will agree upon entities to be contacted and/or claims to be pursued; QUIN will thereafter be entitled to reasonable fees and expenses, as provided below, on any recovery from such agreed-upon entity or claims, discovered as a consequence of QUIN'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 QUIN 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 QUIN 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. QUIN has agreed to represent the State, and the Attorney General hereby agrees that QUIN will be compensated for his 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, legal research costs (eg., Westlaw), court costs, travel expenses (eg., lodging, mileage reimbursement, airfare), witness fees, consultants, accounting, and expert fees and expenses, as shall be approved by the Attorney General, shall initially be borne entirely by QUIN, but shall be reimbursed from any gross recoveries from the pursuit of such claims on a case-by-case basis;

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

6. With the approval of the Attorney General, QUIN may associate other attorneys at his 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

QUIN's commitments delegable without the express, written approval of the Attorney General.

7. In addition to the duties and obligations outlined hereinabove, QUIN and any attorneys QUIN associates in the prosecution of any real or potential actions described herein shall maintain records of the time and reasonable and necessary litigation expenses incurred in the prosecution of the action(s).

DATED this 6th day of February 2008.

ATTORNEY GENERAL OF
THE STATE OF MISSISSIPPI

By: Jim Hood
Jim Hood, Attorney General *By: gm*

By: William M. Quin II
William M. Quin II

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%

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

13%

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

7%

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

4%

For those sums between \$500,000,000.00 to \$1,000,000,000.00:

2%

For all those sums over \$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%

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%

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%

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%

For those sums between \$500,000,000.00 to \$1,000,000,000.00:

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

For all those sums over \$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%

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