COMMONWEALTH OF MASSACHUSETTS

SUFFOLK, ss.

SUPERIOR COURT
CIVIL ACTION NO.

COMMONWEALTH OF MASSACHUSETTS,

v.

PURDUE PHARMA L.P., PURDUE PHARMA INC., RICHARD SACKLER, THERESA SACKLER, KATHE SACKLER, JONATHAN SACKLER, MORTIMER D.A. SACKLER, BEVERLY SACKLER, DAVID SACKLER, ILENE SACKLER LEFCOURT, PETER BOER, PAULO COSTA, CECIL PICKETT, RALPH SNYDERMAN, JUDY LEWENT, CRAIG LANDAU, JOHN STEWART, and MARK TIMNEY

COMPLAINT

RECEIVED
JUN 12 2018
SUPERIOR COURT-CIVIL
MICHAEL DONOVAN
CLERK MAGISTRATE

Dangerous opioid drugs are killing people across Massachusetts. Prescription medicines, which are supposed to protect our health, are instead ruining people's lives. Every community in our Commonwealth suffers from the epidemic of addiction and death.

Purdue Pharma created the epidemic and profited from it through a web of illegal deceit. First, Purdue deceived doctors and patients to get more and more people on its dangerous drugs. Second, Purdue misled them to take higher and more dangerous doses. Third, Purdue deceived them to stay on its drugs for longer and more harmful periods of time. All the while, Purdue peddled falsehoods to keep patients away from safer alternatives. Even when Purdue knew people were addicted and dying, Purdue treated patients and their doctors as "targets" to sell more drugs. At the top of Purdue, a small group of executives led the deception and pocketed millions of dollars.

Attorney General Maura Healey brings this suit to protect the people of Massachusetts. On behalf of the Commonwealth, the Attorney General asks the Court to end Purdue's illegal conduct and make Purdue and its executives pay for the harm they inflicted in our state.

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I. PARTIES

1. The Plaintiff is Attorney General Maura Healey, who brings this action in the public interest in the name of the Commonwealth of Massachusetts.

2. The Defendants are two companies and 16 individuals who oversaw and engaged in a deadly, deceptive scheme to sell opioids in Massachusetts.

3. Defendant Purdue Pharma Inc. is a drug company incorporated in New York with its principal place of business in Connecticut. Since the 1990s, its official purpose has been manufacturing, sales, distribution, and research and development with respect to pharmaceutical, toiletry, chemical and cosmetic products, directly or as the general partner of a partnership engaged in those activities. It is the general partner of Purdue Pharma L.P.

4. Defendant Purdue Pharma L.P. is a limited partnership established in Delaware with its principal place of business in Connecticut. It includes the commercial group responsible for promoting and selling opioids in Massachusetts. It is controlled by Purdue Pharma Inc.

5. The 16 individual defendants led the deception at Purdue Pharma Inc. and Purdue Pharma L.P.

6. Defendants Richard Sackler, Jonathan Sackler, Mortimer Sackler, Kathe Sackler, Ilene Sackler Lefcourt, Beverly Sackler, and Theresa Sackler have been members of the board of Purdue Pharma Inc. since the 1990s. Defendant David Sackler joined them in 2012.

7. Defendants Cecil Pickett, Paulo Costa, Ralph Snyderman, and Peter Boer also hold seats on the board. Pickett joined the board in 2010. Costa and Snyderman joined in 2012. Boer joined in 2013. Judy Lewent was on the board at least from 2009 to 2014.

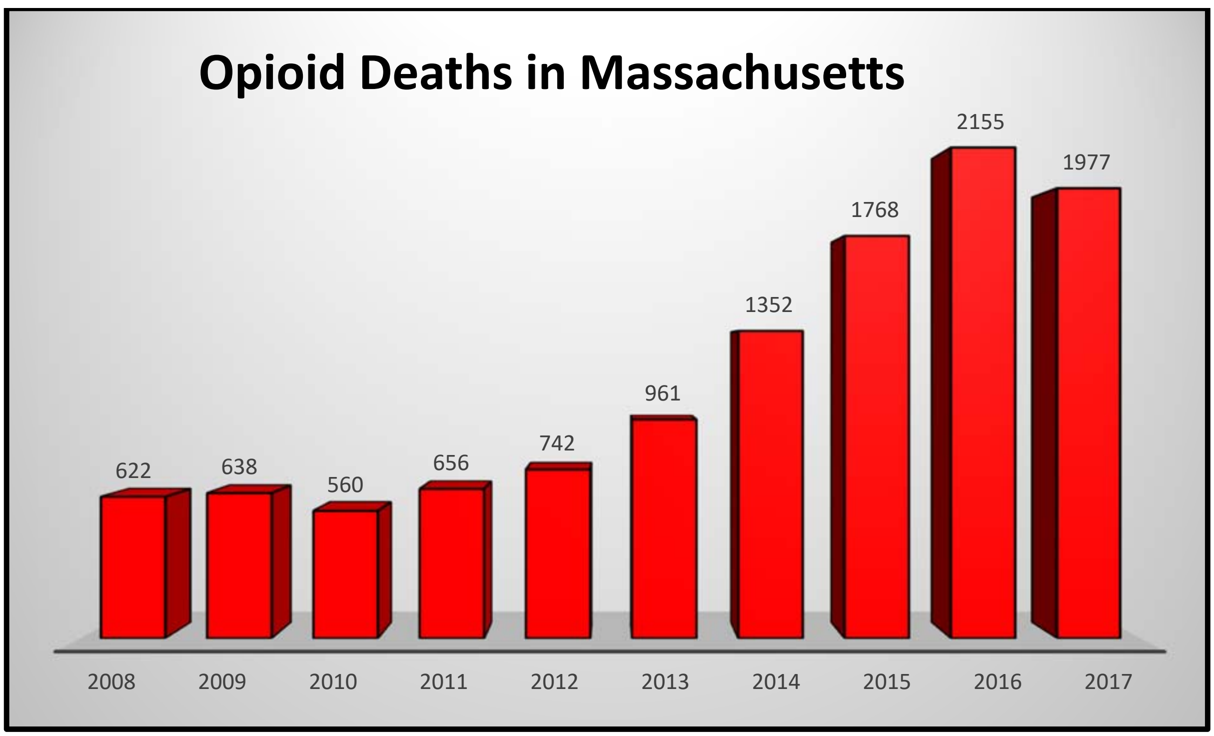
8. Defendant Craig Landau has been the CEO of Purdue Pharma Inc. and Purdue Pharma L.P. since June 2017. Defendant John Stewart was CEO from 2007 to 2014. Defendant Mark Timney was CEO from 2014 to June 2017.

9. Upon information and belief: Defendants Richard Sackler, Beverly Sackler, Kathe Sackler, Jonathan Sackler, Paulo Costa, Craig Landau, and Mark Timney reside in Connecticut. Defendants Mortimer Sackler, David Sackler, and Ilene Sackler Lefcourt reside in New York. Defendants Judy Lewent and Cecil Pickett reside in New Jersey. Defendants Frank Boer and John Stewart reside in Florida. Defendant Ralph Snyderman resides in North Carolina. Defendant Theresa Sackler resides in the United Kingdom.

10. This Complaint refers to all the Defendants collectively as Purdue.

II. PURDUE'S DRUGS KILL HUNDREDS OF PEOPLE IN MASSACHUSETTS

11. Opioids are killing people all around us. More than 11,000 people died from opioid-related overdoses in the past decade in Massachusetts — more than everyone killed in car accidents and murders combined. The people of Massachusetts survived more than 100,000 overdoses that were not fatal, but still devastating. This crisis is not natural or normal. Drug companies created this tragedy by deceiving doctors and patients about their dangerous drugs.



AGO graph from Massachusetts Department of Public Health data

12. Opioids are dangerous narcotics that can be deadly, because they can cause patients to stop breathing and suffocate.

13. Opioids are also highly addictive. Patients using opioids for more than a few days can experience severe withdrawal symptoms if they stop taking the drugs, including: anxiety, insomnia, pain, blurry vision, rapid heartbeat, chills, panic attacks, nausea, vomiting, and tremors. Withdrawal can last so long and be so painful that it is difficult to stop taking opioids.

14. Putting patients on opioids puts them at risk. Patients who take opioids at higher doses and for longer periods face higher and higher risk of addiction and death. Compared to our general population, Massachusetts patients who were prescribed opioids for more than a year were ***51 times more likely to die*** of an opioid-related overdose.

15. Purdue took advantage of addiction to make money. For decades, physicians reserved opioids for treating short-term severe pain, or for patients near the end of life. But the traditional practice of limiting opioids to short-term treatments ended after Purdue introduced OxyContin. OxyContin's sole active ingredient is oxycodone, a molecule nearly identical to heroin. Purdue later introduced another dangerous drug, Butrans, which releases opioids into the body from a skin patch. Then Purdue introduced Hysingla, which contains yet another opioid. Almost all of Purdue's business is selling opioids.

16. Since May 15, 2007, when this Court last ruled on Purdue's misconduct, Purdue has sold more than 70 million doses of opioids in Massachusetts.

17. For Purdue, it was a gold mine. Purdue made revenue of more than $500 million.

18. For patients, it was a massacre. Hundreds of patients who took Purdue's opioids in Massachusetts became addicted and died. An investigation by the Massachusetts Attorney General found that, since 2009, ***671 people who filled prescriptions for Purdue opioids in Massachusetts subsequently died of an opioid-related overdose***.

19. The people we lost worked as firefighters, homemakers, carpenters, truck drivers, nurses, hairdressers, fishermen, waitresses, students, mechanics, cooks, electricians, ironworkers, social workers, accountants, artists, lab technicians, and bartenders. They lived and died in every part of our state. The oldest died at age 87. The youngest started taking Purdue's opioids at 16 and died when he was 18 years old.

20. Purdue's misconduct also imposed terrible injuries on the living. Because of Purdue's dishonesty, too many children have lost their parents. Too many parents have buried their children. Too many grandparents are raising their grandchildren.

21. Patients who survive addiction need lengthy, difficult, and expensive treatment. People who are addicted to opioids are often unable to work. The addiction of parents can force their children into foster care. Babies are born addicted to opioids, because they are exposed to the drugs in the womb.

22. Purdue's misconduct has imposed heavy costs on the people of Massachusetts and on the Commonwealth. Intensive care for a newborn who has been harmed by opioids can cost $200,000, even before the baby comes home from the hospital. The injuries from addiction and overdose are staggering. For example, the White House Council of Economic Advisers determined that a middle estimate of the cost of each death from opioid overdose is $9.6 million. By that methodology, the 671 deaths that the Attorney General has already identified total more than $6 billion.

23. To profit from its dangerous drugs, Purdue engaged in a deadly and illegal scheme to deceive doctors and patients. First, Purdue deceived patients and doctors to get more and more people on its dangerous drugs. Second, Purdue misled them to take higher and more dangerous doses. Third, Purdue deceived them to stay on its drugs for longer and more harmful periods of time.

24. All the while, Purdue peddled falsehoods to keep patients away from safer alternatives. Even when Purdue knew people were addicted and dying, Purdue treated the patients and their doctors as "targets" to sell more drugs.

25. Each part of the scheme earned Purdue more money, and caused more addiction and death. And each Defendant participated in and profited from the scheme, as set forth below.

III. PURDUE DECEIVED DOCTORS AND PATIENTS TO GET MORE PEOPLE ON DANGEROUS DRUGS, AT HIGHER DOSES, FOR LONGER PERIODS

26. To get people to take its dangerous opioids, Purdue deceived doctors and patients about the risk of addiction and death. In Massachusetts, Purdue misled doctors and patients thousands of times. Purdue sent sales representatives to push its opioids in Massachusetts doctors' offices, clinics, pharmacies, and hospitals. Since May 15, 2007, Purdue salespeople met with Massachusetts prescribers and pharmacists ***more than 150,000 times***. A list of each sales meeting is attached as Exhibit 1.

27. Each of these in-person sales visits cost Purdue money — on average more than $200 per visit. But Purdue made that money back many times over, because it pushed doctors to prescribe its addictive drugs. When Purdue identified a doctor as a profitable "target," Purdue visited the doctor frequently: often weekly, sometimes almost every day. Purdue salespeople asked doctors to list specific patients they were scheduled to see, and pushed the doctors to "commit" to put the patients on Purdue opioids. By the time a patient walked into a clinic, the doctor had already "guaranteed" that he would prescribe Purdue's drugs. Purdue rewarded high-prescribing doctors with attention, meals, gifts, and money. Purdue gave money, meals, or gifts to more than 2,000 individual Massachusetts prescribers since May 15, 2007.

28. Purdue intended for its sales campaign to get patients on Purdue's addictive drugs. Purdue studied the "Return On Investment" of its sales visits, marketing techniques, and

payments to doctors. Purdue judged its employees based on how many prescriptions they got doctors to write. Sales representatives who generated the most prescriptions won bonuses and prizes from Purdue. Salespeople who failed to get enough patients on opioids were placed on probation, put on performance improvement plans, and fired. From the top, Purdue's leaders pushed employees to get more patients on opioids, at higher doses, for longer periods of time.

A. Purdue Deceived Doctors And Patients To Get More And More People On Its Dangerous Drugs

29. Purdue always knew that its opioids carry grave risks of addiction and death. Instead of being honest about these risks, Purdue obscured them, including by falsely stating and implying that "appropriate" patients won't get addicted.

30. In a pamphlet for doctors, *Providing Relief, Preventing Abuse: A Reference Guide To Controlled Substance Prescribing Practices* (2008), Purdue wrote that addiction "is not caused by drugs." Instead, Purdue assured doctors addiction happens when the wrong patients get drugs and abuse them: "it is triggered in a susceptible individual by exposure to drugs, most commonly through abuse."

31. Purdue promoted its opioids to Massachusetts patients with marketing that was designed to obscure the risk of addiction and even the fact that Purdue was behind the campaign. Purdue created a website, *In The Face of Pain*, that promoted pain treatment by urging patients to "overcome" their "concerns about addiction." Testimonials on the website that were presented as personal stories were in fact by Purdue consultants, whom Purdue had paid tens of thousands of dollars to promote its drugs.

32. Another Purdue publication, the *Resource Guide for People with Pain* (2010), falsely assured patients and doctors that opioid medications are not addictive:

> *"Many people living with pain and even some healthcare providers believe that opioid medications are addictive. The truth is that when properly prescribed by a healthcare professional and taken as directed, these medications give relief – not a 'high.'"*

Purdue falsely denied the risk of addiction, implied that addiction requires a "high," and promised that patients would not become addicted if they took opioids as prescribed.

33. Purdue funded and distributed many more publications that were similarly misleading. *Exit Wounds* (2009) misleadingly claimed: "Long experience with opioids shows that people who are not predisposed to addiction are unlikely to become addicted to opioid pain medications."

34. *Opioid Prescribing: Clinical Tools and Risk Management Strategies* (2009) told doctors that "addiction is rare in patients who become physiologically dependent on opioids while using them for pain control," and that "behaviors that suggest abuse may only reflect a patient's attempt to feel normal."

35. *Responsible Opioid Prescribing* (2007) told doctors that only "a small minority of people seeking treatment may not be reliable or trustworthy," and not suitable for addictive opioid drugs.

36. Over and over, Purdue told Massachusetts doctors and pharmacists that they could give opioids to "trusted" patients without risk of addiction, even though that was false. To promote its drugs, Purdue pushed the myth that addiction is a character flaw, and "trustworthy" people don't get addicted to drugs.

37. A Purdue salesperson reported about meeting with a Massachusetts pharmacist who said "area doctors" were concerned about "losing their license[s]" and were "shy[ing] away from long acting" opioids. The Purdue sales representative pushed the pharmacist to get "older, trustworthy customers" on opioids:

> *"Made a case to her for those older, trustworthy customers that she knows well and committed her to step in and call the doctors. Said she would."*

38. Purdue managers praised Massachusetts sales representatives for pitching doctors on the idea that prescribing to "trusted" patients was safe. A sales representative reported that one doctor: "let me know that she will Rx OxyContin when the pts has chronic pain and are trustworthy." The representative added that he would "Follow up with Dr and ask what pts does she consider 'trust worthy?'" A Purdue district manager responded: "Great follow up question on what patients does he consider trustworthy."

39. Purdue knew better. But blaming victims for being "untrustworthy" was a way to conceal the risks of Purdue's addictive drugs.

<u>Elderly Patients</u>

40. Purdue also knew that prescribing opioids to elderly patients increases their risk of death. Elderly patients are at greater risk of dangerous interactions between drugs. They are also at greater risk of respiratory depression – in which patients stop breathing and die. But Purdue saw the opportunity to earn millions of dollars by getting elderly patients on opioids, because the public would pay through Medicare. Purdue's internal documents show that it targeted "Patients over the age of 65 as more Medicare Part D coverage is achieved."

41. Purdue disregarded and obscured the risks to the health of elderly patients in its deceptive sales campaign. Purdue representatives asked doctors to identify elderly patients and then solicited "commitments" from the doctors to give them Purdue opioids. In Massachusetts, a Purdue supervisor coached sales representatives to "Keep the focus on the geriatric patients," and follow Purdue's "geriatric strategy." Purdue trained its representatives to show doctors charts emphasizing Medicare coverage for its opioids, and use profiles of fake elderly patients in chronic pain, complete with staged photographs, to convince doctors to prescribe its drugs.

42. As a Massachusetts sales representative observed, by giving Purdue's target market a human face, fake patient profiles "[put] a little heart" into the sales pitch and helped Purdue convince doctors that elderly patients "need[ed]" the drug associated with the profile.

