

February 14, 2023

Mr. Michael Burrage, Esq. Mr. Reggie Whitten, Esq. Whitten & Burrage, LLP 512 North Broadway Avenue, Suite 300 Oklahoma City, OK 73102

Re: Contract for Legal Services Opioid Litigation

Dear Messers Burrage and Whitten:

This letter's purpose is to expressly terminate your firm's Contract for Legal Services Opioid Litigation (the "Contract") to represent the State of Oklahoma and the Office of Attorney General in holding opioid companies accountable for the irreparable harm they have caused countless Oklahoma families.

Pursuant to Paragraph 18 of the Contract, I hereby direct you to turn over to my office all work product and financial records relating to the Contract, including but not limited to receipts, invoices, emails, text messages, notes, exhibits, documents, and drafts, in electronic form where available.

While your efforts under the Contract have certainly succeeded in enriching yourselves far beyond what you deserve, those efforts have fallen far short of delivering the results that Oklahomans are entitled to receive. For instance, at the time your firm executed its agreement with then-Attorney General Mike Hunter, it did not include a cap on overall fees, unlike agreements for similar services between other states and their outside counsel. Subsequent addenda to the Contract eventually provided for lower fees, and potentially an overall cap, but only after I criticized the arrangement publicly.

Under this arrangement, your firm has been empowered to pocket over \$34 million in fees, profiting from an opioid crisis that continues to cause irreversible damage to Oklahoma citizens. Given Mr. Burrage's prominent feature on the front page of the enclosed Mansion Section of the Wall Street Journal on January 6, 2023, for purchasing three separate luxury condominiums at the Four Seasons Hotel and Residences in Fort Lauderdale, Florida, for \$13.45 million, it is evident that each of you personally benefitted from the excessively profitable payment provisions of the Contract that I am terminating.

313 N.E. 21ST STREET * OKLAHOMA CITY, OK 73105 * (405) 521-3921 * FAX: (405) 521-6246



In contrast, this Contract proved to be unnecessarily costly for the State of Oklahoma. By way of example, in the settlement that you negotiated with opioid distributors Cardinal Health, McKesson, and AmeriSource Bergen, Oklahoma received \$293 million. However, had the State joined the multistate efforts and not retained your firm as outside counsel, Oklahoma's recovery would still have been the same amount, except the State would not have paid \$26 million in fees and \$2 million in expenses to outside counsel. In other words, by virtue of the Contract with your firm, Oklahoma's recovery from the settlement with the opioid distributors was reduced by \$28 million, from \$293 million to \$265 million. Similarly, under the Purdue Pharma settlement that you facilitated, outside counsel was paid \$52.5 million in fees, accounting for a full 19% of the total settlement amount. Your firm's staggering share of this settlement was over \$16 million. Had the Contract implemented even a 15% cap, as has been done in other similar opioid settlements, Oklahoma citizens would have benefited from an additional \$12 million to fight the present and continuing effects of opioid addiction.

You may recall that I was an unapologetically vocal critic of this agreement in my 2018 campaign for Attorney General. I noted that the Contract was executed outside of an open bidding process that would have resulted in lower fees. Additionally, I questioned the fact that such a lucrative no-bid, no-cap contract was executed mere weeks after you and your spouses donated the maximum legal amount to the campaign of the man who signed the Contract.

I was not the only Oklahoman to find the whole arrangement objectionable. The Legislature and Governor wisely took action to ensure that such a back-room deal could not be struck again. What should have been common sense then is law now: future contingency fee agreements for outside counsel are capped. Furthermore, as an additional safeguard, in cases where attorney's fees and expenses are expected to exceed \$1 million, contracts for representation may only be entered into upon the completion of an open and transparent bidding process. This will ensure the best possible representation for the State at the best possible price for Oklahoma taxpayers.

