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UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW JERSEY

In re Neurontin Antitrust Litigation	**Master File No. 02-1390**
THIS DOCUMENT RELATES TO:	
LOUISIANA WHOLESALE DRUG COMPANY, INC., MEIJER, INC. and MEIJER DISTRIBUTION, INC., on behalf of themselves and all others similarly situated,	**Civil Action No. 02-1830** **Civil Action No. 02-2731**
Plaintiffs,	
v.	
PFIZER, INC. and WARNER-LAMBERT CO.,	
Defendants.	

PLAN OF ALLOCATION FOR DIRECT PURCHASER CLASS

I. INTRODUCTION

Louisiana Wholesale Drug Company, Inc. ("LWD"), Meijer, Inc., and Meijer Distribution, Inc. (together, "Meijer", and, with LWD, collectively, "Plaintiffs"),[1] on behalf of the previously-certified Class,[2] propose to allocate the settlement funds, net of Court approved attorneys' fees, named plaintiff incentive awards, and court approved expenses ("Net Settlement Fund") using a modified version of the methodology employed by Plaintiffs' economist Dr. Gary French to calculate aggregate overcharge damages to the Class. Dr. French submitted multiple reports during the course of this litigation in which he, among other

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[1] This Court appointed LWD and Meijer as representatives of the Class (the "Class Representatives"). Doc. No. 412 at ¶ 6.

[2] On January 25, 2011, this Court certified a class (the "Class") consisting of:

> All persons or entities in the United States that purchased Neurontin from Pfizer at any time during the period of December 11, 2002 through August 31, 2008 and who have purchased generic gabapentin. Excluded from the Class are Defendants and each of their respective parents, employees, subsidiaries, affiliates, and franchisees, and all government entities.

Doc. No. 412 at ¶ 4. Also excluded from the Class are CVS Pharmacy Inc., Caremark, L.L.C., Rite Aid Corporation, Rite Aid HDQTRS Corp., Walgreen Co., American Sales Co, Inc., HEB Grocery Co. LP, Safeway Inc., SuperValu Inc., and The Kroger Co., in their own right as direct purchasers of Neurontin from Pfizer and as assignees limited to their purchases of Neurontin from Class members.

things, set out his computations of aggregate damages to the Direct Purchaser Class.

Dr. French prepared an allocation methodology based upon a modified version of the model he employed to compute aggregated damages to the class as a whole. *See* Declaration of Gary French, Ph.D. Related to Proposed Allocation Plan and Net Settlement Fund Allocation (the "French Declaration"), attached hereto as Exhibit "A", at ¶¶ 7-9. He prepared a method that is (a) practicable given the available data and information, (b) efficient in terms of cost and time, and (c) consistent with the relative injuries suffered by each of the Claimants, and thus fair to all members of the Settlement Class. *Id*. at ¶ 7. Further, because most of the data necessary to carry out the allocation plan (the "Plan") is already in Dr. French's possession, he computed preliminary allocation shares to each Class member and set them out in Table 1 to the French Declaration.

II. ALLOCATION PLAN

The allocation plan (the "Plan") is set out in detail in the French Declaration. In summary, it works as follows:

1.1 The Claims Administrator selected by Class Counsel and appointed by the Court, Berdon Claims Administration LLC ("Berdon"), working with Dr. French's firm Nathan Associates, Inc., will provide a separate individualized Claim Form for each

Class member, in substantially the form attached hereto as Exhibit "B", based on information contained in the available transactional databases of defendants Pfizer, Inc. and Warner-Lambert Co. (together, "Defendants") and certain generic suppliers. French Declaration at ¶ 8. Berdon, working in conjunction with Nathan Associates and Class Counsel, shall distribute an individualized Claim Form to each Class member by First Class Mail within forty-five (45) days of the Final Approval of the Settlement and Allocation Plan. The Claim Form will include information identifying each Class member by its name and address including a list of related entities, as well as an estimate of each Class member's qualifying purchases of Neurontin and generic gabapentin.

1.2 The Claim Form will specifically request that each Class member verify the accuracy of the information contained in the Claim Form and will provide instructions for challenging any of the figures or computations contained in the Claim Form. If a Class member agrees that the information contained in the Claim Form is accurate, it will be asked to sign the Claim Form verifying its accuracy, and timely mail it to the Claims

administrator. If a Class member believes that the information contained in its Claim Form is not accurate, that Class member may, *e.g.*, submit its own purchase records in order to dispute that information pursuant to the procedures described below.

1.3 The Claim Form will request the entity's full name and mailing address appropriate for correspondence regarding the distribution of the Net Settlement Fund, and the identity and contact information for the person responsible for overseeing the claims process for the Claimant. All entities that timely submit executed Claim Forms are referred to herein as "Claimants." Some Claimants may be required to provide documentation of a purchase of generic gabapentin during the Class Period in order to be deemed eligible Class members.[3] Finally, the Claim Form will include the release language set out in the parties' Settlement Agreement, and will require each Claimant to execute the release as a condition of receiving any distribution from the Net Settlement Fund.

[3] Purchases of generic gabapentin from wholesalers or other indirect suppliers that are used to establish eligibility will not be included in the calculation of the *pro rata* shares of the Net Settlement Fund.

1.4 *Timeliness.* The submission of the Claim Form to the Claims Administrator (with any necessary supporting documentation if the Claimant is disputing information contained in its Claim Form) will be deemed timely if it is received or postmarked within 90 (ninety) days of the Final Approval of the Settlement and Allocation Plan (*i.e.*, 45 days after the Claim Forms are mailed to all Class members). At Class Counsel's discretion, this deadline may be extended another 45 days without approval of the Court. Class Counsel may also seek further extensions of the deadline by order of the Court after any initial extension.

2. <u>Calculation of *Pro Rata* Shares of the Net Settlement Fund.</u>

2.1 The distribution that each Claimant derives from the Net Settlement Fund will be set in proportion to each Claimant's actual purchases of branded and generic gabapentin during the Class Period.

2.2 In particular, the allocation computation will be based on the following information (whether from the transactional data already produced in discovery or from submissions by the Claimants): each Claimant's (a) total dollar volume purchases

of Neurontin capsules and/or tablets from Pfizer in any and all dosage strengths for the period January 1, 2003 to September 30, 2004 for capsules and from November 1, 2003 through October 31, 2004 for tablets; and (b) total dollar volume purchases of generic gabapentin directly from a gabapentin supplier whether capsules and/or tablets in any and all dosage strengths from October 1, 2004 for capsules and November 1, 2004 for tablets through August 31, 2008 for both capsules and tablets. The total dollar volume of "a" and the total dollar volume of "b" will then be summed.

2.3 To get the *pro rata* share for each Claimant of the Net Settlement Fund, the Claims Administrator will take the sum of "a" and "b" above for each Claimant and divide it by the total of "a" and "b" for all Claimants combined. Each Claimant's percentage share of all Claimants' purchases of Neurontin and generic gabapentin would reflect its *pro rata* share of the Net Settlement Fund. Based on the transactional data produced in discovery, Dr. French performed a preliminary computation of *pro rata* shares for each potential Claimant. That information is shown in Table 1 (attached to the French Declaration).

However, if any Class member fails to submit a claim or documents and submits alternative purchases, then the Claims Administrator will substitute the alternative purchases (if they are verified in the judgment of the Claims Administrator) and re-calculate the percentage share of each Claimant in Table 1.

2.4 The re-calculated percentage shares of all purchases of Neurontin and generic gabapentin during the Class Period will be applied to the Net Settlement Fund to determine the portions of the Fund to be remitted to each Claimant.