43. Purdue even made the deceptive claim that elderly patients were especially likely to benefit from opioids. A Purdue salesperson recorded that she told a Massachusetts doctor that putting elderly patients on Purdue's opioids would address safety and quality of life concerns such as "the need for sleep for elderly, increased risk for falls if they need to get up at night--take a pill, get glass, move across a dark room--and the potential impact that could have on healing and mobility." In fact, elderly patients taking opioids have ***increased*** risks of fall and fracture.

Veterans

44. Purdue also targeted veterans with its deceptive claims that they should take opioids. Like the elderly, many veterans' prescriptions are paid for by the public, providing yet another source of revenue when Purdue got veterans on its drugs. Records of sales meetings in Massachusetts show that Purdue emphasized insurance coverage by the veterans' Tricare program more than 500 times.

45. To target veterans, Purdue funded a book, *Exit Wounds*, which was packaged as the "story" of a wounded veteran, but was really part of Purdue's deceptive marketing campaign. The book repeated Purdue's lie that patients would not become addicted to opioids:

> *"The pain-relieving properties of opioids are unsurpassed; they are today considered the 'gold standard' of pain medications, and so are often the main medications used in the treatment of chronic pain. Yet, despite their great benefits, opioids are underused. For a number of reasons, healthcare providers may be afraid to prescribe them, and patients may be afraid to take them. At the core of this wariness is the fear of addiction, so I want to tackle this issue head-on … Long experience with opioids shows that people who are not predisposed to addiction are unlikely to become addicted to opioid pain medications."*

46. Purdue held special events to encourage doctors to prescribe opioids to veterans:

Purdue flyer from 2011

47. Purdue's campaign to target veterans had a terrible cost. Compared to non-veterans, Massachusetts veterans are three times more likely to die from opioid overdose.

<u>Opioid-Naïve Patients</u>

48. Purdue also targeted patients who were not taking opioid medication, described in the field as "opioid-naïve." In spite of evidence showing increased risks of overdose and death for opioid naïve patients, Purdue unfairly and deceptively marketed its drugs as appropriate treatments for opioid-naïve patients.

49. Purdue trained its sales representatives to promote its drugs specifically for opioid-naïve patients. In training calls, Purdue managers instructed:

- *"Your opportunity here is with the naïve community, let's use the naïve trial to make your case."*
- *"You created an epiphany with the doctor today (potentially) by reviewing the opiate naïve patient profile. What made him more pat to write for this patient, being an amiable doctor, is the fact that he would not have to talk patients out of their short acting [opioids]."*
- *"This was an example of what a good call looks like … [Dr.] was particularly interested in the RM case study of Marjorie, which generated a robust discussion of opioid naïve patients …"*

A sales script prompted sales representatives to ask: "Would you consider OxyContin for an opioid-naïve patient?" Another Purdue script read:

<u>**CLOSE #1**</u> Opioid-naïve (5 mcg/hour): • "Doctor, either today or tomorrow, do you anticipate seeing this commercially insured, opioid-naïve patient with moderate to severe chronic pain, who you believe would benefit from Butrans?

Purdue sales script from 2011

50. Another deceptive method Purdue used to market its drugs to the opioid-naïve market was using the term "first line opioid," which Purdue representatives frequently used on sales calls. "First line" is a term of art used in the medical industry that refers to the first treatment used to treat a particular condition. Opioids are not an appropriate "first line" therapy.

51. Nevertheless, Purdue's internal documents and testimony from sales representatives shows that Purdue repeatedly promoted OxyContin as a "first line opioid" — "the first thing they would take to treat pain."

52. Purdue also found vulnerable patients by targeting doctors, nurses, and physician assistants who were less likely to have special training in the risks of opioids and managing pain. Purdue aggressively promoted its opioids for opioid naïve patients by targeting "high value" nurse practitioners, physician assistants and primary care physicians.

<u>**Osteoarthritis**</u>

53. Purdue also targeted new patients with the deceptive claim that its opioids should be used to treat the most common form of arthritis, osteoarthritis. Purdue decided osteoarthritis would be a money-maker because it is widespread. Purdue's documents emphasize that more than 20 million Americans have osteoarthritis, including most people over 75.

54. Opioids are not approved to treat osteoarthritis. Purdue conducted a single study on osteoarthritis for Butrans, and it failed. Purdue admitted in internal documents that its opioids "are not indicated for a specific disease," and "it is very important that you never suggest to your

HCP that OxyContin is indicated for the treatment of a specific disease state such as Rheumatoid Arthritis or Osteoarthritis."

55. Nevertheless, to meet its business goals, Purdue trained its Massachusetts sales representatives to mislead doctors by promoting opioids for osteoarthritis without disclosing Purdue's failed trial. Purdue even measured how often it targeted osteoarthritis patients. A Purdue marketing presentation concluded that its representatives were "identifying appropriate patients" when promoting its opioids, because osteoarthritis was specifically mentioned during 35% of sales visits.

56. Purdue also directed Massachusetts sales representatives to use marketing materials that highlight patients with osteoarthritis as appropriate patients, even though Purdue drugs were never indicated for that disease and Purdue's Butrans trial had failed.

Purdue opioid promotion from 2015

B. Purdue Deceived Doctors And Patients To Use Higher And Higher Doses

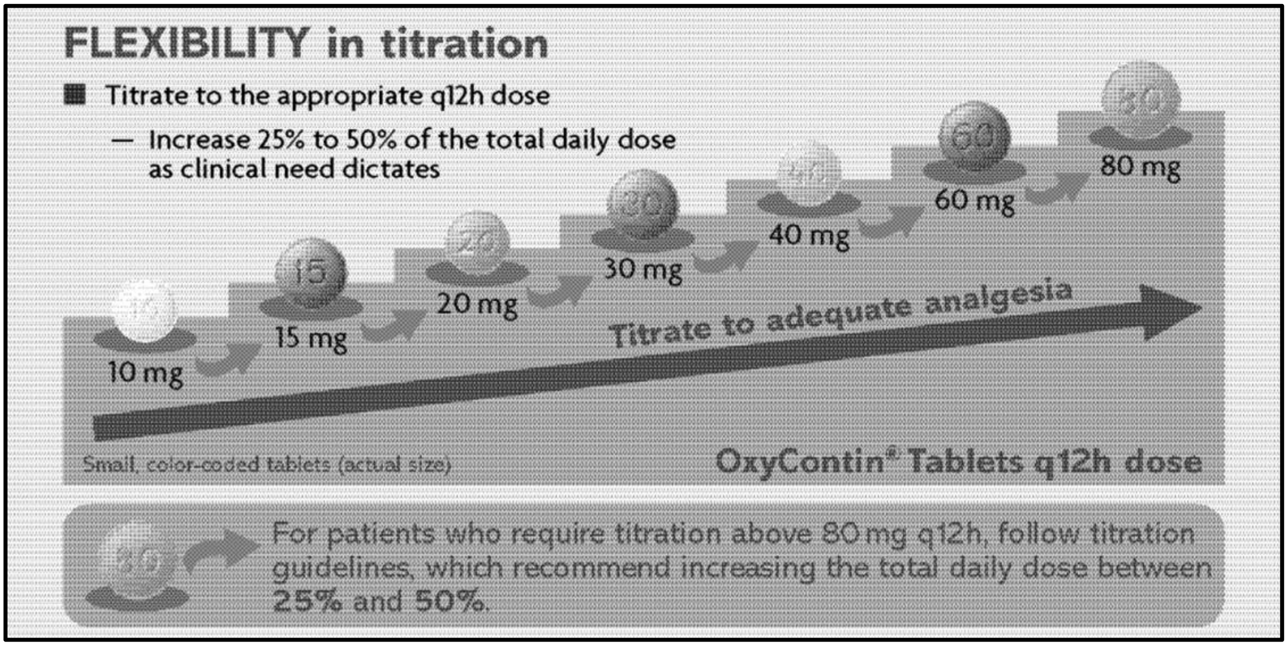
57. For patients, taking higher doses of opioids increases the risk of addiction and death. But for Purdue, higher doses mean higher profits. So Purdue deceived doctors and patients to get people on higher and higher doses.

58. Purdue earns more money every time a patient moves to a higher dose. For example, Purdue's 2015 prices increased dramatically as patients move to higher doses:

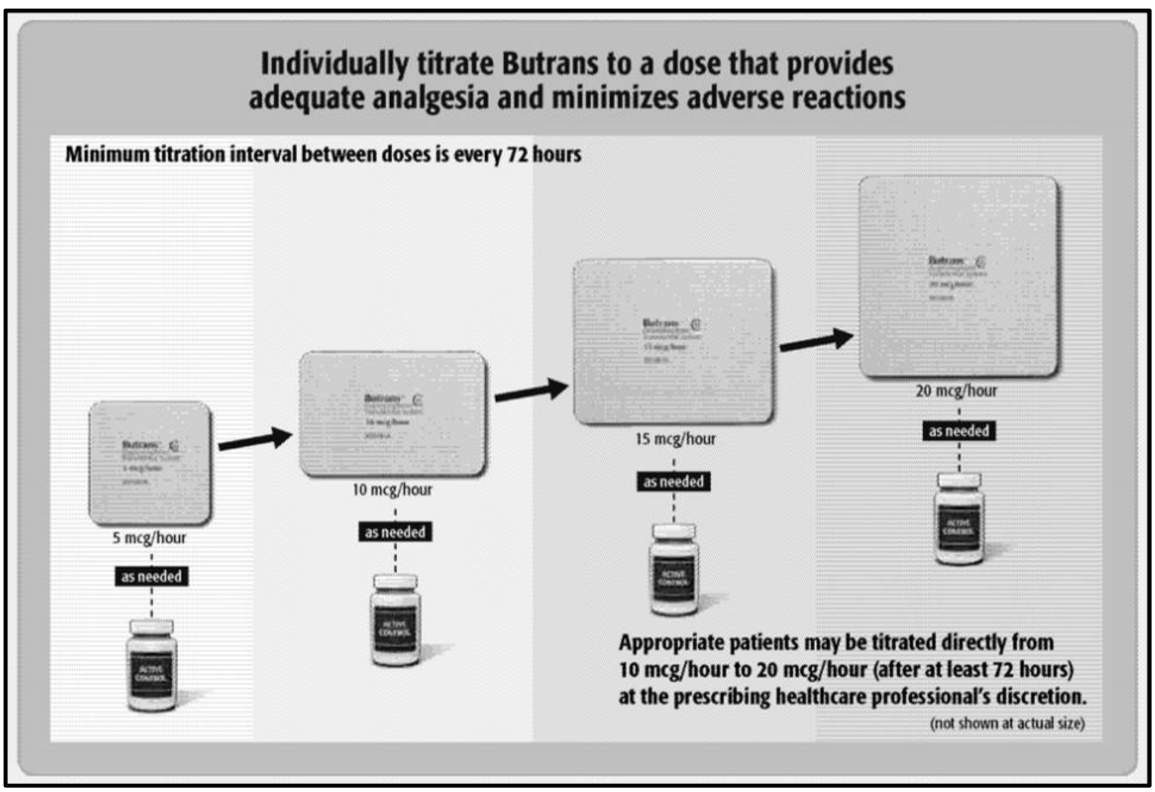
OxyContin Prices	
bottle of 100 tablets (10 mg)	**$269.17**
bottle of 100 tablets (15 mg)	**$396.28**
bottle of 100 tablets (20 mg)	**$501.99**
bottle of 100 tablets (30 mg)	**$698.15**
bottle of 100 tablets (40 mg)	**$859.72**
bottle of 100 tablets (60 mg)	**$1,217.22**
bottle of 100 tablets (80 mg)	**$1,500.18**

A patient taking the lowest dose pill twice a day for a week earns Purdue $38. But if the patient instead takes the highest dose, Purdue gets $210 — an increase of 450%.

59. To get that revenue, Purdue deceptively promoted increasing doses. Purdue's graphics show the one-way path of increasing doses that Purdue pushed doctors and patients to follow:



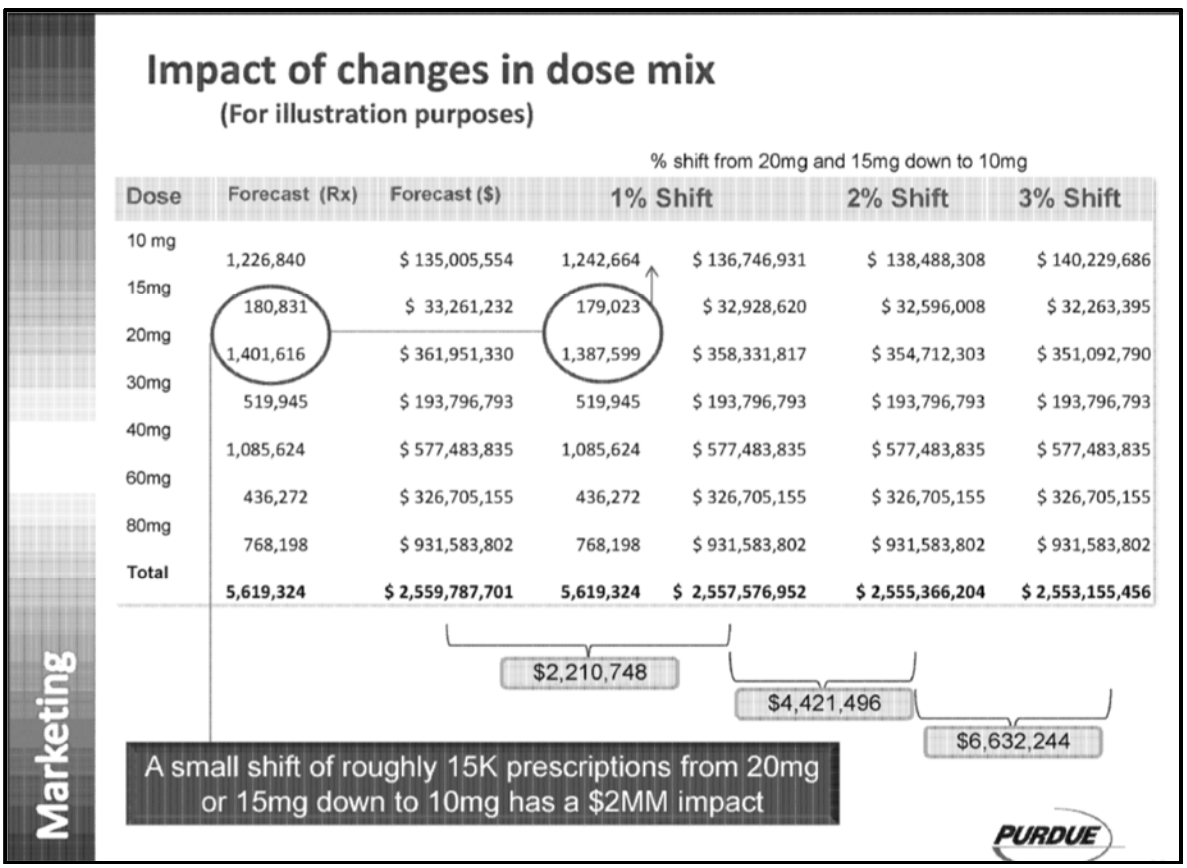
Purdue opioid promotion from 2008



Purdue opioid promotion from 2013

60. Purdue trained its sales representatives that increasing a patient's dose ("titration") was a key move when making sales and provided a sales guide entitled: "*Initiation, Conversion, and Titration Discussions with the Appropriate Selling Tools*." Purdue monitored the pace at which doctors increased doses of its opioids and warned its sales staff when doses were not increasing fast enough: "Titration up to higher strengths, especially the 40mg and 80mg strengths, is declining." Purdue required its sales representatives to "practice verbalizing the titration message" to get patients on higher doses of opioids.

61. Purdue's internal documents show it was concerned that public health efforts to save the lives of patients by "limiting total daily dose and length of therapy" would "negatively impact business." Purdue analyzed down to the last dollar how much of its profit depended on patients taking higher doses:



Purdue internal strategy presentation from 2012

62. Purdue knew its sales push drove patients to higher doses. Purdue's confidential internal analysis "found that there is greater loss in the 60mg and 80mg strengths (compared to other strengths) when we don't make primary sales calls." Purdue's business plans emphasized that "OxyContin is promotionally sensitive, specifically with the higher doses, and recent research findings reinforce the value of sales calls." In 2014, when public health experts tried to save patients' lives by warning against high doses of opioids, Purdue pursued a "strategic initiative" to fight back and "maintain 2013 dose mix."

63. Purdue encouraged Massachusetts doctors to prescribe high doses and did not tell doctors, or even its own sales representatives, that higher doses carry heightened risk of addiction, overdose and death. A Massachusetts sales representative testified:

> *Q:* *Are you aware of any risks in titrating to a higher dose with OxyContin?*
>
> *A.* *No.*

64. Purdue promoted the assertion that "[o]pioid dose was not a risk factor for opioid overdose," even while it admitted in internal private documents that "it is very likely" that there is a "dose-related overdose risk in [chronic non-cancer pain] patients on [chronic opioid therapy]."

65. Purdue's deception about the risk of higher doses was deliberate. Purdue recorded in an internal "Publication Plan" that its "KEY MESSAGES" would say that "dose alone" is not "the reason for overdose deaths," and "opioid overdose is controlled by good prescribing practice and patient monitoring, not by arbitrary dosage limitations."

Responding To Addiction By Increasing The Dose

66. When patients showed signs of addiction to Purdue's opioids, Purdue urged doctors to respond by ***increasing*** the opioid dose. To convince doctors to increase the dose for

addicted patients, Purdue peddled the false notion that patients suffered from "pseudoaddiction."