In addition, your misguided efforts to hold Johnson & Johnson liable for its role in the opioid crisis solely through an untested use of Oklahoma's public nuisance doctrine resulted in the squandering of a multi-million-dollar recovery for the State. In its opinion overturning the lower court's decision in Johnson & Johnson, the Oklahoma Supreme Court expressly provided that the state's nuisance law "does not extend to the manufacturing, marketing, and selling of prescription opioids[,]" because it is not a doctrine intended to address policy problems, such as the opioid crisis. State ex rel. Hunter v. Johnson & Johnson, 2021 OK 54, 499 P.3d 719, 720. As contracted outside counsel, your firm had an obligation to provide competent representation, but by stretching the limits of settled law as the only foundation for recovery, you clearly erred and in turn, failed in your obligations. In short, I believe that you cut corners for a quick pay day.

I further find your efforts to secure additional funding from the Allergan settlement, which was not negotiated by your firm, unconscionable. Addendum Six to the Contract was executed on the eve before I took office and was an obvious attempt to forcibly bind my administration into

¹ In fact, in the multidistrict settlements with opioid distributors Cardinal, McKesson, and AmeriSourceBergen, as well as opioid manufacturer Johnson & Johnson, a federal judge recognized that a contingent fee for private counsel of participating subdivisions in excess of 15% of the participant's total award is presumptively unreasonable. *In re Nat'l Prescription Opiate Litig.*: Order, Case No. 1:17-MD-2804 Doc#: 3814 (Aug. 6, 2021).

even further enrichment of your firm while putting unenforceable restrictions on the State's Attorney General. This Contract, and the profit it allows you to amass, undermines the duties I must uphold as Attorney General, and I will not tolerate such agreements.

Your prompt fulfillment of the above directive is required. A representative from my office will contact your firm to answer any relevant questions and make the appropriate arrangements for the transfer of all records pertaining to this matter.

Gentner Drummond

Oklahoma Attorney General

Enclosure: Wall Street Journal extract



Turret Time A renovation transforms a Kentucky home.

MANS()

\$55 Million One year after purchase, owner sells Aspen home at huge profit. M7



Friday, January 6, 2028



Fort Lauderdale Gets an Upgrade

Once known as a spring break destination, the city has come into its own as a high-end real-estate hot spot. But can its market survive the housing downturn?

Lauderdale ever since his first visit as a college stu-dent in the 1970s but in March 2022, when the latest addition to a burgeoning luxury market, Four Seasons Hotel and Private Residences, opened in the

Last spring, with the slowdown on the horizon, Mr. Burrage spent \$13.45 million to buy three con-dominiums in the complex's yacht-shaped building on the Atlantic Ocean. Mr. Burrage, 72, co-founder of Oklahoma City-based law firm Whitten Burrage, said he trusted the chain's brand and had studied sales and resale prices at its other residence projects, including one in Miami.

"I thought it was a decent investment, "I thought it was a decent investment, given what happened in other places," said Mr. Burrage. With high-end residences and restaurants, he said, Fort Lauderdale no longer lags behind luxury Florida destinations such as Miami and Palm Beach. "Fort Lauderdale has grown up," he said.

Known as a spring-break destination since the 1960 movie "Where the Boys Are," a

comedy about four college sirls letting loose in Fort Landerdule, the rest it town is transforming used into a year round, urban community rife with glitzy developments. That transformation began around 2016 when Fort Landerdale, long a modest, middle-class destination with displayer for checker and tination with dive bars for shoeless and shirtless tourists, attracted developers look shirtless tourists, attracted developers looking for lower-priced land on the same coastline as its more glamorous neighbors.

Early prestige projects such as Auberge

Beach Residences & Spa and 100 Las

Olas sold out swiftly, and more upscale projects piled in. The trend
was fueled by the pandemic,
with its influx of remote work

with its influx of remote workers from northern states relocating for sunnier surroundings, fewer Covid restrictions and lower taxes, said Jenni Morejon, president and chief executive of the Fort Lauderdale

Downtown Development Authority, a public-private partnership. Now, the economic downturn is casting a cloud on this transformation: Home sales in Broward County in November 2022 were down 35% from November 2021, and real-estate listings rose for the fifth straight month, according to the Miami Association of Realters and MLS. But high-end home buyers aren't balking, and developers keep Please turn to page M4



Michael and Aletha Burrage bought several condos in March 2022, including one they using as a home, below, and two for family, above. They also rent the guest units out.