3. <u>Processing of Claims.</u>

3.1 All Claims will be reviewed and processed by the Claims Administrator with assistance from Dr. French and his staff at Nathan Associates.

3.2 *Acceptance and Rejection.* The Claims Administrator shall first determine whether a Claim Form received is timely, properly completed, and signed. If a Claim Form is incomplete, the Claims Administrator shall communicate with the Claimants via First Class Mail, email or telephone regarding the deficiency. Claimants will then have 25 days from the date they are contacted by the Claims Administrator regarding the

deficiency to cure any such deficiency. If any Claimant fails to correct the deficiency within this time, the claim may be rejected and the Claimant shall be notified of such rejection by letter stating the reason for rejection.

3.3 All timely Claim Forms that are properly completed shall be deemed approved by the Claims Administrator (the "Approved Claims"). All late Claims Notices that are otherwise complete will be processed by the Claims Administrator, but segregated as "Late Approved Claims." Class Counsel may decide to accept Late Approved Claims, in which case they will be treated as any other Approved Claim. The Court will determine ultimately whether to accept any Late Approved Claims that are rejected by Class Counsel.

3.4 *The Pro Rata Distribution Calculation*. The Claims Administrator, in conjunction with Dr. French, will be responsible for determining the total amount each Claimant will receive from the Net Settlement Fund. Once the Claims Administrator has determined the number of Approved Claims, it will calculate each Claimant's *pro rata* share of the Net

Settlement Fund as determined by the calculation described above.

4. Processing Challenged Claims.

4.1 The Claims Administrator, in conjunction with Dr. French and Class Counsel, shall review any and all written challenges by Claimants to the determinations of the Claims Administrator. If upon review of a challenge and supporting documentation, the Claims Administrator decides to amend or modify its determination of the distribution amounts to a Claimant, it shall advise those Claimants who made the challenge. These determinations shall be final, subject to the appeals process described below. In order to avoid unnecessary challenges based on erroneous search criteria, the Claims Administrator will provide Claimants with a list identifying each eligible type of Neurontin and generic gabapentin, including description and unique product ID, as used in the industry. This information will be compiled in conjunction with Dr. French and Class Counsel, and will be made available on the Claims Administrator's website.

4.2 Where the Claims Administrator determines that a challenge requires additional information or documentation, it will so advise the Claimant and provide that Claimant an opportunity to cure the deficiency within 25 days. If that Claimant fails to cure the deficiency within that time, the challenge will be rejected and the claimant will be notified of the rejection by mail, which notification shall be deemed final.

4.3 If the Claims Administrator concludes that it has enough information to properly evaluate a challenge and maintains that its initial determinations were correct, it will so inform the Claimant in writing, which notification shall be deemed final.

5. <u>Report to Court Regarding Distribution of Net Settlement Fund.</u>

5.1 After the Claims Administrator determines how much each Claimant is entitled to receive from the Net Settlement Fund, it will prepare a final report and affidavit to the Court for the Court's final review and approval of the Claims Administrator's determinations. The affidavit will explain the tasks and methodologies employed by the Claims Administrator in processing the claims and administering the Allocation Plan. It will also contain a list of each claimants' final *pro rata*

percentage share of the Net Settlement Fund, as well as a list of Class members (if any) who filed Claim Forms which were rejected and the reasons any respective claims were rejected as well as a list of any challenges to the estimated distribution amounts that were rejected and the reasons why they were rejected. Finally, the final report shall contain an accounting of the expenses associated with the Allocation Plan, including bills from Nathan Associates and Berdon, any taxes that are due and owing, and any other fees or expenses associated with the settlement allocation process.

6. Payment to the Claimants.

6.1 Upon Court approval of the final report and declaration of the Claims Administrator, the Claims Administrator shall issue a check payable to each Claimant in the amount approved by the Court.

7. Resolution of Disputes.

7.1 In the event of any disputes between Claimants and the Claims Administrator on any subject (*e.g.*, timeliness, or required completeness or documentation of a claims, or the calculation of any amounts payable), the decision of the Claims

Administrator shall be final, subject to the Claimant's right to seek review by the Court. In notifying a Claimant of the final rejection of a Claim or a challenge thereto, the Claims Administrator shall notify the Claimant of its right to seek such review by issuing notice to the Claims Administrator and Class Counsel.

7.2 Any such appeal by a Claimant must be submitted in writing to the Court, with copies to the Claims Administrator and Class Counsel, within 20 days of the Claims Administrator's mailing of the final rejection notification letter to the Claimant.

7.3 In the unlikely event that the number or complexity of disputes warrants, Class Counsel may request that the Court appoint a Special Master or Examiner, as appropriate, to resolve any disputes. For the Court's information, in the multiple prior cases in which an Allocation Plan substantially similar to the one proposed here was effectuated, no disputes requiring Court (or Special Master) have arisen.

Dated: July 1, 2014

Respectfully submitted,

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Exhibit A

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

In re NEURONTIN ANTITRUST LITIGATION	:	Civil Action No. 02-1390 (FSH) 02-2731 (FSH)
THIS DOCUMENT RELATES TO ALL ACTIONS	:	

DECLARATION OF GARY L. FRENCH, PH.D.
RELATED TO PROPOSED ALLOCATION PLAN AND
NET SETTLEMENT FUND ALLOCATION

I. BACKGROUND AND CREDENTIALS

1. I am an economist and Principal Consultant to Nathan Associates Inc., an economic and financial consulting firm with offices in Arlington, Virginia; Irvine, California; London, England; and Chennai and New Delhi, India that provides economic, financial and statistical research and analysis to private and public sector clients in the United States and abroad.
2. Prior to joining Nathan Associates in 1979, I was a member of the faculties of three universities over an eight-year period. During this period, I taught undergraduate and graduate courses in economics, finance, and statistics. Earlier, I earned three degrees

from the University of Houston – Bachelor of Business Administration in 1966, Master of Arts in economics in 1971, and Doctor of Philosophy in economics in 1973.

3. My experience includes the analysis of economic and financial issues in antitrust and other complex litigation concerning a variety of industries, including matters concerning the structure and conduct of industries, the definition of relevant markets, the determination of competitive and other economic impacts, especially economic impact upon plaintiff classes, and the development of class-wide analytical methods that can be applied to the assessment of damages.

4. I am familiar with the economic and academic literature concerning the pharmaceutical industry including the subject of generic entry and delayed generic entry. I also have specific experience in making economic assessments of the effects of the entry of generic drugs into pharmaceutical markets. For instance, I have been involved in a number of class action lawsuits concerning the pharmaceutical industry, similar to this one, in which plaintiffs alleged that the introduction of a generic equivalent drug was delayed by the conduct of drug manufacturers, including actions involving Coumadin, Hytrin, Paxil, K-Dur, Augmentin, Ditropan and Wellbutrin. In each of these prescription drug cases, I opined on class certification issues for direct or indirect purchasers. In particular, I assessed the impact of alleged wrongdoing on class members and identified methodologies for quantifying the aggregate class-wide damages.

5. Earlier I submitted three affidavits in the class certification stage of this litigation.[1] In these affidavits, I demonstrated and defended the conclusions that the fact of antitrust injury on all or nearly all members of the then proposed Class of direct purchasers of

[1] Affidavit of Gary L. French, Ph.D., Regarding Class Certification, May 11, 2009; Second Affidavit of Gary L. French, Ph.D., Regarding Class Certification, August 3, 2009; and Supplemental Affidavit of Gary L. French, Ph.D., Regarding Class Certification, July 6, 2010.