67. A Purdue presentation for doctors entitled *Medication Therapy Management* (November 2007) recited what had been the consensus view for decades: "Many medical students are taught that if opioids are prescribed in high doses or for a prolonged time, the patient will become an addict." Purdue then assured doctors that this traditional concern about addiction was wrong — that patients instead suffer from "pseudoaddiction" because "opioids are frequently prescribed in doses that are inadequate."

68. A Purdue pamphlet entitled *Clinical Issues in Opioid Prescribing* (2008) urged doctors to look for pseudoaddiction:

> *"A term which has been used to describe patient behaviors that may occur when pain is undertreated. Patients with unrelieved pain may become focused on obtaining medications, may "clock watch," and may otherwise seem inappropriately "drug-seeking." Even such behaviors as illicit drug use and deception can occur in the patient's efforts to obtain relief. Pseudoaddiction can be distinguished from true addiction in that the behaviors resolve when the pain is effectively treated."*

Purdue again urged doctors to prescribe higher doses, stating that opioids "are frequently underdosed - or even withheld due to a widespread lack of information…about their use among healthcare professionals."

69. In another pamphlet, *Providing Relief, Preventing Abuse: A reference guide to controlled substances prescribing practices* (2008), Purdue admonished doctors that "[u]ndertreatment of pain is a serious problem" and "pain should be treated aggressively." Purdue stated: "Fact[] About Addiction: 'Misunderstanding of addiction and mislabeling of patients as addicts results in unnecessary withholding of opioid medications.'"

70. Purdue released a second edition of *Providing Relief, Preventing Abuse* (2011), which continued to urge higher doses, and added a new deception about the scientific "literature":

> *"The term pseudoaddiction has emerged in the literature to describe the inaccurate interpretation of [drug-seeking] behaviors in patients who have pain that has not been effectively treated."*

The revised pamphlet failed to disclose that none of the "literature" it cited included scientific or medical evidence supporting pseudoaddiction as a diagnosis separate from addiction. Nor did it disclose that all of the cited "literature" was linked to organizations and doctors paid by Purdue.

71. Purdue also urged doctors to prescribe higher doses in a Purdue-sponsored book, *Responsible Opioid Prescribing* (2011), which again suggested that patients who appear to be addicted were instead "receiving an inadequate dose" and needed more drugs. In Purdue's *Opioid Clinical Management Guide* (2009), Purdue told doctors that the greatest risk of addiction was giving patients ***too little*** of its addictive drugs: "The primary risk factor for misuse is uncontrolled or inadequately treated pain."

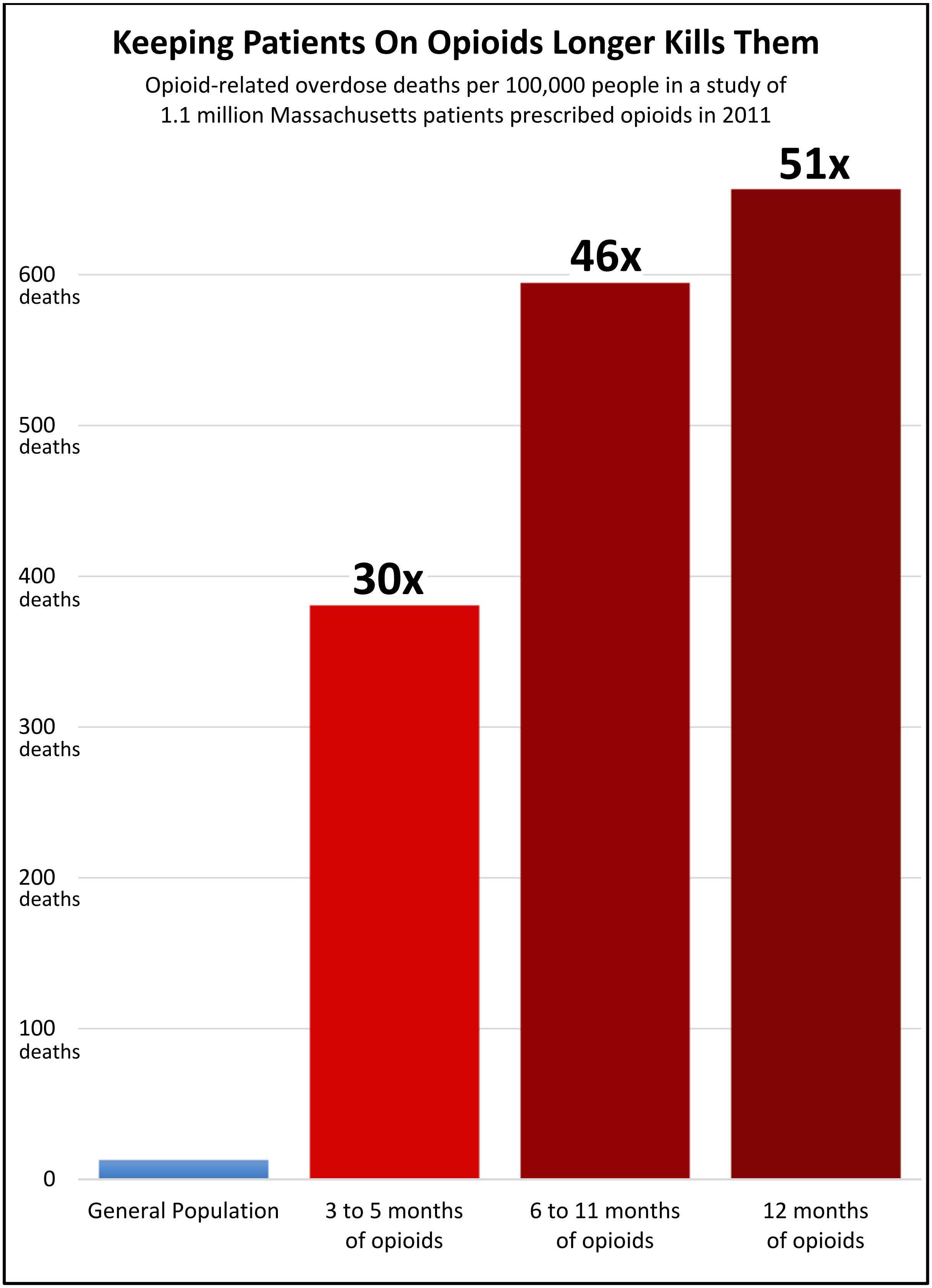
72. Purdue knew its campaign to push higher doses of opioids was wrong. Doctors on Purdue's payroll admitted in writing that pseudoaddiction was used to describe "behaviors that are clearly characterized as drug abuse," and put Purdue at risk of "ignoring" addiction and "sanctioning abuse." But Purdue nevertheless urged doctors to respond to signs of addiction by prescribing higher doses of Purdue's drugs.

C. Purdue Deceived Doctors And Patients To Stay On Its Drugs Longer And Longer

73. Just as Purdue made more money by pushing patients to higher doses, Purdue increased its profits by keeping patients on drugs for longer periods of time. Long-term opioid use causes addiction and death. But for Purdue, keeping patients on drugs longer meant more profits. So Purdue deceived doctors and patients to stay on its drugs longer and longer.

74. According to Purdue's 2015 price list, a patient taking Purdue's 80 mg OxyContin pill twice a day for a week earned Purdue $210. If that same patient could be kept on the drug for a year, Purdue got far more money: $10,959.

75. Purdue's profit came at a terrible human cost. The Massachusetts Department of Public Health determined that "continued prescription opioid use increased risk of fatal overdose." Compared to the general population, a patient who receives three months of prescribed opioids is ***30 times*** more likely to overdose and die. A patient who stays on prescription opioids for 6-11 months is ***46 times*** more likely to die. And a patient who stays on prescription opioids for a year — like the example that earns Purdue $10,959 — is ***51 times*** more likely to die.



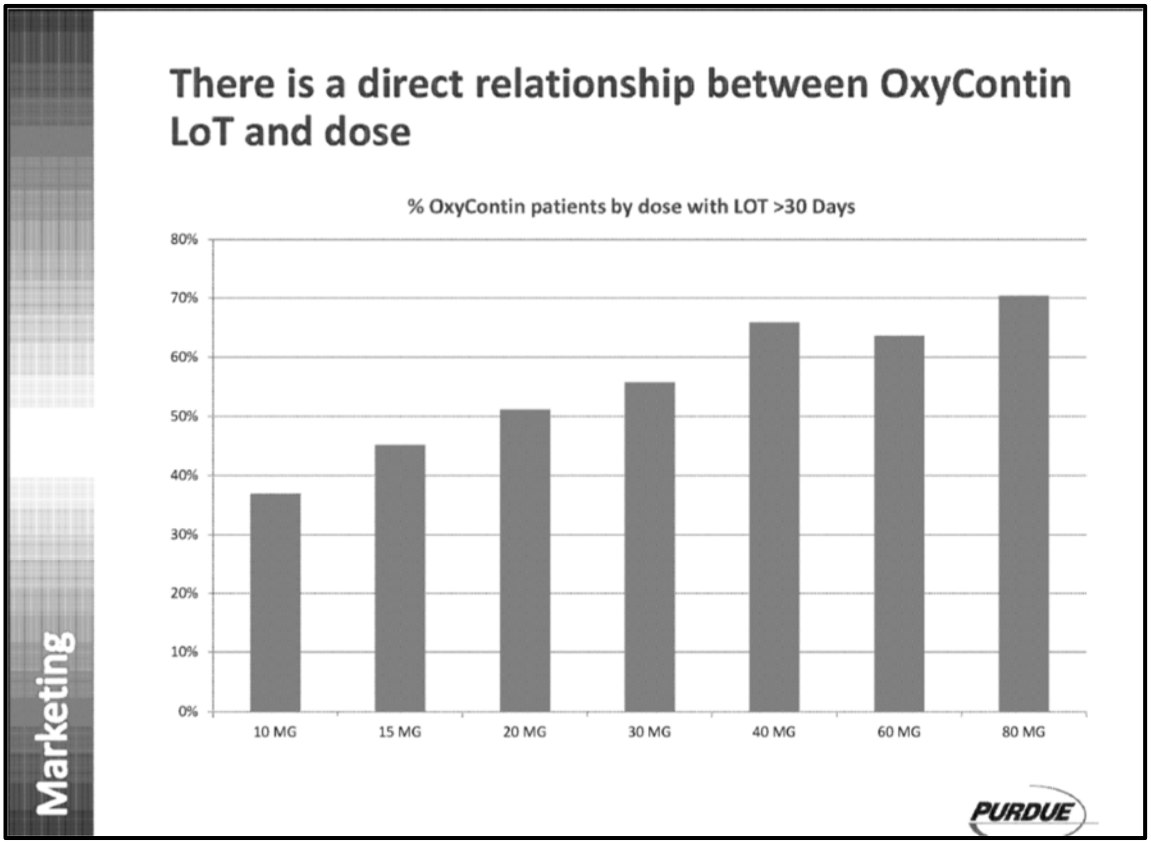
AGO graph from Massachusetts Department of Public Health data

Even compared to infamous cases, these are extraordinary effects. Smoking increases the chance of lung cancer death by less than 51x.

76. By getting patients addicted, Purdue greatly increased the patients' risk of harm from many drugs in the opioid class — including, heroin, fentanyl, and generic oxycodone — which share the same addictive chemistry as Purdue opioids.

77. To get patients to take that awful risk, Purdue deceived doctors into keeping patients on opioids for longer and longer periods of time. Purdue gave its salespeople explicit instructions to "extend average treatment duration." Purdue's business plans valued patients by how long they could be kept on Purdue's opioids and targeted patients who could be kept on opioids for more than a year. To "drive sales and profitability," Purdue deliberately worked to keep patients on its opioids longer.

78. Purdue secretly determined that pushing patients to higher doses would keep them on opioids longer. Purdue developed tactics specifically to keep patients hooked on opioids longer, which it called by the euphemism: "*Improving the Length Of Therapy*" – sometimes abbreviated as "LOT" or "LoT." Purdue taught its employees that there is "a direct relationship" between getting patients on higher doses and keeping them on Purdue's opioids longer. Purdue's internal marketing plan showed a graph that broke down exactly how getting patients on higher doses of opioids would get more patients to stay on drugs longer:



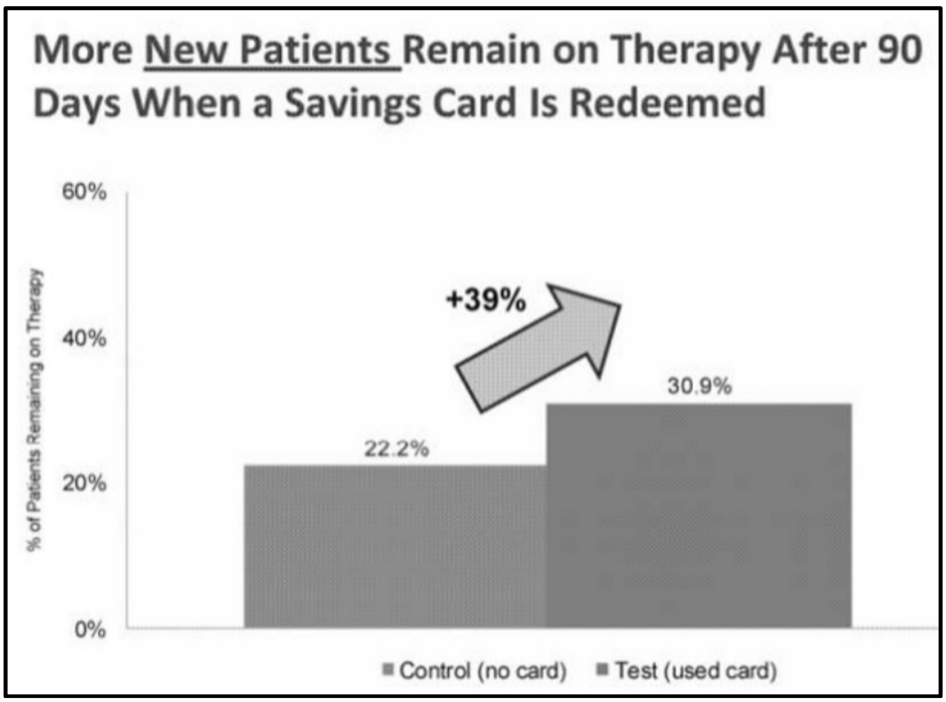
Purdue internal strategy presentation from 2012

Purdue's sales representatives promoted higher doses, but they did not tell doctors and patients that the higher doses were a scheme to trap patients on Purdue's drugs.

79. To "extend average treatment duration," Purdue deceptively claimed that patients' becoming dependent on its drugs was not dangerous or deadly, but "normal." Purdue taught doctors that: "Healthcare professionals should recognize that tolerance and physical dependence are normal consequences of sustained use of opioid analgesics and are not the same as addiction." Purdue deceptively claimed that physical dependence on its opioids was "a normal physiologic response" and "an expected occurrence," and no more dangerous than "many classes of medications" that are not addictive, including drugs used to treat high blood pressure.

80. Purdue set as one of its "key messages" that "data support the use of opioids beyond 90 days and maintained through 52 weeks."

81. Purdue's internal "10-year plan" highlighted its discovery that a "patient savings card" program led to the result that: "more patients remain on OxyContin after 90 days." Giving out discounts could have cut Purdue's revenue ***if*** patients took opioids for a short time. But Purdue determined that its savings cards worked like a teaser rate on a long-term and very high-stakes mortgage. According to Purdue's internal analysis, the savings cards had "the highest ROI" in the entire "OxyContin Marketing Mix." The Return On Investment for Purdue was 4.28, so that every $1,000,000 Purdue gave away in "savings" came back to Purdue as $4,280,000 in revenue, because patients stayed on dangerous opioids longer.



Purdue internal strategy presentation from 2011

82. Keeping more patients on opioids for longer than 90 days was one of Purdue's "2011 Highlights." Purdue's directors and CEO were briefed specifically on "emails targeted towards HCPs practicing in Massachusetts" to push the savings cards. But it was a public health disaster. The Massachusetts Department of Public Health found that patients who stayed on prescription opioids for more than 90 days were ***thirty times more likely to die of an overdose***.

83. Purdue aimed to "drive" patients to higher doses and longer periods on drugs so completely that it could control how many kilograms of its opioids were used in the United States within 2%:

Drive appropriate titration and length of therapy with continuing patients, to maintain total Kg within 2% of forecast

Purdue internal strategy presentation from 2012

84. When Purdue's sales representatives talked with doctors about how to dose its drugs, and when Purdue sent "savings cards" to patients, Purdue did not disclose that higher doses and "savings" were designed to keep patients on its drugs longer. Purdue did not disclose that its promotion to doctors was designed to "drive" the amount of drugs consumed by Americans to within 2% of its desired profit. Purdue did not disclose that its business target would cause many more patients to get addicted and die.

