

PATRICK E. JOHNSON E-Mail: pjohnson@cohnekinghorn.com Direct Dial: 801.415.0149 111 EAST BROADWAY, 11th FLOOR SALT LAKE CITY, UTAH 84111 General Office: 801.363.4300

May 30, 2019

### VIA EMAIL AND HAND-DELIVERY

Bruce L. Dibb, Presiding Officer Heber M. Wells Building, 2nd Floor 160 East 300 South Salt Lake City, UT 84114 bdibb@utah.gov

RE: The Matter of Purdue Pharma L.P. et al., DCP Case No. 107102

Dear Judge Dibb:

On May 30, 2019, Individual Respondents Richard Sackler and Kathe Sackler (the "Individual Respondents") in the above-referenced proceeding, received your *Order on Division's Request to Serve First Set of Discovery Requests* (the "Order"). The Individual Respondents respectfully believe the Order contains an error because it authorizes the Division to serve discovery requests upon the Individual Respondents, which contravenes a stipulation between the Individual Respondents and Division.

On May 9, 2019, the Division filed its Request for Approval from the Administrative Law Judge to Serve Request for Production of Documents on Respondents. On May 10, 2019, the Individual Respondents filed an Objection to Division's Request to Serve Discovery Requests and Motion to Stay Discovery Against Individual Respondents stating, among other reasons, that the Individual Respondents should not be required to respond to the discovery requests until the Tribunal determines that personal jurisdiction has been properly established.

Thereafter, the Individual Respondents and the Division met and conferred and filed the Stipulation Regarding Respondent Richard Sackler's and Respondent Kathe Sackler's Objection to Division's Request to Serve Discovery (the "Stipulation"), attached as Exhibit A, and a [Proposed] Agreed Order (the "Agreed Order"), attached as Exhibit B, which was filed on May 17, 2019. The Stipulation and Agreed Order provided that the Individual Respondents are not required to respond to any discovery requests served upon them by the Division until 20 days after the Tribunal rules on the Individual Respondents motion to dismiss and determines that they are proper parties to this proceeding. The Agreed Order further provides that the parties would meet and confer if the Tribunal has not decided the motion to dismiss prior to May 31, 2019. There has been no objection to the Stipulation, but the Agreed Order has not been entered.



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The Order authorizes the Division to serve discovery requests upon the Individual Respondents. The Agreed Order does not prohibit service of the discovery requests. However, the Agreed Order provides that the Individual Respondents are not obligated to respond to the discovery requests until the Tribunal determines that the Individual Respondents are proper parties to this proceeding.

Accordingly, the Individual Respondents request that the Tribunal enter the Agreed Order so that the stipulation between the Individual Respondents and the Division is properly memorialized and enforceable. Absent entry of the Agreed Order, Rule R151-4-514 of the Department of Commerce Administrative Procedures Act Rules would require the Individual Respondents to respond to the discovery requests within 20 days.

Respectfully submitted,

COHNE KINGHORN, P.C.

Patrick E. Johnson, Esq.

/Enclosures

cc: All counsel of record

# EXHIBIT A

Robert G. Wing (4445)
Kevin M. McLean (16101)
Assistant Attorneys General
SEAN D. REYES (7969)
Utah Attorney General
Utah Attorney General's Office
160 East 300 South, 5th Floor
PO Box 140872
Salt Lake City, UT 84114-0872
Ph. (801) 366-0310
rwing@agutah.gov
kmclean@agutah.gov

Linda Singer
Elizabeth Smith
Lisa Saltzburg
Motley Rice LLC
401 9th St. NW, Suite 1001
Washington, DC 20004
Ph. (202) 386-9627
lsinger@motleyrice.com
esmith@motleyrice.com
lsaltzburg@motleyrice.com

Matt McCarley
Misty Farris
Majed Nachawati
Ann Saucer
Jonathan Novak
Fears Nachawati, PLLC
5473 Blair Road
Dallas, Texas 75231
Ph. (214) 890-0711
mccarley@fnlawfirm.com
mfarris@fnlawfirm.com
mn@fnlawfirm.com
asaucer@fnlawfirm.com
jnovak@fnlawfirm.com

Attorneys for the Utah Division of Consumer Protection

# BEFORE THE DIVISION OF CONSUMER PROTECTION OF THE UTAH DEPARTMENT OF COMMERCE

### IN THE MATTER OF:

PURDUE PHARMA L.P., a Delaware limited partnership; PURDUE PHARMA INC., a New York Corporation; THE PURDUE FREDERICK COMPANY, a Delaware corporation; RICHARD SACKLER, M.D., individually and as an owner, officer, director, member, principal, manager, and/or key employee of the above named entities; and KATHE SACKLER, M.D., individually and as an owner, officer, director, member, principal, manager, and/or key employee of the above named entities;

Respondents.