Neurontin could be demonstrated with evidence common to all Class members, and developed and described a methodology common to the Class for measuring the aggregate amount of class-wide damages. I also defended my class certification related opinions in a deposition on August 28, 2009. In addition, I submitted an expert report regarding damages to the direct purchaser Class on February 22, 2010, and replied to the criticisms of that report by Defendant Pfizer's expert, Professor James Hughes, in a second expert report on damages dated July 23, 2010.[2]

6. I understand that the Plaintiffs and Defendant (defined below) in this matter have proposed a settlement to the Court pursuant to which Defendant has agreed to pay $190 million to resolve this matter on a class-wide basis. On January 25, 2011, the Court certified the class for litigation purposes. On May 1, 2014, the Court issued an Order that preliminarily approved the proposed settlement and confirmed and modified the Class for settlement purposes. The Settlement Class is defined as follows: "All persons or entities in the United States that purchased Neurontin from Pfizer at any time during the period of December 11, 2002 through August 31, 2008 and who have purchased generic gabapentin. Excluded from the Class are Defendants and each of their respective parents, employees, subsidiaries, affiliates, and franchisees."[3] The Court stated further: "Also excluded from the Class are CVS Pharmacy, Inc., Caremark, L.L.C., Rite Aid Corporation, Rite Aid HDQTRS Corp., Walgreens Co., American Sales Co., Inc., HEB Grocery Co. LP, Safeway, Inc., SuperValu Inc., and the Kroger Co. in their own right as direct purchasers from Pfizer and as assignees limited to their purchases of Neurontin

[2] Revised Expert Report of Gary L. French, Ph.D., Regarding Damages to the Direct Purchaser Class, February 22, 2010; and Reply Expert Report of Gary L. French, Ph.D., Regarding Damages to the Direct Purchaser Class, July 23, 2010.
[3] Order Preliminarily Approving Settlement, Authorizing Notice to the Class and Setting Hearing, May 1, 2014, ¶2.

from Class members."[4] The "Class Period" runs from December 11, 2002 to August 31, 2008.

II. ASSIGMENT

7. In view of the proposed settlement, Class Counsel has asked me to devise a method that could be used to allocate the settlement fund, net of attorneys' fees, Plaintiff incentive awards, litigation and administration costs, and inclusive of interest ("Net Settlement Fund") to those members of the Settlement Class who submit claim forms ("Claimants") in a manner that is (a) practicable given the available data and information, (b) efficient in terms of cost and time, and (c) consistent with the relative injuries suffered by each of the Claimants, and thus fair to all members of the Settlement Class. The next section contains a summary of the method I developed to allocate the Net Settlement Fund. Following the summary, the rest of this declaration contains a summary of the claims Plaintiffs made in the case, and in particular, the theory Plaintiffs had pursued regarding how the alleged conduct caused Class members to pay more for the product at issue (gabapentin) than they would have paid in the but-for world; *i.e.*, to pay overcharges. I then describe the method by which I computed class-wide overcharge damages in the reports I earlier submitted in the case—a method I modified in devising the proposed allocation plan. Finally, I show in more detail how my class-wide damages methodology can be used, in modified form, as a means to allocate damages to individual Claimants on a *pro rata* basis that is both efficient and fair.

III. SUMMARY OF THE PROPOSED *PRO RATA* ALLOCATION METHOD

8. The *pro rata* allocation method I propose is derived from the class-wide damage methodology in my February 22, 2010 expert report, and is a simple, efficient and fair

[4] *Id.*, ¶ 3.

way to allocate the Net Settlement Funds among Class member Claimants, as explained in the remaining sections of this declaration. The simple steps required to compute each Claimant's share of the Net Settlement Fund are as follows:

(1) I first determined Class membership by examining the Neurontin sales data provided by Pfizer during the Class Period to determine the entities which directly purchased Neurontin from Pfizer. To qualify as a Class member, an entity must not only have bought Neurontin from Pfizer, but also must have purchased generic gabapentin during the Class Period. However, the entity qualified if it bought generic gabapentin directly from a drug manufacturer or from another source or both. By examining the sales databases provided by Greenstone, Purepac, Teva, Ivax and Apotex, I verified that most of the direct purchasers of Neurontin also purchased generic gabapentin. The remaining direct purchasers of Neurontin likely also purchased generic gabapentin from other manufacturers which did not provide data and/or from other sources such as drug wholesalers; however, these direct purchasers of Neurontin will need to document their purchases of generic gabapentin when they file claims.

(2) The Claimant must complete and return the Claim and Release form ("Claim Form") which encompasses either the acceptance of the Claimant's purchases of Neurontin and generic gabapentin during the Class Period (net of returns and any assigned claims) based on the (a) sales records of Defendant Pfizer and generic drug manufacturers accounting for over 90 percent of all generic gabapentin sales during the Class Period (all of which data were produced during discovery in this case), or (b) the submission of data reflecting its purchases of Neurontin and generic gabapentin along with any other documentation reflecting such purchases.

(3) My computation will be based on the following information (whether from the transactional data already produced in discovery or from submissions by the Claimants): each Claimant's (a) total dollar volume purchases of Neurontin capsules and/or tablets in any and all dosage strengths for the period January 1, 2003 to September 30, 2004 for capsules and from November 1, 2003 through October 31, 2004 for tablets; and (b) total dollar volume purchases of generic gabapentin from a gabapentin supplier whether capsules and/or tablets in any and all dosage strengths from October 1, 2004 for capsules and November 1, 2004 for tablets through August 31, 2008 for both capsules and tablets. I then add the total dollar volume of "a" and the total dollar volume of "b".

(4) To get the *pro rata* share for each Claimant of the Net Settlement Fund, I take the sum of "a" and "b" above for each Claimant and divide it by the total of "a" and "b" for all Claimants combined. Each Claimant's percentage share of all Claimants' purchases of Neurontin and generic gabapentin would reflect its *pro rata* share of the Net Settlement Fund. Based on the transactional data produced in discovery, I did a preliminary computation of *pro rata* shares for each Claimant. That information is shown in Table 1 (attached). However, if any Class member fails to submit a claim or documents and submits alternative purchases, then the Claims Administrator will substitute the alternative purchases and re-calculate the percentage share of each Claimant in Table 1.

(5) The re-calculated percentage shares of all purchases of Neurontin and generic gabapentin during the Class Period will be applied to the Net Settlement Fund to determine the portions of the Fund to be remitted to each Claimant.

9. If no alternative purchases are submitted by any Claimant and all Class members file claims, then the percentage shares for each Claimant shown in Table 1 would be employed to compute the portions of the Net Settlement Fund allocated to each Claimant. For example, if the Net Settlement Fund were $120,000,000, then the application of the percentage share for Morris Dickson Co, which has a share of 1.4344 percent in Table 1, would yield $1,721,280 as the *pro rata* portion of the Fund for Morris Dickson Co.

IV. SUMMARY OF PLAINTIFFS' CLAIMS

10. In this case, Plaintiffs alleged that Pfizer, Inc. and Warner-Lambert Co., which Pfizer acquired (collectively "Defendant"), engaged in an overarching anticompetitive scheme including, but not limited to, the following acts:

    i. Wrongfully listing patents in the Orange Book as claiming Neurontin, which did not meet the FDA's requirements for Orange Book Listing;

    ii. Filing allegedly baseless lawsuits claiming infringement of various patents in order to trigger the 30-month regulatory delays; and

    iii. Delaying the application process for the '482 patent, which delayed the issuance of the '482 patent and any patent infringement suits ultimately brought regarding that patent.