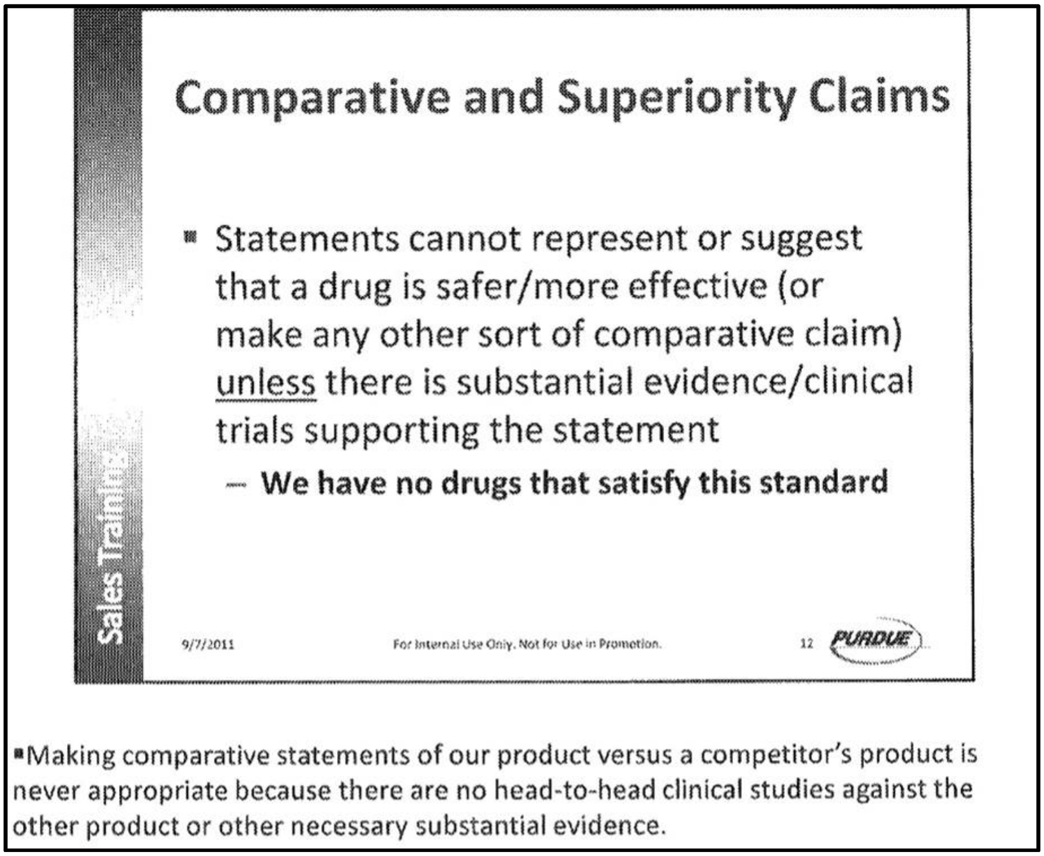
85. Purdue's campaign to "extend average treatment duration" succeeded. A national study of tens of thousands of medical and pharmacy claims records published in the Journal of General Internal Medicine found that two-thirds of patients who took opioids for 90 days were still taking opioids five years later.

IV. PURDUE PEDDLED FALSEHOODS TO KEEP PATIENTS AWAY FROM SAFER ALTERNATIVES

86. Purdue not only lit the fire that killed so many patients; it also blocked the exits that patients could have used to escape. Purdue peddled a series of falsehoods to push patients away from safer drugs and toward its opioids.

87. Purdue had no justification to steer patients away from safer alternatives, and it knew it. Purdue's internal documents admit that it "cannot represent or suggest" that its drugs are "safer" or "more effective" or make "any other sort of comparative claim," because it had no

drugs with the evidence required for such a claim. In its internal documents, Purdue admitted that "making comparative statements of our product versus a competitor's product is never appropriate."



Purdue internal presentation from 2011

But Purdue went ahead and made deceptive claims to steer patients away from alternatives.

Deception About Tylenol And Ibuprofen

88. Purdue made deceptive claims about research by its own employees, designed to "highlight" the risks of non-opioid drugs. Purdue deceptively compared the risks of high doses of acetaminophen and NSAIDs (non-steroidal anti-inflamatory drugs, such as aspirin and ibuprofen) with its claim that opioids have "no ceiling dose," to falsely contend that opioids were safer – even though high doses of opioids pose grave risk of addiction and death.

89. Purdue paid for deceptive propaganda by groups designed to appear independent

from Purdue, promoting the message that NSAIDs and Tylenol have “life-threatening” side effects, but opioids are “the gold standard of pain medications.”

90. Purdue funded “switch research” to “understand what triggers prescribers to switch patients” from safer NSAIDs to more dangerous opioids. Purdue’s marketing consultants told Purdue how to steer doctors toward its opioids: “NSAIDs: Renal issues and GI side effects make Prescribers more cautious about this class ….”

Deception About Lower-Dose Opioids

91. Just as Purdue deceptively steered patients away from NSAIDs and Tylenol, Purdue also deceived patients and doctors by claiming that Purdue’s high-dose, extended-release opioids were superior to lower-dose, immediate-release opioids that had been used for decades before the epidemic.

92. In fact, Purdue’s opioids (sometimes called ER/LA or extended release/long acting) are extraordinarily dangerous. The CDC found based on published research that there is “a higher risk for overdose among patients initiating treatment with ER/LA opioids than among those initiating treatment with immediate-release opioids.” The CDC “did not find evidence that continuous, time-scheduled use of ER/LA opioids is more effective or safer than intermittent use of immediate-release opioids or that time-scheduled use of ER/LA opioids reduces risks for opioid misuse or addiction.”

93. Nonetheless, Purdue deceptively claimed that its opioids provided more effective pain relief than traditional immediate-release opioids (sometimes called IROs). Purdue sale representatives admitted under oath that they told Massachusetts doctors that OxyContin provides more “consistent” pain relief with fewer “peaks and troughs” than IROs. Purdue records show that the sales representatives repeatedly claimed that OxyContin’s “steady state is better than peak and trough w/ [IROs].” Purdue claimed that OxyContin provides a “full tank of

gas," but immediate-release opioids require "stopping at each exit to refuel." Purdue bolstered these misrepresentations with marketing materials that misrepresented data to indicate that Purdue drugs provided more consistent pain relief than more frequently dosed, lower-dose opioids.

Deception About Quality Of Life

94. Purdue also steered patients away from safer alternatives with the false claim that its opioids improve patients' "quality of life." Purdue's internal documents admit that "Purdue has no clinical studies or other substantial evidence demonstrating that a Purdue Product will improve the quality of a person's life." Nevertheless, Purdue sales representatives repeatedly claimed that its opioids "improve quality of life." A Purdue sales representative noted the need to follow-up with a Massachusetts doctor to "get commitment from him that he is definitely going to improve the quality of life for the [rheumatoid arthritis patient] he has." Purdue also devised and funded third party publications to say that opioids give patients the "quality of life we deserve."

Deception About Risk Of Abuse

95. Purdue also steered patients away from safer alternatives with the false claim that its opioids had less risk of abuse. As more people died of addiction and overdose, Purdue created tamper-resistant versions of its drugs to be harder to crush. The FDA found that the changes had "no effect" on the most common way that the Purdue's pills were taken and abused — by swallowing them. "The tamper-resistant properties will have no effect on abuse by the oral route (the most common mode of abuse)." Despite that FDA warning, Purdue deceptively marketed OxyContin and Hysingla in a manner falsely implying they are effective to stop abuse — and even to prevent addiction.

96. Purdue also paid for and promoted articles which stated or implied that its tamper-resistant drugs were safe. For example, in 2014, Purdue placed three articles in *The Atlantic* as sponsored content, including one entitled *Take My Pain Away....A Physician's Perspective of Prescription Opioids and Pain Management*, by Dr. Gerald Aronoff. That article calls the tamper-resistant formulations "newer, safer alternatives" and encourages physicians to "embrace these additional choices, rather than decide to leave opioid prescribing[.]"

97. Purdue further created an unbranded marketing initiative, *Opioids with Abuse Deterrent Properties*, to encourage prescribers to switch to Purdue opioids. The initiative included a website, ads in medical journals, continuing medical education events touting the benefits of the tamper-resistant drugs, and paying doctors to promote Purdue opioids as "socially responsible."

98. Purdue's deceptive marketing was successful at convincing doctors of the falsehood that Purdue drugs are less addictive. In a national survey, conducted by the Johns Hopkins Bloomberg School of Public Health, almost half of doctors believed that tamper-resistant opioids were less addictive than other opioids, when in fact they are equally addictive.

99. In addition to visiting Massachusetts prescribers and pharmacists more than 150,000 times, Purdue distributed in Massachusetts thousands of copies of its deceptive publications, including *Providing Relief, Preventing Abuse*; the *Resource Guide for People with Pain*; *Exit Wounds*; *Opioid Prescribing: Clinical Tools and Risk Management Strategies*; *Responsible Opioid Prescribing*; and *Clinical Issues in Opioid Prescribing.* Purdue's *In The Face of Pain* website was viewed in Massachusetts more than 11,700 times.

V. PURDUE TARGETED DOCTORS WHO PRESCRIBED THE MOST DRUGS, EVEN WHEN THEY WROTE ILLEGITIMATE PRESCRIPTIONS AND THEIR PATIENTS DIED

100. Purdue pushed Massachusetts doctors to prescribe more and more opioids, because high-prescribing doctors earned Purdue millions of dollars. To make sure doctors prescribed more of its drugs, Purdue tracked Massachusetts doctors' prescriptions, visited their offices hundreds of times, bought them meals, and asked doctors to "commit" to put specific patients on Purdue opioids. When doctors did what Purdue wanted, Purdue rewarded them with consulting deals worth tens of thousands of dollars and kept promoting drugs to them even when the doctors wrote illegal prescriptions, and lost their medical licenses, and their patients died.

North Andover, MA

101. From 2008 until he lost his medical license in 2012, Purdue's top prescriber in Massachusetts was Dr. Walter Jacobs, in North Andover. He practiced alone. He often worked only three days a week. Nevertheless, in five years, he prescribed more than 347,000 pills of Purdue opioids.

102. Purdue knew Jacobs's practice inside and out. Purdue sales representatives visited him more than a hundred times. Purdue pushed Jacobs to keep up a high rate of prescriptions – to keep writing "new scripts" – and to get patients on higher doses. Purdue's sales representative recorded his goal to "get Dr Jacobs to write more of the intermediate strengths." The doctor complied. He prescribed tens of thousands of Purdue's intermediate strength pills. He also prescribed more than 200,000 of Purdue's highest strength 80 mg OxyContin – the pill that is the most dangerous and the most profitable.

103. Based on its marketing research showing that "savings cards" kept patients on opioids longer, Purdue urged Jacobs to distribute savings cards. Purdue asked him to have his

patients travel to New Hampshire to fill prescriptions because the cards were illegal in Massachusetts until 2012.

104. Purdue's sales representative reported to the company that Jacobs "believes in Oxycontin" and "continues to switch patients from other medications to Oxycontin." A few weeks later, Purdue gave Jacobs a contract worth more than $50,000 to promote Purdue opioids. Purdue ended up paying him more than $80,000 — more than any other doctor in Massachusetts.

105. Purdue was not paying Jacobs to do what was best for patients. When he lost his medical license, Jacobs admitted that he "continuously prescribed narcotics" to patients, "ignored" the risk of substance abuse, and kept prescribing narcotics even after his patients overdosed.

106. Purdue paid Jacobs to get more people on addictive opioids, at higher doses, for longer periods of time. By the time Jacobs lost his license, he had prescribed enough opioids to earn Purdue more than $3 million.

Fitchburg, MA

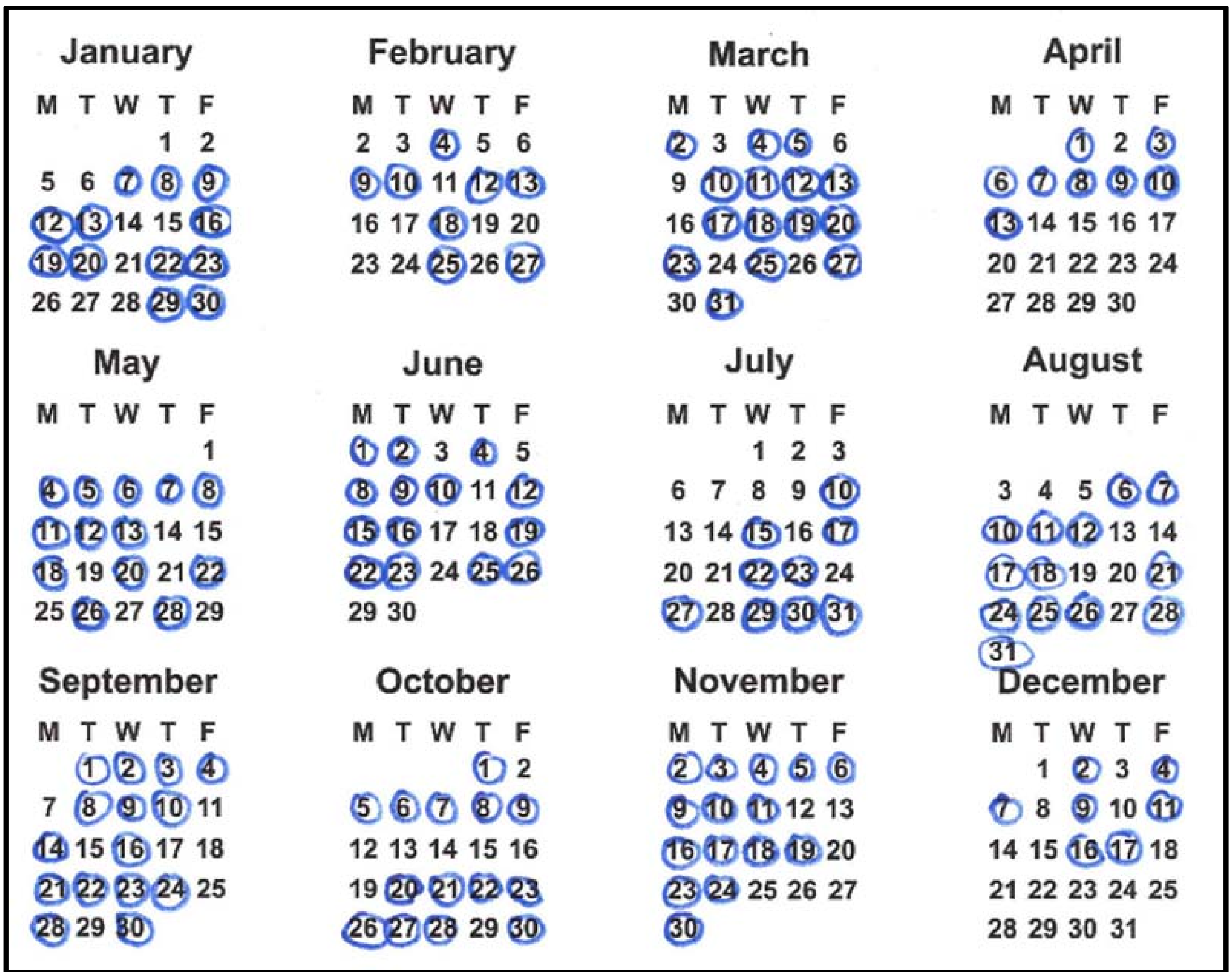
107. Another of Purdue's high-value targets practiced in Fitchburg and Waltham. Since 2008, Purdue sales representatives visited him more than a hundred times. The Purdue representatives encouraged the doctor to prescribe opioids to elderly patients, by emphasizing coverage on Medicare, and they asked him to find opioid-naïve patients who could start taking opioids for the first time. The doctor gave Purdue what it wanted: when Purdue launched its Butrans opioid, the salesperson reported that the doctor was "looking for an opioid naive patient to start Butrans on." A few weeks later, the sales representative reported to Purdue that "Butrans is his new go to product." The next month, Purdue rewarded the doctor with a contract worth up to $48,000.

108. For years, Purdue paid the Fitchburg doctor tens of thousands of dollars to promote its opioids. And he delivered for Purdue. Since 2008, he prescribed more than 250,000 pills of Purdue opioids — enough to earn Purdue more than $1.5 million.

Fall River, MA

109. In Bristol County, Purdue targeted a doctor in Fall River. Since 2008, Purdue sales representatives visited this doctor ***more than six hundred times***. In 2015, Purdue's salesperson was in his office almost every workday:

Purdue Sales Representative Visits to Fall River Doctor in 2015



AGO graphic summarizing Purdue internal sales records

110. Purdue repeatedly asked the Fall River doctor to "commit" to prescribing its opioids, and he agreed over and over, day by day. For example, during the week of April 6-10, 2015: Purdue's representative met the doctor at his office on Monday to discuss patients who would be coming in that week. On Tuesday, the salesperson met with the doctor again and confirmed that the doctor had indeed put the patients on Purdue opioids. On Wednesday, Purdue's salesperson came to the doctor's office again to discuss more patients. And again on Thursday. And again on Friday. On the following Monday, the Purdue representative came back to talk with the doctor again.

111. The Fall River doctor told Purdue that he "loves the idea" of Purdue's Butrans opioid and was putting "more and more" patients on Purdue's OxyContin. The next month, Purdue gave the doctor a consulting contract worth up to $48,000 to promote Purdue opioids. Purdue ended up paying him more than $50,000. In turn, the doctor prescribed more than 180,000 pills of Purdue opioids — enough to earn Purdue more than $1.4 million.

Hyannis, MA

112. On Cape Cod, Purdue targeted Dr. Conrad Benoit. From 2008 until May 2016, Purdue sales representatives met with Benoit more than 90 times.

113. By 2012, Purdue knew or should have known that Benoit was engaged in problematic prescribing practices, keeping patients on opioids for extended periods without proper medical exams. Purdue's representative met with the doctor and recorded: "he said that he does just refill meds out of ease of refilling given challenge with time in exam." At the next sales visit two weeks later, Purdue encouraged the doctor to prescribe more refills of its opioids.

114. Purdue's district manager went along on sales visits to coach the sales representative. In a written evaluation, the manager praised the representative for her control over the doctor: "Very good close and taking control of the call … [he] can get off topic, but you

snapped fingers and said ‘Dr. I need you focused.’ He smiled and paid attention. Wow.” The purpose of the in-person sales visits was to drive the doctors to prescribe.

