

**DETERMINATION TO ENTER INTO A CONTINGENCY FEE CONTRACT
AND
THAT REQUESTING PROPOSALS FROM ATTORNEYS IS NOT FEASIBLE**

In accordance with Arizona Revised Statutes ("A.R.S.") § 41-4802, the Attorney General has determined that it is necessary and appropriate to retain outside counsel on a contingent fee basis to assist the State in pursuing litigation against [REDACTED] Corporation and possibly others for misrepresenting, raising, fixing and maintaining the reported average wholesale price of several brand name drugs. As a result of [REDACTED] alleged conduct, Arizona consumers paid more for certain prescription drugs than they would have but for the alleged illegal scheme.

The Attorney General has also determined that Hagens Berman LLP has developed an expertise in this area and that requesting proposals from attorneys is, therefore, not feasible under the circumstances. Hagens Berman is a national leader in class action litigation involving antitrust and consumer fraud claims. The firm has brought several fraudulent pharmaceutical pricing cases and has been named lead class counsel in many of those suits. Hagens Berman has already investigated [REDACTED] alleged misconduct and filed suit on behalf of consumers and several government entities [REDACTED]. As such, it is uniquely qualified to support the claims this Office is interested in bringing and would be able to file suit more quickly and cost efficiently than the Attorney General's Office or any other law firm could. For these reasons, it is advantageous to the State to award the contract to Hagens Berman without a competitive bid process.

The Attorney General has determined that it is necessary and appropriate to retain Hagens Berman on a contingent fee basis for the reasons that follow.

1. The Attorney General's Office does not have sufficient and appropriate legal and financial resources to handle the matter.

Hiring the firm on a contingency fee basis is a cost effective way to pursue our claims without expending our severely limited resources. Litigation against pharmaceutical companies is complex, resource intensive and expensive. Expensive economic analysis will be necessary to prove a conspiracy to misrepresent, raise, fix and maintain the reported average wholesale prices of hundreds of brand name drugs. Hagens Berman has already developed much of the evidence needed to support the price fixing claims. The Attorney General's Office does not have the staff or financial resources to bring such a case. Hagens Berman does.

2. Hagens Berman has the expertise and resources to represent the state in this complex matter.

Hagens Berman has already investigated the alleged misconduct and filed suit on behalf of consumers and several government entities. [REDACTED]

██████████ It would take a significant amount of the Attorney General's staff to learn the industry's pricing and price reporting practices, which are influenced by Medicare and Medicaid regulations. By hiring Hagens Berman to pursue these claims we avoid reinventing the wheel.

3. The lawsuit will likely be removed to an out of state jurisdiction.

Currently, the suits against ██████████ are pending in the District Court of Massachusetts. Hagens Berman has a Boston office, therefore making it cost effective to represent the Attorney General's Office in this matter.

4. It is necessary to hire attorneys who have expertise in pharmaceutical industry litigation and pricing practices.

As discussed above, Hagens Berman has extensive experience with pharmaceutical litigation and litigation involving ██████████