MANSION

Fort Lauderdale

continued from page MI
utilding, banking on South
florida's long-term growth
prospects, said Ken H.
Johnson, an economist at
florida Atlantic University
in Boca Raton. Six new
condo buildings are being
planned in downtown Fort
Lauderdale.

The region's real-estate market, Mr. Johnson said, benefits from a continuing inflow of residents that books housing demand, low inventory that props up prices, and a changing economy drawing affluent buyers to its growing technology and financial ser-

rices sectors.

"Florida's economy is evolving, and this downturn will slow it down, but it will not stop it," said Mr.

Sales and prices of luxtary homes in Fort Lauderdale are declining from record highs in 2021 but are still well above prepandemic levels. The average sale price of the city's names over \$1 million



dropped to \$2.7 million in November 2022, according to Broward, Palm Beaches & St. Lucie Realtors, an association with several South Florida locations, down from \$3.5 million in the red-hot market of November 2021—but up from \$2.1 million in November 2019. Similarly, sales of homes in Fort Lauderdale over \$1 million fell to 40 in November 2022, down from 77 in

November 2021, but up from 30 in November 2019, according to the Miami Association of Realtors and the MLS. There were more homes in the city priced over \$1 million for sale in November 2022 than in November 2021, but fewer than in November 2019, according to the association.

Softening the downturn in Fort Lauderdale are sunseeking foreigners flocking to its new residential towers, said David Dweck, president of the Broward-Miami Association of Realtors, a division of Miami Realtors.

"Our international market is what's keeping luxury sales pushing forward," he said.

Fort Lauderdale's real-estate market is also benefiting from a high number of cash buyers undeterred by rising rates. All-cash trans-



Mr. Burrage said the couple preferred Fort Lauderdale to Miami because the larger city felt too densely packed.

actions accounted for 43% of Broward County sales in November, according to Miami Realtors, compared with 26% nationwide, according to the National Association of Realtors. Donna Incorvaja, a local agent with RelatedISG Realty, said for buyers with tighter budgets, Fort Lauderdale is more affordable than its prominent neighbors. "For what you can buy a house here, you can afford a condo in Miami," said Ms. Incorvaja. She said buyers also like that Fort Lauderdale is now more cosmopolitan, but still quieter, safer and more laid-back than its glamorous neighbors.

"We're the Goldiocks between Palm Beach and Miami," said Ms. Morejon from the Downtown Development Authority. She predicts that in the coming months, some projects would stop for lack of credit, but investors would continue to recognize the

town's long-term potential.

Mr. Burrage, the buyer,
preferred Fort Lauderdale
to Miami because the larger
city felt like "an ant hill,

where everyone is on top of each other." Mr. Burrage is planning to spend part of the winter in the two-bed-room, 2,200-square-foot condo on the 11th floor that he bought for \$4.7 million for himself and his wife, Aletha Burrage, 72, a retired teacher. The other two units, both on the fifth floor, are a \$4.3 million 1,900-square-foot, two-bedroom apartment and a \$4.45 million, 2,200-square foot, three-bedroom apartment for their sons Sean, 54, and David, 46, and their families. When not needed for family gatherings such as Sean's coming January wedding, those condos are in the Four Seasons' rental pool. From his own 11thfloor unit, Mr. Burrage likes to watch the boats on the ocean, people on the beach and the traffic on Fort Lau-

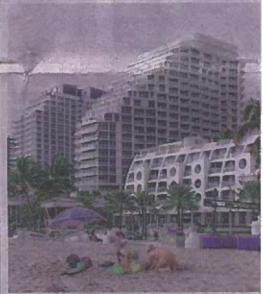
derdale Boulevard below.

"It's like having a movie theater out there," he said.