115. In 2015, even after Purdue’s sales representative reported “a huge concern with the issue of narcotics in the cape,” Purdue continued to target Benoit, calling on him 27 times through 2015 and into 2016 and making particular note of efforts to promote Hysingla and OxyContin. In February 2016, Purdue’s sales representative logged a “Report Of Concern” when a newspaper reported on Benoit’s excessive opioid prescribing and police found a patient with 420 pills. Purdue kept promoting opioids to the doctor anyway.

116. When the Board of Registration in Medicine suspended Benoit’s medical license on May 5, 2016, Purdue was still urging him to prescribe its drugs. Purdue last attempted to promote opioids to Benoit on May 10, 2016, five days after his suspension.

117. Since 2008, Benoit had prescribed more than 34,000 pills of Purdue opioids — enough to earn Purdue more than $250,000.

Brockton, MA

118. In Plymouth County, Purdue targeted Dr. Yoon Choi. Purdue promoted its opioids to Choi for a decade, from at least 2006 until July 2016, calling on him more than 200 times. In 2012 and 2014, Purdue salespeople reported concerns about Choi’s prescribing behavior. Both times, Purdue advised the sales representatives they could continue promoting opioids to him. In 2017, the Massachusetts Board of Registration in Medicine suspended Choi’s license after concluding he had committed negligence on multiple occasions, including in connection with two patients – a mother and son – who both overdosed on opioids and died. By the time the authorities stopped him, Choi had prescribed more than 108,000 pills of Purdue opioids – enough to earn Purdue more than $750,000.

Ludlow, MA

119. In Hampden County, Purdue targeted Dr. Fernando Jayma. Purdue promoted its opioids to Jayma from at least 2009 until in or around November 2013. Purdue's notes starting in 2010 are replete with red flags. In June 2010, Jayma told a Purdue sales representative that many of his patients had failed drug screens and doctor shopped. In August 2011, Jayma told Purdue that he wrote six months' worth of prescriptions at a time and patients just come in and pick them up. In October 2011, Jayma told Purdue that an insurer was denying his OxyContin prescriptions. But, from Purdue's perspective, all was well. After a 2012 meeting with Jayma, the Purdue representative reported: "he has written 5 new OxyContin scripts this week," and "most are converting over to 40mg or higher."

120. In January 2013, a Purdue sales representative noted, to praise from her supervisor, that Jayma was taking opioid patients that other practices were turning away. In May 2013, Purdue's representative reported that Jayma was seeing a lot of patients from a doctor who had been arrested for improper prescribing and had his license seized.

121. Purdue kept promoting its opioids to Jayma until a new sales representative was assigned to his account and reported overwhelming signs of "inappropriate prescribing":

> *"Upon entering office it did not appear to be the typical internal med/general medicine practice. All patients appeared to be there for pain management and no other health concerns … While in the office the police had arrived because there had been 2 prescription pads stolen by a girlfriend of a patient. She tried to fill rx at local Stop and Shop and was turned down. [The medical assistant] further stated that they do see out of state patients and do not take drivers licenses and insurance card at time of check in. She stated that Rite aid pharmacy as a corporation will not fill any of dr.'s Rx's. Many other local pharmacies require additional information …"*

122. On November 26, 2013, Purdue finally told its sales representatives to stop promoting opioids to Jayma. Within six months, Jayma's prescriptions of Purdue opioids fell by

99%. In the summer of 2014, when Jayma was no longer valuable to Purdue, Purdue reported him to the DEA.

123. Jayma was convicted of illegally prescribing controlled substances, and was sentenced to two-and-a-half years in the house of correction. But Purdue got what it wanted. Since 2008, Jayma prescribed more than 68,000 pills of Purdue opioids — enough to earn Purdue more than $400,000.

Stoneham, MA

124. Another of Purdue's high-value targets was Dr. Ellen Malsky in Stoneham. Purdue promoted its opioids to Malsky from at least 2006 until April 2011. Purdue's records show that red flags about her prescribing became apparent at least as early as March 2006, when Purdue's sales representative recorded a note that Malsky "has issues with legal use of prescribing," and again, in May 2007, when Malsky raised concerns about attracting too much attention to her prescribing.

125. In December 2009, Purdue's sales representative noted that a patient of Malsky died from an overdose. Three months later, the Purdue representative recorded that Malsky "lost her affiliation with BCBS - however, 75% of those patients switched to other plans in order to stay in her practice; BCBS said she was writing too many opioids as an Internal Medicine doctor[.]" Meanwhile, Purdue kept asking Malsky to prescribe more of its drugs.

126. On September 29, 2010, Malsky told Purdue's sales representative she planned to close her practice "because of pressure from the MA board to write less opioids." Purdue continued promoting its opioids to Malsky until the bitter end, when the sales representative showed up at her practice to find it closed in April 2011. On April 22, 2011, Purdue finally told its sales representatives to stop promoting opioids to Malsky because she had surrendered her medical license.

127. Purdue already had its money in the bank. Since 2008, Malsky prescribed more than 114,000 pills of Purdue opioids — enough to earn Purdue hundreds of thousands of dollars.

Holbrook, Weymouth, Winchester and Worcester, MA

128. As a final example, Purdue targeted Dr. Fathalla Mashali, who ran pain clinics in Holbrook, Weymouth, Winchester, Worcester, and Rhode Island. Purdue promoted its opioids to Mashali from at least May 2009 until June 2013, calling on him more than 150 times.

129. Purdue should have been aware of red flags from the beginning. At a promotional visit in May 2010, the Purdue representative learned that Mashali had inherited the patients from a doctor who lost his license for improper opioid prescribing. Purdue recorded: "Dr. Mashali appears to be a very good new target."

130. Mashali went along with every part of Purdue's scheme. Purdue wanted patients to take its opioids instead of traditional lower-dose, shorter-acting "SA" drugs; Mashali told Purdue that he would "focus on switching pts from SA meds to Butrans and Oxycontin where appropriate." Purdue promoted OxyContin as a "first line" treatment for opioid-naïve patients; Mashali told Purdue's sales representative he "will Rx OxyContin first line when possible" and would prescribe OxyContin "more than any other branded medication." At his next sales visit, the Purdue salesperson asked Mashali to continue prescribing OxyContin first line.

131. Purdue's representative met with Mashali, "introduced" Butrans, and asked the doctor "to start pts on Butrans today." Mashali immediately agreed that the opioid would be "great" for "opioid naïve patients." Five days later, at his next sales visit, Mashali told Purdue that he had already prescribed Butrans 10-15 times and, in the next week, prescribed Butrans 30 more times.

132. During another sales meeting, Mashali told Purdue that he was seeing 70 patients the next day and "guaranteed" that he would put some on Purdue's opioids. Later, Purdue's

representative reported: "Dr. let me know he will continue to find more patients for" Purdue opioids. Later, the representative wrote that Mashali was "seeing 40 new patients each week" and "starting new patients on Butrans every day." Purdue kept encouraging Mashali to prescribe its opioids.

133. Finally, in January 2012, a sales representative sent Purdue a "Report Of Concern," because she heard that the DEA was investigating Mashali's office in Rhode Island. In February, Purdue emailed its sales representatives that, "pending the outcome of any investigation of the Rhode Island office," they should not meet with Mashali in Rhode Island, but they could ***continue*** calling on him in Massachusetts. Purdue's records show that its sales representatives continued to meet with Mashali at both his Rhode Island and Massachusetts offices. A few days later, the sales representative filed a second Report Of Concern, stating that insurance companies had cut off Mashali and he required patients to pay him $300 in cash. Purdue still did not instruct its representatives to stop promoting opioids to him.

134. More than a year after that, in June 2013, Purdue's sales representative noted that she visited Mashali's office "to follow up on the rumor I heard about him losing his license." The doctor's staff gave her "a letter that is on the front door," announcing that Mashali was taking his patients off opioids. In an email, Purdue's sales manager worried about the bottom line: "Dr. Mashali is the largest prescriber of OxyContin in the District and most likely the Region." He was cutting back on OxyContin "because of so much scrutiny he's under." The sales representatives were "nervous of what it would do to their business."

135. The Massachusetts-based sales representative wrote:

> *"on several occasions recently when calling on his office patients are literally lined out the door. I have spoken with this staff and some of these patients are waiting up to 4-5 hours before being seen by Dr Mashali . In addition, approximately 3 months ago he is no longer taking [Blue Cross Blue Shield] of MA. Dr Mashali*

> *claims it is because BCBS of MA, I coujld [sic] never get a straight answer. I suspect it could be for other reasons…. BCBS is not comfortable with the way he is practicing and trying to get reimbursement. Dr Mashali did state for many office visits he is now making patients pay cash for their office visits…Based on my observations and gut feeling including comments from other pain physicians in the area, lately there appears to be too many red flags with Dr Mashali."*

The Rhode Island-based sales representative replied:

> *"I agree…. My office has patients bringing their own 'beach type' folding chairs to sit on because at any given time, he can have 35 or more patients waiting only for him. All of his PA's have quit. He has patients scheduled at 9:30 am and he doesn't usually come 'sauntering' in until noon. He has changed his practice name yet again…3rd time in about 1 year. I even had one of his nurses tell me last visit that she has witnessed him deleting electronic records for certain patients…which makes her very uncomfortable. I've already reported him to Purdue several times."*

136. About a month later, on July 31, 2013, Purdue finally told its representatives to stop promoting opioids to Mashali. The Rhode Island Board of Medicine revoked his license, finding that he was "an immediate threat to the health, welfare and safety of the public."

137. Seventeen patients who were prescribed Purdue opioids by Mashali died of opioid overdoses. Mashali was sentenced to eight years in prison for 27 counts of health care fraud. But Purdue got what it cared about most. Since 2008, Mashali prescribed more than 367,000 pills of Purdue opioids — enough to earn Purdue more than $2 million.

VI. PURDUE PHARMA INC. AND PURDUE PHARMA L.P. ARE BOTH RESPONSIBLE FOR THE DEADLY MISCONDUCT

138. Purdue Pharma Inc. and Purdue Pharma L.P. acted together in all of the misconduct alleged in this Complaint.

139. Purdue Pharma Inc. controlled Purdue Pharma L.P. as its general partner and is liable for the misconduct of the partnership as a matter of law.

140. According to it official corporate documents, Purdue Pharma Inc.'s purpose is

manufacturing, sales, distribution, and research and development with respect to pharmaceutical, toiletry, chemical and cosmetic products, directly or as the general partner of a partnership engaged in those activities. That is the conduct at issue in this suit.

141. Purdue Pharma Inc. is also the general partner of Purdue Holdings L.P., which holds the limited partnership interest in Purdue Pharma L.P.

142. Purdue Pharma L.P. employed the sales representatives and paid the doctors to promote Purdue's drugs.

143. Purdue Pharma Inc. and Purdue Pharma L.P. share the same CEO and many of the same officers at various times. Lisa Pilla, the Vice President of Sales for Purdue Pharma Inc., directed the sales force of Purdue Pharma L.P. David Haddox, the Vice President of Health Policy and Risk Management for both Purdue companies, reviewed Reports of Concern and call notes from the sales force, and instructed the doctors Purdue was paying to promote its opioids. Maggie Feltz, the Vice President and Chief Compliance Officer of Purdue Pharma Inc., served as the compliance office for Purdue Pharma L.P. Each of these Vice Presidents reported to the directors and CEO of Purdue Pharma Inc.

VII. THE DIRECTORS OF PURDUE PHARMA INC. AND CEOS OF BOTH PURDUE COMPANIES ARE RESPONSIBLE FOR THE DEADLY MISCONDUCT

A. Massachusetts Law Imposes Personal Liability On Directors And Executives Responsible For A Company's Misconduct

144. The directors and CEOs had oversight and control over the unlawful sales and marketing conduct at issue in this Complaint, and they are personally liable for the misconduct because: (a) they participated in the misconduct; and/or (b) they knew about the misconduct and failed to stop it; and/or (c) they should have known about the misconduct and they failed to stop it. In this case, the directors and CEOs are personally liable for all three reasons.

B. A Small Group Of Sackler Family Directors, Other Directors, And CEOs Controls And Directs Purdue's Misconduct

145. Purdue's deadly misconduct has been directed and encouraged by the people at the top of both Purdue Pharma Inc. and Purdue Pharma L.P. — the CEOs of the two companies and directors. A small group of people controlled Purdue and got extraordinarily rich from it. With that great power came the obligation to act responsibly. The directors and CEOs disregarded their obligation and instead directed Purdue's massive and deadly deception.

146. The directors and CEO control Purdue Pharma Inc. and Purdue Pharma L.P. and run the companies as their personal enterprise.

147. Richard Sackler, Jonathan Sackler, Beverly Sackler, Theresa Sackler, Mortimer Sackler, Kathe Sackler, Ilene Sackler Lefcourt, and David Sackler hold seats on the Board of Directors of Purdue Pharma Inc. Their family owns the company. Richard, Jonathan, Beverly, Theresa, Mortimer, Kathe, and Ilene have been on the board since the 1990s. David has been on the board since 2012.

148. Richard Sackler was as an inventor of the original patent for OxyContin. He testified that the family has made more than $1 billion from OxyContin alone.

149. Cecil Pickett, Paulo Costa, Ralph Snyderman, and Peter Boer also hold seats on the board. Pickett joined the board in 2010. Costa and Snyderman joined the board in 2012. Boer joined the board in 2013. Judy Lewent was on the board at least from 2009 to 2014. Each was paid hundreds of thousands of dollars by Purdue. Snyderman reported to the federal government that Purdue paid him more than $500,000.

150. Board members are intimately involved in the activities of Purdue Pharma Inc. and Purdue Pharma L.P., often on a weekly or even daily basis. For example, Snyderman reported that Purdue paid him for travel expenses on 121 different days from 2013 to 2016.

151. John Stewart was CEO of both Purdue companies from June 2007 to January 2014. Mark Timney was CEO from January 2014 to June 2017. Craig Landau joined Purdue in 1999 and has been CEO since June 2017. Each of them was paid millions of dollars by Purdue.

C. In 2007, The Directors Decided That Purdue Would Plead Guilty To A Felony, Pay Nearly $700 Million, And Promise Never To Deceive Doctors And Patients Again

152. Purdue's directors and CEOs are liable for Purdue's deadly deception for reasons that go beyond their controlling positions in the companies. They were on notice of Purdue's problems, and obligated to address them, because of their role in previous investigations into Purdue's deception.

153. From 2001 to 2007, Purdue Pharma Inc. and Purdue Pharma L.P. were investigated by 26 states and the U.S. Department of Justice.

154. In 2007, the directors of Purdue Pharma Inc. decided that the Purdue Frederick Company would pay nearly $700 million and plead guilty to a felony crime for misleading doctors and patients about opioids. (The Purdue Frederick Company was another corporate entity controlled by the same people, which shared the same headquarters and facilities as Purdue Pharma L.P.). The company admitted that its supervisors and employees, "with the intent to defraud or mislead, marketed and promoted OxyContin as less addictive, less subject to abuse and diversion, and less likely to cause tolerance and withdrawal than other pain medications."

155. The 2007 criminal convictions warned the directors against deception in the strongest terms. Michael Friedman — the CEO of Purdue Pharma Inc., Purdue Pharma L.P., and The Purdue Frederick Company — pleaded guilty to criminal charges that he let Purdue deceive doctors and patients about its opioids. Purdue's top lawyer Howard Udell and Purdue's chief medical officer Paul Goldenheim also pleaded guilty to that same crime.

156. The directors were forced to select a new CEO. Director Richard Sackler testified that the 2007 felony conviction came after years of investigation that involved retraining "everybody" in the company.

157. The directors also decided that Purdue Pharma Inc. and Purdue Pharma L.P. would agree to a Consent Judgment in a suit brought by the Commonwealth of Massachusetts in this Court. That Judgment ordered that Purdue Pharma Inc. and Purdue Pharma L.P. "shall not make any written or oral claim that is false, misleading, or deceptive" in the promotion or marketing of OxyContin. The Judgment further required that Purdue Pharma Inc. and Purdue Pharma L.P. provide "fair balance" regarding risks and benefits in all promotion of OxyContin — including about the risk of addiction. The Judgment further required that Purdue Pharma Inc. and Purdue Pharma L.P. establish, implement, and follow an abuse and diversion detection program to identify high-prescribing doctors who show signs of inappropriate prescribing, stop promoting drugs to them, and report them to the authorities. The directors decided that Purdue Pharma Inc. and Purdue Pharma L.P. would agree to that commitment for a 10-year period, from 2007 until 2017.

158. The directors also decided that Purdue Pharma L.P. would agree to a detailed Corporate Integrity Agreement with the U.S. government. The Agreement required Purdue to appoint a Compliance Officer who would "be a member of senior management of Purdue," "make periodic (at least quarterly) reports regarding compliance matters directly to the Board of Directors," and "be authorized to report on such matters to the Board of Directors at any time." The Corporate Integrity Agreement was built on the idea that the directors would ensure that Purdue never deceived doctors and patients again.

159. The Corporate Integrity Agreement included the directors and CEO as "Covered Persons" from 2007 through 2012. All Covered Persons, including the directors and CEO, were

required to comply with rules that prohibit deception about Purdue opioids. The directors and CEO were required to undergo hours of training to ensure that they understood the rules. The directors and CEO were required to report all violations of the rules. The directors and CEO were warned that they could face consequences if they failed to comply with the rules. The directors and CEO certified that they had read and understood the rules and would comply with them.