    Given the provisions of the Hatch-Waxman Act, Plaintiffs alleged that Defendant's acts delayed the market introduction of generic gabapentin anhydrous, the chemically active molecule in Defendant's brand name drug, Neurontin. Consequently, Plaintiffs alleged that Defendant maintained and chronologically extended its alleged monopoly of the U.S. market for gabapentin anhydrous in violation of Section 2 of the Sherman Act. Actual sales of generic gabapentin began in October 2004, but in the absence of Defendant's allegedly wrongful conduct, Plaintiffs had claimed that generic sales would have occurred as early as December 2002.

11. Plaintiffs alleged that by extending its monopoly from December 2002 to October 2004, Defendant was able to charge a supracompetitive price for Defendant's gabapentin product beyond the time that generic gabapentin would have been introduced in the absence of Defendant's allegedly illegal scheme. Consequently, members of the proposed Class purchased some units of Neurontin directly from Defendant that Defendant would have forgone had generic entry occurred earlier. Thus Class members who purchased Neurontin between December 2002 (the earliest month low priced generic gabapentin would have been introduced) and October 2004 (when the first generic gabapentin sales actually occurred) were overcharged by the difference between the higher price they paid for branded Neurontin and the lower price of generic gabapentin. I refer to this form of overcharges as the brand-generic or "BG" damages.
12. Class members also suffered overcharges on their purchases of generic gabapentin. Plaintiffs had alleged that Defendant's conduct not only delayed the initial entry of generic manufacturers, but subsequent entrants as well. Because the more generic competition, the lower the price, by allegedly delaying a second wave of generic entrants, Defendant caused Class members to pay artificially inflated prices for generic gabapentin as well. In the absence of Defendant's allegedly unlawful conduct, Plaintiffs alleged that generic entry would have occurred as early as December 2002 instead of when actual entry occurred in October 2004. Thus, beginning in October 2004, Class members were allegedly overcharged by the differences in the actual prices of generic gabapentin and the lower generic prices that would have existed beginning in October 2004 in the but-for world. These generic–generic or "GG" overcharges would have, Plaintiffs alleged, continued throughout the Class Period.

IV. SUMMARY OF MY CLASS-WIDE DAMAGES METHODOLOGY

13. In my revised damages report (dated February 22, 2010), I described and employed a "shift-back" methodology to calculate the BG and GG overcharge damages suffered by the Class as a whole during the Class Period. The monthly BG overcharges per unit starting in December 2002[5] were computed as the difference between the actual average Neurontin price in any given month less the shifted back average generic price that would have existed in that same month in the but-for world. Similarly, I computed the monthly GG overcharges per unit from October 2004 through August 2008 as the difference between the actual average generic gabapentin price in any given month less the shifted back average generic price that would have existed in that same month absent Defendant's conduct.

14. Once I had computed the BG average monthly overcharges per unit, I calculated the class-wide BG overcharges by multiplying the average BG overcharge per unit in each month by the total number of units purchased by the Class in each month. I then added the monthly BG overcharge dollar volumes for capsules from January 2003 through September 2004. Similarly, I calculated the class-wide GG overcharges by multiplying the average GG overcharge per unit in each month by the collective units purchased by the Class in each month, and then summing the monthly GG overcharge dollar volumes from October 2004 through August 2008. I computed the BG and GG overcharges separately by form (capsule or tablet) and dose (100, 300, 400, 600 or 800 milligrams).

V. PROPOSED PLAN OF ALLOCATION

[5] Due to the monthly nature of the sales data produced, but-for entry dates of the first of the month following the but-for entry dates listed in are used (January 2003 for 100, 300 and 400 mg and November 2003 for 600 and 800 mg products).

15. I have concluded that the methodology I employed in my February 22, 2010 damages report can also be used, with certain straightforward modifications, to assess overcharges paid by individual Class members, and thus could plausibly be used to allocate the Net Settlement Fund on a *pro rata* basis. Moreover, because most of the transactional data needed for this process is already in my possession (given that it was produced during discovery in this case), my proposed allocation method will not generally require individual Class members themselves to collect and turn over years-old individual purchase data.[6] Rather, each Class member can be sent a Claim Form with the information pre-printed such that all a Claimant need do as part of the allocation process is to verify the data, execute the form, sign the release, and send it back to the Claims Administrator.

16. Below I explain why this proposal (a) fairly reflects, on a *pro rata* basis, the overcharges incurred by each of the Class members, and (b) is highly efficient for the Claims Administrator to carry out and the Class members to comply. First, as to "a," Class members paid overcharges because, due to the alleged delay in generic competition, Defendant maintained prices for gabapentin at artificially high levels from December 2002 through September 2004. Class members also paid overcharges after September 2004 as well because Defendant's conduct, by allegedly delaying generic entry, also delayed the intensification of price competition in the sale of generic gabapentin by delaying the market entry of additional generic sellers. This delay in greater generic gabapentin competition caused Class members to pay higher prices for generic

[6] Based on assignment information I received, assigned purchases were removed from the data for assignors and added to the data for assignees where the assignees are Class members, or excluded altogether if the assignees opted out of the Class.

gabapentin from October 2004 through August 2008 than they would have absent Defendant's conduct.

17. The per unit injury on Class members' Neurontin purchases increased from month to month in the January 2003 – September 2004 period because, absent Defendant's conduct, the prices for generic gabapentin that would have been available during this period would have declined over the period as more generic manufacturers entered the market and intensified generic competition. Thus, the per unit BG damages increased from month to month from January 2003 through September 2004. The delay in initial generic entry by one or two sellers and the subsequent entry of additional generic sellers also caused the per unit GG damages that began in October 2004 to decline gradually over the remainder of the Class Period. Thus, both the BG per unit damages and the GG per unit damages varied over time.

18. Notwithstanding the month-to-month variation in per unit overcharge damages, the amount of Neurontin and generic gabapentin purchased by each Class member over the course of the entire Class Period is roughly proportional to the overcharges each Class member suffered. This is because Class members are resellers who continually purchased Neurontin, as well as generic gabapentin, during the Class Period. Class members are pharmaceutical wholesalers and retail pharmacies that had to carry inventories of both Neurontin and generic gabapentin to meet the demands of their customers for these products. Every month in the December 2002 – September 2004 period, and to a lesser extent afterwards, retail pharmacies filled prescriptions for Neurontin. Starting in October 2004, retail pharmacies also filled prescriptions for generic gabapentin. Because of the demand for Neurontin and its generics by

consumers/patients, all pharmacies had to regularly buy Neurontin and generic gabapentin to maintain inventories in order to fill prescriptions for Neurontin and generic gabapentin upon demand. Wholesaler Class members also regularly purchased Neurontin and generic gabapentin from Defendant and generic manufacturers to maintain inventories from which to supply Neurontin and generic gabapentin to their hospital, clinic and retail pharmacy customers. Hence, all Class members regularly purchased Neurontin and generic gabapentin during the Class Period.

19. Because of this regularity, the ratio of the unit volume of Neurontin or generic gabapentin purchased by a Class member to the class-wide unit volume of Neurontin or generic gabapentin purchased by all Class members during the Class Period would be similar to the ratio of the BG or GG overcharges to the same Class member to the class-wide BG or GG overcharges to all Class members during the Class Period. Consequently, the dollar volume ratios for Class members (*i.e.*, the total qualifying purchases for any Class member during the Class Period divided by the total qualifying purchases for all Class members during the Class Period) would be good proxies for the percentage of total Class overcharges incurred by any particular Class member. Thus, the simplified ratio I have proposed efficiently and fairly allocates the Net Settlement Fund among Class members. Put another way, I have simplified the allocation plan by aggregating the purchases of each Class member over the course of the entire Class Period, rather than conducting a month by month analysis, without sacrificing accuracy or fairness.