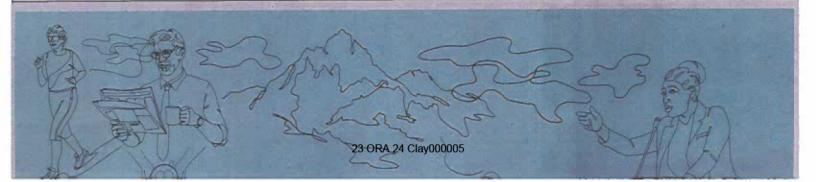
Of the 83 Four Seasons

Of the 83 Four Seasons residences, three are still unsold, including a five bedroom, 6,200-square-foot lower penthouse on the 21st floor for \$15.5 million.





The beach in Fort Lauderdale with the Four Seasons Hotel and Residences in the background.



MANSION-

Ramzi Achi, principal of Mirami-based Fort Partners, the lead developer, said Fort Lauderdale was ready for five-star condos, and for prices once unthinkable in the resort town. The build-ing's strong sales and resale prices, he said, suggested that a sinking economy isn't sinking the city's lux-ury real estate.

"Fort Lauderdale has new developments offered every day, and there are many in the pipeline," said Mr. Achi. "I don't see a ma-jor slowdown."

Dan Carinci and his fiancée, Jodie Sweeney, bought a contemporary, 3,700square-foot, four-bedroom house in Victoria Park, a quaint neighborhood for \$2.1 million in January 2022. The pair chose Fort Lauderdale over Scottsdale and Las Vegas for its outdoor lifestyle and community, where Mr. Carinci, 44, competes in jiu-jitsu and Ms. Sweeney, 38, in the International Fitness and Body Building Federation. Mr. Carinci, who owns an independent insurance cor pany, The Daniel Carinci Agency, wanted a quiet neighborhood to walk the couple's three dogs, Charlie, Bo and Lou. The newly built, stark white house re-placed an older home torn down on the same lot, a common occurrence in Fort common occurrence in Fort Lauderdale's low-inventory market, according to Ms. Incorvaja at Related ISG Re-alty. It was 35% to 40% done when Mr. Carinci signed the contract, and completion dragged on, frustrating the couple. At the same time, Mr. Carinci said he sees similar homes

that he didn't overpay. Even though he said he and Ms. Sweeney "aren't beach peo-ple," they love crossing the Intracoastal Waterway and seeing the expanse of the

Atlantic Ocean.
On the Intracoastal, local businessman Michael Velez bought two units at Edition Residences Fort Lauderdale, two 11-story towers for 65 hunny condos planned to be Please turn to the next page



Dan Carinci and Jodie Sweeney in front of their 3,700-square foot home in the Victoria Park neighborhood



Get More WSJ With QR Codes

- With your Apple or Android device, ope the camera app.
- Tap the pop-up notification to op the digital extras



TRY THIS capability today by scanning the GR code above to visit our website.

THE WALL STREET JOURNAL.

ADVERTISEMENT

HELP WANTED

QUALIFICATIONS: Expertise in adolescent psychology and addiction medicine. Skills in communication and conflict resolution.

HOURS: Let's call them "unpredictable"

PAY: \$0/Hr.

23 ORA 24 Clav000006

Apply Today -The need is urgent

MANSION



Continued from the prior page built by 2026. Sales kicked off in October. Undaunted by the softening market, Mr. Velez snapped up a fourth-floor, three-bedroom Villa with a private plunge pool and a sixth-floor Tower Res-idence for \$4.5 million each. Mr. Velez, 50, partner at an entertainment and public relations firm, said he might buy a third unit, plus a boat dock, an enclosed two-car garage and a cabana. When the building is finished, Mr. Velez will move from his current, 9,000-square-foot house in nearby Las Olas Isles. He said he didn't mind paying top-of-the-market

"I was fine with the price per square foot," he said. "If it goes up or goes down, I'm good." To reserve the units, he has put down 10% of the total purchase price.

One month into the unch, 25% of the condor



are sold, according to Coral Gables-based Location Ven-tures, which is developing the building with Marriott International's Edition Hotels brand. The presales proved buyers' ongoing apetite, said chief executive Rishi Kapoor.