160. The directors were acutely aware of their obligations under the Corporate Integrity Agreement because, in 2009, Purdue had to report to the Inspector General of the U.S. Department of Health and Human Services that it had not immediately trained a new director on the Agreement. Purdue reported: “a new Director was appointed to Purdue’s Board of Directors, without timely notice to either Corporate Compliance or the Office of General Counsel, as otherwise required by policy, resulting in failure to timely launch the training assignment to this new Board member.” Purdue assured the U.S. government that it had trained the new director: “Relevant personnel were reminded of existing policy to notify Corporate Compliance and the Office of General Counsel of changes to the Board of Directors. In both instances, these individuals completed their training assignments within 1 day of Corporate Compliance learning of this issue.” Purdue promised the government that the director’s training had addressed “the proper methods of promoting, marketing, selling, and disseminating information about Purdue’s products,” so Purdue would never deceive doctors and patients again.

D. The Directors And CEO Had Many Chances To Stop The Deception

161. Every year since the 2007 guilty plea, Consent Judgment, and Corporate Integrity Agreement, Purdue’s directors and CEO received warning signs about Purdue’s ongoing misconduct and opportunities to stop it.

162. In 2008, more Americans died from opioid overdoses than ever before. That

same year, the Massachusetts State Legislature created an OxyContin and Heroin Commission because of concerns about Purdue's dangerous drugs.

163. In 2009, the *American Journal of Public Health* published an article about Purdue's opioid marketing entitled, "The Promotion and Marketing of OxyContin: Commercial Triumph, Public Health Tragedy." The article detailed Purdue's use of sales representatives, targeting of high-prescribers, and deception about addiction. That same year, CDC reported that deaths from opioids had recently tripled.

164. In 2010, *Time* magazine published a story about Purdue's opioids entitled, "The New Drug Crisis: Addiction by Prescription." It reported on a Massachusetts patient who had become addicted to OxyContin at age 13. Overdoses were the leading cause of accidental death in 15 states. By the spring of 2010, Purdue's directors and CEO had been told that Purdue could not get product liability insurance to cover OxyContin.

165. In 2011, the White House announced that prescription drug abuse was the nation's fastest-growing drug problem and called for "educating healthcare providers about prescription drug abuse … so they will not over-prescribe[.]" The CDC announced that prescription opioid overdoses had reached epidemic levels and called out Purdue's opioids by name. That same year, *Fortune* magazine interviewed Purdue executives, including Alan Must, who is listed as Vice President of Purdue Pharma Inc. in its official filings. *Fortune* published a story about Purdue, the Sackler family, and evidence that the company made money off addiction. Mr. Must, the Purdue Vice President, admitted that the company was "well aware" of concerns about its conduct:

> *"We are well aware of detractors. For those individuals who think we're evil … I don't think there's anything we can do that is going to change their opinion."*

166. In 2012, the U.S. Senate launched an investigation into whether Purdue was deceiving doctors and patients about opioids. In a letter to the CEO of Purdue Pharma Inc. and Purdue Pharma L.P., the Senators warned of "an epidemic of accidental deaths and addiction resulting from the increased sale and use of powerful narcotic painkillers." The Senate letter warned Purdue specifically of the danger of patients taking higher doses: "over the last decade, the number of prescriptions for the strongest opioids has increased nearly fourfold, with only limited evidence of their long-term effectiveness or risks while data suggest that hundreds of thousands of patients nationwide may be on potentially dangerous doses." The Senate letter also warned about Purdue misleading doctors and patients: "There is growing evidence pharmaceutical companies that manufacture and market opioids may be responsible, at least in part, for this epidemic by promoting misleading information about the drugs' safety and effectiveness." The Senate even put the directors and CEO on notice that they specifically were under scrutiny, demanding that Purdue produce to investigators a set of "presentations, reports, and communications to Purdue's management team or board of directors from 2007 to the present."

167. In 2013, the *Los Angeles Times* revealed that Purdue had been compiling a list for the past decade of 1,800 doctors suspected of recklessly prescribing its opioids, but Purdue had reported only 8% of them to authorities. Purdue attorney Robin Abrams gave multiple interviews to the newspaper. Abrams is listed in official filings as a Vice President of Purdue Pharma Inc., and is the same lawyer who signed Purdue's 2007 settlement agreement. In 2013, she admitted that Purdue had the list, and said Purdue would not agree to disclose it to authorities because:

> *"I don't really want to open up an opportunity for folks come in here and start looking and second-guessing."*

168. Abrams and Purdue's directors knew they had reason to fear scrutiny. The state of Kentucky was prosecuting a lawsuit against Purdue for deceiving doctors and patients about opioids. Purdue's lawyers surveyed residents who could be on the jury. One-third knew someone who overdosed or was seriously hurt taking a Purdue opioid, and 29 percent knew someone who died. Purdue itself filed those statistics in court.

169. In 2014, Edward Mahoney, the Executive Vice President, CFO, and Treasurer of Purdue Pharma Inc. stated that the Kentucky lawsuit was so significant that it could "jeopardize Purdue's long-term viability." That same year, the Governor of Massachusetts declared the opioid crisis a public health emergency.

170. In 2015, Purdue entered into an agreement with the State of New York to resolve an investigation of its opioid business. The agreement, signed by Abrams (who served as Vice President and Associate General Counsel for both Purdue Pharma Inc. and Purdue Pharma L.P.), recited New York's findings that Purdue used misleading materials to promote its opioids and aggressively promoted its opioids to high-prescribing doctors who were later arrested for illegal prescribing. That same year, director Richard Sackler was deposed under oath in a suit alleging that Purdue deceived doctors and patients about its opioids.

171. In 2016, the CDC published the *CDC Guideline for Prescribing Opioids for Chronic Pain* to try to stop dangerous opioid prescribing.

172. In 2017, the President of the United States declared the opioid crisis a national public health emergency.

173. Purdue's CEO and directors knew or should have known about these warnings and many others. Indeed, the 2007 settlement agreement approved by the directors required Purdue to "continue to review news media stories addressing the abuse or diversion of OxyContin and undertake appropriate measures as reasonable under the circumstances to address

abuse and diversion so identified." Purdue's records show that the directors and CEO in fact received numerous warnings that Purdue's drugs caused addiction and death.

E. The Directors And CEO Directed The Deception

174. The directors and CEO knew about, allowed, and directed Purdue's deception. They oversaw Purdue's scheme to send sales representatives to visit doctors thousands of times. They oversaw Purdue's scheme to hire top prescribers to promote its opioids. They oversaw Purdue's effort to get more patients on higher doses of opioids for longer periods.

175. The directors and CEO of Purdue Pharma Inc. controlled Purdue Pharma L.P. The quarterly reports distributed to the directors and CEO of Purdue Pharma Inc. demonstrate that the directors and CEO in fact controlled both Purdue Pharma Inc. and Purdue Pharma L.P. The reports do not distinguish between the companies but instead refer to "Purdue." The reports detail the activities that were undertaken by both companies in the areas "Finance," "Sales & Marketing," "Manufacturing & Supply Chain," "Quality," "Research & Development," "Discovery Research," "Licensing & Business Development," "Corporate Compliance," "External Affairs," "Health Policy," "Human Resources," and "Information Technology" — all of which were overseen by the directors and CEO of Purdue Pharma Inc. Indeed, the CEO of the two companies was the same.

176. The directors and CEO oversaw Purdue's sales representatives. Director Richard Sackler testified that the sales representatives were the main way that Purdue promoted its opioids. He testified that the key to getting doctors to prescribe and keep prescribing Purdue opioids was regular visits from the sales force. The board tracked the exact number of sales

representatives[1] and the exact number of visits they made to urge doctors to prescribe Purdue opioids.[2] The board knew which drugs were promoted;[3] how many visits sales representatives averaged per workday;[4] how much each visit cost Purdue;[5] and the company's plan for sales visits in each upcoming quarter.[6] The Board approved specific plans to hire new sales representatives, hire and promote new District and Regional managers, and create sales "territories" in which representatives would target doctors.[7]

177. The directors and CEO oversaw the tactics that sales representatives used to push opioids. A board report analyzed a Purdue initiative to use iPads during sales visits, which increased the average length of the sales meeting with the doctor to "16.7 minutes in front of the customer."[8]

178. The directors and CEO oversaw promotional claims that representatives presented to doctors during sales visits. They received reports, for example, that a "review of call notes" recorded by Purdue sales representatives "suggested potential comparative claims of superiority of Purdue products relative to competitors,"[9] and deceptive promotion of opioids as treatment for "minor pain,"[10] including hundreds of examples of deceptive marketing that required "extensive remedial actions."[11]

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[1] Specific board reports presenting this information to the directors and CEO were sent in July 2007, April 2010, July 2010, October 2010, January 2011, August 2011, November 2011, November 2012, and July 2013. On information and belief, Purdue produced these particular board reports to the Attorney General's Office because they include key words used in a document collection search. On information and belief, the Defendants possess additional quarterly reports and related documents, which the Attorney General did not receive.
[2] April 2010, July 2010, October 2010, January 2011, August 2011, November 2011, November 2012, July 2013.
[3] April 2010, July 2010, October 2010, January 2011, August 2011, November 2011, November 2012, July 2013.
[4] April 2010, July 2010, October 2010, January 2011, August 2011, November 2011, November 2012, July 2013.
[5] April 2010, July 2010, October 2010, and January 2011.
[6] April 2010, July 2010, October 2010, January 2011, August 2011, November 2011, November 2012, July 2013.
[7] January 2011.
[8] January 2011.
[9] October 2010.
[10] October 2010.
[11] October 2010.

179. The directors and CEO oversaw Purdue's research, including research that contradicted its marketing. The board received reports about studies of Purdue opioids in "opioid-naïve" patients and patients with osteoarthritis, down to the details of the strategy behind the studies and the enrollment of the first patients.[12]

180. The directors and the CEO oversaw Purdue's improper response to signs of "abuse and diversion" by high-prescribing doctors. The board was told exactly how many "Reports Of Concern" Purdue sales representatives submitted to the company about doctors they visited to promote opioids (572 Reports Of Concern in the July 2007 board report); how many "field inquiries" Purdue had decided to conduct in response to the reports (21 inquiries in response to 572 Reports Of Concern); and even that six Reports Of Concern were submitted in Massachusetts.[13]

181. The directors and CEO even monitored sales representatives' emails. Purdue held thousands of face-to-face sales meetings with doctors, but the company prohibited its sales representatives from writing emails to doctors, which could create evidence of Purdue's misconduct. When Purdue found that some sales representatives had emailed doctors, the company conducted an "investigation" and reported to the board that sales representatives had been disciplined and that their emails would be discussed at the board meeting.[14]

182. The directors and CEO also oversaw Purdue's strategy to pay high prescribers to promote Purdue opioids, like Walter Jacobs — the Massachusetts doctor who prescribed $3 million of opioids for Purdue before he lost his medical license. A report for the board listed the exact number of conferences and dinner meetings, with attendance figures, and assured the

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[12] July 2007.
[13] July 2007.
[14] August 2011.

directors: "We are tracking the prescribing trends of these attendees following the programs and will report the results in future reports."[15] The board was told the amounts paid to certain doctors (for example, that a doctor was paid $29,000 in the first half of 2012), and they received detailed reports on the Return On Investment that Purdue gained from paying doctors to promote its drugs. The board was told that Purdue would allow a "spending limit for gifts" of $750 per doctor per year;[16] and that the directors should personally report when they gave money, meals, or gifts to doctors to promote Purdue drugs.[17] The board was told explicitly that paying doctors to promote opioids was "a high risk activity, in view of the potential for off-label or other improper promotional conduct by third parties during such activities."[18] When Congress required disclosure of drug company payments to doctors, the board was told there were "significant compliance implications" for Purdue.[19]

183. The directors and CEO also oversaw Purdue's strategy to push patients to higher doses of opioids — which are more dangerous, more addictive, and more profitable. The board routinely received reports on Purdue's efforts to push patients to higher doses. A report alerted the board that "Net sales of the 40 and 80 mg strengths of OxyContin" had fallen below Purdue's targets in the fall of 2010 and were $85 million below budget.[20] By summer, the board learned that income was $500 million below budget "mainly due to declining sales in 40 mg and 80 mg strengths."[21] By fall, the board reviewed an assessment that Purdue had lost more than $800 million in revenue because patients weren't taking enough 40 mg and 80 mg doses.[22] The board

[15] November 2011.
[16] July 2007.
[17] July 2013.
[18] August 2011, November 2011.
[19] April 2010.
[20] January 2011.
[21] August 2011.
[22] November 2011.

dug into the issue. Multiple reports to the board identified as a “threat” an initiative by public health authorities to save lives by requiring doctors to consult with pain specialists before prescribing opioid doses higher than 80mg/day.[23] The CEO and directors oversaw Purdue’s effort to push back against that public health “threat.”[24] Executives were pleased to report to the directors in 2013 that “initiatives to validate increased total daily doses are having impact in the field.”[25]

184. The directors and CEO also oversaw Purdue’s scheme to use higher doses of opioids to keep patients on drugs for longer periods of time. The board received detailed reports of how many patients stayed on Purdue’s opioids for long periods (for example, longer than 35 days),[26] along with Purdue’s internal research showing that getting patients on higher doses keeps them on the drugs longer[27] — all of which puts patients at greater risk of addiction and death. The board received the confidential results of a study of 57,000 patients that Purdue performed explicitly to determine how opioid dose “influences patient length of therapy.”[28] The results showed that patients on the highest doses “are the most persistent.” The “Recommended Actions” presented to the board included “additional workshops for the sales force” and “specific direction” to the sales representatives about using higher doses to keep patients on drugs longer. The board was told in writing that encouraging higher doses “is a focal point of our promotion,”[29] and that sales representatives would “emphasize the importance” of increasing patients’ opioid doses, as soon as 3 days after starting treatment.[30] The board even tracked

[23] April 2010, July 2010, October 2010, November 2011.
[24] April 2010, July 2010, October 2010, November 2011.
[25] May 2013 email for board meeting in June 2013.
[26] July 2013.
[27] July 2013.
[28] November 2012.
[29] November 2012.
[30] November 2012.

specific sales materials, such as "two new patient profiles designed to improve patient identification and titration" – to get more opioid-naïve and elderly patients on higher doses of opioids for longer periods of time.[31] The board was told the exact research behind the sales strategy: higher doses would keep patients on drugs longer because Purdue had found that "83% of patients who discontinued were never titrated to higher doses."[32] The directors and CEO knew or should have known that Purdue's sales strategy was deceptive and that putting patients on opioids at higher doses and for longer periods increased the risk of addiction, overdose, and death.

185. The directors and CEO also oversaw Purdue's strategy of using "savings cards" to get patients on Purdue opioids for longer periods. The board knew how many thousands of cards were used each quarter,[33] how the company calculated the Return On Investment,[34] and that the explicit goal of the program was to hook patients to "remain on therapy longer."[35] The board specifically tracked Massachusetts law regarding savings cards,[36] and oversaw "Email Initiatives" in which Purdue sent thousands of emails specifically to Massachusetts prescribers to promote Purdue's improper savings card scheme. A board report explicitly announced "Emails targeted towards HCPs practicing in Massachusetts."[37]

186. The directors and CEO also tracked Massachusetts legislation to regulate dinners where doctors are paid to promote drugs,[38] and "specific concerns" about Massachusetts

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[31] July 2013.
[32] July 2013.
[33] November 2012, July 2013.
[34] November 2012.
[35] July 2013.
[36] November 2012, July 2013.
[37] July 2013.
[38] November 2012.

legislation that would have imposed tighter regulation on opioids.[39]

187. The directors and CEO also oversaw Purdue's strategy to target prescribers who did not have special training in opioids (primary care doctors, nurse practitioners, and physician assistants) because they "show the highest responsiveness" to Purdue's sales push.[40] Purdue continued that strategy even though the DEA had expressed concern that Purdue was promoting opioids to clinicians who were not adequately trained in pain management. The directors and CEO also oversaw Purdue's strategy to target elderly patients by promotion "targeted to HCPs that practice in the long term care setting,"[41] even down to the details of advertising that "leverages images of older patients."[42] The directors and CEO knew or should have known that Purdue's sales strategy was deceptive and that targeting primary care doctors and elderly patients increased the risk of addiction, overdose, and death.

188. The directors and CEO also oversaw Purdue's push to steer patients away from safer alternatives. They tracked the company's effort to emphasize "the true risk and cost consequence of acetaminophen-related liver toxicity."[43] The board even oversaw Purdue's deceptive websites,[44] and received reports about the specific section that was found to be deceptive by the New York Attorney General.[45]

189. The directors and CEO also oversaw Purdue's response to signs that patients were being harmed. Reports of harm came in by the hundreds and even thousands. One board report explained that "in excess of 5,000 cases with alleged adverse events have already been received

[39] July 2013.
[40] July 2013.
[41] July 2013.
[42] July 2013.
[43] May 2013 email for board meeting in June 2013.
[44] April 2010, July 2010, October 2010, January 2011.
[45] July 2013.

and processed by Drug Safety and the Litigation Support group" during a single quarter.[46]

190. Purdue documents show that each of the reports discussed above was sent to every individual Defendant on the board at the time. Specifically, Richard Sackler, Jonathan Sackler, Beverly Sackler, Theresa Sackler, Mortimer Sackler, Kathe Sackler, Ilene Sackler Lefcourt, and John Stewart were sent all of the reports discussed above, in July 2007, April 2010, July 2010, October 2010, January 2011, August 2011, November 2011, November 2012, and July 2013.

191. Cecil Pickett, Peter Boer, and Judy Lewent were sent the board reports in April 2010, July 2010, October 2010, January 2011, August 2011, November 2011, November 2012, and July 2013.

192. David Sackler, Paulo Costa, and Ralph Snyderman were sent the board reports in November 2012 and July 2013.

193. Craig Landau was sent the board reports in July 2007, April 2010, July 2010, October 2010, January 2011, August 2011, November 2011, and November 2012.

