

Edelson PC

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June 5, 2018

VIA ELECTRONIC MAIL

Joe LaMargo
VILLAGE OF ORLAND PARK
14700 South Ravinia Avenue
Orland Park, Illinois 60452
jlamargo@orlandpark.org

Re: Proposed Retention Agreement

Dear Manager LaMargo:

On behalf of Edelson PC (“EPC”) and Peterson, Johnson & Murray Chicago LLC, we thank you for considering our firms to represent the Village of Orland Park (“Village”) with respect to its recovery efforts against the opioid manufacturers, distributors, and other related parties, whether through litigation, regulatory changes, or legislative efforts (the “Opioid Matter”). This letter details the scope of our representation of the Village, as well as the method of compensation for such representation. By signing this proposed retention agreement, you will have retained the law firms of Edelson PC and Peterson, Johnson & Murray Chicago LLC, as well as such attorneys as may work with us to represent you in this matter.

1. Client; Scope of Representation

EPC will represent the Village in its investigation into, and the potential litigation of, the Opioid Matter. The representation shall also include, as needed, providing advice to the Village, Village Board and other Village governmental entities with respect to such investigation and litigation.

2. Opinions

Any beliefs or opinions that we express about the Village’s claims, various courses of action, or anticipated results are only our best professional estimates. They are necessarily limited by our knowledge of the relevant facts at the time the opinions are expressed and the law then in effect. Nothing in EPC’s engagement with the Village should be construed as a promise or guarantee of any particular outcome.

3. Compensation

If we do file suit on behalf of the Village, we will represent you on a contingent fee basis. The Village shall have no obligation to pay EPC attorneys’ fees or expenses unless the Village achieves a recovery, settlement, and/or judgment in the Opioid Matter. In the event that the Village achieves a recovery, settlement, or judgment in the Opioid Matter, the Village agrees that Edelson PC will be entitled to recover attorneys’ fees according to the following schedule:

- 23% of the net recovery if the matter is resolved pre-complaint.
- 28% of the net recovery if the matter is resolved after the complaint is filed but before summary judgment briefing is completed in either the Village's lawsuit or in any related consolidated proceeding (*e.g.*, federal MDL).
- 32% of the net recovery if the matter is resolved after summary judgment briefing is completed in either the Village's lawsuit or in any related consolidated proceeding (*e.g.*, federal MDL).

These calculations shall apply if the Village achieves any recovery, settlement, and/or judgment in the Opioid Matter in any form of proceeding or process. It is also understood that for its role, Peterson, Johnson & Murray Chicago LLC will receive as reasonable attorney fees an amount equal to thirty percent (30%) out of (and not in addition to) the net attorneys' fees recovered by EPC on account of the Village's claims. You also agree, that to the extent there is a recovery, that you will reimburse EPC all reasonable costs.¹ If the Village does not achieve any recovery, the Village will not be responsible for any costs or attorneys' fees. In no event will EPC's attorneys' fees and costs exceed any total recovery by the Village in this action.

4. Staffing

Although EPC reserves the right to staff all matters as we see fit, we intend to assign at least the following attorneys to this matter: Jay Edelson, Eve-Lynn Rapp, Rafey Balabanian, Benjamin Richman, Ari Scharg, David Mindell, and Alfred K. Murray II. Additionally, from Peterson, Johnson & Murray Chicago LLC, Paul O'Grady will participate. You understand that we may determine to associate with other attorneys to more efficiently and effectively represent the Village in this matter and that we may share a percentage of any attorneys' fees awarded and/or costs and expenses reimbursed with such attorneys. Prior to doing so, we will inform the Village of the same.