20. In my February 22, 2010 report, I calculated class-wide overcharges by form (tablet and capsule) and dosage using transaction data by form and dose for Neurontin and generic

gabapentin provided by Defendant and several generic manufacturers including Greenstone, Purepac, Teva, Ivax and Apotex.[7]

- Defendant Pfizer provided Neurontin data from January 2001 to September 2008;
- Defendant Pfizer provided data from its authorized generic subsidiary, Greenstone, for generic gabapentin from October 2004 to August 2008;
- Purepac provided data for generic gabapentin sales from October 2004 until December 2008;
- Teva provided data for generic gabapentin sales by Teva and Ivax from October 2004 until April 2009; and
- Apotex provided data for generic gabapentin from October 2004 until May 2009.

21. Neurontin and its generics were sold in capsules with 100, 300 and 400 milligrams of the active ingredient and in tablets with 600 and 800 milligrams of the active ingredient. Using net purchase dollars as the common measure, the total purchases of all the forms and doses by each Class member and all Class members together can be calculated from the data.[8]

22. Table 1 shows, based on the available data, the purchases of Neurontin from January 1, 2003 through September 30, 2004 for capsules and from November 1, 2003 through October 31, 2004 for tablets across all dosage strengths. Note that some entities show no Neurontin purchases during this period. These entities are nonetheless Class members

[7] My February 22, 2010 report describes the data provided to me in further detail. The available manufacturer data from Greenstone, Purepac, Teva, Ivax, and Apotex account for almost 95 percent of total gabapentin 300 mg volume sales. Generic manufacturers for whom I do not have data include Eon/Sandoz, Mutual, Ranbaxy, Sun, Amneal and Glenmark. I also received data from the following opt-outs and/or assignees: Rite-Aid and CVS regarding their assigned purchases from McKesson and Cardinal Health, and Meijer regarding its assigned purchases from Frank W. Kerr and McKesson. Additionally, I received Dr. Leffler's back-up materials, which quantified assigned purchases of Walgreens, Supervalu, Safeway, HEB Grocery and American Sales Company.

[8] I use dollars purchased instead of units to account for differences in the gabapentin content and price across the various strengths.

because they bought Neurontin after these early periods but before the end of the Class Period. Table 1 also shows each Class member's generic gabapentin purchases across all forms and doses in dollars from October 1, 2004 for capsules and November 1, 2004 for tablets through August 31, 2008 for both capsules and tablets. The Neurontin purchases are listed only for the sub-period from January 2003 through September 2004 because beginning in October 2004 when the first generic gabapentin sellers entered the market, Class members overwhelmingly bought generic gabapentin instead of branded Neurontin. The generic gabapentin purchases by Class members in Table 1 occurred from October 2004 through August 2008. They reflect generic purchases by Class members from Greenstone (Pfizer's generic manufacturing subsidiary), Apotex, Purepac and/or Teva/Ivax, which are the companies for which generic gabapentin sales transaction data have been provided and which are available to me. The dollar purchases in the total column of Table 1 are the sum of the Neurontin and generic gabapentin dollar purchases for each Class member in the table.

23. I identified the Class members in Table 1 using the Neurontin sales transaction data provided by Defendant.[9] I then further excluded from the table entities included in the sales data of Pfizer and generic manufacturers that have opted out of the Class. I excluded additional customers that have been acquired by entities that have opted out of

[9] The Class definition requires Class members to have both purchased Neurontin from Pfizer and generic gabapentin during the Class Period. Some of the Class members in Table 1 did not have any purchases of generic gabapentin from the manufacturers from which data were available, but these Class members presumably bought generic gabapentin from manufacturers which did not provide data or from some other source. In order to be considered Class members, these entities will need to provide evidence of their generic purchases along with their Claim Form. While both indirect and direct generic gabapentin purchases will be considered for determining Class eligibility, only generic purchases made directly from generic manufacturers will be considered in determining the Claimant's *pro rata* share. One entity in Table 1, PSS World Medical Inc., also had no direct purchases of Neurontin from Pfizer prior to October 2004, but rather only later when lower priced generic gabapentin was available. By the Class definition, PSS World Medical may still be a Class member if it documents some generic gabapentin purchases. If it does not document generic gabapentin purchases, it will not be considered part of the Class and its share of the Net Settlement Funds will be zero. But its share will be tiny and immaterial in any event.

the Class, including Eckerd (acquired by CVS and Rite-Aid), Brooks Pharmacy (acquired by Rite-Aid), Duane Reade (acquired by Walgreens), Happy Harrys (merged with Walgreens), and PMC Marketing Corp (acquired by Walgreens). I also separated out Meijer's assigned purchases from Frank W. Kerr and McKesson Corp. By combining related entities with their parent company and removing entities that have opted out of the Class, the number of Class members was reduced from 67 to 45.[10]

24. The percentages reflecting each Class member's qualifying Neurontin and generic gabapentin purchases divided by the total qualifying purchases of the Class as a whole set out in Table 1 could then be applied to the Net Settlement Fund to determine the amount in dollars to be allocated to each Class member.

25. Because I do not have all of the generic manufacturer data, Class members should be given the option of either accepting the information provided on the pre-printed Claim Form concerning their purchases of Neurontin and generic gabapentin, or augmenting the estimated purchase amounts with individual purchase records. The purchase data for each Class member that has already been obtained would be pre-printed on the Claim Form to be sent to each Class member.

26. It is possible that some Class members may not submit a claim. Because the entire Net Settlement Fund will be distributed to Class members who submit Claim Forms *pro rata*, if a Class member does not submit a claim, its designated allocation will automatically be redistributed *pro rata* to those Class members that submit claims. For these reasons, the percentages (or ratios) in the last column of Table 1 may have to be re-calibrated once all of the Claim Forms have been submitted.

[10] The 67 Class members did not include Meijer, but Meijer has been included in the count of 45 Class members because other Class members, namely Frank W. Kerr and McKesson, have assigned some of their respective claims to Meijer.

I declare to the best of my knowledge and ability that the foregoing is true and correct.

Gary L. French

June 23, 2014
Date

Table 1. Net Purchases of Neurontin and Generic Gabapentin in All Forms and Doses, by Class Member [a]
(Dollars unlesss otherwise noted)