194. In 2015, the same year in which this Office notified Purdue of our investigation, *Forbes* estimates that the Sackler family pulled $700 million from their privately-held companies (including two thirds of that from Purdue). They should have taken precautions to protect patients' health, but they took precautions to protect their own wealth instead.

195. CEOs John Stewart, Mark Timney, and Craig Landau likewise participated in, knew about, and should have known about Purdue's deadly misconduct. Selling opioids was almost all of Purdue's business. Indeed, the sales force was more than half the headcount of the company, and the CEO oversaw the sales and marketing activities at issue.

[46] July 2007.

196. When John Stewart replaced outgoing CEO Friedman in 2007, Stewart had already spent 33 years with Purdue Pharma Canada, as President of that entity since 1990. Under Stewart's leadership as CEO, Purdue made more than 99,000 sales visits in Massachusetts while a number of high-value Purdue prescribers, including Drs. Jacobs and Malsky, lost their licenses to practice medicine. Stewart oversaw Purdue's strategy to drive patients to higher doses and longer periods on Purdue drugs in order to keep the total kilograms of opioids within Purdue forecasts. Stewart also oversaw the sales tactics designed to help doctors overcome concerns that increasing length and dose would cause more patient to get addicted and die. While at Purdue, Stewart participated in public relations campaigns to encourage prescribers to prescribe opioids more aggressively and deceptively dispel their safety and addiction concerns. While Stewart was CEO, at least 247 Massachusetts patients who had been prescribed Purdue opioids overdosed and died.

197. Under Mark Timney as CEO, Purdue made more than 40,000 sales visits in Massachusetts. Timney ascended the ranks to CEO as public health experts were trying to save patients' lives by warning against high doses of opioids. Timney approved Purdue's "strategic initiative" to fight back and "maintain 2013 dose mix" in 2014. Also during Timney's tenure as CEO, Purdue settled an investigation of its opioid business with the state of New York and provided testimony pursuant to an investigation by the Commonwealth of Kentucky that Purdue deceived doctors and patients about its opioids. In Massachusetts during this time period, several of Purdue's most frequently-visited doctors lost their licenses to practice medicine, including Drs. Benoit, Choi, Jayma, and Mashali. While Timney was CEO, at least 373 Massachusetts patients who had been prescribed Purdue opioids overdosed and died.

198. Before Craig Landau became CEO of Purdue in 2017, he had already worked for years as a Purdue executive, including Executive Medical Director and Chief Medical Officer.

Since Landau came on as CEO, Purdue made more than 5,000 sales visits to promote opioids in Massachusetts, and at least 51 Massachusetts patients who had been prescribed Purdue opioids overdosed and died.

199. By reason of all the Defendants' unlawful acts, the Commonwealth has been damaged, and continues to be damaged, in a substantial amount to be determined at trial. Damages borne by the Commonwealth include, for example: (a) costs to treat overdose and addiction, *e.g.*, naloxone, medication-assisted addiction treatment, emergency department, and inpatient and outpatient treatment, including for pregnant women with opioid use disorder and infants suffering from neonatal abstinence syndrome; (b) costs associated with harm reduction, overdose prevention, and education; (c) special costs borne by the Commonwealth to provide for the public health, safety, and welfare; and (d) loss of productivity and harm to the economy of the Commonwealth, resulting from the epidemic.

VIII. DISCOVERY RULE AND TOLLING

200. The Defendants' unfair and deceptive conduct continued from this Court's Judgment in May 2007 until 2018.

201. The Defendants' unfair and deceptive conduct was well concealed. The Defendants deliberately conducted much of their deception through in-person sales visits, in order to avoid a public paper trail. Purdue prohibited its sales representatives from emailing doctors. After this Office notified Purdue of our investigation, Purdue changed its decade-old procedure so that sales representatives would not write down descriptions of their conversations with doctors for every sales visit, even in Purdue's internal records. The Defendants concealed from the public and from the Commonwealth their internal documents about their deceptive scheme, including their plans to hook more patients on higher doses for longer periods; their findings that higher doses were a way to hook patients onto treatment for longer periods; and

their knowledge of inappropriate prescribing by high-prescribing doctors that they targeted to prescribe their drugs. The individual directors and CEOs further concealed their participation in the deception and did not reveal to the Commonwealth the fact that they were directing and profiting from the deceptive scheme.

202. Discovering the nature and extent of the Defendants' unfair and deceptive conduct required a costly and complex investigation. The Attorney General's Office has collected more than a million pages of evidence regarding the Defendants' deception.

203. Any statutes of limitation otherwise applicable to any claims asserted herein against all Defendants have been tolled by the discovery rule.

204. Purdue Pharma Inc., Purdue Pharma L.P., The Purdue Frederick Company Inc. and the Commonwealth entered into a tolling agreement covering the period from August 3, 2016 through May 18, 2018.

IX. JURISDICTION AND VENUE

205. This Court has jurisdiction over the subject matter of this suit pursuant to General Laws chapter 93A section 4 and chapter 214 section 1.

Specific Jurisdiction Under M.G.L. Chapter 223A § 3(a)

206. The Court has specific jurisdiction over all Defendants pursuant to General Laws chapter 223A section 3(a), because this action arises from each Defendant acting directly and through agents to transact business in Massachusetts.

207. In the Consent Judgment entered in civil action no. 07-1967, Purdue Pharma Inc. and Purdue Pharma L.P. admitted the jurisdiction of this Court.

208. Purdue Pharma L.P. employed scores of sales representatives in Massachusetts to promote Purdue's opioids in Massachusetts and sold more than $500 million worth of opioids in Massachusetts.

209. Purdue Pharma Inc. is incorporated with its official purpose as manufacture, sales, distribution, and research and development with respect to pharmaceutical, toiletry, chemical and cosmetic products, directly or as the general partner of a partnership engaged in those activities. It controls Purdue Pharma L.P.

210. Richard Sackler, Jonathan Sackler, Beverly Sackler, Theresa Sackler, Mortimer Sackler, Kathe Sackler, Ilene Sackler Lefcourt, David Sackler, Cecil Pickett, Paulo Costa, Ralph Snyderman, Peter Boer, Judy Lewent, John Stewart, Mark Timney, and Craig Landau directed sales representatives to make thousands of visits to doctors in Massachusetts to implement the deceptive scheme described in this Complaint.

211. Despite being warned in writing that it was a high risk activity, Richard Sackler, Jonathan Sackler, Beverly Sackler, Theresa Sackler, Mortimer Sackler, Kathe Sackler, Ilene Sackler Lefcourt, David Sackler, Cecil Pickett, Paulo Costa, Ralph Snyderman, Peter Boer, Judy Lewent, John Stewart, Mark Timney, and Craig Landau directed payments to Massachusetts doctors such as Walter Jacobs in exchange for the doctors' promoting Purdue drugs.

212. Richard Sackler, Jonathan Sackler, Beverly Sackler, Theresa Sackler, Mortimer Sackler, Kathe Sackler, Ilene Sackler Lefcourt, David Sackler, Cecil Pickett, Paulo Costa, Ralph Snyderman, Peter Boer, Judy Lewent (all on the board in July 2013), and John Stewart (CEO in 2013) specifically tracked Massachusetts law regarding savings cards and oversaw "Email Initiatives" in which Purdue sent thousands of emails specifically to Massachusetts prescribers to promote Purdue's improper savings card scheme. A report to each of these individual Defendants explicitly announced "Emails targeted towards HCPs practicing in Massachusetts."

Specific Jurisdiction Under M.G.L. Chapter 223A § 3(c)

213. The Court also has specific jurisdiction over all Defendants pursuant to General Laws chapter 223A section 3(c), because this action arises from each Defendant acting directly and through agents to cause tortious injury by acts and omissions in Massachusetts.

214. Richard Sackler, Jonathan Sackler, Beverly Sackler, Theresa Sackler, Mortimer Sackler, Kathe Sackler, Ilene Sackler Lefcourt, David Sackler, Cecil Pickett, Paulo Costa, Ralph Snyderman, Peter Boer, Judy Lewent, John Stewart, Mark Timney, and Craig Landau directed Purdue's sales representatives to make thousands of visits to doctors in Massachusetts to implement a deceptive marketing scheme that killed hundreds of people in Massachusetts.

215. Richard Sackler, Jonathan Sackler, Beverly Sackler, Theresa Sackler, Mortimer Sackler, Kathe Sackler, Ilene Sackler Lefcourt, David Sackler, Cecil Pickett, Paulo Costa, Ralph Snyderman, Peter Boer, Judy Lewent, John Stewart, Mark Timney, and Craig Landau directed payments to Massachusetts doctors to promote Purdue's drugs.

216. In addition, Richard Sackler, Jonathan Sackler, Beverly Sackler, Theresa Sackler, Mortimer Sackler, Kathe Sackler, and Ilene Sackler Lefcourt (directors in 2007) directed Purdue Pharma L.P. to enter into a Settlement Agreement with the Commonwealth of Massachusetts to address Purdue's liability from the last time it deceived doctors and patients about its opioids.

217. In addition, Richard Sackler, Jonathan Sackler, Beverly Sackler, Theresa Sackler, Mortimer Sackler, Kathe Sackler, and Ilene Sackler Lefcourt (directors in 2007) directed Purdue Pharma Inc. and Purdue Pharma L.P. to enter into a Consent Judgment issued by this Court, which required that: (a) Purdue not deceive doctors and patients about its opioids; and (b) when Purdue found evidence of improper prescribing by its target doctors, Purdue must stop promoting opioids and contact the authorities.

218. Subsequently, as described in this Complaint, Richard Sackler, Jonathan Sackler,

Beverly Sackler, Theresa Sackler, Mortimer Sackler, Kathe Sackler, Ilene Sackler Lefcourt, David Sackler, Cecil Pickett, Paulo Costa, Ralph Snyderman, Peter Boer, Judy Lewent, John Stewart, Mark Timney, and Craig Landau directed Purdue to violate the Judgment of this Court.

219. This misconduct caused tortious injury in Massachusetts by killing hundreds of people.

220. Moreover, Cecil Pickett was physically present in Massachusetts and residing in Massachusetts when he committed the misconduct, because he lived at 75 Cambridge Pkwy, Unit 307, Cambridge, Massachusetts 02142.

Specific Jurisdiction Under M.G.L. Chapter 223A § 3(d)

221. The Court also has specific jurisdiction over all Defendants pursuant to General Laws chapter 223A section 3(d), because:

- This action arises from each Defendant acting directly and through agents to cause tortious injury in Massachusetts by acts and omission outside Massachusetts; and

- Each Defendant also regularly does or solicits business in Massachusetts, or engages in other persistent courses of conduct in Massachusetts, or derives substantial revenue from goods used or consumed or services rendered in Massachusetts.

This action arises from each Defendant causing tortious injury in Massachusetts

222. The first element of the section 3(d) jurisdictional test is satisfied for every individual Defendant because this action arises from Richard Sackler, Jonathan Sackler, Beverly Sackler, Theresa Sackler, Mortimer Sackler, Kathe Sackler, Ilene Sackler Lefcourt, David Sackler, Cecil Pickett, Paulo Costa, Ralph Snyderman, Peter Boer, Judy Lewent, John Stewart, Mark Timney, and Craig Landau causing tortious injury in Massachusetts. As described in this Complaint, they directed Purdue's misconduct, which killed hundreds of people in Massachusetts.

<u>Each Defendant derives substantial revenue from goods used in Massachusetts</u>

223. The second element of the section 3(d) jurisdictional test is also satisfied for every individual Defendant because every defendant derived substantial revenue from goods used or consumed in Massachusetts. To establish jurisdiction, the substantial revenue is not required to be related to this suit; it must simply be derived by the defendant. Here, the revenue ***is*** also based on the tortious misconduct.

224. Purdue sales data indicates that Purdue Pharma L.P. and Purdue Pharma Inc. get 3% of their revenue from Massachusetts. The Defendants make no effort to segregate Massachusetts revenue, or withhold it from money paid to the directors and CEO. Instead, the Defendants include Massachusetts revenue in payments to Richard Sackler, Jonathan Sackler, Beverly Sackler, Theresa Sackler, Mortimer Sackler, Kathe Sackler, Ilene Sackler Lefcourt, David Sackler, Cecil Pickett, Paulo Costa, Ralph Snyderman, Peter Boer, Judy Lewent, John Stewart, Mark Timney, and Craig Landau.

225. The directors paid themselves handsomely for their positions on the board. Mr. Snyderman reported to the government some of what Purdue paid him. Purdue paid him at least $32,972 for a few months of 2013; $166,119 in 2014; $168,887 in 2015; and $124,360 in 2016.

226. Each director Defendant was on the board for at least five years (and in many cases for twenty years). In exchange for sitting on the board, Purdue paid each director Defendant more than $600,000. Each director Defendant personally derived more than $18,000 (*i.e.*, 3% of $600,000) from the sale of Purdue opioids in Massachusetts.

227. Richard Sackler, Jonathan Sackler, Beverly Sackler, Theresa Sackler, Mortimer Sackler, Kathe Sackler, Ilene Sackler Lefcourt, and David Sackler each derived far more money from Massachusetts. *Forbes* estimated that the Sackler family took hundreds of millions of dollars from Purdue in 2015 alone. Purdue's July 2013 board report stated that the company

paid "non-tax distributions" of $471 million in 2012 and would distribute $350 million in cash in 2013. Purdue's July 2010 board report stated that the company paid non-tax distributions of $389 million in the first half of 2010, and $381 million in just the first quarter of 2009. On information and belief, each and every Sackler family member Defendant has received more than $5 million from Purdue since 2008, including more than $150,000 (*i.e.*, 3% of $5 million) from the sale of Purdue opioids in Massachusetts.

228. Each CEO Defendant (John Stewart, Mark Timney, and Craig Landau) has received more than $1 million from Purdue since 2008, including more than $30,000 (*i.e.*, 3% of $1 million) from the sale of Purdue opioids in Massachusetts.

Many Defendants also do regular business and engage in a persistent course of conduct in Massachusetts

229. In addition, the disjunctive second element of the section 3(d) jurisdictional test is independently satisfied for many Defendants because they regularly do business or engage in a persistent course of conduct in Massachusetts, as described below. To establish jurisdiction under this statutory provision, the regular business or persistent course of conduct is not required to be related to this suit; it must simply be undertaken by the defendant.

Due Process

230. Jurisdiction over all Defendants is also proper under the Due Process Clause. Constitutional due process requires that: 1) the Defendants purposefully availed themselves of the privilege of conducting activities in Massachusetts or purposefully directed their conduct into Massachusetts; 2) the Plaintiff's claim relates to or arises out of the Defendants' contact with Massachusetts; and 3) the exercise of jurisdiction is reasonable. Each of those requirements is satisfied.

231. The exercise of jurisdiction over each of the individual Defendants is reasonable

because the burden on each Defendant to defend suit in Massachusetts is minimal while the interests of the Commonwealth in adjudicating the dispute in this forum are significant.

232. The Commonwealth has a compelling interest in adjudicating this dispute and obtaining relief for its citizens. The Commonwealth has, since declared by then Governor Deval Patrick in 2014, been operating under a state of a public health emergency due to an epidemic of opioid addiction and death. As the Commonwealth's lawyer and chief law enforcement officer, the Attorney General has an interest in protecting the people of Massachusetts

233. All of the individual Defendants are at least millionaires and, in some cases, billionaires, and they can afford to travel to the Commonwealth to defend this lawsuit.

234. All of the individual Defendants are represented by sophisticated counsel in a state abutting Massachusetts. Their counsel routinely litigate throughout the United States.

235. Beverly Sackler, Theresa Sackler, Richard Sackler, Kathe Sackler, Jonathan Sackler, Mortimer Sackler, David Sackler, Ilene Sackler Lefcourt, Paulo Costa, Craig Landau, and Mark Timney all live in or retain a primary or secondary residence in states abutting Massachusetts.

236. **Richard Sackler** has served on the Board of Advisors of a major medical school and a school of graduate biomedical sciences in Massachusetts during every year from 2011 to the present. He regularly visited Massachusetts to transact business and make decisions for schools with thousands of Massachusetts employees. Richard was also an advisor to a research institute at another major university in Massachusetts, at least from 2012 to 2015, and visited Massachusetts to advise work there. Richard is also a major investor in a privately-held biotech company in Boston. From 1998 until at least 2014, Richard served as a director of the Raymond and Beverly Sackler Foundation, Inc., which registered to do business in Massachusetts.

237. **Jonathan Sackler** served, from 2004 until at least 2014, as a director and

President of the Raymond and Beverly Sackler Foundation, Inc., which registered to do business in Massachusetts. Each year, he signed the annual reports of the corporation, submitted to the Commonwealth of Massachusetts, describing the corporation's business in Massachusetts.

238. **Beverly Sackler** served, from 1998 until at least 2014, as a director and both Treasurer and Secretary of the Raymond and Beverly Sackler Foundation, Inc., which registered to do business in Massachusetts. She signed the certificate submitted to the Commonwealth of Massachusetts stating that the corporation conducts medical research in Massachusetts.

239. **David Sackler** invested $100 million in a hedge fund based in Boston in 2014. The investment is to last until at least 2021. On information and belief, David Sackler regularly transacts business in Massachusetts in connection with the fund, and visits Massachusetts for meetings related to the fund.

240. **Mortimer Sackler** lived in Massachusetts at least during the period from 1991 through 1999. He owned a condominium at 950 Massachusetts Ave., Unit PH2, Cambridge, Massachusetts, 02139.