STIPULATION REGARDING
RESPONDENT RICHARD SACKLER'S
AND RESPONDENT KATHE
SACKLER'S OBJECTION TO
DIVISION'S REQUEST TO SERVE
DISCOVERY

DCP Legal File No. CP-2019-005

DCP Case No. 107102

The Division of Consumer Protection and the Individual Respondents<sup>1</sup> (collectively, the "Parties") stipulate as follows:

- 1. On May 9, 2019, the Division of Consumer Protection filed a Request for Approval to Serve Requests for Production of Documents on Respondents Purdue Pharma L.P., Purdue Pharma Inc., and The Purdue Frederick Company ("Purdue") and the Individual Respondents.<sup>2</sup>
- 2. On May 10, 2019, the Individual Respondents filed their Objection to the Division's Request to Serve Discovery Requests and Motion to Stay Discovery Against Individual Respondents.
- 3. The parties have met and conferred and agree that, if the Administrative Law Judge denies the Motion to Dismiss of either or both Individual Respondents, the responses to discovery requests served by the Division will be due twenty (20) days after the Administrative Law Judge issues a decision denying the Motion to Dismiss.<sup>3</sup> However, if the Administrative Law Judge grants either or both the Individual Respondents' Motion to Dismiss, the dismissed party or parties shall not be obligated to respond to the discovery requests served by the Division.
- 4. The parties agree that if the Administrative Law Judge has not issued a decision regarding the personal jurisdiction issues raised in the Individual Respondents' Motion to Dismiss within ten (10) days of the May 21, 2019 Motion to Dismiss argument, the parties will meet and confer regarding the Individual Respondents' Objection to the Division's Request to Serve Discovery Requests and Motion to Stay Discovery Against Individual Respondents.

This stipulation pertains to Respondent Richard Sackler. It also pertains to Respondent Kathe Sackler. Collectively, said respondents are referred to as the "Individual Respondents."

In reaching this stipulation, the Division does not assent to the arguments made by the Individual Respondents in their Objection to the Division's Request to Serve Discovery Requests and Motion to Stay Discovery Against Individual Respondents and specifically reserves the right to oppose such arguments in the future.

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The Individual Respondents object to the adjudication of the Division's claims in this Administrative Action and to the Division's attempt to assert personal jurisdiction over them. The Individual Respondents have moved to dismiss the matter on that basis and others set forth in (1) the Motion to Dismiss and supporting memorandum of law and affidavits filed on behalf of the Individual Respondents; and (2) Purdue's Response to the Citation and its Motion to Dismiss and supporting papers, which the Individual Respondents have incorporated and adopted. By filing the foregoing Stipulation, the Division stipulates and agrees that the Individual Respondents' are not making a general appearance in these proceedings, have not consented to the jurisdiction of this Tribunal and have not waived, and have preserved, all available defenses, including the defenses raised in the above-referenced motions and filings.

Accordingly, the Parties respectfully request that the Administrative Law Judge enter the attached Proposed Order.

DATED this 17th day of May, 2019.

# SEAN D. REYES UTAH ATTORNEY GENERAL

By: /s/ Kevin McLean Kevin M. McLean (16101) Robert G. Wing (4445) Assistant Attorneys General

Linda Singer
Elizabeth Smith
Lisa Saltzburg
Motley Rice LLC
401 9th St. NW, Suite 1001
Washington, DC 20004
Ph. (202) 386-9627
lsinger@motleyrice.com
esmith@motleyrice.com
lsaltzburg@motleyrice.com

Matthew McCarley
Misty Farris
Majed Nachawati
Ann Saucer
Jonathan Novak
Fears Nachawati, PLLC
5473 Blair Road
Dallas, Texas 75231
Ph. (214) 890-0711
mn@fnlawfirm.com
mccarley@fnlawfirm.com
mfarris@fnlawfirm.com
asaucer@fnlawfirm.com
jnovak@fnlawfirm.com

Counsel for the Division

By:/s/ Patrick Johnson
Paul Moxley (2342)

Hal L. Reiser (4346)
Patrick Johnson (10771)
111 E. Broadway, 11th Floor
Salt Lake City, UT 84111
801-363-4300
pmoxley@ck.law
hreiser@ck.law
pjohnson@ck.law
Counsel for Respondent Richard Sackler
Counsel for Respondent Kathe Sackler

# EXHIBIT B

Utah Division of Consumer Protection 160 East 300 South, Second Floor PO Box 146704 Salt Lake City, UT 84114-6704 PH. (801) 530-6601/FAX (801) 530-6001

# BEFORE THE DIVISION OF CONSUMER PROTECTION OF THE DEPARTMENT OF COMMERCE OF THE STATE OF UTAH

#### IN THE MATTER OF:

PURDUE PHARMA L.P., a Delaware limited partnership; PURDUE PHARMA INC., a New York corporation; THE PURDUE FREDERICK COMPANY, a Delaware corporation; RICHARD SACKLER, M.D., individually and as an owner, officer, director, member, principal, manager, and/or key employee of the above named entities; and KATHE SACKLER, M.D., individually and as an owner, officer, director, member, principal, manager, and/or key employee of the above named Respondents.

DCP Legal File No. CP-2019-005 DCP Case No. 107102

## [PROPOSED] AGREED ORDER

WHEREAS, the Respondents Richard Sackler and Kathe Sackler (the "Individual Respondents") and the Division of Consumer Protection (the "Division") have entered into a Stipulation Regarding the Individual Respondents' Objection to Division's Request to Serve Discovery,

### IT IS HEREBY STIPULATED, AGREED, AND ORDERED THAT:

1. The Individual Respondents response to any discovery requests served upon them by the Division will not be due until twenty (20) days after the Administrative law Judge rules on the Individual Respondents' Motion to Dismiss; however, to the extent the Individual Respondents'

Motion to Dismiss is granted and such Individual Respondent or Respondents is/are dismissed from these proceedings, such party/ies is/are not obligated to respond to the discovery requests served by the Division; and

2. The Individual Respondents and the Division shall meet and confer regarding the Individual Respondents' Objection to the Division's Request to Serve Discovery Requests and Motion to Stay Discovery Against Individual Respondents if the Administrative Law Judge has not issued a decision on the personal jurisdiction issues raised in the Individual Respondents' Motions to Dismiss by May 31, 2019.

So Ordered this day of May, 2019.	
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Bruce L. Dibb, Administrative Law Judge