Class Member	Neurontin Purchases During Allocation Sub-Period	Generic	Total	Percent of Total
ALLOU HEALTH AND BEAUTY INC*	9,242	-	9,242	0.0003%
AMERISOURCE [b]	1,006,294,553	224,388,857	1,230,683,410	33.8806%
BURLINGTON DRUG CO	2,575,981	393,346	2,969,327	0.0817%
CAPITAL WHOLESALE DRUG CO	2,760,476	173,974	2,934,450	0.0808%
CARDINAL HEALTH INC [c]	537,555,291	109,056,849	646,612,140	17.8012%
CESAR CASTILLO INC	1,131,646	238,403	1,370,049	0.0377%
DAKOTA DRUG INC	3,001,445	1,670,493	4,671,938	0.1286%
DIK DRUG CO INC	4,033,462	1,673,412	5,706,874	0.1571%
DISCOUNT DRUG MART INC	5,478,756	1,881,817	7,360,573	0.2026%
DMS PHARMACEUTICAL	422,947	63,934	486,881	0.0134%
DROG GONZALEZ INC*	43,604	-	43,604	0.0012%
DROGUERIA BAYAMON*	437,151	-	437,151	0.0120%
DROGUERIA BETANCES	3,942,357	2,752,287	6,694,643	0.1843%
DROGUERIA CENTRAL DOR*	4,108,586	(227)	4,108,359	0.1131%
DROGUERIA LAS ROSAS INC*	204,325	-	204,325	0.0056%
DROGUERIA SAN JUAN*	48,037	-	48,037	0.0013%
DRUGS UNLIMITED INC	589,013	203,353	792,366	0.0218%
EXPRESS SCRIPTS [d]	4,903,093	9,447,086	14,350,179	0.3951%
F DOHMEN CO	46,331,143	10,139,987	56,471,130	1.5546%
FMC DISTRIBUTORS*	761,871	-	761,871	0.0210%
FRANK W KERR CO [e]	5,018,907	2,796,685	7,815,593	0.2152%
GENERAL INJECTABLES AND VACCINE	11,783	261	12,044	0.0003%
GOODWIN DRUG CO	40,044	142	40,186	0.0011%
HARVARD DRUG GROUP LLC	2,634,914	14,118,569	16,753,483	0.4612%
HD SMITH WHOLESALE DRUG COMPANY [f]	31,276,527	15,856,549	47,133,076	1.2976%
HENRY SCHEIN INC [g]	-	23,452	23,452	0.0006%
J M SMITH CORP [h]	22,813,396	16,723,175	39,536,571	1.0884%
KAISER PERMANENTE	506,564	20,134,749	20,641,312	0.5683%
KING DRUG COMPANY	953,759	301,896	1,255,655	0.0346%
LOUISIANA WHOLESALE DRUG	1,160,787	2,468,418	3,629,205	0.0999%
MCKESSON CORP [i]	918,136,392	452,042,540	1,370,178,932	37.7209%
MEIJER [j]	39,180	13,542,340	13,581,520	0.3739%
MIAMI LUKEN INC	3,521,226	1,334,201	4,855,427	0.1337%
MORRIS DICKSON CO LLC	38,659,429	13,445,049	52,104,479	1.4344%
NC MUTUAL WHOLESALE DRUG CO	15,191,083	6,921,294	22,112,377	0.6088%
NYS DOCS CENTRAL PHARMACY	1,951,283	-	1,951,283	0.0537%
PHARMACY BUYING ASSOCIATION	3,946,174	1,632,611	5,578,784	0.1536%
PRESCRIPTION SUPPLY INC	1,358,197	645,274	2,003,471	0.0552%
PROFESSIONAL DRUG CO INC*	149,784	-	149,784	0.0041%
PSS WORLD MEDICAL INC [g]*	-	-	-	Need Customer Data
R AND S NORTHEAST LLC	131,326	77,825	209,151	0.0058%
R AND S SALES INC	1,027,156	292,469	1,319,625	0.0363%
RINOR CORPORATION*	18,390	-	18,390	0.0005%
ROCHESTER DRUG COOPERATIVE INC	8,967,236	4,929,481	13,896,717	0.3826%
SCHNUCKS	1,861,426	1,132,630	2,994,056	0.0824%
VALUE DRUG COMPANY	12,082,515	5,821,825	17,904,340	0.4929%
Total	2,696,090,458	936,325,004	3,632,415,462	100.0000%

Notes: The purchase figures in this table do not include purchases assigned to an opt-out. As the Class definition requires both brand and generic purchases, Class members with an * next to their name will need to provide evidence of their generic purchases in order to be entitled to their *pro rata* share. Both direct and indirect generic purchases will satisfy the detemination of Class eligibility, but only direct purchases will be considered for the settlement allocation.

[a] Purchases are net of returns, rebates, chargebacks and discounts. The purchases are summed over January 1, 2003-August 31, 2008 for 100MG, 300MG and 400MG products and November 1, 2003-August 31, 2008 for 600MG and 800MG products. Neurontin purchases are included only until the date of generic entry (through September, 30 2004 for 100MG, 300MG, and 400MG products and October, 31 2004 for 600MG and 800MG products). Opt-outs in the sales databases that are excluded (through direct or indirect purchases when assigned) are: CVS Pharmacy Inc., Caremark, L.L.C., Rite Aid Corporation, Rite Aid HDQTRS Corp., Walgreen Co., American Sales Co, Inc., HEB Grocery Co. LP, Safeway Inc., SuperValu Inc., and The Kroger Co. Their subsidiaries are also excluded: Walgreen's related companies DUANE READE, HAPPY HARRYS, and PMC MARKETING CORP; Rite Aid/CVS's related company ECKERD; Rite Aid's related company BROOKS. Also excluded is a customer with net negative purchases of Neurontin (GENERAL DRUG COMPANY AND SUBS).

[b] Includes related companies AMERISOURCE HEALTH CORPORATION, BELLCO DRUG (http://www.bellcoonline.com/bellcodrug.htm), BESSE MEDICAL SUPPLY (www.besse.com), and C D SMITH DRUG CO (http://www.fundinguniverse.com/company-histories/AmerisourceBergen-Corporation-Company-History.html).

[c] Includes related companies BORSCHOW HOSPITAL AND MEDICAL SUPPLIES of Puerto Rico, which was acquired in 2008 (https://cardinalhealth.pr/ourhistory.aspx?LN=EN), DIK DRUG (http://www.cardinal.com/us/en/aboutus/ourhistory/acquisition), KINRAY INC (http://www.kinray.com/cardinalpressrelease.pdf), and WILLIAMS DRUG DISTRIBUTORS, which was acquired by Bailey Drug Company, a company related to Cardinal. Excludes assigned sales to CVS/CAREMARK, AMERICAN SALES CO, HEB GROCERY, and WALGREENS.

[d] Includes PRIORITY HEALTHCARE OH which it acquired (http://phx.corporate-ir.net/phoenix.zhtml?c=69641&p=irol-newsArticle&ID=733708).

[e] Excludes sales assigned to MEIJER.

[f] Includes BARNES WHSLE DRUGS INC., which was acquired in 1999 and VALLEY WHOLESALE DRUG CO, a wholly owned subsidiary (http://www.hdsmith.com/about-us/).

is in the Class; see footnote in report for more detail.

[h] Includes related company SMITH DRUG COMPANY (http://www.jmsmithcorp.com/about-us).

[i] Includes related companies D AND K HEALTHCARE RESOURCES (http://www.bizjournals.com/stlouis/stories/2005/12/19/focus11.html?page=all), MCQUEARY BROS (http://www.mckesson.com/about-mckesson/newsroom/press-releases/2008/mckesson-corporation-to-acquire-mcqueary-brothers-drug-company/), subsidiary WALSH HEALTHCARE SOLUTIONS (http://investing.businessweek.com/research/stocks/private/snapshot.asp?privcapId=4182097) and its subsidiaries WALSH SOUTHWEST LLC (http://investing.businessweek.com/research/stocks/private/snapshot.asp?privcapId=6463389) and WALSH HEARTLAND LLC (http://www.sec.gov/Archives/edgar/containers/fix069/888914/000095013404001760/c82936aexv99w1.txt). Excludes assigned sales to RITE-AID, MEIJER, SAFEWAY and SUPERVALU.

[j] Meijer did not purchase directly but was assigned its purchases from FRANK W KERR CO for the entire Class Period, and MCKESSON CORP for the period from July 30, 2007 to August 31, 2008. The assignment agreement is unclear, but I assume that all purchases from MCKESSON during this time period are assigned. Meijer's purchases were identified using data provided by Meijer.

Sources: Pfizer's electronic data, Purepac's electronic data, Teva's electronic data, Ivax's electronic data, Apotex's electronic data, data produced by CVS/Caremark, Rite-Aid and Meijer, and backup to Dr. Leffler's Response to Supplemental Report of Monica Noether, Ph.D.