241. **Judy Lewent** is as a lifetime member of the governing board of a major university in Massachusetts; attends meetings in Massachusetts at least 4 times each year; and makes decisions for one of the most significant employers in our state. She became a member of that governing board in 1994; she has served on its Executive Committee and chaired the Visiting Committee of the university's School of Management. She is also currently a director of a significant company, which has been registered with the Massachusetts Secretary of State since 1960. Ms. Lewent's address on the company's 2017 annual report is 168 Third Ave., Waltham, Massachusetts 02451. She is also a member of an academy headquartered in Massachusetts, and, on information and belief, she visits Massachusetts to attend meetings there.

242. **Ralph Snyderman** co-founded a healthcare technology company in Newton,

Massachusetts, in 2004. For more than a decade, he has served as a director of the company and chairman of the board. The company registered with the Commonwealth of Massachusetts from at least 2010 to 2012. On information and belief, Snyderman attends meetings in Massachusetts, sends and receives hundreds of business communications to and from Massachusetts, and makes decisions for the company, which is "a leading developer of personalized decision support technologies for oncology and cardiology" in Massachusetts.

243. **Cecil Pickett** rented a residence at 75 Cambridge Pkwy, Unit 307, Cambridge, Massachusetts 02142, at least for the period from 2007 to 2011. He was the President and a director from 2006 to 2008 for a company located at 14 Cambridge Center, Cambridge, MA 02142. He was also the President of an institute located in Boston, MA. The institute was registered in Massachusetts from 2005 to 2007. He is a director of another company in Massachusetts. He attends meetings in Massachusetts and makes decisions for a team of Massachusetts scientists with more than $45 million in funding.

244. Venue in the Suffolk County Superior Court is proper under G.L. c. 93A § 4 and G.L. c. 214 § 5.

X. CAUSES OF ACTION

COUNT ONE
UNFAIR AND DECEPTIVE ACTS AND PRACTICES
IN VIOLATION OF G.L. c. 93A § 2
PURDUE PHARMA INC. AND PURDUE PHARMA L.P.

245. The Commonwealth realleges each allegation above.

246. G.L. c. 93A, § 4 authorizes the Attorney General to bring an action to enjoin a defendant from engaging in a method, act, or practice that violates G.L. c. 93A, § 2.

247. On May 8, 2018, the Attorney General notified Purdue Pharma Inc. and Purdue Pharma L.P. of her intention to file this suit and offered them an opportunity to confer, in

conformance with G.L. c. 93A.

248. In the course of marketing and promoting its opioids in Massachusetts, both directly and through third parties, Purdue Pharma Inc. and Purdue Pharma L.P. engaged in unfair or deceptive acts or practices in the conduct of trade or commerce in violation of G.L. c. 93A, including by making false and misleading claims to get more patients on its opioids at higher doses for longer time, and to steer patients away from safer alternatives.

249. Purdue Pharma Inc. and Purdue Pharma L.P. also violated G.L. c. 93A by targeting medical practices where they knew or should have known that patients were being harmed and Purdue's opioids misused.

250. By means of their unfair or deceptive acts, Purdue Pharma Inc. and Purdue Pharma L.P. acquired hundreds of millions of dollars.

251. Because of the unfair or deceptive acts of Purdue Pharma Inc. and Purdue Pharma L.P., the Commonwealth and its residents suffered ascertainable losses of billions of dollars.

252. Purdue Pharma Inc. and Purdue Pharma L.P. knew or should have known they were committing unfair or deceptive acts in violation of G.L. c. 93A, § 2.

253. Each unfair or deceptive act was a distinct violation of G.L. c. 93A.

COUNT TWO
UNFAIR OR DECEPTIVE ACTS AND PRACTICES
IN VIOLATION OF G.L. c. 93A § 2
RICHARD SACKLER, JONATHAN SACKLER, DAVID SACKLER, MORTIMER SACKLER, KATHE SACKLER, ILENE SACKLER LEFCOURT, BEVERLY SACKLER, THERESA SACKLER, PETER BOER, PAULO COSTA, CECIL PICKETT, RALPH SNYDERMAN, JUDY LEWENT, JOHN STEWART, MARK TIMNEY, AND CRAIG LANDAU

254. The Commonwealth realleges each allegation above.

255. On June 1, 2018, the Attorney General notified Richard Sackler, Jonathan Sackler, David Sackler, Mortimer Sackler, Kathe Sackler, Ilene Sackler Lefcourt, Beverly

Sackler, Theresa Sackler, Frank Peter Boer, Paulo Costa, Cecil Pickett, Ralph Snyderman, Judy Lewent, John Stewart, Mark Timney, and Craig Landau of her intention to file this suit and offered them an opportunity to confer, in conformance with G.L. c. 93A.

256. Richard Sackler, Jonathan Sackler, David Sackler, Mortimer Sackler, Kathe Sackler, Ilene Sackler Lefcourt, Beverly Sackler, Theresa Sackler, Frank Peter Boer, Paulo Costa, Cecil Pickett, Ralph Snyderman, Judy Lewent, John Stewart, Mark Timney, and Craig Landau engaged in unfair or deceptive acts or practices in the conduct of trade or commerce in violation of G.L. c. 93A, including by directing a scheme of deception to get more patients on opioids at higher doses for longer time, and to steer patients away from safer alternatives.

257. Richard Sackler, Jonathan Sackler, David Sackler, Mortimer Sackler, Kathe Sackler, Ilene Sackler Lefcourt, Beverly Sackler, Theresa Sackler, Frank Peter Boer, Paulo Costa, Cecil Pickett, Ralph Snyderman, Judy Lewent, John Stewart, Mark Timney, and Craig Landau also violated G.L. c. 93A by directing a scheme to target medical practices where they knew or should have known that abuse or diversion of their opioid products were occurring.

258. Richard Sackler, Jonathan Sackler, David Sackler, Mortimer Sackler, Kathe Sackler, Ilene Sackler Lefcourt, Beverly Sackler, Theresa Sackler, Frank Peter Boer, Paulo Costa, Cecil Pickett, Ralph Snyderman, Judy Lewent, John Stewart, Mark Timney, and Craig Landau knew or should have known they were committing unfair or deceptive trade practices in violation of G.L. c. 93A, § 2.

259. By means of their unfair or deceptive acts, Richard Sackler, Jonathan Sackler, David Sackler, Mortimer Sackler, Kathe Sackler, Ilene Sackler Lefcourt, Beverly Sackler, Theresa Sackler, Frank Peter Boer, Paulo Costa, Cecil Pickett, Ralph Snyderman, Judy Lewent, John Stewart, Mark Timney, and Craig Landau acquired millions of dollars.

260. Because of the unfair or deceptive acts of Richard Sackler, Jonathan Sackler,

David Sackler, Mortimer Sackler, Kathe Sackler, Ilene Sackler Lefcourt, Beverly Sackler, Theresa Sackler, Frank Peter Boer, Paulo Costa, Cecil Pickett, Ralph Snyderman, Judy Lewent, John Stewart, Mark Timney, and Craig Landau, the Commonwealth and its residents have suffered ascertainable losses of billions of dollars.

261. Each of the unfair or deceptive acts was a distinct violation of G.L. c. 93A.

COUNT THREE
PUBLIC NUISANCE
PURDUE PHARMA INC. AND PURDUE PHARMA L.P.

262. The Commonwealth realleges each allegation above.

263. Under Massachusetts common law, a defendant is liable for the tort of public nuisance when their conduct causes an unreasonable interference with a right common to the general public, such as interference with the public health, public safety, public peace, and public comfort and convenience.

264. The Massachusetts Attorney General is empowered to bring a *parens patriae* action on behalf of the Commonwealth for abatement of a public nuisance.

265. Purdue Pharma Inc. and Purdue Pharma L.P., through their conduct described in the Complaint, created or were substantial participants in creating and maintaining a public nuisance of addiction, illness, and death that significantly interferes with the public health, safety, peace, comfort, and convenience.

266. Specifically, Purdue Pharma Inc. and Purdue Pharma L.P. engaged in a campaign of deceptive marketing leading directly to a dangerous epidemic of opioid addiction, which resulted in substantial public injuries.

267. The injuries caused by Purdue Pharma Inc. and Purdue Pharma L.P. in Massachusetts have been significant and long-lasting, for both the Commonwealth and the public, including: (a) opioid addiction, overdose, and death; (b) health care costs for individuals,

children, families, employers, the Commonwealth, and its subdivisions; (c) loss of productivity and harm to the economy of the Commonwealth; and (d) special costs borne solely by the Commonwealth to provide for the public health, safety, and welfare.

268. The Commonwealth has a special relationship with, and responsibility to its residents, including its responsibility to uphold the public health, safety, and welfare. Purdue Pharma Inc. and Purdue Pharma L.P. have had reason to know of this relationship at all times.

269. Purdue Pharma Inc. and Purdue Pharma L.P. have also, at all times, had reason to know of the public nuisance created by their ongoing conduct.

270. Purdue Pharma Inc. and Purdue Pharma L.P.'s deceptive conduct was unreasonable in light of the lack of scientific support for their claims, and was negligent and reckless with regard to the known risks of Purdue's drugs.

COUNT FOUR
PUBLIC NUISANCE
RICHARD SACKLER, JONATHAN SACKLER, DAVID SACKLER, MORTIMER SACKLER, KATHE SACKLER, ILENE SACKLER LEFCOURT, BEVERLY SACKLER, THERESA SACKLER, PETER BOER, PAULO COSTA, CECIL PICKETT, RALPH SNYDERMAN, JUDY LEWENT, JOHN STEWART, MARK TIMNEY, AND CRAIG LANDAU

271. The Commonwealth realleges each allegation above.

272. Richard Sackler, Jonathan Sackler, David Sackler, Mortimer Sackler, Kathe Sackler, Ilene Sackler Lefcourt, Beverly Sackler, Theresa Sackler, Frank Peter Boer, Paulo Costa, Cecil Pickett, Ralph Snyderman, Judy Lewent, John Stewart, Mark Timney, and Craig Landau, through their conduct described in the Complaint, created or were substantial participants in creating and maintaining a public nuisance of addiction, illness, and death that significantly interferes with the public health, safety, peace, comfort, and convenience.

273. Specifically, Richard Sackler, Jonathan Sackler, David Sackler, Mortimer Sackler, Kathe Sackler, Ilene Sackler Lefcourt, Beverly Sackler, Theresa Sackler, Frank Peter

Boer, Paulo Costa, Cecil Pickett, Ralph Snyderman, Judy Lewent, John Stewart, Mark Timney, and Craig Landau directed a campaign of deceptive marketing leading directly to a dangerous epidemic of opioid addiction, which resulted in substantial public injuries.

274. The public injuries caused by Richard Sackler, Jonathan Sackler, David Sackler, Mortimer Sackler, Kathe Sackler, Ilene Sackler Lefcourt, Beverly Sackler, Theresa Sackler, Frank Peter Boer, Paulo Costa, Cecil Pickett, Ralph Snyderman, Judy Lewent, John Stewart, Mark Timney, and Craig Landau in Massachusetts have been significant and long-lasting, for both the Commonwealth and the public, including: (a) opioid addiction, overdose, and death; (b) health care costs for individuals, children, families, employers, the Commonwealth, and its subdivisions; (c) loss of productivity and harm to the economy of the Commonwealth; and (d) special costs borne solely by the Commonwealth to provide for the public health, safety, and welfare.

275. The Commonwealth has a special relationship with, and responsibility to its residents, including its responsibility to uphold the public health, safety, and welfare. Richard Sackler, Jonathan Sackler, David Sackler, Mortimer Sackler, Kathe Sackler, Ilene Sackler Lefcourt, Beverly Sackler, Theresa Sackler, Frank Peter Boer, Paulo Costa, Cecil Pickett, Ralph Snyderman, Judy Lewent, John Stewart, Mark Timney, and Craig Landau have had reason to know of this relationship at all times.

276. Richard Sackler, Jonathan Sackler, David Sackler, Mortimer Sackler, Kathe Sackler, Ilene Sackler Lefcourt, Beverly Sackler, Theresa Sackler, Frank Peter Boer, Paulo Costa, Cecil Pickett, Ralph Snyderman, Judy Lewent, John Stewart, Mark Timney, and Craig Landau have also, at all times, had reason to know of the public nuisance created by their ongoing conduct.

277. Richard Sackler, Jonathan Sackler, David Sackler, Mortimer Sackler, Kathe

Sackler, Ilene Sackler Lefcourt, Beverly Sackler, Theresa Sackler, Frank Peter Boer, Paulo Costa, Cecil Pickett, Ralph Snyderman, Judy Lewent, John Stewart, Mark Timney, and Craig Landau's deceptive conduct was unreasonable in light of the lack of scientific support for Purdue's claims, and was negligent and reckless with regard to the known risks of Purdue's drugs.

COUNT FIVE
NEGLIGENCE
PURDUE PHARMA INC. AND PURDUE PHARMA L.P.

278. The Commonwealth realleges each allegation above.

279. Under the law and the 2007 Consent Judgment, Purdue Pharma Inc. and Purdue Pharma L.P. owed a duty of care to patients, prescribers, and the Commonwealth.

280. Through their conduct described in the Complaint, Purdue Pharma Inc. and Purdue Pharma L.P. violated their duty of care to patients, prescribers, and the Commonwealth.

281. Purdue Pharma Inc. and Purdue Pharma L.P. deceived doctors and patients to get more patients on opioids at higher doses for longer periods of time — even when they knew they were exposing those patients to higher risks of addiction, overdose and death.

282. Purdue Pharma Inc. and Purdue Pharma L.P. targeted the highest-prescribing doctors; rewarded them with attention, gifts, and money; and urged them to prescribe more Purdue opioids — even when Purdue Pharma Inc. and Purdue Pharma L.P. knew or should have known that Purdue's opioids were being misused and patients were being harmed.

283. Through their negligence, Purdue Pharma Inc. and Purdue Pharma L.P. caused significant injuries to the Commonwealth and its residents.

COUNT SIX
NEGLIGENCE
RICHARD SACKLER, JONATHAN SACKLER, DAVID SACKLER, MORTIMER SACKLER, KATHE SACKLER, ILENE SACKLER LEFCOURT, BEVERLY SACKLER, THERESA SACKLER, PETER BOER, PAULO COSTA, CECIL PICKETT, RALPH SNYDERMAN, JUDY LEWENT, JOHN STEWART, MARK TIMNEY, AND CRAIG LANDAU

284. The Commonwealth realleges each allegation above.

285. Under the law and the 2007 Consent Judgment, Richard Sackler, Jonathan Sackler, David Sackler, Mortimer Sackler, Kathe Sackler, Ilene Sackler Lefcourt, Beverly Sackler, Theresa Sackler, Frank Peter Boer, Paulo Costa, Cecil Pickett, Ralph Snyderman, Judy Lewent, John Stewart, Mark Timney, and Craig Landau owed a duty of care to patients, prescribers, and the Commonwealth.

286. Through their conduct described in the Complaint, Richard Sackler, Jonathan Sackler, David Sackler, Mortimer Sackler, Kathe Sackler, Ilene Sackler Lefcourt, Beverly Sackler, Theresa Sackler, Frank Peter Boer, Paulo Costa, Cecil Pickett, Ralph Snyderman, Judy Lewent, John Stewart, Mark Timney, and Craig Landau violated their duty of care to patients, prescribers, and the Commonwealth.

287. They directed and profited from a scheme to deceive doctors and patients to get more patients on opioids at higher doses for longer periods of time — even when they knew they were exposing those patients to higher risks of addiction, overdose and death.

288. They directed and profited from a scheme to target the highest-prescribing doctors; reward them with attention, gifts, and money; and urge them to prescribe more Purdue opioids — even when they knew or should have known that Purdue’s opioids were being misused and patients were being harmed.

289. Through their negligence, Richard Sackler, Jonathan Sackler, David Sackler, Mortimer Sackler, Kathe Sackler, Ilene Sackler Lefcourt, Beverly Sackler, Theresa Sackler,

Frank Peter Boer, Paulo Costa, Cecil Pickett, Ralph Snyderman, Judy Lewent, John Stewart, Mark Timney, and Craig Landau caused significant injuries to the Commonwealth and its residents.

XI. PRAYER FOR RELIEF

WHEREFORE, the Commonwealth respectfully requests that this Court grant the following relief. After a trial on the merits:

a. Determine that all Defendants engaged in unfair and deceptive acts and practices in violation of G.L. c. 93A, §2, and the regulations promulgated thereunder;

b. Permanently enjoin all Defendants from engaging in unfair and deceptive acts and practices;

c. Order all Defendants to disgorge all payments received as a result of their unlawful conduct;

d. Order all Defendants to pay full and complete restitution to every person who has suffered any ascertainable loss by reason of their unlawful conduct;

e. Order all Defendants to pay civil penalties of up to $5,000 for each and every violation of G.L. c. 93A, § 2;

f. Award the Commonwealth costs and attorney's fees, pursuant to G.L. c. 93A, § 4;

g. Determine that all Defendants created a public nuisance;

h. Order all Defendants to abate the nuisance;

i. Determine that all Defendants were negligent;

j. Order all Defendants to pay damages for their negligence; and

k. Grant all other relief as the Court may deem just and proper.

XII. JURY DEMAND

The Commonwealth demands a trial by jury on all issues properly so tried.

Dated: June 12, 2018

Respectfully submitted,

COMMONWEALTH OF MASSACHUSETTS
By its Attorney,
MAURA HEALEY
ATTORNEY GENERAL

Sydenham B. Alexander III, BBO # 671182
Gillian Feiner, BBO # 664152
Eric M. Gold, BBO # 660393
Jeffrey Walker, BBO # 673328
Jenny Wojewoda, BBO # 674722

Assistant Attorneys General
Health Care & Fair Competition Bureau
Office of the Attorney General
One Ashburton Place
Boston, Massachusetts 02108
617-727-2200
sandy.alexander@state.ma.us