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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

IN RE JUUL LABS, INC.,
MARKETING, SALES PRACTICES,
AND PRODUCTS LIABILITY
LITIGATION

Case No. 3:19-md-02913-WHO

**DECLARATION OF SARAH R. LONDON IN
SUPPORT OF FEE COMMITTEE'S FIRST
SUPPLEMENTAL RECOMMENDATIONS
RE: EXPENSE PAYMENTS**

This Document Relates to:

All Cases

1 I, Sarah R. London, declare and state as follows:

2 1. I am an attorney in the law firm of Lief, Cabraser, Heimann & Bernstein, LLP. I
3 serve as Co-Lead Counsel and Liaison Counsel in this litigation. I am a member of the State Bar
4 of California and am admitted to practice before this Court. I make this declaration based on my
5 own personal knowledge. If called upon to testify, I could and would testify competently to the
6 truth of the matters stated herein.

7 2. I submit this declaration in support of the Fee Committee's Altria Settlement Fee
8 Recommendations and First Supplemental Expense Recommendations.

9 **The Fee Committee's Approach to Altria-Related Fees**

10 3. When allocating fees in connections with the JLI settlements, the Fee Committee
11 was aware of the estimated fees to come from the Altria settlements, as well as the efforts various
12 firms put towards both class certification and the *SFUSD* trial against Altria.

13 4. To set firms' expectations, the Fee Committee determined it made sense to account
14 for the potential Altria fees in allocating JLI fees.

15 5. In particular, the Committee decided that, for most firms, their JLI allocation
16 would reflect their contributions to the litigation as a whole. They would receive no additional
17 Altria allocation.

18 6. A few firms, especially those that contributed most significantly to the *SFUSD*
19 trial or to class certification, would receive Altria-specific allocations (and bear the risks that the
20 Court would reduce the Altria class fee or the Altria settlements would not become final).

21 7. The Fee Committee communicated this determination to all affected firms, and
22 they were given the opportunity to respond or object.

23 8. On February 26, 2023, the Fee Committee sent to each firm that reported common
24 benefit time to this Court or the JCCP the Committee's Altria-related recommendations.

25 9. The Committee invited any firm that wished to discuss their proposed allocation to
26 schedule a meeting with the Committee. A few firms requested and received meetings.

27 10. The Committee took those meetings into account when crafting the allocation
28 attached to these Recommendations.

1 **Status of CMO 5(A) Cost Accounts**

2 11. As directed by the Court's order approving Fee Committee recommendations
3 (ECF 4178), in my role as Co-Lead Counsel, Liaison Counsel, and JLI Settlement Trustee, I
4 directed that the Court's authorized fee and cost payments be made from the CMO 5(A) cost fund
5 established in connection with the JLI settlements.

6 12. The Settlement Trust paid out approximately 93% of the awarded cost fund
7 assessments and held costs, \$700,000 in pending and anticipated expenses to the MDL cost fund,
8 and \$1,350,000 to BrownGreer PLC, reflecting its initial invoices.

9 13. As of April 1, 2024, the CMO 5(A) cost fund currently has approximately
10 \$1,883,000. We deliberately held back this amount to ensure sufficient funds to pay the MDL's
11 ongoing bills while awaiting future payments from the JLI and Altria settlements.

12 14. More funds are expected when the Altria settlements become effective, and when
13 JLI makes its future settlement payments.

14 15. After the Court approved the Fee Committee Recommendations, Co-Lead
15 Counsel became aware of two record-keeping errors in the held cost data. First, certain held costs
16 (\$28,996.21) were inadvertently attributed to one firm when they should have been attributed to
17 two other firms. This error will be corrected in future cost payments. Second, one firm had a
18 \$200,000 cost fund assessment that was mistakenly double-counted. This error has already been
19 accounted for by reducing one of that firm's fee payment (with the difference transferred from the
20 fee account to the cost account).

21 **REQUESTED COST REIMBURSEMENTS**

22 16. Since the Court approved the Fee Committee's Recommendations, several cost-
23 related developments have occurred. First, MDL and JCCP firms continued to report their held
24 costs to Judge Andler and to the Court (for MDL firms). Second, the MDL cost fund continues to
25 incur expenses related to MDL management generally. And third, the Tribal Subcommittee has
26 established a Tribal Litigation Fund to manage common expenses related to the ongoing tribal
27 litigation against Altria. Fourth, BrownGreer PLC has submitted invoices and projected expenses
28 that exceed the \$4.3 million the Court has already authorized.

1 17. The Fee Committee recommends the Court authorize additional reimbursements in
2 all three areas. At this time, there are not sufficient funds available to reimburse all of the held
3 costs, but the Fee Committee anticipates making those payments when future JLI and Altria
4 settlement payments are made.

5 18. The Committee recommends reimbursement of \$2,076,034.37 in MDL held costs
6 and \$121,903.33 in JCCP held costs. These numbers account for a large trial-related cost reversal
7 that will be included in the March 15, 2024 report to the Court. As with the held costs previously
8 authorized by the Court, all of these amounts were submitted to and approved by Judge Andler.

9 19. Even in a settlement posture, this litigation continues to require significant
10 ongoing expenses, including large document hosting costs and Special Master fees. To simplify
11 ongoing cost payments, the MDL and the JCCP have agreed that significant ongoing expenses
12 will be paid for out of the MDL cost fund. As of March 25, 2024, the JCCP cost fund had a
13 current balance of approximately \$5,900, will use these funds to pay ongoing expenses in
14 connection with JCCP proceedings, and will transmit the balance to the MDL at the appropriate
15 time. As of April 9, 2024, the MDL cost fund has a balance of \$34,758.26 and outstanding bills of
16 \$722,051.33.

17 20. The Altria settlements include personal injury, government entity, and class
18 plaintiffs, but did not include the tribal cases. Those cases continue to be litigated.

19 21. The Court-appointed Tribal Subcommittee, consistent with CMO 5 and with the
20 approval and under the supervision of Co-Lead Counsel, established a Tribal Litigation Fund to
21 manage expenses for that ongoing litigation that meet the definition of “Shared Costs” in CMO 5.

22 22. At this time, firms have contributed \$750,000 into the tribal litigation fund. As of
23 March 27, 2024, the fund had \$59,828.50 in remaining funds (with \$19,074.06 in invoices
24 outstanding), which will be used to pay ongoing tribal-related expenses.

25 23. The Court earlier authorized payment up to \$4.3 million to the BrownGreer PLC,
26 the non-class settlement administrator. Co-Lead Counsel directed payments of \$1,350,000 in
27 initial invoices. BrownGreer has now submitted invoices for an additional \$3,127,029.23.

28

1 BrownGreer estimates its future fees and expenses in connection with administering the JLI and
2 Altria settlements will be \$572,000.

3 24. Exhibit 1 to the Fee Committee's Recommendations (ECF 4152-2) inadvertently
4 omitted one firm's contribution of \$300,000. Exhibit 2 to these Recommendations includes that
5 omitted amount.

6 I declare under the penalty of perjury that the foregoing is true and correct.

7 Executed this 9th day of April, 2024, in San Francisco, California.

8 /s/ Sarah R. London

9 Sarah R. London

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