EXHIBIT B

In re Neurontin Antitrust Litigation,
United States District Court for the District of New Jersey
Civil Action Nos. 02-cv-1830 and 02-cv-2731

PROOF OF CLAIM AND RELEASE

INSTRUCTIONS – PLEASE READ CAREFULLY

I. INTRODUCTION

A. By Order dated May 1, 2014, the Court in this case preliminarily approved the Settlement between defendants Pfizer Inc. and Warner-Lambert Co. (collectively, "Defendants" or "Pfizer") and the Direct Purchaser Class (the "Settlement") for $190,000,000 plus interest (the "Settlement Fund") and scheduled a settlement hearing on July 31, 2014 to consider, among other things, the fairness of the settlement and the proposed Plan of Allocation of the Settlement Fund among Class Members (the "Fairness Hearing"). After the Fairness Hearing, the Court will decide whether to approve the Settlement.

B. You were mailed a Notice of Proposed Settlement of Class Action dated May 12, 2014 ("Settlement Notice"). The Settlement Notice summarized the litigation and the terms of the Settlement. A copy of the Court's Order preliminarily approving the Settlement and the Settlement Notice are available at www.berdonclaims.com, www.garwingerstein.com, and www.kaplanfox.com.

C. The purpose of this Proof of Claim Form and Release is to ensure that you are able to participate in the distribution of the Settlement Fund, net of attorneys' fees, expenses, incentive awards, and claims administration costs (the "Net Settlement Fund") if the Settlement is finally approved by the Court. Based on Pfizer's and generic gabapentin manufacturers' electronic sales data, an analyst retained by the attorneys for the Direct Purchaser Class has calculated an estimate of your *pro rata* share (percentage) of the Net Settlement Fund based on the total amount of purchases (which are expressed in dollars) of Neurontin and generic gabapentin that you made from Pfizer and generic manufacturers during the Class Period (December 11, 2002 through August 31, 2008).

II. GENERAL INSTRUCTIONS

A. To receive any money from the Net Settlement Fund, Class Members must complete the Proof of Claim and Release (Sections V to X *below*) and sign it under penalty of perjury. Claims of Class Members who fail to file a timely, complete, and properly-addressed Proof of Claim and Release may be rejected, and the Class Member may be precluded from any recovery. **Your completed and signed Proof of Claim and Release must be postmarked on or before _____, and sent to the Claims Administrator** at:

In re Neurontin Antitrust Litigation
c/o Berdon Claims Administration, LLC
P.O. Box 9014
Jericho, NY 11753-8914
Phone: 800-766-3330
Fax: 516-869-0140
Website: www.berdonclaims.com

B. All inquiries regarding the allocation of settlement proceeds should be made **in writing** to the Claims Administrator at the address above.

C. All Class Members who did not previously seek exclusion from the Class are bound by the terms of the judgment entered in this action regardless of whether they submit a Proof of Claim and Release.

III. CLAIM FORM INSTRUCTIONS

A. CLASS MEMBERS' QUALIFYING PURCHASES OF NEURONTIN AND GENERIC GABAPENTIN ESTIMATED *PRO RATA* SHARE OF THE NET SETTLEMENT FUND: An analyst retained by the attorneys for the Direct Purchaser Class has calculated the total net amount of purchases of Neurontin and generic gabapentin you and your related companies made from Pfizer and generic manufacturers during the Class Period (December 11, 2002 through August 31, 2008), as reported in Pfizer's and generic gabapentin manufacturer' electronic sales data. Due to the monthly nature of the sales data produced, qualifying purchases were calculated based on the first of the month following the beginning of the Class Period (January 1, 2003 for capsules and November 1, 2003 for tablets). Qualifying purchases are those purchases of Neurontin directly from Pfizer through September 30, 2004 for capsules, and October 31, 2004 for tablets, and purchases of generic gabapentin directly from generic gabapentin manufacturers through August 31, 2008. Generic gabapentin manufacturers that provided electronic data are Greenstone, Purepac, Apotex, Ivax, and Teva. Based upon that purchase amount, the analyst has provided an initial estimate of your *pro rata* share (percentage) of the Net Settlement Fund. This initial estimate is based upon the allocation plan to be approved by the Court at the Settlement Hearing, and is subject to change based on the factors listed in Section VIII.

B. VERIFICATION: Each Claimant should verify the accuracy of the total dollar amount of qualifying purchases listed in Section VII. If you agree that the information in Section VII is accurate, you should check the box in Section VII, sign the Proof of Claim Form, and mail it to the Claims Administrator at the address listed in Section II(A), **postmarked no later than _____**, and you will not be required to produce any purchase data. By agreeing with the amount listed in Section VII, you will be waiving the right to challenge the Claim Administrator's determination regarding your *pro rata* distribution amount on the ground that the distribution amount would have been different had it been calculated using your own purchase records.

C. INACCURATE INFORMATION: If you find that the estimate drawn from Pfizer's and generic gabapentin manufacturers' sales data is **materially** different from the summary based on your internal records, you have an option to file your claim based on your internal records. In that case, you will need to provide supporting documentation, which is subject to review and evaluation by the Claims Administrator.

D. PROOF OF ELIGIBILITY: Per the Class definition, in order to be part of the Direct Purchaser Class, you must have purchased Neurontin from Pfizer **plus** generic gabapentin (either directly from generic manufacturers or indirectly from wholesalers) during the Class Period. If your Claim Form does not list any generic purchases, in order to be considered eligible for your *pro rata* share of the Net Settlement Fund, you will be required to provide documentation that you purchased generic gabapentin during the Class Period, which will be subject to review and evaluation by the Claims Administrator.

IV. ASSIGNMENTS

If you have assigned any claims at any time or are proceeding based on asserted assignments of claims from one or more Class Members relating to any purchases of Neurontin from Pfizer during the time period December 11, 2002 through August 31, 2008 and of generic gabapentin, please include notarized documentation of such assignments with your completed Claim Form.

Your Proof of Claim Form & Release Must Be Postmarked No Later Than:

In re Neurontin Antitrust Litigation,
United States District Court for the District of New Jersey
Civil Action Nos. 02-cv-1830 and 02-cv-2731

CLAIM FORM

Please print (or type) clearly in blue or black ink.

V. CLAIMANT IDENTIFICATION

Name and Address of Class Member *(as appears on invoices)*	**Please make all required updates below:**
	_____ _____ _____ _____ _____ _____

Contact Person: _____ Phone Number: _____

Email Address: _____ Fax Number: _____

VI. CLAIMANT ELIGIBILITY

It has been determined that:

[ ] You are considered an eligible Class Member without providing further documentation; or

[ ] To be considered a Class Member, you must provide documentation, as described in detail in Section IX, of generic purchases of gabapentin (either directly from generic manufacturers or indirectly from wholesalers) during the period from October 1, 2004 through August 31, 2008. While purchases of generic gabapentin from wholesalers will be considered for determining a Claimant's eligibility as a Class Member, indirect purchases will not be considered for purposes of allocating the Net Settlement Fund.

VII. AMOUNT OF QUALIFYING PURCHASES OF NEURONTIN AND GENERIC GABAPENTIN

Your total amount of qualifying purchases of Neurontin and generic gabapentin is $_____.

Attachment 1 details your qualifying purchases by manufacturer, dose and form and lists any related companies which have been included in this estimate.

Qualifying purchases are those purchases of Neurontin directly from Pfizer during the period January 1, 2003 through September 30, 2004 for capsules, and November 1, 2003 through October 31, 2004 for tablets, and purchases of generic gabapentin directly from generic gabapentin manufacturers during the period October 1, 2004 through August 31, 2008 for capsules and November 1, 2004 through August 31, 2008 for tablets. Generic gabapentin manufacturers included in this estimate are Greenstone, Purepac, Apotex, Ivax, and Teva. Electronic data were not provided for other manufacturers.