5. Confidentiality and Evidence Preservation

Should litigation in this matter ensue, the Village understands that it may have to produce evidence to support its claims. We understand that the Village may object to the opposing party's unchecked access to its information. We will vigorously oppose the production of any irrelevant information and seek protective orders that limit any defendant's access to any evidence that contains confidential information (including attorney-client communications). All information, documents, records, reports, data or other materials furnished by the Village to EPC or other such

¹ The costs shall include, without limitation: client expenses, travel costs, court costs, fees and expenses of consulting and testifying experts, court reporters, videographers, deposition and transcription costs, external document reproduction, coding and organization services, meeting expenses, travel expenses of experts, investigative services, jury consultants, costs of photography, exhibits, and graphic design or other media used to present or illuminate evidence or argument. EPC will seek the Village's prior approval for any costs that exceed five thousand US dollars (\$5,000). Finally, we do not charge clients for in-house copying, long distance telephone calls, or in-service Westlaw/LEXIS charges.

information, documents, records, data or other materials to which EPC has access during the course of rendering services pursuant to this retention agreement that are deemed confidential shall be treated as such and shall remain the property of the Village. EPC shall not make oral or written disclosure of any confidential information (other than as necessary for its performance under this retention agreement) without the prior written approval of the Village.

Please be reminded that in order to protect the confidentiality of both the Village's communications with us and our advice to the Village under the attorney-client privilege, it is important that the Village not divulge sensitive information to anyone who is not within the protection of the privilege.

Please also understand that the Village has an obligation to preserve evidence, including electronic evidence such as its electronic communications with third parties. The Village must preserve evidence that common sense would dictate is relevant to the claims and defenses in question. We should communicate prior to the Village destroying or disposing of any evidence that might be relevant to the matter. The Village should also suspend any routine document destruction policies that it has in place and refrain from implementing new document destruction policies while the matter is ongoing.

6. Term of Engagement

EPC will endeavor to represent the Village promptly and efficiently, and we anticipate a mutually satisfactory relationship. The Village, however, has the right to terminate EPC's services upon written notice at any time. EPC also has the right to terminate its services upon written notice, if it discovers that the Village has misrepresented or failed to disclose material facts to us, if it fails to cooperate with a reasonable request, or in the event EPC determines, in its sole discretion, that continuing services on behalf of the Village would create a conflict of interest or be illegal, unethical, impractical, improper or otherwise inappropriate. Following such termination, any otherwise non-public information the Village has supplied to EPC that is retained by us will be kept confidential in accordance with applicable rules of professional responsibility or returned to the Village as the parties hereto may agree in writing.

7. Conflict

EPC may represent other governmental entities (which could include municipalities, counties, and states) and private parties (which could include unions and self-insured companies) in opioid related litigation. While each matter will be brought as a separate suit or through separate claims, EPC will be seeking the maximum amount for each client from a finite pool of money. In the event of global or aggregate settlement discussions, you will be informed of all material terms of any such settlement, including what other EPC clients will receive if the settlement is accepted. In the unlikely event that any actual or potential conflicts do later emerge about the division of such monies or other conflicts, EPC will, at its own cost, bring in independent attorneys to represent each parties' interests.

8. Binding Nature of Agreement; Choice of Law; Lien and Termination

This retention agreement is meant to bind and benefit the heirs and successors of each of the parties to this agreement.

This retention agreement shall be construed in accordance with the laws of the state of Illinois, without regard to rules governing conflicts of law.

The Village hereby grants EPC a lien on any claims, causes of action, or recovery that it obtains, whether through settlement, judgment or otherwise, relating to the Opioid Matter. In the event that either party terminates this retention agreement, EPC will be entitled to enforce the lien against any net recovery ultimately obtained by the Village related to the Opioid Matter, according to the following schedule:

- A lien on 10% of the net recovery vests upon execution of this agreement.
- An additional 5% vests upon the filing of the complaint.
- An additional 5% vests upon the completion of pleadings motions in this suit or in any related consolidated proceeding.
- An additional 5% percent vests upon the completion of summary judgment briefing in this suit or in any related consolidated proceeding.

If you have any questions about the terms of this retention agreement, please do not hesitate to contact me. We look forward to working with you on this matter.

Sincerely,

EDELSON PC

PETERSON, JOHNSON & MURRAY CHICAGO LLC

Ari J. Scharg

Ari J. Scharg

Paul O'Grady

Agreed to by:

Village of Orland Park

By (signature):



Name (printed):

Joseph S. LaMargo

Its (title):

Village Manager

Dated:

6/21/18