"We certainly see the storm clouds that are gathering across the country, but you don't call it sunny South Florida for nothing, he said.

1,900-square-foot condo at 100 Las Olas, a 46-story tower in downtown Fort Landerdale, for \$1.24 million in February 2021. Hoping to move from Chicago. ing to move from Chicago, the Amatos visited Fort Lauderdale in the spring of 2020 when they caught Covid-19 and quarantined in the Hyatt Centric Las Olas, a hotel attached to the resi-dences that would become



Jason and Cassie Arnato at their condo at 100 Las Ok Fort Lauderdale's tallest building. They bought it in 2021.

"We said, we're not com-ing back here ever again, and now we live in the same building," says Mr. Amsto, 47, a banker in wealth management. With his wife, 49, recruiting manager at a bank, he now lives on the 30th floor of Fort Lauderdale's tallest building. The condo faces west, giving the Amatos views of the river and vi-brant sunsets. Mr. Amato brant sunsets. Mr. Amato said he didn't mind buying at the height of the market. The couple had made offers on two other units before buying their new home, sight unseen, because the couples were selling so fast condos were selling so fast at the time.

"Our interest was, let's find something we really love," he said. "We didn't buy it to sell it or as an investment. We bought it as a home."

One of the 113 condos in the two-year-old building is still for sale, a two-level, four-bedroom unit with a den for \$5.9 million. The developer, Delray Beach-based Kolter Group, said it

started looking for down town properties around 2015, after concluding that Fort Lauderdale had enoug affluent buyers for luxury condos away from the beach, said Ed Jahn, sen vice president in its Kolter Urban division. Since then, he said, retirees and empty nesters have been joined by second homeowners estab-lishing full-time residence, both for Florida's low taxes and for remote work during

the pandemic. Kolter is now building Kolter is now building twin condo towers called Selene Oceanfront Residences in Fort Lauderdale Beach that it is planning to complete in 2024. Its 194 units cost upward of \$2.7 million, with penthouses starting at \$10.8 million. The high-rise project is 701 sold. Mr. Jahn said sales traffic has slowed down, but the company isn't but the company isn't changing its strategy or discounting units.

"We are keeping things steady for now," he said.
"We have the changed our

incentives on any of our Fort Lauderdale projects

ADVERTISEMENT



BOCA RATON, FLORIDA

Lotus, the next generation of contemporary living by GI, Homes features cutting-edge home designs. Upscale oneth amenities like resort-style pools, dining, and fitness plus access to the best restaurants, shopping, beaches and top-rated schools, make it easy to enjoy the best lifestyle South Florida has to offer. Discover the hottest new homes in Boca

\$1.2 million to over \$2 million

LotusBoca.com

phone: 800,616,0416



SEA ISLAND, GEORGIA

A gated 4-acre family compound, on a private island, in the heart of one of America's most storied resort destinations. 11,000 square-feet of elegantly appointed main residence, guest cottages, private clubhouse and fitness center. Riverside pool and spa, deep water boat dock with application rights to year-round membership in Sea Island Club.

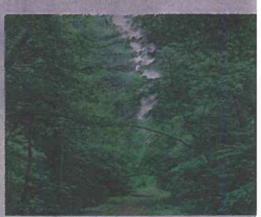
23 ORA 24 Clay000007

\$17,800,000

www.LittleHawkinstsland.com

Burnett Properties Randy Burgess phone: 707.756.2013

email: randy@burnett-partners.com



CLINTON, NORTH CAROLINA

202 wooded acres, Governor Moore Rd. (0.8-mile road frontage), just outside Clinton, North Carolina (2 miles to city limit, 4 miles to Courthouse at city certier, 13 miles to 1-40 Exit 355). An hour from Raielgit. 71 acres, plantad 2013 with bald cypress under direction of North Carolina Forest Service; remainder of estate mixed deciduous and conferous forest. Plentiful deer and other wildlife. In the same family for over 250 years.

Moore-Atkins LLC phone: 912.658.5665