[ ] Check here if you do not dispute the above information.

VIII. INITIAL ESTIMATE OF YOUR *PRO RATA* SHARE OF THE NET SETTLEMENT FUND

The initial estimate of your *pro rata* share is _____%.

Note that this initial estimated *pro rata* share is based on the assumption that 100% of the Class is determined to be an eligible Class Member, accepts the information drawn from Pfizer's and generic manufacturers' sales data and elects to participate in the settlement allocation process by filing a timely claim form. This initial estimated *pro rata* share is subject to change depending on the following factors: (1) the number of Class Members deemed ineligible due to insufficient generic purchases; (2) the actual level of participation by Class Members in the settlement allocation process;

and (3) the number of claimants disputing the Claims Administrator's determination of their amount of qualifying purchases.

IX. AMOUNT OF QUALIFYING PURCHASES BASED ON YOUR INTERNAL RECORDS

If you find that the estimate drawn from Pfizer's and generic gabapentin manufacturers' sales data is **materially** different from the information drawn from your internal records, you have an option to file your claim based on your internal records.

[ ] Check here if you choose to file your claim based on the information drawn from your internal records.

State the total amount of qualifying purchases based on your internal records: $_____

If you decide to dispute the amount listed in Section VII, you must **provide the Claims Administrator with valid documentation** in support of the purchases claimed. Acceptable documentation includes copies of (a) purchase invoices or (b) internal purchase records or ledgers certified by your purchasing (accounts payable) department or an independent accountant. Such documentation must indicate the (a) date of purchase; (b) product description including dosage and form; (c) supplier; (d) purchaser (including proof that the purchaser is you, your related company, or your valid assignor, and that the purchaser was invoiced by Pfizer or a supplier of generic gabapentin for the purchase and appears as the "bill to" or "sold to" entity in the transactional data); (e) quantity purchased net of returned units or dollar value of purchases net of returned product; and (f) price paid for each purchase, net of rebates and discounts. All documentation is subject to review and evaluation by the Claims Administrator.

X. RELEASE AND SUBMISSION TO JURISDICTION OF THE COURT

RELEASE

A. By signing below, you confirm that you (including any of your past, present or future officers, directors, insurers, general or limited partners, divisions, stockholders, agents, attorneys, employees, legal representatives, trustees, parents, associates, affiliates, joint ventures, subsidiaries, heirs, executors, administrators, predecessors, successors and assigns, acting in their capacity as such) (the "Releasors"), whether or not you object to the Settlement and whether or not you make a claim upon or participate in the Settlement Fund, unconditionally, fully and finally release and forever discharge Defendants and their past, present and future parents, subsidiaries, divisions, affiliates, joint ventures, stockholders, officers, directors, management, supervisory boards, insurers, general or limited partners, employees, agents, trustees, associates, attorneys and any of their legal representatives (and the predecessors, heirs, executors, administrators, successors and assigns of each of the foregoing) (the "Released Parties") from all manner of claims, debts, obligations, demands, actions, suits, causes of action, damages whenever incurred, liabilities of any nature whatsoever, including costs, expenses, penalties and attorneys' fees, known or unknown, suspected or unsuspected, accrued in whole or in part, in law or equity, ever had, now has, or hereafter can, shall or may have, directly, representatively, derivatively or in any other capacity, arising out of or relating in any way to any conduct alleged or asserted in any complaints that Plaintiffs filed in this Class Action, relating to any alleged delay in the marketing, sale, manufacture, pricing, or purchase of, or the enforcement of intellectual property related to Neurontin or its generic equivalents, prior to the date hereof, except for any claims between Plaintiffs, Class members and the Released Parties concerning product liability, breach of contract, breach of warranty or personal injury (the "Released Claims").

B. In addition, upon the Settlement becoming final, you hereby expressly waive, release and forever discharge any and all provisions, rights and benefits conferred by § 1542 of the California Civil Code, which reads:

> Section 1542. General Release; extent. A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor;

or by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable or equivalent to § 1542 of the California Civil Code. You hereby also expressly waive and fully, finally and forever settle, release and discharge any known or unknown, suspected or unsuspected, asserted or unasserted, contingent or non-contingent claim that would otherwise fall within the definition of Released Claims, whether or not concealed or hidden, without regard to the subsequent discovery or existence of such different or additional facts. You also hereby expressly waive and fully, finally and forever settle, release and discharge any and all claims you may have against any Released Party under § 17200, *et seq.*, of the California Business and Professions Code or any similar

comparable or equivalent provision of the law of any other state or territory of the United States or other jurisdiction, which claims are hereby expressly incorporated into the definition of Released Claims.

C. By signing below, you also are verifying that you have not assigned or transferred any matter released pursuant to this release or any other part or portion thereof. You are further verifying under penalty of perjury that the information provided in this Proof of Claim and Release is accurate and complete.

D. By signing below, you are agreeing to submit to the jurisdiction of the United States District Court for the District of New Jersey with respect to the claim you are making as a Class Member, and for purposes of enforcing the Release set forth in the accompanying Instruction and Release Form. You declare, under penalty of perjury under the laws of the United States of America, that the foregoing information provided by the undersigned is true and correct and that this Proof of Claim and Release was executed:

_____ ____ ____ at _____, _____
Month Day Year City State

_____ _____
(Sign your name here) (Type/Print your name here)

_____
(Type/Print your company name here. Please include all related entities)

_____
(Capacity of person signing, e.g., President, Partner)

ACCURATE PROCESSING OF CLAIMS MAY TAKE SUBSTANTIAL TIME.

THANK YOU IN ADVANCE FOR YOUR PATIENCE.

REMINDER CHECKLIST

1. If the second box in Section VI has been checked by the Claims Administrator, please provide the requisite supporting documentation regarding your generic gabapentin purchases in order to be eligible for your *pro rata* share of the Net Settlement Fund.
2. **If you agree** with the Claims Administrator's determination of the dollar amount of your Neurontin and generic gabapentin purchases shown in the attachment, please check the box in Section VII.
3. **If you do not agree** with the Claims Administrator's determination, you may dispute the amount of qualifying purchases in Section IX by providing the requisite supporting documentation to the Claims Administrator.
3. Please sign the Release and Submission to the Jurisdiction of the Court in Section X.
4. Maintain the original documents and electronic files supporting your claim (where applicable).
5. Keep a copy of the completed Proof of Claim and Release for your records.
6. If you want proof that your claim was received, send your Proof of Claim and Release by Certified Mail (return receipt requested). **You will bear all risks of delay or non-delivery of your claim.**
7. Submit your original, signed Proof of Claim and Release to the Claims Administrator **postmarked no later than _____.**
8. If your address changes in the future, or if this document was sent to an incorrect address, please send us **written** notification of your new address.
9. If you have any questions concerning your claim or the Proof of Claim and Release, please contact the Claims Administrator at:

In re Neurontin Antitrust Litigation
c/o Berdon Claims Administration, LLC
P.O. Box 9014
Jericho, NY 11753-8914
Toll-free Phone: 800-766-3330
Fax: 516-931-0810
Website: www.berdonclaims.com

ATTACHMENT 1

[Entity Name] Net Purchases of Neurontin and Generic Gabapentin by Manufacturer, Dose and Form (in Dollars)

Dose	Form	Neurontin	Greenstone	Purepac	Apotex	Teva	IVAX	Total Generic	Total
100MG	CAP								
100MG	TAB								
300MG	CAP								
300MG	TAB								
400MG	CAP								
400MG	TAB								
600MG	TAB								
800MG	TAB								

Notes:

The above summary represents aggregate purchases of the entire entity, including its related entities:

Settlement ID: ____